



EDITORIAL

The diversification needs within the RMG sector

Bangladesh will lose the LDC-specific international support measures (ISMs), including preferential market access, after graduation in November 2026. Loss of existing facilities will adversely impact the country's exports, especially RMG exports, to EU and North American markets. According to an estimation, Bangladesh's export may face an 8-10 per cent revenue loss due to the decline of the duty-free and quota-free (DFQF) market access that Bangladesh is enjoying now under the WTO's generalised system of preferences (GSP). In the post-graduation period, Bangladesh may need to reshape its trade in line with WTO rules, when subsidies for export promotion would not be available.

Bangladesh has an ambitious target of doubling its export earnings in the next decade and USD 150 billion by 2031 from its current export of USD 52 billion. What initiatives should Bangladesh take to reach these targets and tackle future challenges? Our research and dialogues with the private sector stakeholders have found diversification the most critical factor in maintaining sustainable export growth in the post-LDC graduation period. Three types of diversification are mandatory now: export market diversification, product

diversification beyond RMG, and product diversification within RMG.

Bangladesh's export was USD 52.08 billion in the fiscal year 2021-22, of which RMG's contribution is nearly 82 per cent. Most importantly, the export of RMG is very much concentrated in the USA and EU markets. Around 70 per cent of the country's RMG export is limited to countries like the USA, Germany, the UK, Spain, France, Italy, Netherlands, Canada, and Belgium.

There are many reasons which contributed to the barriers to export diversification: A lack of political focus and strategy as well as scattered initiatives; limited access to technology and know-how; lack of success in attracting FDI, including a strategic focus on major Asian economies like China (including Hong Kong), Japan, Korea and Singapore.

Foreign Direct Investment (FDI) has a strong correlation with export diversification. It is hoped that LDC graduation will brighten the country's image, which can help increase FDI inflow by transmitting positive signs about the country's business environment to foreign investors. To attract FDI in the country, we need efforts towards improving global ranking in terms of ease of doing business, productivity index, and logistic index. Joint ventures with foreign investors can help get technical know-how and enhance product quality. Backward linkage

industries should be promoted to promote FDI in the country.

A recent BUILD study showed that Bangladesh's RMG sector is in the 2nd position in the world. However, its share is still 9.4% and 8.5 %, respectively, under HS 61 (knit) and 62 (woven). The share of China is about 32% and 30%. While the share of Vietnam is 5.8%, for both 61 and 62, India 2.9% and 3.1%, and Sri Lanka 1.27% and 0.8%, respectively. Not to mention, Bangladesh is exporting only five or six products like t-shirts, shirts, trousers, sweaters and jackets, but within RMG, there are several value-added products for which Bangladesh can drive an increase in export.

Bangladesh exports mainly a few low-value-added RMG products, which have, of course, got colossal demand. If more value-added products can be exported, export earnings within RMG can increase further. Over concentration in low value-added products following OEM, where design and branding are still lacking. Of 233 products in RMG, 73% of the export product's unit value is below USD 15, while 3% is above USD 35. High-value products include bow ties, silk cravats, professional gloves, ties, handkerchiefs, swimwear, corselettes, shawls, scarves, mufflers, overcoats, raincoats etc., that we may produce. Also, the demand for products of artificial fibre has been increasing. Product Innovation is very much to enhance the competitiveness of the RMG sector in Bangladesh.

Market diversification is another area which can reduce the dependence on a single market; however, businesses are now investing in accelerated market research, which may need some time to produce results. Market and product diversification should be the top priority of the new Export Policy. This policy should consider the recent economic crisis due to the Russian invasion of Ukraine, global economic recession, sanctions, countersanctions, and currency depreciation, among other things. ■

Ferdaus Ara Begum
 CEO, BUILD



Second meeting of the NLDCC held at PMO

The title of the five sub-committee and their Terms of Reference were set in the second meeting of the National Logistics Development and Coordination Committee (NLDCC) held at the Prime Minister's Office on 13 April 2023 under the chairmanship of Md Tofazzel Hossain Miah, Principal Secretary to HPM. Shahida Sultana, DG of Executive Cell, PMO, presented the draft committee formation and TOR of the sub-committee (namely policy and regulatory framework, infrastructure, investment attraction, institutional and capacity development, and technology and digitalisation) in the meeting.

Ferdaus Ara Begum, CEO of BUILD, suggested forming a time-bound action plan for all sub-committees to implement responsibilities assigned through the TOR. She thanked Principal Secretary to HPM for including BUILD and LIDWC in the sub-committee of NLDCC. She expressed candidness to extend all the possible research and secretarial support to attain the objectives of NLDCC.

World Bank Transport Specialist Nusrat Nahid Babi expressed willingness to provide financial and technical assistance to NLDCC to conduct its initiatives. M. Lutfullah, Senior Private Sector Specialist of IFC, informed that a stock-taking initiative is going on to map the projects taken by development partners in Bangladesh for the development of logistics scenario, and the findings will be shared with PMO shortly.

