



EDITORIAL: Budget 2024-25 and Policies for Investment & Private Sector Development

The budget for FY 2024-25 amounting to BDT 7.9 trillion passed in the Parliament on June 30, 2024, is 4.6 per cent bigger than that of the previous fiscal year. The budget deficit for FY25 has been projected at 4.6% of the GDP. ADP allocation has come down to 33.2% of total public expenditure from 34.3% (2023). Still, the non-development budget covers 65% of the total budget. The revenue collection target was 7.55% higher than the previous fiscal year, the tax revenue target was 6.6% higher, and non-tax revenue was 30% higher. Foreign borrowing is downsized by 9.31%, on the other hand, loans from local sources have been set to increase by 3.78% whereas bank loans from local sources will increase by 3.87%.

The corporate Income Tax (CIT) rate has been kept at the same level with cashless conditionality strict, only CIT for cooperatives has been increased to 20% from 15% which may impact small businesses indirectly. The inclusion of a 30% slab in personal income tax indicates a regressive taxation step but change in three slabs under 10%, 15% and 20% shows the tax system is inducing progressivity by policy.

Tax at source situation has been kept as usual to ensure the revenue collection target attainable as NBR is earning around 80% of income tax revenue at source.

There is a positive change in the case of trading of necessary items like rice, potato, wheat, maize etc. where Tax Deducted at Source (TDS) has been reduced to 1% from 2%. TDS on income from Workers Profit Participation Fund (WPPF) or employee benefit fund has been reduced to 10% from

15% earlier. Regarding economic zones, there is a change in the First Schedule (Special tax rate for EZs and High-tech Park investment) of the Income Tax Act 2023 which will hinder the target of establishing hundred EZs over the country by 2030. The provision for special tax for SEZs and high-tech parks has been abolished which will discourage the investment in the SEZs and high-tech parks.

The FY2024-25 budget proposed to support domestic industries in Bangladesh is strategically intended to promote economic self-sufficiency and boost local production. By adjusting import duties and VAT, local producers, such as those in the agriculture sector, logistics, domestic manufacturers in textiles and heavy industry could promote competitiveness, as the recent trend of industrial growth is below the pre-pandemic level as per Ministry of Finance (MoF) data.

Private investment to GDP ratio is expected to reach 27.3% in FY25 compared to 23.5% in the current fiscal, which was 24.18% in 2022-23. It seems that investment growth is slow in the private sector.

The interest rate has been made market-based, naturally, it increased to 14-16% (depending on bank-client relation), along with scarcity in foreign exchange, the private sector is the worst sufferer of funding from Banks and FI. Along with this, slump in the overall economic situation, instability and volatility in the international arena and continuous policy changes because of the transition from LDC to a developing country, businesses are not confident about further investments but rather struggling to maintain their existing business.

Borrowing dependency on domestic banks of the government has increased, in the previous year it was 1.15trillion (2.26% of GDP) and increased to 1.51 trillion (3.1% of GDP in 2024-25) which indicates a high chance of crowding out the

funding requirement for the private sector, making it more expensive for businesses to avail credit to invest further.

The national savings rate stood at 31.86% of GDP as per Economic Review 2024 which was 32.1% in the last year means spending of both public sectors under consumption and expenditure has not reached the target. It is a perception that because of high inflation which is around 10% over the last eighteen months, turned away small savers to save money.

The current scenario of savings, bank deposits and financial ratios indicate less funding availability to the private sector in the next fiscal year. The budget has given enough importance to create new employment opportunities, however, a bleak funding scenario and, a gloomy picture of the country's economy may discourage fresh investment.

Due to squeezed raw material import (14.78% lower than the previous fiscal year) for local industries caused by the shortage of dollars in the market and exchange rate volatility, employment growth is far below the expected level (16.21%).

VAT exemption on Polypropylene Staple Fiber at the production stage and import stage (for raw material) has been extended for one year which will help the sector to sustain but there needs a long-term policy for the sector. Insecticides pesticides and raw materials thereof are made VAT exempted at the import and production level which will help the agriculture sector to increase productivity. A small change in 6.3(VAT Challan) is made where the type of vehicle used to transport is mentioned which will ensure more transparency.

A new Warehouse Licensing Rules 2024 has been published where the licensing tenure has been extended from two years to three years, shipbuilders are brought under a continuous BWH system, an electronic management system has been included in the rules for more transparency, a new application form is also enclosed with the rules in a simplified manner.

The new rules have not mentioned warehouse facility for partial export and common bonded warehouse category which is principally agreed upon in the highest business forum. The bonding period is not mentioned in the rules and mentioned section of Customs Act 2023(Section-119). The new rules have cleared and specified to simplify the warehouse policy in Bangladesh which may help to expand the export base shortly.

In the case of Income, the discretionary provision of visiting tax deducting entity's premises and determining tax process is a loophole of the new income tax Act which has not been addressed in the Finance Act 2024 will be acting as a revenue foregone issue as there is no remedy for the taxpayer if the entity tries tribunal or ADR.

The present budget may not help to attain the target and goal in three aspects; one, the present tax policy with above 40% tax incidence is making any kind of supply or production costlier, no such remarkable steps have been taken in Finance Act 2024 except seven sectors such as; (Polyester (Synthetic) Staple Fiber (PSF) and Pet CHIPS Manufacturers, Carpet Manufacturing industry, Ferro-Alloy Manufacturing Industry). Two, a possible shortage of industrial credit due to public sector credit from local banks (19.11% of the budget and 60% of targeted credit) will squeeze the scope of having credit support to expedite present investment & potential new investments for the private sector.

Finally, Commercial banks or AD's inability to settle letters of credit due to a shortage of foreign currency in the banking system will hamper the local industries' production lineup as we are heavily dependent on imported raw materials.

In the end Trade Based Money Laundering will spread its web to transact the price of raw materials of finished products under different unauthorized instrumental arrangements like contact payment or so-called Hundi system.

BUILD proposed to reduce the effective tax rate on businesses through amending sections related to allowable expenses in the new Income Tax Act 2023, Tax Deduction at Source(TDS), Minimum tax, appeal, VAT automation, VDS & adjustability, Supplementary Duty(SD) adjustability for import stage, Trade VAT, Minimum value, Pre-arrival Processing, Advance ruling and WTO provision to make taxation system simpler and transparent which may give a positive signal to the private sector to decide expanding investment base in future.

