ICC Bangladesh
The world business organization

20 Years of ICC in Bangladesh 1994-2014

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Infrastructure & Good Governance : key to high Growth

ICC Bangladesh

The world business organization

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Editor's Note

Good Governance must for high Growth

Adequate infrastructure, energy, skilled manpower, political stability and investment-friendly climate are the key factors for higher economic growth. However, good governance is the key to ensure all these issues.

Bangladesh is targeting to become at the lower end of middle income country by 2021. The per capita income of the country, according to 2005-06 base years, has reached to $1,190 in 2014. This performance is much below the potential and lower than the growth rates achieved by China, Malaysia and Korea, who were also low-income countries like Bangladesh in mid seventies. Today, Malaysia and China are at the higher end of the middle-income group and Korea has crossed over to high-income category.

Private sector is considered to be the engine of growth for any country. Similarly, private sector of Bangladesh, over the last two decades, has made tremendous contribution in achieving and maintaining 6% plus GDP. But Bangladesh needs at least 7-8% growth to become a middle-income country and to achieve that growth investment to GDP ratio must be at 30% which needs an enabling business environment. In developing countries like Bangladesh, growth in private sector investment is crucial for achieving the targeted GDP growth. However, growth of private investment has become stagnant in the last couple of years, mainly because of the political instability, lack of good governance and inadequate development of infrastructure.

Foreign direct investment (FDI) has also not been upto the required level although Bangladesh is offering one of the best incentive schemes. One needs to find out whether shortage of physical infrastructure or silent erosion of confidence in the governance or both is responsible for less FDI.

Widening BoP (Balance of Payment Surplus) is making it difficult for the Central Bank to keep the foreign exchange rate stable and reducing inflationary pressure. The central bank's buying spree of foreign currency means that the banks are flush with local currency, raising their tendency to lend to non-productive sectors, and, in turn increase inflation. Another cause of rise in surplus is increase in both long-term and short-term foreign loans due to lower interest rates as well as decrease in net trade credit and trade deficit. The commercial banks should actively consider lowering the interest rate to attract investment in basic industries and infrastructure.

According to World Bank, Bangladesh will have to spend $7.4 billion to $10 billion a year until 2020 to bring its power grids, roads and water supplies up to the standard needed to serve its growing population. Bangladesh will have to give the highest priority to its transport sector for which the country needs to spend between $36 billion and $45 billion for expanding its communication network. The power sector will require an investment between $11 billion and $16.5 billion to take credible electricity to the poor in the country where about half of the population is still not connected to the national grid. In addition, improving water supply and sanitation will need a flow of investment of $12 billion to $18 billion, solid waste management $2.1 billion to $4.2 billion, telecom $5 billion, and irrigation $7.7 billion to $11.6 billion until 2020, the report added.

Similarly, Asian Development Bank (ADB) observed that Bangladesh needs to grow rapidly through massive investment in infrastructure, skill development and trade logistics to have a middle income status by 2021.

Considering the positive achievements that Bangladesh has made over the last two decades and its potential to grow at a much higher rate it is of utmost importance to ensure Good Governance.

20 Years of ICC in Bangladesh
1994-2014

To celebrate 20th Anniversary ICC Bangladesh invites you to join at

ICC International Conference on Global Economic Recovery: Asian Perspective

25-26 October, 2014
Dhaka, Bangladesh

ICC Bangladesh News

19th Annual Council of ICC Bangladesh held
Bangladesh passed the most challenging year in 2013

The year 2013 has been one of the most challenging years for the country's economy in recent times. Failure to implement the Padma bridge project, collapse of a garment factory killing over 1,100 people, US suspension of GSP facilities, large scale financial scams, unprecedented political violence, etc have been very damaging to the country's image, observed ICC Bangladesh President Mahbubur Rahman while presenting the Report of the Executive Board during the 19th Annual Council 2013 of ICCB held in Dhaka on 12 April.

ICCB President Mahbubur Rahman (4th from right) at the Annual Council 2013 held on 12 April. Also seen in the picture (from left to right) are : Singer Bangladesh Limited Chairman Mahbub Jamil, BIA Chairman Sheikh Kabir Hossain, BGMEA President Atiqul Islam, ICCB Vice President Latifur Rahman, FBCCI 1st Vice President Monowara Hakim Ali, DCCI President Mohammad Shahjahan Khan and IIDFC Chairman M. Matiul Islam.