Principal Secretary to HPM appreciated CEO BUILD for coming up with the support extended to PMO since 2020 for the performance improvement of the logistics eco-system of Bangladesh to ensure holistic socio-economic development. He assured the audience that all the session inputs would be addressed to finalise the TOR, which will be shared with members shortly.

Members of NLDCC from the Ministry of Industries, Commerce, Road Transport, Home Affairs, Foreign Affairs, Civil Aviation, BIDA, BEZA, Finance, Shipping, Bridge Division, LGD, NSDA, NBR, Bangladesh Bank, FBCCI, DCCI, MCCI, CCCI, BUET, BSCMS, SCB, BAFFA, Policy Exchange, LIDWC graced the meeting with valuable remarks. ■

BUILD Chairperson joined the LDC5 conference in Qatar

The 5th United Nations Conference on the Least Developed Countries (LDCs) started in Doha, the capital of Qatar. Bangladesh is one of the conference's most significant participants among the LDCs. Prime Minister Sheikh Hasina, with a delegation from Bangladesh, joined the plenary session on the first day of the conference on 5th March and, in her speech, highlighted the role of development partners in transitioning least developed countries from the list of LDCs. BUILD Chairperson Nihad Kabir attended the conference as a member of her entourage.

This conference is significant for Bangladesh as the country will graduate from LDC in 2026. Bangladesh must get its development partners on its side to face the post-graduation challenges. However, considering the current global economic recession, this conference is also significant for all LDCs and their development partners.

The conference of 46 LDC countries organised by the United Nations continued from 5th to 9th March. The conference featured plenary sessions, parallel high-level thematic roundtables, and parallel and sideline events on various thematic priorities of the Doha Program of Action (DPoA). Over five days of the conference, BUILD Chairperson met with the private sector, civil society, parliamentarians, and young people to advance new ideas, raise new pledges of support, and spur delivery on agreed commitments through the DPoA. ■

Launching of Bangladesh Business Confidence Survey Report 2022-23

The Bangladesh Business Confidence Survey Report 2022-23 reveals that the overall Business Confidence Index (BCI) for 2022 stands at 74.4, indicating a positive outlook for business conditions over the next six months. Business entities across Bangladesh are confident that the volume of orders for the manufacturing sector, demand for services in the service sector, selling prices, and business activity will increase in the next six months. As a result, businesses are willing to expand

their employment and investment over the same period. However, business entities, especially in the manufacturing sector, have low confidence in costs, indicating the need for immediate action to address the cost burden of businesses, including the cost of electricity, water, gas, rent, and materials.

The Business Initiative Leading Development (BUILD) and the USAID-funded Feed, the Future Bangladesh Trade Activity, jointly launched the "5th Business Confidence Survey Report 2022" on 5 March 2023 at InterContinental Hotel, Dhaka. The survey was conducted between September and November 2022, covering 567 business entities across Bangladesh and aimed to analyse the existing business condition in the last six months (March 2022–August 2022) and anticipate turning points in the economic activities for the next six months (December 2022–June 2023) to enable businesses to prepare and plan accordingly to mitigate risks.

Nurul Majid Mahmud Humayun MP, Hon'ble Minister, Ministry of Industries, was the chief guest of the event where Abul Kasem Khan, Co-chair, LIDWC, BUILD, Martin Holtmann, International Finance Corporation, Country Manager, Bangladesh, Bhutan, and Nepal, A. H. M. Ahsan, Vice Chairman, Export Promotion Bureau, Mohsina Yasmin, Executive Member, BIDA, Engr. Sheikh Faezul Amin, Additional Secretary, Ministry of Industries, were the event's special guest. Md Sameer Sattar, President, DCCI; Naser Ezaz Bijoy, President, FICCI; Zaki Uz Zaman, Country Representative, UNIDO Bangladesh; Munawar Misbah Moin, President, Accumulators Battery Manufacturers and Exporters Association of Bangladesh, Mohammad Naqib Uddin Khan, President, Bangladesh Supply Chain Management Society, were resource speakers at the event.

Hon'ble Minister, Ministry of Industries, congratulated BUILD for organising such an important event. He said that the 6th BCS is significant as it has applied the methodology of harmonised business confidence survey recommended by the Organization for Economic Co-operation and Development (OECD) Statistics Directorate.

He said that we are pleased to have learned that the overall Business Confidence Index (BCI) conducted by BUILD gave an optimistic perception of

business conditions despite Bangladesh's current challenges due to the global economic turmoil. The other scores in the survey show some visible recoveries of business activities and emerging business confidence. However, the cost confidence plummeted to as low as 22.4 over the next six months, and the government must take this into serious consideration in fiscal and monetary measures.