In the Budget there are some policies for attracting investment, however confidence among investors needs policy consistencies and continuities, there are several frequent changes in the policies making investors hesitant to plan for a long-term investment.

Ferdaus Ara Begum, CEO, BUILD

Mitigating Policy-Induced Constraints of the Beverage Industry in Bangladesh



A research paper on Carbonated Beverage was presented by CEO, BUILD.

Researchers and industry stakeholders gathered to address the impact of taxation and related policies on the beverage sector's growth and to explore potential solutions.

Speakers at the meeting jointly organized by the FBCCI and the Business Initiative Leading Development highlighted the urgent need for tax reductions and policy adjustments to support the struggling industry amidst economic challenges.

A Stakeholders Consultation on the Impacts of European Union Circular Textiles Policies on Trading Partners



On 10 June 2024, Business Leading Initiative Development (BUILD) with the support of Chatham House organized a Stakeholders Consultation to assess the effects of EU's circular textiles policies on Bangladesh. Representatives from trade bodies such as BGMEA, BTMA, the private sector and the government linked to the Ministry of Commerce (MoC), Bangladesh Bank (BB), Department of Environment (DoE), Bangladesh Standard and Testing Institute (BSTI) and Export Promotion Bureau (EPB) participated in the consultation. Other stakeholders engaged in circularity and waste products in the textiles industry include textile and garment manufacturers, waste collectors and processors associations such as Bangladesh Textile and Garments Waste Processing and Exporters Association (BTGWPEA), Bangladesh Pet Flakes Manufacturers & Exporters Association (BPFMEA) representatives of recycling companies contributed to the consultation.

The purpose of the consultation was to gather stakeholders' inputs for a report assessing 'The Impact of the EU's Strategy for Sustainable and Circular Textiles on Bangladesh's Textile Industry. BUILD in association with Chatham House and Circle Economy supported by GIZ, Laudes Foundation and European Environment Bureau (EEB) has undertaken the study.

Ms. Ferdaus Ara Begum, CEO of BUILD, set the tone of the meeting and sought inputs from the stakeholders on the potential opportunities and challenges to upstream trade patterns, future textile exports to the EU, and recommendations for policy development. In 2020-23, Bangladesh's apparel industry accounted for USD20.6 billion in exports to the EU, the main export destination for the sector. She gave an overview of the EU Strategy for Sustainable and Circular Textiles 2022 across the textile value chain. To maintain its dominant position in the global market and comply with tightening environmental regulations, particularly from the EU, Industry must transit to Circular Economy.

Dr. Patrick Schroeder, a senior researcher at Chatham House presented the summary of key findings and the analysis of the study 'The impacts of European Union circular textiles policies on trading partners.' The study focused on the potential for a circular textile industry in Bangladesh, and the informal pre-consumer textile recycling systems ("Jhut") in the country.

His recommendations include formalizing the Jhut sector while ensuring livelihood protection, working together on policy development for areas like Extended Producer Responsibility (EPR), technology transfer for advanced recycling and the creation of a national digital Jhut marketplace and database. Overall, the presentation underscored the importance of collaboration between the EU and Bangladesh to foster a sustainable and circular global textile industry.

Chairing the program, Asif Ibrahim, Chairperson of Chittagong Stock Exchange and former Chairperson, BUILD went on to say that the RMG sector was already facing a crisis given tight margins and the slowdown in the global economy and Bangladesh entrepreneurs would need adequate finance for investment in the development of a circular economy.

Focused Group Discussion on Energy Transition of Bangladesh Apparel Sector



On May 21, 2024, Business Initiative Leading Development (BUILD) hosted a Focus Group Discussion (FGD) at BUILD's conference room to explore the findings of BUILD's study, "Energy Transition of Bangladesh Apparel Sector—The Case of Market Access to the EU," under the Textile Competitiveness Platform (TCP), backed by the International Finance Corporation (IFC) and the World Bank Group (WBG). The session, led by Chief Guest Ms Munira Sultana (Chairman of SREDA) and chaired by Mr Shams Mahmud (Director of BGMEA and Managing Director of Shasha Garments Ltd.), aimed to validate study findings and gather insights from stakeholders. Ms. Ferdaus Ara Begum, CEO of BUILD, opened the discussion by emphasizing the apparel sector's significance, of the country's exports, generating \$47 billion in 2023. She highlighted the urgency of transitioning to renewable energy sources to meet European Green Deal regulations and climate concerns.

BUILD's study revealed that although rooftop solar panels could provide 10-15% of energy needs for Ready-Made Garment (RMG) factories, the study identified barriers such as factory building structures hindering rooftop solar installations and financial institutions' reluctance to fund green projects due to previous non-performing loans (NPLs) from solar home systems and extended payback periods. High import tariffs on solar equipment and policy constraints further exacerbate the issue. BUILD proposed a comprehensive strategy involving policy reforms, financial incentives, and infrastructural support to transition the apparel sector to sustainability, which could maintain market access and diversify the national economy.

Mr. Tanvir Al Fazal, Resource Efficiency Consultant at IFC, reiterated that while solar energy is feasible for Bangladesh, policy hurdles, particularly high tariffs on inverters need to be addressed.

During the discussion, Mr Shams Mahmud emphasized value addition and a double-stage transformation to qualify for the EU's Generalized Scheme of Preferences Plus (GSP+), stressing the difficulties SMEs face due to a decline in factory numbers, the need for efficient technology to lower emissions, and the importance of infrastructure development for

energy transition. Representatives from different stakeholders called for a clear roadmap, policy support for local REC guidelines, and solar waste management. Ms. Naznin Parveen from the Ministry of Environment, Forest, and Climate Change highlighted the apparel sector's role in sustainability, advocating for policy revisions on carbon auditing and trading, and mentioned negotiations with South Korea for carbon trading mechanisms. She underscored the importance of exploring business cases for carbon management.

The FGD concluded with a call for practical initiatives and robust policy support to advance the apparel sector's energy transition, underscoring the necessity for collaboration among government bodies, financial institutions, industry players, and international partners to overcome barriers and ensure a sustainable and competitive apparel industry in Bangladesh.

FGD at PMO (Focusing on Deep-Dive Issues)



A Focus Group discussion was held at the Prime Minister's Office (PMO) on May 9, 2024, focusing on deep-dive issues related to Bangladesh's logistics and trade facilitation sectors. The meeting was chaired by Shahida Sultana, Director General of the Executive Cell at the PMO, and was attended by representatives from key stakeholders, the World Bank, International Finance Corporation (IFC), and the Business Initiative Leading Development (BUILD).