According to the Executive Board Report, against all odds, Bangladesh has been able to attain a GDP growth of 6.03% in FY13. Although this marks a drop in GDP growth rate for two consecutive years, growth of over 6.0% is quite respectable where the projected growth of developing countries is around 5.0% in 2013 said the annual market update 2013 of Citibank NA Bangladesh. The drop in GDP growth rate from 6.23 % in FY12 is mainly attributed to slowdowns in agriculture and service sector. The slowdown in agriculture sector from 3.11% in FY12 to 2.17% in FY13 is largely due to the base effect of two consecutive years of record growth and lower output due to the falling prices along with weather-related disruptions.

However, in the outgoing year, Bangladesh has successfully coped with the global challenges. Economic growth has also been largely inclusive and broad based, with food production keeping pace with the population growth, significant increase of per capita income in real terms, poverty fell sharply to less than 31.5 per cent coupled with

Group picture of ICCB Members during the Annual Council improved life expectancy, higher literacy rate and lower mortality. Population control programmes have also helped in slowing down population growth. However, political confrontation during the third-quarter of 2013 resulted in tragic loss of lives of innocent people, in addition to huge economic losses, otherwise the country could have easily achieved more than 7% GDP growth.

The Report mentioned that according to recent World Bank reports Bangladesh has the potential to create at least 15 million jobs in the next ten years. The productivity of Bangladeshi workers is on par with Chinese workers in well-managed firms, with their wages being one-fifth of their Chinese counterparts (half those in Vietnam), reported the WB. The country's unique competitive position comes at a time when China is in the process of outsourcing 80 million jobs from labour-intensive industries.

BGMEA President Atiqul Islam thanked ICCB President Mahbubur Rahman & all the members of ICCB for their unqualified support to BGMEA after the Rana Plaza tragedy. He requested ICCB President to organize a Round Table and discuss about the Plan of Action of BGMEA for worker's safety, the support extended by the BGMEA to Rana Plaza victims, Compliance and how to become number one RMG Exporter in the world.

The Council adopted the Executive Board Report & Audited Financial Statements of ICC Bangladesh for the year ended 31st December. The results of the newly elected Members of the ICC Bangladesh Executive Board for the period April 2014-March 2016 was also announced. The Council congratulated the newly elected Members of the Board.

Among others, ICCB Vice President Latifur Rahman; ICCB Board Members A.S.M.Quasem; Mahbub Jamil; Aftab ul Islam; Muhammed Hatem; Waliur Rahman Bhuiyan, OBE; FBCCI 1st Vice President Monowara Hakim Ali, DCCI President Mohammad Shahjahan Khan; BGMEA President Atiqul Islam; BIA Chairman, Sheikh Kabir Hossain; Former BKMEA President Fazlul Haque; Former FICCI President Syed Ershad Ahmed, IIDFC Chairman Md. Motiul Islam; Mir Nasir Hossain Managing Director, Mir Akhter Hossain Ltd.; Imran Ahmed Managing Director, Duncan Brothers Bangladesh Ltd.; Dr. A.S.M. Akbar Managing Director, UAE-Bangladesh Investment Co. Ltd.; Indranil Lahiri Managing Director, Siemens Bangladesh Ltd.; Ashraful H. Chowdhury CCAO, Airtel Bangladesh Ltd; Abu Alam Chowdhury CEO, CONEXPO Ltd.; Golam Rahman Executive Vice Chairman, Eastland Insurance Company Ltd.; AKM Nurul Fazal Bulbul of BAB as well as MDs/ CEOs and senior officials of banks, insurance companies, national and multinational companies also attended the Council.

ICCB Vice President Latifur Rahman elected Executive Board Member of Global ICC

Latifur Rahman, Vice President of ICC Bangladesh & Chairman and CEO of Transcom Group has been elected Member of the Executive Board of the Paris-based ICC for a three-year term starting from July 2014. ICC, *the world business organization* during its 202nd Council held in Geneva on June 27 unanimously elected Latifur Rahman and five others as Executive Board Members.

It may be mentioned that ICC Bangladesh President Mahbubur Rahman was member of ICC World Council and Executive Board Member of ICC, Paris for 1997-99.

Mr. Latifur Rahman has served in many important national bodies in various capacities including President of Metropolitan Chamber of Commerce & Industry, Dhaka (MCCI) for several terms; President of Bangladesh Employers' Federation (BEF) for two terms and Member of Executive Committee of Federation

Latifur Rahman

of Bangladesh Chambers of Commerce & Industry (FBBCI), Bangladesh Jute Mills Association and Bangladesh Tea Association. He was Member of the Executive Board of Bangladesh Bank. He has been closely involved with fiscal and trade policy making bodies of the Government as Chairman, Tradebody Reforms Committee, Advisory Committee on WTO, National Committee on Export Promotion and Consultative Committee on Jute.