In her welcome speech, Nihad Kabir, Chairperson of BUILD, emphasised that Bangladesh has experienced a structural transformation from an agrarian economy to the growing dominance of industrial and service sectors. With an average GDP growth of over seven per cent for more than a decade, the country has experienced the fourth Industrial Revolution (4IR), accompanied by a rapid increase in digitalisation, technological up-gradation.

She expressed BUILD's commitment to continuing to convene, align and advance the interests of the private sector through principled policy work, value-added business services, and broad engagement to drive competitiveness and economic growth in Bangladesh. She also expressed BUILD's pride in continuing to conduct such surveys, which are used globally by governments and policymakers.

In her keynote presentation, Ferdaus Ara Begum, CEO of BUILD, noted that the upward movement in the BCI was driven by improvement in the sentiments for six components out of seven components of the BCI, namely, employment, the volume of order or demand for service, business activity, selling price and investment. Out of the seven components, only the overall business cost index is negative, giving a pessimistic perception. The diffusion index in this study ranges from 0 to 100 with a midpoint of 50, where less than 50 means contraction or less optimism and more than 50 means expansion or optimism. The overall business cost index stands at 35.8 over the last six months (March 2022–August 2022) and expects to reach 22.4 over the next six months (December 2022–June 2023). Around 72% of business entities in this survey reported that the overall business cost will increase over the next six months.

Marc Shiman, COP, USAID FtFBTA, expected Bangladesh Business Confidence Survey (BBCS) 2022-23 would facilitate the government to take decisions to ensure positive confidence of the entrepreneurs in the domestic business environment. He thanked BUILD as an integral part of the project that has conducted advocacy to simplify the business eco-system, like improving the capacity of RJSC&F, logistics and customs process simplification, etc.

Abul Kasem Khan, former Chairperson of BUILD and Co-Chair, LIDWC, mentioned that the economic trajectory of

Bangladesh till 2041 is well defined, and the BBCS pointed out the rooms to address to reach set goals. Policy enablers should focus on the SMART policy initiative to make SMART Bangladesh, replicating RMG success stories for potential export baskets, successfully utilising SEZs and developing logistics infrastructure, skill development, investment incentives, customs automation, etc., for better confidence in the business environment. Martin Holtmann, Country Manager, Bangladesh, Bhutan, and Nepal, International Finance Corporation, said the Business Confidence Survey summarises how businesses feel. He added, "It is an individual measurement of the overall business condition of Bangladesh. BCS is a couple of early morning signs. These signs will help companies to make decisions. I want to thank BUILD and USAID for developing this timely initiative. I want to say that we need to be careful about the status quo bias. We need to look at the trends. We need to give voice to the voiceless; in this case, they are CMSMEs, especially women entrepreneurs. It is well recognised that Bangladesh is doing good in every indicator. You do not need to be a genius to understand that something is happening in Bangladesh." Holtmann also suggested renaming the index as BUILD Index.

Panel members from both the public and private sectors touched upon several aspects of Bangladesh's economy and put forward some of their viewpoints for the next BCS. ■



BUILD and BIDA entered into an MOU to promote investment

Business Initiative Leading Development (BUILD), a Public Private Dialogue (PPD) platform signed a Memorandum of Understanding (MOU) with Bangladesh Investment Development Authority (BIDA) to attract investment as well as simplify the investment process and mutual technical assistance and ensure an up-to-date investment environment.

The signing ceremony was held on 17 April 2023 at BIDA Conference Room. Lokman Hossain Miah, Executive Chairman (Senior Secretary) of BIDA, attended the signing ceremony as the Chief Guest. Nihad

Kabir, Chairperson, BUILD, was also present.

Chairperson, BUILD, said, "With global economic activity becoming technology-dependent, we also need to work towards the Smart Bangladesh vision."

Through this MOU, BUILD and BIDA will establish a professional network, strengthen cooperation and enable information exchanges, and conduct research and policy advocacy between the two organisations to facilitate a transparent, predictive, and conducive investment environment in Bangladesh. Ferdaus Ara Begum, CEO of BUILD, said, "With the signing of this MoU, BUILD will work in partnership with BIDA to facilitate investment opportunities and business reforms in Bangladesh. We will, through joint efforts, identify business and investment issues, simplify business processes, remove regulatory barriers, and create a technology-based modern, transparent, and investment-friendly environment. We have already identified nine areas of activities, based on which BIDA and BUILD will hold meetings between themselves once every three months on progress and to-dos."

The MOU was countersigned by Mohsina Yasmin, Executive Member, BIDA and Chief Executive Officer of BUILD, respectively. BIDA and BUILD will exchange information, and conduct joint research related to trade, investment, and enabling business environment, including, but not limited to, publications, news, and secondary data in a prescribed manner., cooperate to identify common regulatory barriers to private sector investment in the country and strive to eliminate such barriers, finding out simplified and transparent business processes and practices. ■



Bangladesh urges the EU to extend the transition period to six years

Bangladesh has called on the European Union (EU) to extend the transition period of GSP (EBA) from three years to six years to ensure smoother graduation from the least developed country (LDC) status on 30 March 2023.