The discussions centred on a range of critical topics mentioned in the National Logistics Policy 2024, impacting the efficiency and competitiveness of Bangladesh's trade and logistics sectors. Key issues included the establishment and enhancement of Green Channels, the development of Railway Inland Container Depots (ICDs), and the need for improved physical inspections at customs houses. Participants also deliberated on the regulatory framework governing Freight Forwarding licensing, the operations of Private ICDs, and the announcement of Harmonized System (HS) codes for all 38 products imported through these private facilities.

The FGD also addressed the challenges posed by Non-Intrusive Inspection (NII) techniques, the management, and development of warehousing, cold storage, and bonded warehousing facilities, and the complications associated with the "Red Country" status, which affects import and export operations. Additionally, amendments to the Import General Manifest (IGM) were discussed, with a focus on streamlining processes to reduce delays and enhance transparency.

Another significant area of discussion was the formulation of a policy for handling dangerous goods, which is crucial for ensuring safety and compliance with international standards. The need for improved testing facilities, which are essential for maintaining the quality and safety of imported and exported goods, was also highlighted.

Participants explored the challenges related to last-mile delivery, empty container movement, and the optimal use of these containers. These issues are critical for improving supply chain efficiency and reducing costs for businesses operating in Bangladesh.

Throughout the meeting, attendees shared their perspectives on overcoming these challenges and proposed recommendations to address them. The consensus was that a collaborative approach involving both the public and private sectors is essential for achieving the desired improvements in Bangladesh's logistics sector.

The meeting concluded with a commitment to continue the discussion to implement the recommendations Proposed. These steps are expected to play a pivotal role in enhancing Bangladesh's position as a competitive player in the global trade arena.

Customs Act 2023 - A Dissemination Meeting by Customs, Excise & VAT Commissionerate Dhaka (West) for Creating Awareness among Stakeholders.

Stakeholders' consultation on Customs Act 2023 was held in Customs, Excise & VAT Commissionerate, Dhaka (West) a conference room on May 2024 where private sector representatives and VAT & customs officials were present, this meeting was presided by Abul Bashar Md. Shafiqur Rahman, commissioner, Customs, Excise & VAT Commissionerate, Dhaka (West).

A brief presentation was presented by Mr. Raich Uddin Khan, first Secretary (Customs Automation), NBR, the inclusion and changes of customs provisions were precisely discussed in the presentation.

Private sector representatives emphasized simplification of the customs process where a representative from the Noman group mentioned good governance along with the new customs act, Vaia group mentioned that though a lot of changes have been incorporated in the new customs act basic customs procedure (Customs valuation, document submission, Bonded Warehouse policy) remains as it was which need to be addressed by amending the concerned clauses of the act.

Md. Nooruzzaman, Sr. Research Associate of BUILD thanked NBR for bringing forth and implementing the new Customs Act 2023 which is easier to understand as it was crafted in Bangladesh.

It was also mentioned that some WTO Trade Facilitation Agreement issues (Tariff Value/ Minimum value, customs valuation, long-standing automation issues) are not reflected in the act.

There are more than 600 active SROs of customs that followed to export-import process that need to be addressed first to facilitate international trade.

Dialogue on What Lies Ahead for the Banking Sector in Bangladesh



BUILD Research Associate Asif Haider participated in a seminar organized by the Centre for Policy Dialogue (CPD) held at Lakeshore Hotel, Gulshan on 23rd May 2024. The seminar was held on "What Lies Ahead for the Banking Sector in Bangladesh" where Dr. Fahmida Khatun, Executive Director of CPD gave the keynote presentation. In the presentation, CPD presented the sorry state of the banking sector of Bangladesh grappling with rising Non-Performing Loans (NPLs) and a lack of good governance making the sector highly vulnerable. They also pointed out the government's lack of political will to bring discipline in this sector. They also presented the persistence of excess liquidity in the banking sector. Moreover, the keynote presented an outline of the Asset Management Company for the banking sector. Finally, their recommendations focused on following strictly the existing guidelines on loan disbursement and proper implementation of the single borrower exposure limit, providing autonomy to the central bank not allowing any new banks in the banking sector and finally recouping the NPLs through ADR.

REFORMS Reform Proposals for Increasing Investment

BUILD has submitted a detailed set of approximately 35 reform proposals to BIDA, targeting various legislative and policy areas to foster a more favourable investment climate and boost foreign direct investment (FDI). These proposals cover key regulations, including the Companies Act, Income Tax Act-2023, Customs Act-2023, Bonded Warehouse Policy-2008, VAT & SD Act-2012, BSCIC Act-2023, Industrial Policy-2022, Import Policy Order 2021-24, Foreign Private Investment (Promotion & Protection) Act-1980, BIDA Act-2016, and Foreign Exchange Transaction Guidelines-2009.

The focus of these reforms is to address and rectify inconsistencies within these frameworks, thereby creating a more efficient and investor-friendly business environment for both domestic and international stakeholders.

Bonded warehouse license period extends

The Bonded warehouse license was issued based on section 13 of the Customs Act 1969 and Bonded Warehouse Licensing Rules 2008. The tenure for BWH for export-oriented industries (except RMG) was two years (Section:7) whereas for RMG who availed of specialized Bonded warehouse facility they used to have a three-year licensing period. BUILD has studied the issue and presented a white paper on "Revisiting Bonded Warehouse Policy for Non-RMG export sector" in the Minister's office and Ministry of commerce. The proposals were placed in the budget proposals

for FY 2023-24 and FY 2024-25. NBR has announced several new policies regarding customs through budgetary changes, it has announced fresh BWH licensing rules where several amendments have been made, extension of BWH license from two years to three years for non-RMG sector was one of them. Now all BWH user will enjoy the same licensing tenure.

A Fresh entitlement policy has been circulated where a three-year bonding period has been ensured for all exporters, previously bonding period for exporters other than RMG sector was six months.

Previously there were two BWH license application forms (CBC and Bangladesh customs) where the categories were not aligned with BWH licensing rules 2008. A Single application form aligning with the category mentioned in new BWH policy, will minimize the confusion of applicants.

Scope:

Strengthening Agro Associations: Key to Bangladesh's Agricultural Development

Agriculture plays a crucial role in Bangladesh's economy, contributing approximately 11.02% of the GDP in the financial year 2023-24. This sector employs around 45% of the workforce, highlighting its significance in providing livelihoods. Trade associations within the agriculture sector act as vital catalysts for development, supporting businesses and promoting growth.