In 2012 Mr. Rahman was awarded "Oslo Business for Peace Award " by the Business for Peace Foundation, Oslo and Business Executive of the Year 2001 by the American Chamber of Commerce in Bangladesh.

Mr. Latifur Rahman is also the Chairman of Nestlé Bangladesh, Holcim Cement Bangladesh (world leader in cement) and National Housing Finance & Investments. Director, Linde Bangladesh (formerly British Oxygen) and Member, Governing Body of BRAC.

Transcom Group originated with tea plantations in 1885, is now one of the largest conglomerate in Bangladesh, comprising 16 private & public companies employing over 10,000 people. The Group comprises of pharmaceuticals, electronics, media, foods, beverages and consumer products.

The other new Members elected by ICC, Paris are: Maria Fernanda Garza, Chair and CEO of Orestia and Chair of ICC Mexico; Dennis M. Nally, Chairman of Pricewaterhouse Coopers International; Yongmaan (YM) Park, Chairman and Chief Executive Officer of Doosan Group, Republic of Korea; Kasemsit Pathomsak, President and Chief Executive of Merchant Partners Securities and Chair of International Chamber of Commerce (ICC) Thailand and Thomas Wellauer, Chief Operating Officer of Swiss Re and Chair of International Chamber of Commerce (ICC) Switzerland.

ICC Bangladesh President briefed diplomats about ICC International Conference on Global Economic Recovery

ICC Bangladesh arranged a lunch meeting on April 8 at a local hotel in Dhaka to brief the diplomats about the International Chamber of Commerce (ICC) International Conference on Global Economic Recovery : Asian Perspective to be held in Dhaka on October 25-26 2014 coinciding with the 20th Anniversary Celebration of ICC's presence in Bangladesh.

ICC Bangladesh President Mahbubur Rahman at the briefing session said as a part of its regional & international activities, ICC Bangladesh has so far organized four regional & international conferences in the year 2000, 2004, 2005 & 2010. As part of its regular activities ICCB has planned to organize this year's event, he added.

Mr. Mahbubur Rahman mentioned "we have already requested you earlier to help us in having your Minister for Trade and Economy to join us at this important Conference."

He also said that World Bank President, IMF Managing Director, WTO Director General, ADB President, UNCTAD Secretary General, UNESCAP Executive Secretary, JICA President, ICC Chairman, Vice Chairman, Secretary General, ICC National Committee Chairmen have been invited to share their views with the attending business leaders from home and abroad. Former WTO Director General Pascal Lamy, Former UNCTAD Secretary General Dr. Supachai Panitchpakdi have also been invited.

The briefing was attended by H. E. Mr. Li Jun, Ambassador of the People's Republic of China; H.E. Mr. Iwan Wiranata-Atmadja, Ambassador of the Republic of Indonesia; H. E. Mr. Hossein Aminian Tousi, Ambassador of the Islamic Republic of Iran; H.E. Mrs. Norlin Binte Othman, High Commissioner of Malaysia; H.E. Mr Hari Kumar Shrestha, Ambassador of Nepal; H.E. Mr. Vicente Vivencio T. Bandillo, Ambassador of the Mr. Darryl Lau, Consul General of the Republic of Singapore; Mr. Toby Glucksman, Economic Counsellor Embassy of USA; Mr. Kim Hyun, Embassy of the Republic of Korea; Mr. Kawa Kami, First Secretary Embassy of Japan; Mr. Henrick Van Asch Van Wijck, First Secretary Embassy of The Netherlands; Mr. Md. Shahadat Hossen, Consultant, High Commission of Austria; Mr. Pierre Fabre, Economic Consultant

ICC Bangladesh President Mahbubur Rahman is seen briefing the diplomats at Westin Hotel about ICC International Conference on Global Economic Recovery: Asian Perspective to be held in Dhaka on 25-26 October .