A delegation from Bangladesh led by prime minister's principal secretary Mohammad Tofazzel Hossain Miah called on Maximilian Krah, a member of the EU, in Brussels on Thursday.

The delegation included BUILD Chairperson Nihad Kabir, Bangladesh Garment Manufacturers and Exporters Association president Faruque Hassan, commerce secretary Tapan Kanti Ghosh, Bangladesh Ambassador to Belgium Mahbub Hassan Saleh.

The two sides discussed different trade-related issues, including challenges of Bangladesh, especially the country's graduation from the LDC category, and its possible implications on trade competitiveness and the overall economy.

The discussion also covered the issue of Bangladesh's preparedness to continue its growth momentum in the post-LDC era. The Bangladesh delegation also urged the EU to waive its safeguard textile threshold criteria or redesign the mechanism for Bangladesh in the proposed GSP scheme for 2024-2034 so that the country could benefit from GSP Plus after the LDC graduation.

BUILD Chairperson said the EU has helped the country boost its trade, especially through granting GSP and addressing various challenges on the way to development. She hoped that the support would continue in the coming days. ■

Kick-off NLDCC meeting Held

A kick-off meeting to set the agenda of the 2nd NLDCC meeting was held on 22 March 2023 at Hotel InterContinental under the kind chairmanship of Md Tofazzel Hossain Miah, Principal Secretary to HPM. It was decided in the 1st meeting of NLDCC that five sub-committee will be formed, and the TOR of these committees will be presented in the 2nd NLDCC meeting. To implement the decision, the Executive Cell of PMO, with the research assistance of BUILD and World Bank Group, prepared the draft of the TOR that was presented by Shahida Sultana, DG of the Executive Cell, PMO, in the meeting.

Ferdaus Ara Begum, CEO of BUILD, suggested developing a mechanism to ensure coordination and collaboration among the sub-committees. LIDWC of BUILD would be happy to extend research and secretarial support to NLDCC by considering its prior experience working with PMO, she expressed. Principal Secretary to HPM expected coordinated support from the committee members to present a draft of the National Logistics Development Policy to Cabinet Division in the shortest possible time.

Those in attendance pointed to address multimodal transport management, 4IR, ICT, investment attraction, policy simplification, skill development, monitoring and evaluation while preparing the National Logistics Development Policy.

The presence and valuable remarks of Secretaries, Executive Chairmen and high officials of public agencies, along with the leaders from private sectors and development partners, assisted PMO in finalising the TOR as well as gracing the session. ■



BUILD Trustee Board congratulates PMO Secretary

Abul Kasem Khan, Trustee Board Member of BUILD; Barrister Sameer Sattar, President of Dhaka Chamber of Commerce and Industry; and Ferdaus Ara Begum, CEO of BUILD, joined the call and discussed the agenda of the Logistics Infrastructure Development Working Committee (LIDWC). Mohammad Salahuddin and Abul Kasem Khan co-chair the committee.

BUILD and Prime Minister's Office have jointly formed a dedicated thematic working committee under the format of the PPD Platform, namely the Logistics Infrastructure Development Working Committee (LIDWC), to provide policy assistance to reach the Logistics System of Bangladesh to a global height.

The committee has 13 representatives from the public sector, and 12 from the private sector as valued members of LIDWC. ■

Collaboration with the University of Dhaka on 4IR and ICT

A meeting of BUILD was held with Dr Laffa Jamal, Professor, Department of Robotics and Mechatronics Engineering, University of Dhaka, on 23 March 2023, at Shamsun Nahar Hall, Dhaka, to discuss some activities under 4IR and ICT working committee of BUILD.

At the outset, Ferdaus Ara Begum, Chief



Executive Officer (CEO), gave an introduction to Business Initiative Leading Development (BUILD), which was launched on October 2011 as a Public-Private Dialogue (PPD) Platform. CEO informed about the 4IR and ICT working committee of BUILD as one of the essential tiers of the PPD Platform and elaborated on some of the activities of the Committee. She emphasised Industry-Academia collaboration to support business in the country.

During the discussion, Dr Laffa Jamal gave a brief about the Department of Robotics and Mechatronics Engineering, University of Dhaka and the related projects she has been doing. She also informed those in attendance that a number of universities in Bangladesh have courses on 4IR and robotics.

Bangladesh is mainly importing robotics and related equipment from China. Echoing BUILD CEO, she agreed that industry-academia collaboration for developing 4IR technology in all industrial sectors is critical. The investment attraction for R&D from the private sector is another aspect of strengthening industry-academia collaboration. ■



BUILD launched data collection and research activities for the 6th Business Start-Up Licences: A Regulatory Guide

BUILD, in collaboration with Feed the Future Trade Activity, will prepare the sixth edition of the *Business Start-Up Licences: A Regulatory Guide*, which will be completed by the month of August 2023.