By conducting a comprehensive assessment of the key agricultural sector associations in Bangladesh, it is possible to identify their specific needs and tailor support accordingly. This assessment will provide valuable insights into the challenges faced by these associations and the areas where they require assistance. By strengthening these associations, the overall development of the agriculture sector can be significantly improved.

Moreover, enhancing the capabilities of agricultural sector associations can have a positive impact on the export of agricultural products. These associations can play a crucial role in facilitating market linkages, promoting quality standards, and providing technical support to exporters. By addressing their needs and strengthening their capacity, Bangladesh can increase its agricultural exports and improve the livelihoods of farmers and rural communities.

Meeting on Textile-to-Textile Value Chain in Bangladesh

On 25 June 2024, a meeting was held with Mr Abdur Razzak, Managing Director of Recycle-Raw Ltd., a textile waste sorting company in Bangladesh. The meeting took place at the BUILD Conference Room and was attended by Ms Ferdaus Ara Begum, Ms. Shoma Fahmida Jabeen, and Ms. Farjana Yasmin from BUILD. Recycle-Raw Ltd., established in 2015, claims to be the only compliant textile-garment waste sorting company in the country, with a plant capacity of 3,000 metric tons (MT) per month. The company exports around 70% of its sorted materials, supplying the remaining 30% to domestic recycling companies, generating a monthly turnover of USD 1 million.

Recycle-Raw Ltd. focuses on reusing-coloured clips and post-industrial waste, eliminating the need for dyeing, thus saving energy and water and reducing pollution. However, the recycling industry faces limitations in technology, primarily recycling 100% cotton, while blended

fabrics such as cotton/elastane and cotton/polyester are difficult to recycle and often downcycled for lower value uses.

The recycled industry competes with traditional fibres, with recycled fibres being 20-30% cheaper but recycled yarns 5-10% more expensive. Despite the higher costs, demand for recycled yarn is increasing as brands encourage manufacturers to contribute to closing the supply chain loop by supplying waste to recycling mills.

Compliance with safety and labour regulations is an ongoing challenge, particularly in informal sectors, where local coteries exacerbate issues, making it difficult to ensure safe and fair working conditions. Gender disparity is also a concern, as women struggle to access garment scraps due to the control of local mafia groups.

To address these challenges, the meeting emphasized the need for a comprehensive policy framework to support the expansion of the recycling industry and absorb the growing quantities of fabric waste. This framework should incentivize recycling efforts, ensure efficient sorting processes, and avoid calls to ban the export of fabric waste, as the domestic industry cannot handle the entire waste stream. Capacity building in advanced recycling technology, particularly for processing cotton blends and complex fabrics, is crucial. The government should promote technical training and education, sending students or workers abroad to specialize in chemical recycling and act as master trainers upon their return. Additionally, formalizing the sorting and waste management sector, which consists of 3,000-3,500 companies, and organizing them into zones would facilitate better training, compliance, and traceability.

Alternative skill development programs should be provided for those displaced by this shift. Establishing a comprehensive database to track the quantity of fabric waste recycled, exported, and landfilled is essential for informed decision-making and policy formulation. Ensuring price competitiveness within the domestic market by offering fair prices for fabric scraps would dissuade traders from exporting these materials. Regular monitoring of compliance with safety, labour rights, and environmental regulations is also essential, with industry associations and government bodies playing a key role. Finally, buyers should consider paying slightly higher prices for products from factories that maintain compliance with social and environmental standards, promoting more sustainable practices within the industry.

The meeting underscored the importance of a coordinated effort involving government policy, industry formalization, capacity building, and support from political leaders to foster a sustainable and competitive recycling industry in Bangladesh.

Technical Workshop on the draft Smooth Transition Strategy



BUILD CEO Ferdaus Ara Begum and Research Associate Asif Haider attended the day-long

technical-level workshop on the first draft of the Smooth Transition Strategy (STS) and Action Plan held on 9th June 2024 at BICC, Dhaka. This workshop aimed at stakeholders' consultation to facilitate a smooth LDC graduation for Bangladesh in 2026. UNDESA and ERD jointly organized the workshop. Mr Abul Hassan Mahmood Ali, MP, Hon'ble Minister, Ministry of Finance, was present as the chief guest and Ms Waseqa Ayesha Khan, MP, Hon'ble State Minister for Finance and Mr Md. Selim Uddin, Secretary, Ministry of Commerce was present as the special guest. Representatives from different public sector, private sector and development partners attended the workshop.

BUILD CEO shared her valuable insight on the low share of the pharmaceutical sector of Bangladesh for TRIPS waiver, and the failure of the LDCs to reap any benefits with technical assistance or technology transfer and emphasized the need for setting up a timeframe in this regard. She also underscored the need for capacity building for Bangladesh in technical assistance. She also recommended that the 70% export-oriented industries in Bangladesh be treated as born-to-export industries so that these industries can enjoy the benefits of 100% export-oriented industries. For the Japan-Bangladesh EPA, she emphasized lots of plot-based works due to the difference in status and standards between the two countries.

In the second session of the workshop where the Action Plan was consulted, Research Associate Asif Haider participated in a group and recommended rephrasing the term "geopolitical competition and conflicts" to be replaced with "global shocks and trends" in the Action Plan which was acknowledged and accepted by the UNDESA representative. The UNDESA representative as the moderator lauded the activeness of the participants in the session.

FGD on Stewardship Towards Sustainable Agriculture



On 12 June 2024, BUILD and BFTI in a joint initiative organized an FGD on "Stewardship Towards Sustainable Agriculture" at the BUILD Conference Room. BFTI CEO Dr. Md. Jafar Uddin, BFTI Director Obaidul Azam, BUILD CEO Ferdaus Ara Begum, Professor Abu Noman Faruq Ahmed, Md. Shahidul Islam Director Syngenta Bangladesh and other stakeholders related to the agriculture sector were present.

BUILD CEO gave the welcome speech where she expressed warm gratitude to Syngenta Bangladesh and emphasized the need for stewardship in the agriculture sector of Bangladesh to ensure the agricultural outputs are up to the standards. As the arable lands globally are decreasing, in this situation she underscored the appropriate use of the agricultural inputs.

Professor Abu Noman Faruq Ahmed gave the keynote presentation where he discussed elaborately on stewardship and analyzed its necessity to make agriculture sustainable. The presentation also emphasized insecticide

management. Different types of stewardship have been analyzed.