Republic of the Philippines; H.E Mr Hüseyin Müftüoğlu, Ambassador of the Republic of Turkey; H.E.Mr. Nguyen Quang Thuc, Ambassador of the Socialist Republic of Vietnam; Dr. Levinda Bell, Charge d' Affairs of Australia; Mr. Omar Shocab, Charge d' Affairs of Egypt; Dr. Anatoly Davydeko, Charge d' Affairs of Russian Federation; Mr. A.G. Abeysekara, Acting High Commissioner Sri Lanka; Mr. Jadi Naif Al-Raqaas, Deputy Head of Mission, Kingdom of Saudi Arabia; Embassy of the Republic of France; Mr. Md. Kamal Uddin, Trade Commissioner of Canada; Mrs. Rokia Afzal Rahman, Vice President International Chamber of Commerce (ICC) Bangladesh; Mr. Rashed Maksud Khan, ICC Bangladesh Executive Board Member; Mr. Md. Fazlul Hoque former BKMEA President, ICC Bangladesh Secretary General Ataur Rahman and Dr. Toufiq Ali, Chief Executive, Bangladesh International Arbitration Centre (BIAC).

ICC Bangladesh Workshop for Bangladeshi Bankers in Kuala Lumpur, Malaysia held

ICC Bangladesh organized jointly with ICC Malaysia a Workshop on Rules and Tools for International Trade Finance in Kuala Lumpur on 23-25 April for Bankers from Bangladeshi banks. A total of 90 bankers from 19 Banks including Bangladesh Bank and Bangladesh Institute of Bank Management (BIBM) participated in this program. This is for the first time that ICC Bangladesh has organized such a workshop outside the country. Some 54 bankers of Malaysian Banks participated at the workshop together with Bangladeshi bankers. The main objective of the Workshop was to allow the Bangladeshi bankers to interact with their counterparts in Malaysia, to learn more about the latest rules and tools of international trade finance as well as to avoid risks in cross-border transactions. The workshop was also cover designed to Documentary Credit Operations and Risk Management.

ICCB Secretary General Ataur Rahman is speaking at the inauguration of ICC Workshop on Rules and Tools for International Trade Finance organized jointly in Kuala Lumpur by ICC Bangladesh and ICC Malaysia.

On April 23 the Bangladeshi Bankers visited Maybank and interacted with senior officials of Bank Negara Malaysia and Maybank. Ms. Sarifaah Naziha bt Syed Abdullah, Senior Analyst of Bank Negara Malaysia (Central Bank of Malaysia) made a presentation on Malaysian Economy, Foreign Trade Rules & Regulations, Foreign Direct Investment (FDI) and Policy of Fund Trade Management in Malaysia. Mr. John Wong, Managing Director, Group Head, Transaction Banking, Global Banking, Trade Operation of Maybank also made a presentation on overall operational scenario of the Bank. Mr. Loo Eng Hock - Director, Transaction Banking Malaysia, Global Banking spoke about some transaction related procedures of the Bank. After the presentation Maybank hosted a lunch for Bangladeshi Bankers. Bangladesh Bank Officials also exchanged views regarding Bangladesh Rules & Regulations on Foreign Trade with Bank Negera Malaysia. ICC Bangladesh Secretary General thanked Mr. John Wong for inviting the Bangladesh participants and arranging the seminar.

He also invited Mr.Wong to come to Bangladesh with his officials and clients to attend ICC International Conference on Global Economic Recovery: Asian Perspective to be held in Dhaka on 25-26 October 2014.

Mr. Vincent O'Brien, a highly experienced practitioner of International Trade Finance and a standing member of the ICC Banking Commission from Ireland conducted the 2-day workshop in Corus Hotel, Kuala Lumpur on April 24-25. ICC Malaysia Executive Director Dr. Oon Tean Yeoh and ICC Bangladesh Secretary General Ataur Rahman jointly inaugurated the workshop. ICC Bangladesh Deputy General Manager Ajay B. Saha also attended the workshop.

Group picture of participants at ICC Workshop on Rules and Tools for International Trade Finance in front of Twin Tower in Kuala Lumpur.

ICCB participation at ICC Asia Pacific CEO Forum and Third China Import Expo at Kunshan, China

The Second ICC Asia Pacific CEO Forum/third World Business Leaders Conference and ICC Regional Consultative Group (RCG) Meetings were held in Kunshan, China on 14-17 May. The Meetings were co-hosted and organized in Kunshan, Jiangsu, China on the 14 May by the ICC, China Chamber of International Commerce (CCOIC) and ICC Asia Pacific Regional Consultative Group.

The ICC Bangladesh delegation included: ICCB Executive Board Members: Aftab ul Islam & Rashed Maksud Khan and Members: Md. Fazlul Hoque and Anwarul Alam Chowdhury (Parvez).