An introductory meeting in this connection was conducted on 10th April 2023 virtually

to introduce the team members to understand their roles in the project. The team included Md Nazrul Islam Chowdhury as the Senior Coordinator and Nusrat Jahan Tania as the Research Specialist.

From BUILD, Moshaddek Alam, Additional Communication and Advocacy Officer, BUILD will work as Project Manager, while Nasibul Amin and Shafat Hossain will join the team as research specialists. From IDG, the team will also include Nuzat Tasnim Dristy and Shahtabul Islam. BUILD CEO attended the meeting to provide a guideline.

The 6th edition of the guidebook, in collaboration with BUILD and FtF Trade Activity, has a target to document 400 trade and business-related licences. This signature publication of BUILD is intended for aspiring, new, and veteran entrepreneurs seeking a licence/permit/approval/certificate for their businesses.

The objective is to provide the entrepreneurs with a step-by-step guide on:

- Whom to contact to collect the preparatory information regarding the application
- What supporting documents to collect and collate to prepare the application
- When to pay the associated fees for the application
- Where to submit their application
- How to seek subsequent renewals, etc.

The guide concentrates on demonstrating the applicant's interaction with the issuing agency using the "process map" provided in the guide for each of the licences and other items. Hence, it will help identify the steps to intervene to speed up the process. ■

Meeting between BUILD and USAID FtF

A meeting between BUILD and USAID Feed the Future Bangladesh Activity was held on 3 April 2023 to discuss the ongoing activities of the two organisations and the potentiality of Future cooperation of joint activities for business enabling environment.

Ferdaus Ara Begum, CEO of BUILD, thanked Marc Shiman, Chief of Party, USAID Feed the Future Bangladesh Trade Activity, for scheduling this meeting within such a short time. She delivered a brief description of some successful accomplished joint endeavours, which are listed below, and offered potential future collaboration based on the experiences.

- Trade licence policy simplification
- Time, cost, and process streamlining survey on RJSC activities.
- 5th Business Confidence Survey
- Training on measuring administrative

- costs of government regulation etc.
- Preparation of a research-backed publication titled *Business Start-Up Licences: A Regulatory Guide* (6th edition) — ongoing

Marc informed that trade activities could contribute further to strengthening the capacities of BUILD and extend technical assistance in this respect. He informed the audience about the activities they have accomplished so far: food safety, the New Customs Act, trade licence, and women entrepreneurs. It was agreed that BUILD would submit some new proposals for joint accomplishments while the project will be evaluated by an evaluation team tentatively in August 2023. BUILD agreed to host Easy Export Series prepared by FtF and organise joint seminars on these Export Series. ■



Inditex team visited BUILD to discuss logistics-related issues for RMG exports

Oscar Leiro Souto, Regional Import and Export Manager of ITX Services India and Reaz Ahmed, Vice President of French Bangladesh Chamber of Commerce and Industry, joined the meeting with BUILD on 5 April 2023 at the BUILD office. The meeting focused on the following pressing issues of freight logistics of Dhaka airport. Javier Santonja Olcina, Managing Director of ITX Trading SA (Branch Office of Inditex), attended the meeting also.

BUILD CEO introduced BUILD with a presentation while Oscar Leiro Souto also presented about Inditex and how it operates worldwide while its head office is in Spain and how they are reducing their lead time by having a smooth distribution channel.

Souto expressed that private operators should be allowed to do ULD build-up and scanning in their facilities and a certification process must be set up for those private operators. He declared that this will reduce pressure on the airport cargo terminal, especially during peak times, citing similar practices in many parts of the world. He added, "It is imperative to improve the railway connection from Dhaka to Chittagong port by fixed departures every day, guaranteeing the connection with the vessels departing

Chittagong, improving the facilities in ICD Dhaka to guarantee a proper consolidation of the cargo on the containers. Maybe having a portal where regulations can be checked before implementation, and even collecting the opinion/advice from the logistic operators, could be helpful." ■



Bangladesh's experience in mainstreaming gender in trade policy

SHE Trade Initiatives of ITC Geneva organised a programme on Mainstreaming Gender in Trade Policy on 15 March 2023 at a local Hotel in Dhaka. CEO BUILD Ferdaus Ara Begum presented a paper on the above. The policy dialogue aims to foster an enabling environment for women-led businesses in Bangladesh.

BUILD CEO informed that gender issues have been highlighted and even separate Chapters are included in different national plans and policies of Bangladesh. The government also introduced several online support services to ease business. Given these, WEs must improve their capacities and access to the Policy Dialogue supported by research with updated information and examples.