Obaidul Azam, Director of BFTI stressed following the international laws and rules mainly abiding by the AoA and SPS articles. Md. Jahangir Alam focused on the problems related to pesticides. He emphasized the private sector's participation in packaging.

From the meeting, some important recommendations came up like framing the Insecticide Act, updating the existing regulations, participation of the private sector in following the PHI and MRL, making PPE mandatory, setting up policies aligning with the SPS of WTO, licensing issues and so on.

Workshop on Competition Policy by Competition Commission



Competition Commission organized a workshop at CIRDAP Auditorium on June 30, 2024, where Md Selim Uddin, Secretary, Ministry of Commerce was present as chief guest. The workshop was chaired by Pradip Ranjan Chakraborty, Chairperson, of the Bangladesh Competition Commission (BCC). Presentation on the Merger Guideline was made by Md Hafizur Rahman, Member, BCC.

There were a number of discussions from different points of view, Ferdaus Ara Begum, CEO of BUILD expressed the private sector points of view while the administrative perspective of merger control was presented by Khalid Abu Nasir, Former Secretary, BCC, the legal requirement of merger control was given by Azhar Uddin Bhuiyan, Lecturer Department of Law, DU. Notification threshold and financial and economic analysis of merger control were given by Mohd. Anisul Islam, CFA, MBA(DU), MS(Warwick), assistant Professor, Department of Finance, DU, while Investigation and Implementation of merger control was given by Nasrin Akter, former Member, BCC.

In her presentation, the CEO said that BCC is going to prepare a new regulation under the purview of section 21 named Prohibition of Combination of the Competition Act, 2012. In another way, it is also named a merger to mean combination. A draft regulation in the name of Combination Regulation 2024 has been prepared. It will give two small players the chance to combine their efforts to act together through an established legitimate practice.

Prohibition of Combination policy means, only that combination will be prohibited which hampers competition. The Competition Commission (CC) has given the power to investigate to prove that it is not hampering the competition, and the CC will not approve the Combination if it does disturb competition. There will be specific and confirmed detailed data, and dedicated manpower to prove any anti-competition activities. Determination of anti-competitive behaviour and taking penal action through public hearings is a challenging job. On the other hand, enforcement of policies, analysis of mergers and investigation of contract agreements needs an effective team of experts.

The draft regulation on Combination has nine

provisions, which include the definition, classification of combination, committee or investigation committee, their responsibilities, and how they will evaluate the application for combination. Application will be made in the proposed format with a fee to the commission, application submission procedure has also been described in the regulation.

There are clear instructions in the fifth chapter for the selection procedure of the application. In the 6th chapter, there is a policy of giving the final order for combination or merger. The draft has a chapter for reconsideration if the decision of an application is unsuitable. There is a provision for an appeal in the 8th chapter while in the 9th chapter, there is a mention that application secrets will be maintained, along with some other details have been included. BCC is a statutory body with power like those of civil courts in the country, full enforcement of the Competition Act can help the consumers who have always been the target of market manipulation. Objectives of the new regulation on Prohibition of Combination give the impression of helpful combination, however the policy needs further examination before finalization.

She said the harmful combination would need to be addressed, and turnover and relevant other information need to be collected seriously as accurate information is inadequate. SMEs would need to be classified differently, and governance issues need to be taken care of transparently.

Circularity in the Textile and RMG Sector in Bangladesh



Ferdaus Ara Begum, CEO, BUILD presented a paper on Circularity in the Textile and RMG Sector in Bangladesh at the 22nd Biennial Conference, Bangladesh Economic Association(BEA) on May 18, 2024. She said, the value of the World merchandise trade rose 12% to USD 25.3 trillion in 2022, and Commercial services trade increased 15% in 2022 to USD 6.8 trillion. Digitally delivered services worth USD 3.82 trillion in the same year. These merchandise required more and more additional resource extraction. Material extraction will be increasing and if these resources cannot be returned to nature, loss of material extraction will be inevitable. The increase in digital trade has further increased global production.

Global textiles production almost doubled between 2000 & 2015, and consumption of clothing & footwear is expected to increase by 63% by 2030, from 62 million tons now to 102 million tons in 2030(European Environment Agency (EEA) (2019) About 5.8 million tonnes of textiles are discarded every year in the EU, approximately 11kg per person, and every second somewhere in the world a truckload of textiles is land-filled or incinerated.

European Green Deal is to make growth sustainable, climate-neutral, energy resource- and resource-efficient respectful to nature and built around a clean and circular economy.

Eco-design for Sustainable Products Regulation (ESPR) introduces a ban on the destruction of unsold clothing and footwear which can progressively establish performance and information requirements for key products in the EU market. Product design plays an important role and has influences on circularity and buyers are primarily responsible for it, how can symbiosis between buyers and producers be developed, is a crucial point. New business areas, potentially driving demand for durable garments with enduring appeal-needs huge investment, technologies and skilled manpower.

In Bangladesh, approximately 70% of garments are produced using cotton, while the remaining 30% consists of synthetic, textile manufacturers are increasingly exploring Man-Made Fiber (MMF) alternatives. For instance, in the recycling of blended waste, such as a combination of cotton and polyester, a chemical process can be employed to separate the two. In this process, cotton dissolves completely, transforming into a new form known as Manmade Cellulosic Fiber (MMCF), such as viscose. Polyester, being entirely fossil fuel-based and non-biodegradable, becomes recyclable.

Considering the issue of managing wastage in the textile and clothing sector and retaining the EU market Bangladesh needs to take care of the introduction of a circular economy in the fashion industry and accommodate technology to manage wastage in the textile sector.

Bangladesh Trade Policy: Evolution, Current State and Future Directions



Bangladesh Trade and Tariff Commission organized a seminar on Bangladesh Trade Policy: Evolution, Current State and Future Directions on June 20, 2024, in association with the Bangladesh Foreign Trade Institution (BFTI) conference room, Ahsanul Islam Titu, MP, Hon'ble State Minister, Ministry of Commerce was present as chief guest. Abu Hena Md Rahmatul Munim, Sr. Secretary, IRD and Chairman, NBR and Md Selim Uddin, Secretary, Ministry of Commerce were present as special guests.

Dr Zaidi Sattar, Chairman of, the Policy Research Institute (PRI) presented the keynote paper on the topic. Among the discussants Dr Md Jafar Uddin, CEO, BFTI, Ferdaus Ara Begum, CEO, BUILD, Manzur Ahmed, Advisor, FBCCI, Dr Mustafa Abid Khan, Component Manager, SSGP, ERD was present. Dr Ahmed Munirus Saleheen, Chairman (Sr. Secretary) BTTC chaired the seminar.

CEO BUILD in her presentation said Bangladesh Trade Policy Evolution shows that since 1970- the priority has mostly been on poverty reduction and economic recovery. It continued for about a decade, afterwards, a new trend in the apparel sector emerged in 1980, when duty-free import of raw materials for the clothing sector and back-to-back L/C were allowed for the export sectors. This policy support helped Bangladesh as one of the largest RMG suppliers and gradually increased exports.

Then in the next decade, there were some urgent policy reforms in 1990 such as tariff rationalization, significant removal of import ban and quantitative restriction, flexibility in the exchange rate, convertibility of taka in the current account etc.

All these policies have been given a good go-ahead and it progressed well, in the five-year plans of Bangladesh, the GDP growth target was above 6-7%. For several years, the country has been able to maintain an average growth rate of 6%+. However, reform initiatives were slowed down in the 21st century and tariff reforms were almost stagnant. During this time comparator countries taking full benefit of policy reforms, have been able to increase exports and attract investment, we are well aware of the East Asian miracle, Vietnam joined as one of the successful examples recently.

Experts believe Anti Export Bias (AEB) is the reason for not bringing success in export diversification, there are potentials of 1200-1300 products for export from Bangladesh and they prevail in the list of export products, however, cannot sustain as partial exporters. National Tariff Policy 2023 has mentioned some policy directives, however, export needs some special consideration, as the export market is very competitive, and products need to be attractive and compliant as per the buyer's demand. There are products such as ceramics, plastic, biscuits, and shoes that have the potential to be exported, and are doing good in the domestic market but could not do much to the export markets.

There is a lack of infrastructural support to make exporters ready to enter the international markets. Local Industries do not have to go for stringent lab tests as per the desire of the buyers, Tax and VAT-related issues and managing customs etc. are of course difficult issues. While talking to entrepreneurs of Sports Footwear (HS 6403), on which total tax incidence is 100%, Bed Linen (HS 6302) tax implication is 73%, Sacks and Bags used for Packing Goods of Jute taxed at 53%. It proves that local producers are enjoying protection and thus turned away interest in export.

However, while talking to an exporter of shoes informed that price competitiveness is an important issue in export. Regarding compliance, exporters have to bear a significant amount of effort, sports shoe exporters have to maintain eight core pillars of compliance to satisfy buyers, these are labour laws, chemical safety, proof for non-presence of carcinogenic materials, standards, quality, presence of properties of Phthalates etc. Lead time, connectivity, raw materials import etc. are some other issues. Huge Investment is required to make the product ready and ensure instant availability of the goods whenever requested, with some newly added issues such as green growth, and climate friendliness, ESG has made the requirements of the export market more complex. Given the proper policy support and its time-bound implementation is required to make exporters competitive.

There is trade policy dualism, benefits of hundred per cent export-oriented industries are different than those of those who are partial exporters, not only that while comparing policies within even 100% export-oriented industries, but there are also differences. In the import and export policy there is mention of bonded warehouse facilities for partial exporters, however waiting for long for implementation. So far, we understand a committee has been formed to look into the issues and their feasibility, but so far, no improvement.

Export and import policy needs to be aligned with the trade policy to extend the required support to the industries. Industrial Policy 2022 ought to be in tandem with Trade Policy. The broad goals of Bangladesh's industrial policy are classified into two tracks, import-substituting industrial development and export-oriented industrialization, which raises issues of complementarity as well as conflict in the articulation of incentives between the two strands of trade policy – import substitution and export promotion. The 8th five-year plan also echoed the message of the Industrial Policy.

Bangladesh is in the process of preparing its Smooth Transition Strategy (STS) to face the challenges of LDC graduation, given a chance to modernize our trade policy and industrial strategy, shifting focus to innovation and quality- can drive sustainable growth by prioritizing compliance and environmental sustainability. opens opportunities for further economic reforms. Export diversification, enhanced trade negotiation capacities and dealing with infrastructural bottlenecks and administrative inefficiencies to reduce business costs and improve competitiveness, potentially offsetting the loss of trade preferences are areas focused as strategies in the STS.

Seminar on Present Status and Future Prospects of Plastic Recycling in Bangladesh



A seminar on Seminar on Present Status and Future Prospects of Plastic Recycling in Bangladesh was organized by the Bangladesh Pet Flakes Manufacturers & Exporters Association (BPFMEA) in collaboration with the Plastic Products Business Promotion Council (PPBPC) of the Ministry of Commerce on June 29, 2024, at Hotel 71, Bijoynagar, Dhaka. Ferdaus Ara Begum, CEO of, BUILD was present as the chief guest of the seminar, special guests were Dr Ezaz Hossain, Professor (retd), Bangladesh University of Engineering & Technology (BUET), Dr S M Shafiqur Rahman, Operation Engineer & Project Director, Dhaka City Corporation, Iliyas Khan, former Secretary General, National Press Club, Md Mahbul Islam, UNIDO, Suman Chandra Saha, Deputy General Manager, SMEF, Khabiruddin Khan, Chairman, Swan Group of Companies.

The keynote paper was presented by Mohammad Nurul Alam, Vice President, BPFMEA and the welcome speech was given by S A Kabir Noton, Sr Vice President and the concluding speech was given by Md Tofayel Ahmed, President, BPFMEA.

CEO thanked the organizer for such a very timely and effective seminar and emphasized the issue of recycling for sustenance in future. She added, that in 1950 global plastic production was only 30-40 million MT, which increased to 400 million MT in 2022, meaning more than ten times, which will increase further.

Per capita consumption in Bangladesh is 9KG, and total Plastic Waste is 8,11, 250 MT of which in BD is 36% recycled by the industry,

39% landfill, and the remaining 25% leakage/unattended. The sector is 40,000 crores, exporting USD 1.2billion including deemed exports. However, the import of Raw materials is huge. Different types of Resin imports in 2022 are about TK 1.24 billion.

Research says the clothing we are using 60% is plastic. The Pet Flakes we are exporting, the importing country is using these to produce yarn, and our spinning mills are importing these for producing Fabrics, which are being used in the RMG industry. We can value add by producing yarn by ourselves for which we need technology & investment.