In 2017, the International Trade Centre (ITC) and BUILD signed an MoU to collaborate and identify regulatory barriers in national and international trade, propose solutions to eliminate them, build a network with relevant stakeholders, and organise Public-Private Dialogues (PPDs) with stakeholder engagement for WE. Several activities have been organised under the programme; one of the ongoing activities is to ensure the contribution of WE in public procurement.

She suggested gender-disaggregated data analysis so that the impact of trade policies on women and men can be seen separately, identifying gender-specific barriers and opportunities. Gender considerations in trade negotiations are also crucial for the participation of WE in the trade negotiation. Monitoring and evaluating the gender impacts of trade policies is necessary to ensure that they promote gender equality. ■

REFORMS

Boiler Act 2022 enacted

Usually, a boiler is intended for industrial use, generating heating or power. Growing demand for boilers is fuelled by industrial growth over time. Local manufacturers of Boilers suffered due to the absence of appropriate policy guidelines and unjust tariff structure on imported raw materials. Moreover, Local manufacturers face stiff competition against low-cost imported boilers, often of inferior quality.

The Office of The Chief Inspector of Boilers and all its functions were regulated by the Boiler Act, 1923, The Boiler Regulation 1951, the Boiler Attendants Rules, 1953, and The Boiler Rules, 1961. All these acts and rules are age-old and need to be revisited to meet the current requirements of the private sector.

To facilitate the private sector, BUILD presented a study along with appropriate recommendations on 'Policy simplification of Boiler Manufacturing' in the 8th Private Sector Development Policy Coordination Committee (PSDPCC) and 4th SME Development Working Committee in 2015.

After a series of advocacy and follow-up by the concerned authorities, the Government announced Boiler Act-2022 along with relevant changes in 2022.

As per the new Act, around 122 posts were created. Out of the newly created 122 posts in the office of Chief Boiler Inspector, a total of 95 vacancies, including seven posts of Deputy Chief Boiler Inspector (Grade-6) and 42 posts of Boiler Inspector (Grade-9), have been filled. 7 (seven) New regional offices have been established under this office, including Gazipur, Narayanganj and Narsingdi districts.

Moreover, the Ministry of Industries has sent a proposal (Memorandum No-2 dated 16/1/2023) for creating 224 new posts along with the establishment of three new regional offices in Barisal, Faridpur and Cumilla to the Ministry of Public Administration. ■

Technical up-gradation of the GCF Country Programme in ERD

UN Wing of ERD, in collaboration with FAO and IWM, organised a workshop titled "The Technical Up-Gradation of the GCF Country Programme" on March 30 at NEC-2, Planning Commission, Dhaka.

BUILD CEO Ferdaus Ara Begum was present in the workshop. The programme's objectives are to assess the current Bangladesh Country Programme (2018) and its overall performance and undertake an updated country programme investment pipeline to leverage public and

private investments in climate adaptation and mitigation priorities in Bangladesh. It is seen that Bangladesh has received seven projects so far from GCF, the value of which is USD 375 million. GCF globally funded USD 45 billion for 216 projects. India (USD 528 million) and Indonesia (USD 296.4 million) are the primary beneficiaries.

Five important groups were formed in the workshop. Initially, several ideas of projects emerged for proposing funding from GCF, keeping planned mitigation actions in updated NDC and maintaining the NAP code through accredited entities. Workshop participants will propose concept notes proposing lead and supporting organisations. BUILD proposed two specific projects for preparing concept notes. ■

SCOPES

Export facilitation pre-finance fund as a substitute of export development fund

The central bank formed the Export Facilitation Pre-Finance Fund (EFPF) fund on the 1st of January 2023 through BRPD Circular no 01 for exporters to continue developing and expanding export-oriented industries. Exporters can take loans in local currency against the purchase or import of raw materials from EFPF. The fund was established to develop the country's export sector, given the economic fallout of COVID-19 and the Russia-Ukraine war, and release the pressure on foreign reserves. The EFPF will work as a substitute for EDF amid the current dollar crisis. However, most exporters were willing to continue EDF, which was downsized upon the obligation and commitment IMF. BUILD has initiated a study to understand the differences between these two funds and propose some reforms to ease exporters' demand and to keep them competitive. ■

E-payment system of Bangladesh — support for SMART economy

Bangladesh opted for the Digital Bangladesh slogan in 2008, and now the country took ambition to be a SMART Bangladesh. The digital economy is inevitable now, and technology use is required for cost reduction- and now demand for 4IR, Blockchain, Bigdata, and IOT has been increasing. There are tremendous opportunities and, at the same time, challenges to embrace the digital economy. The emergence of digital payments is one of the most visible developments in Bangladesh right now. This shift has sparked a digital ecosystem and brought value to the broader

economy. BUILD initiated a study on the e-payment system of Bangladesh under the purview of FSDWC. The objective is to understand the current situation of the electronic payment system and how the policy support mechanism can be improved for secured digital services.