She elaborated on the challenges of the sector which is unorganized leading to huge quantities of waste rounding up in landfills and being littered causing environmental pollution, trade Licenses are not available, and funding is not available because of informality. The supply of a sufficient quantity of good quality resins prevents manufacturers from making better quality products, unskilled workforces, operating without approval from the proper authority, insufficient policy-level support, etc. Biodegradable and environment-friendly products like jute and fabric products can be used as alternative products, Health risks of waste pickers have already been identified as one of the challenges. Waste collection to waste management process including landfill and incineration total process and amount should be kept in a dataset. Civic rules and regulations for anti-littering behaviour and household should be developed, she added.

She recommended for campaign against anti-littering and the use of different Bins. Request for support from the EU for AI-based sorting and technology support. Immediate implementation of Extended Producer Responsibility (EPR) is required.

Financial support is required to make the informal sector formal with compliance. So, Bangladesh Bank should create a separate fund and revise fund requirements and formalities as they can achieve the fund easily. BSTI is developing a set of guidelines for the recovery and recycling of plastic waste whereas ISO 15270 also provides a set of guidelines but still, there needs a separate standard for identification, segregation and sorting, mechanical recycling feedstock recycling, and energy recovery guidelines for plastic recycling process. She referred to the definition of informal economy in the industrial policy, Export policy, e-waste policy, and steel scrap policy should give attention to plastic recycling in a much better way to protect the environment and a pollution-free country.

Workshop on Smart RJSC System

On May 23, 2024, the Registrar of Joint Stock Companies and Firms (RJSC) organized a Stakeholder Consultation Workshop on the SmartRJSC System at Hotel Holiday Inn, in collaboration with the Feed the Future Bangladesh Trade Activity (FIFBITBEE).

Ms. Kanis Fatama, Senior Research Associate at BUILD, attended the workshop. BUILD had previously proposed several recommendations for enhancing RJSC services and upgrading its software in 2021. To support these recommendations, BUILD surveyed from March to April 2021 to assess the time, cost, and process of company registration, with FIFBITBEE's support. Based on the survey findings, RJSC began implementing the SmartRJSC system.

The workshop was attended by the Secretary of the Ministry of Commerce, the Register of RJSC, the Deputy Chief of Party of FIFBITBEE, and

various officials from different agencies, as well as private sector stakeholders. Two presentations were delivered: one on how the trade activity has facilitated the digital transformation of the RJSC process, and the other demonstrating the SmartRJSC system and the company registration process, including name clearance. Attendees were informed that the new software is expected to be fully operational by October 2024.

Impact of the Textile Sustainable Platform (TSP) and Textile Competitiveness Platform (TCP) under the Partnership for Cleaner Textile (PaCT) Project of IFC



IFC -WBG organized its Annual Event 2024 on Transforming Textile for Tomorrow on May 30, 2024, at Radisson Blue Water Garden, Utshob Hall, CEO BUILD was a panel discussant in the program for sharing thoughts on public-private dialogues driving key policy dialogues for this sector and how can such platforms contribute towards transforming textile for tomorrow.

CEO informed that in 2016 BUILD with the support from the IFC established the Textile Sustainability Platform (TSP), it is composed of Members from both the Public and Private sectors and several Academia, Universities, Research organizations etc. She then gave a timeline of different activities on (a) mobilization of stakeholders leading to the formation of TSP through the Interim Working Groups (WGs) and delivery of its first set of outputs and outcomes; and (b) full-fledged operations of the TSP leading to additional, and more substantial, outputs and outcomes.

As a further step and evolution of activities of TSP, tried to form a Textile Competitiveness Platform (TCP) in 2022. Formation of TCP: The mandate of TSP was eventually expanded to address broader competitiveness challenges for the textile sector such as over-concentration within the sector and markets, lack of foreign direct investments (FDI), access to finance, environmental sustainability, Fast Fashion, new regulations, shifts in the competitiveness landscape, technological changes, LDC graduation, etc. The TCP/ TSP mobilized a diverse group of stakeholders to carry out the following tasks: a) knowledge and data gathering; b) joint identification of issues; c) solution design, and d) implementation monitoring and impact assessment. BUILD conducted various studies and proposed policy recommendations on issues like Resource Efficiency, Green Finance, Renewable Energy etc.

Reforms Impacts of TCP and TSP

1. Reform Achieved in Design of the Green Transformation Fund (GTF): With FE Circular 14 dated June 26, 2019, titled "Expansion of scope of GTF", Bangladesh Bank has opened up GTF for "all manufacturer-exporters irrespective of sectors against import of capital machinery and accessories for implementing specified green/environment-friendly initiatives". Besides the USD 200m component, a Euro 200m has been added by the Bangladesh Bank in 2020. On July 28, 2020, Bangladesh Bank issued SFD Circular No. 4 "Guidance Note for

on-lending/ refinancing under Green Transformation Fund (GTF)" in which both the details of the characteristics of machinery and accessories that would qualify for GTF as well as the authorities or certifying bodies that could vet the qualification were identified.

2. Changes in the Draft Net Metering Guidelines: BUILD's transaction dialogues on Net Metering Dialogue helped make the draft guidelines more inclusive. Based on the transaction dialogue (June 24, 2019) and BUILD's communication with SREDA, the draft amendments of the Net Metering Guideline included a sample tri-partite agreement between the utility, Energy Service Companies (ESCO), and users of the power.

3. Stronger Policy Framework for Regulating Water Use and Water Pollution: Passage of the Water Rules 2018 which has strengthened the mandate of WARPO. WARPO would now enhance its capacity and issue no-objection certificates or clearance to private sector projects that pertain to water use or affect water bodies. The Department of Environment has taken steps to establish an online monitoring system for CETPs and ETPs.

National Logistics Policy 2024 Dissemination Program



The Logistics Policy 2024 Dissemination program was held on May 2, 2024, at the Bangladesh China Conference Centre. The program was attended by the concerned private sector and public sector organizations who contributed to the preparation of the policy and will benefit from the full implementation of the policy.

BUILD Participated Residential Workshop on Bangladesh Investment Environment Development Program by BIDA



Ms. Kanis Fatama of BUILD participated in a three-day residential workshop organized by the Bangladesh Investment Development Authority (BIDA) and Swisscontact-Parabridhhi at Heritage Resort, Madhoabdi, Norshingdi, from May 12-14, 2024. The workshop aimed to review the implementation of proposals under the Bangladesh Investment Climate Improvement Program (BICIP) and discuss the adaptation of the Municipality Competitiveness Index (MCI) and its relevance to BICIP pillars and local government development. Representatives from various ministries and agencies attended.

A BIDA official reported that out of 110 proposals, 38 reforms were implemented during FY2023-24 across seven pillars: Business Entry, Exit, and Technology Adoption; Industrial Infrastructure and Logistics; Cross Border Trade and Business; Commercial Dispute Resolution and Labor Regulations; Tax Regime; Financial and Non-financial Incentives; and Access to Finance.

During the workshop, participants developed the next set of recommendations under these pillars and BUILD also proposed several recommendations in the workshop.

Capacity Building Training on Trade Policy and Regulatory Framework



From 26-28 May 2024, a Capacity Building Training on Trade Policy and Regulatory Framework was held at BFTI under the Bangladesh Regional Connectivity Project -1 (BRCP-1) a project of the Ministry of Commerce. From BUILD, Research Associate Asif Haider joined the 3-day long training program. Different professionals from both public and private sectors joined the meeting—the honourable CEO of BFTI, Md. Jafar Uddin, former Commerce Senior Secretary, inaugurated the session and also participated in the closing session. He termed the trainees of this programme to be the best so far.

The program was divided into 9 sessions and the sessions were very basic and focused on making the trainees aware of different terms related to trade, export and import policies of Bangladesh, boosting FDI through industrial policy, a brief overview of different acts like the Competition Act 2012, Tariff Commission Act 2020 and Customs Act 2023. Resource persons were from different government agencies like BFTI, BTTC, BIDA, Competition Commission, MoC and so on.

In the closing session, Asif Haider, Research Associate, BUILD gave remarks as a part of the participant's review on the training representing the private sector. In his short remarks, he lauded BFTI for their hospitality and urged the private sector to come out of the cocoon for asking govt assistance and suggested the public sector follow the East Asian Model where business-friendly bureaucracy helped the economy to thrive.

Bangladesh Achieving Green Growth by WBG

World Bank in collaboration with Green Growth for Bangladesh- BUILD Back Greener organized a seminar on June 13, 2024, at Sheraton Grand Ballroom for achieving Green

Growth for Bangladesh. It said that Bangladesh has communicated its strong ambitions to transition to green growth through several national plans, with the World Bank supporting to prioritisation of green and climate-resilient investments in public planning and financing at both and local levels. The event aims to bridge the gap between ambition and implementation to pave actionable

pathways of mutual collaboration in actualizing a Bangladesh focused on green investment, industry and workforce



CEO, BUILD is seen with WBG Country Director at the sidelines of the program of Bangladesh Achieving Green Growth-Form a Shared Vision to Action at Sheraton Grand Ballroom on June 13, 2024.

SME Fair 2024



CEO BUILD attended the SME Fair 2024 at the Bangladesh China Conference Centre organized by the SMEF. She shared her experiences with women entrepreneurs and appreciated their products at the fair.

Bangladesh Circular Economy Summit



Bangladesh Circular Economy Summit was held on June 11, 2024, at the prestigious Radisson Blu Water Garden in Dhaka, Bangladesh, organized by the Bangladesh Apparel Exchange (BAE). CEO attended and contributed. Dr Patrick Schroder, Sr Research Fellow, Chatham House presented a paper at the Summit.

Articles:

Bonik Barta: কোমল পানীয় শিল্প খাতের যৌক্তিক কর কাঠামো

https://bonikbarta.net/home/news_description/383572/%E0%A6%95%E0%A7%8B%E0%A6%AE%E0%A6%B2-%E0%A6%AA%E0%A6%BE%E0%A6%A8%E0%A7%80%E0%A7%9F-%E0%A6%B6%E0%A6%BF%E0%A6%B2%E0%A7%8D%E0%A6%AA-%E0%A6%96%E0%A6%BE%E0%A6%A4%E0%A7%87%E0%A6%B0-%E0%A6%AF%E0%A7%8C%E0%A6%95%E0%A7%8D%E0%A6%A4%E0%A6%BF%E0%A6%95-%E0%A6%95%E0%A6%B0-%E0%A6%95%E0%A6%BE%E0%A0%E0%A6%BE%E0%A6%AE%E0%A7%8B-%E0%A6%AA%E0%A7%8D%E0%A6%B0%E0%A7%9F%E0%A7%8B%E0%A6%9C%E0%A6%A8

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The Business Standard: Bangladesh's economy needs reform policy and increased investment
<https://www.tbsnews.net/thoughts/bangladesh-economy-needs-reform-policy-and-increased-investment-887916>



The 13th meeting of Watershed Restoration Workstream of Bangladesh Water Multi-Stakeholder Partnership (BW-MSP) was held on 2nd June 2024 at the Local Government Division (Bangladesh Secretariat). CEO, BUILD as a member was present in the meeting. Mr. Muhammad Ibrahim, Honorable Secretary, Local Government Division, Ministry of LGRD&C presided over the meeting. Meeting with Ms. Julie Leaf, Chief of Party, Feed the Future Bangladesh Trade Activity



On June 6, 2024, Business Initiative Leading Development (BUILD) had a productive meeting with Ms. Julie Leaf, Chief of the Party of the Feed the Future Bangladesh Trade Activity under the International Development Group LLC (IDG). The meeting served as an opportunity to introduce BUILD's mission and objectives to Ms. Leaf. Additionally, the existing collaboration between IDG and BUILD was highlighted, encompassing various initiatives such as the Company Registration Survey, Trade Licensing Reform, Business Confidence Survey, and the development of the Business Start-up Licenses Guide.

An update on the progress of the 6th edition of the Business Start-up Licenses Guide was also shared during the meeting. Looking ahead, the discussion turned to potential areas for future collaboration between BUILD and IDG. Several topics were explored, laying the groundwork for further partnerships and initiatives aimed at supporting trade and development in Bangladesh.

Discussion on China-Bangladesh FTA



There has been a discussion on the Bangladesh-China FTA for a long, however, the analytical exercise and required research to understand the potential benefits and risks are yet to be recognized clearly. China is one of the biggest countries with having huge manufacturing base and exports of China were \$ 3.4 Tr in 2023, comparing Bangladesh is a very small country, even though 2nd largest apparel exporter, however, differences in the export of apparel of China and Bangladesh is huge, China's apparel export is USD165 billion, while Bangladesh's export is only close to USD 40 billion in the recent year. CEO, of BUILD, attended the program and highlighted the need for further analysis of the details of the FTA within these two countries

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