Industrial automation — use of 4IR and robotics in Bangladesh

The industrial sector of Bangladesh is moving ahead; the country has embraced the policy of industrial automation and leveraged the potential of 4IR to address these challenges and boost its industrial competitiveness. Government policies are crucial in creating an enabling environment for adopting 4IR technologies. For example, the SMART Bangladesh initiative launched by the government aims to leverage technology for inclusive socio-economic development for the people and the citizens of Bangladesh. Bangladesh depends entirely on imported technology; gradually, we must develop our own technologies. BUILD is working with the concerned quarters to explore the potential of use of robotics in industrial competitiveness and value-addition aspects in that respect.

ARTICLES

Digital readiness for logistics development is the priority • *The Business Post* ■ cutt.ly/buildconnect232-01

Cross border e-commerce policy for business expansion • *The Business Post* ■ cutt.ly/buildconnect232-02

Transition challenges for greening the fashion industry • *The Business Standard* ■ cutt.ly/buildconnect232-03

Sustaining business confidence in Bangladesh • *The Business Post* ■ cutt.ly/buildconnect232-04

Standardisation is holding back Bangladesh's huge potential in agro-export • *The Business Standard* ■ cutt.ly/buildconnect232-05

Post-LDC challenges for pharmaceuticals industry • *New Age* ■ cutt.ly/buildconnect232-06

LDC outcomes and vision towards Smart Bangladesh • *The Business Post* ■ cutt.ly/buildconnect232-07

In need of transparency • *The Business Post* ■ cutt.ly/buildconnect232-08

শেতপ্রবাহ এবং দরিদ্রের বিড়ম্বনা • *Bangla Tribune* ■ cutt.ly/buildconnect232-09



BUILD Chairperson's condolence message at the passing of Rokia Afzal Rahman

Business Initiative Leading Development (BUILD) is deeply shocked and saddened at the passing of its former Trustee Board Member and former President of Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) Rokia Afzal Rahman (Inna Lillahi wa inna ilayhi raji'un). She was one of the fundamental driving forces of women's entrepreneurial development in particular and the economic development of Bangladesh in general. She was a renowned woman entrepreneur and served as the advisor to the former caretaker government.

Trustee Board members, management, and staff of BUILD send their heartfelt condolences to the Rahman family. Her sincere contribution to the nation will always be remembered with great admiration and much gratitude.

We share our profound respect and condolences, and we will recall her massive contribution to trade and commerce, employment generation, industrialisation, entrepreneurship and social development with respect. She was instrumental in developing business, trade and the country's economy. Her dedication and commitment to the development of the private sector were truly inspirational and unique. May her institutional legacy last forever.

We recall her active engagement as the President of MCCI in establishing the Business Initiative Leading Development (BUILD) — a public-private dialogue platform, on 17 October 2011. BUILD gratefully acknowledges her contribution towards ensuring its sustainability. We convey our sincere condolences to her family members and near ones. We pray to Almighty Allah to grant him eternal peace and give strength to the family to bear this irreparable loss. ■

Launching of Easy Export Series

USAID FtF Bangladesh Trade Activity organised a launching programme of the Food Safety Series on 11 April 2023 at a



local hotel. BUILD CEO Ferdaus Ara Begum was present as one of the special guests. Md Nurul Islam, Chief Coordinator, Skills for Employment Investment Programme (SEIP), was present as chief guest, while Professor Abu Noman Faruq Ahmmed, Chairman, Department of Plant Pathology, Sher-e-Bangla Agricultural University, was present as a special guest. Marc Shiman, Chief of Party, USAID Feed the Future Bangladesh Trade Activity, also spoke on occasion. Imrul Hasan, Team Leader – Food Safety and SPS, USAID Feed the Future Bangladesh Trade Activity presented the keynote.

CEO said USAID-supported FtF Trade Activity's 'Easy Export Series' will help our growers and exporters understand the food safety requirements, which will enhance their export potential. She said Bangladesh is the 3rd in fish production, 7th in Mango and Potato, 3rd in Vegetable and 3rd in rice production. Bangladesh is the number one country in the world in producing delicious hilsha fish. The only challenge in front of us is to follow food safety rules and regulations rightly, sanitary and phytosanitary measures and achieve international compliance.

There are demands for Agro products among different countries as of 2021; Belgium imported 12.1% of the world's agro import (USD 515 million), the Netherlands imported 8.92% or about USD 379 million, the USA imported 6.6% or about USD 280 million, Spain imported 6.53% or USD 278 million, Russia imported 5.22% or USD 222 million. Agro export can easily cross USD 5 billion from the present level of USD 1.2 billion if some quality, standard issues are maintained. Entrepreneurs suggested that accredited labs following EU standards are one of the main criteria to be qualified to export to these countries.

Exporters face difficulties for the non-availability of Global Certification for the agro sector. The certification given by the national certification organisation BSTI is not always acceptable to the importing countries. The Global GAP (Good Agricultural Practice) aims to establish rules of common acceptance worldwide, develop a framework of good agricultural practice, improve an understanding of good practices, take care of adverse environmental impacts of farming operations, reduce the use of chemicals, a solid commitment to occupational health

and services as well as animal welfare. It includes an integrated pest management system and an integrated crop management system also. ■



Meeting with CMSF Chairperson

BUILD CEO Ferdaus Ara Begum held talks with Former Principal Secretary of PMO and Capital Market Stabilisation Funds (CMSF) Chairperson Md Najibur Rahaman at his office on 29 March 2023.

While expressing keen interest in working with BUILD, the CMSF Chairman said that the CMSF is a custodian of undistributed, unclaimed or unsettled dividends (cash or stock), unallotted rights shares, or non-refunded public subscription money of shareholders or investors.

The Bangladesh Securities and Exchange Commission (BSEC) established the CMSF under "The BSEC (Capital Market Stabilization Fund) Rules, 2021". It formed a regulatory body to administer the fund in August last year. ■



Patent Law 2022

BUILD Chairperson Nihad Kabir held talks with Industry Secretary Zakia Sultana on 2 March 2023. BUILD CEO and representatives of the Ministry of Industries attended the meeting.

BUILD Chairperson and the concerned sectional heads of the MOI discussed the Patent Act 2022 and the necessary amendments required for supporting pharmaceuticals and other industrial sectors. She requested MOI to utilise the expertise of BUILD in doing the job.

Simultaneously, she called for close collaboration between the government agencies and the private sector in the amendment process.

Industry Secretary assured that the government would work in close collaboration with the private sector in amending the current patent law of the country, while Nihad Kabir emphasised enhancing the country's legal expertise for the effective formulation and implementation of the intellectual property rights-related provisions. ■

BUILD collaboration for Bangladesh Business Summit



BUILD presented the BCS findings

In partnership with BUILD, BIDA organised a dissemination session on the recently published 5th Business Confidence Survey (BCS), which captures the perceptions of general business conditions for the past six months.

Ferdaus Ara Begum, CEO, BUILD, delivered the keynote presentation in the session chaired by BIDA Executive Chairman Lokman Hossain Miah. Representatives of the USAID-funded Feed the Future Bangladesh Trade Activity were present in the session, along with domestic and foreign investors. The Bangladesh Business Confidence Survey Report 2022-23, unveiled on 5 March 2023,

revealed that the overall Business Confidence Index (BCI) for 2022 stands at 74.4, indicating a positive outlook for business conditions over the next six months.

Business entities across Bangladesh are confident that the volume of orders for the manufacturing sector, demand for services in the service sector, selling prices, and business activity will increase in the next six months. As a result, businesses are willing to expand their employment and investment over the same period. However, business entities, especially in the manufacturing sector, have low confidence in costs, indicating the need for immediate action to address the cost burden of businesses, including the cost of electricity, water, gas, rent, and materials. ■



Strong public-private ties needed to become a logistics hub

BUILD Trustee and Former Chairperson of BUILD Abul Kasem Khan emphasised the need for integrated policies, cooperation, and collaboration between public and private sectors to support the country's potential to become a thriving logistics hub. He was moderating the Logistics and Infrastructure Session of the Bangladesh Business Summit 2023, organised by FBCCI, on 13 March 2023.

The session was joined by World Bank Country Director Abdoulaye Seck, former FBCCI President A. K. Azad, Vice-President of PSA Group Business Development Alfred Sim, Dubai Port World Country

Director Shamim-Ul-Hoque, Summit Alliance Port Managing Director Syed Ali Jowher Rizvi, and DHL Bangladesh Managing Director M. Miarul Haque. Praising Bangladesh for its remarkable success in various segments such as disaster management, Abdoulaye Seck called for a better focus on trade reforms and financial sector adjustments to scale up competitiveness.

Significant investment prospects await infrastructure expansions, experts said during a session on infrastructure, presented in conjunction with the Bangladesh Business Summit 2023. BUILD Chairperson Nihad Kabir said there had been reluctance among large foreign investors to enter PPPs in Bangladesh by forming joint ventures with local partners because they were not confident about the capacity of Bangladeshi firms. She made the remarks while speaking as the panellist giving at a session styled "PPP for Vision 2041: Private Sector Role and Investment Opportunities" on the third and concluding day of the Bangladesh Business Summit at the Bangabandhu International Conference Centre. BUILD CEO Ferdaus Ara Begum joined the summit as well. ■



BUILD Chairperson at the Bangladesh Business Summit as a panellist

BUILD Chairperson Nihad Kabir spoke as a panellist at the Bangladesh Business Summit, underlining that PPP would be a crucial modality in the future to meet our infrastructure demands. ■

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