ICC Asia Pacific CEO Forum was chaired by Mr. Raghu Mody, Chairman of the Forum and Mr. Linshunjie, Secretary General CCOIC and President, ICC China were present as the special guest.

In the afternoon, discussions continued in three sessions consecutively. In Panel - I, the role of Asia-Pacific Region in Global Governance was discussed. The session was chaired by Mr. Harsh Patisinghania coordinator ICC Asia-Pacific Regional Consultative Group (RCG).

In this session, Jean-Guy Carrier, the Secretary General of ICC-Paris described the responsibilities and commitments of WTO towards the developing countries and the LDCs. He mentioned that in the same manner the G20 member countries are required to extend their support for uniform trade with the countries of the 3rd world.

In Panel-II two discussions were made on emerging Asian Financial Architecture. The session was chaired by Mr. Kashemsit Pathomsak, Chairman of the ICC-Thailand and President and CEO of Merchant Partners Securities. The panelists in this session were mostly from Financial Institutions.

The Director General East Asia Department of the Asian Development Bank (ADB) Mr. Ayumi Konishi in his opening remarks narrated how the ADB operates in promoting business in the developing countries. He mentioned that ADB provides fund mostly for infrastructure development which facilitates the business. The Senior

ICC Bangladesh Member and former BKMEA President Md. Fazlul Hoque is making a presentation on Bangladesh's achievements in the RMG Sector as well as other export oriented sectors at ICC Asia Pacific CEO Forum and Third China Import Expo held in Kunshan, China on 14-15 May.

President Representative of the International Monitory Fund (IMF) Mr. Alfred Schipke stationed in Beijing stated that IMF too provides fund for infrastructure development and to facilitate business. They would be able to consider request for fund needed by the Asia-Pacific Region Business Community for specific projects.

Panel-III session was on "Making connections - business opportunities in China". In this session, discussions were made on the probable areas of cooperation between Chinese and Foreign Business. The session was chaired by Mr. Xiong Xunlin, Deputy Secretary General of CCOIC and ICC-China.

The Chairman and President of Potevio Company Limited of China Mr. Xingwei who had made investment in China narrated their experience and expressed their satisfaction for the support and cooperation provided by the Chinese Authorities. There were five panelists from different enterprises of different countries who narrated their experiences. Mr. Md. Fazlul Hoque participated in Panel III Session on "Making connections - business opportunities in China". and made presentations on Bangladesh's achievement in the RMG Sector as well as in other export oriented sectors of industries. He welcomed the ideas of Chinese Authorities to open up the import to China and urged them to import RMG products from Bangladesh. He also suggested that Bangladesh would also welcome joint-venture in the Engineering Sectors, Telecommunications and Software Manufacturing Sector with China which would beneficial to both the countries.

He thanked the Chinese Government for extending their support to Bangladesh in the construction of bridges and other infrastructures projects.

Lastly, he informed the house that ICC-Bangladesh would be holding an international conference on "Global economic recovery: Asian Perspective in Dhaka" on 25 – 26th October, 2014, to mark the 20th Anniversary of the ICC-Bangladesh.

He invited all the participants present in the Asia Pacific Conference. He specially requested ICC-China and CCPIT to circulate this message and ensure proper representation from China.

The Chairperson of this session appreciated the deliberations of Mr. Fazlul Hoque and remarked that Bangladesh Chapter of the ICC has always been very active and has been rendering valuable services to the business community. Other members of the panel also lauded the role ICC-Bangladesh.

The 7th ICC Asia Pacific Group Meeting was held on the 15th May. Representatives of ICC National Committee from : China, Australia, Bangladesh, Taiwan, Hong Kong, Macao, India, Japan, Korea, Malaysia, Nepal, Indonesia, New Zealand, Philippines, Singapore, Sri Lanka and Thailand .

Mr. Raghu Mody was voted to the Chair while Mr. Jean-Guy Carrier, Secretary General of ICC was the Moderator. In his opening remarks, Mr. Mody requested the members to discuss about their plans and programs in implementing ICC-Rules and in promoting regional business. In response, the member countries expressed their deep concern and difficulties in conducting the business for shortage of funds. ICC-Indonesia and ICC-India proposed that ICC/HQ should provide some financial support to each of the National Committees. Most of the members supported the idea. ICC Secretary General Jean-Guy Carrier however refuted this idea and stated that each national committee should make some drive to earn money through their service activities.

Earlier, before start of the meeting, the ICC-Bangladesh Delegation had distributed the Invitation Letter and Brochures of the International Conference on "Global Economic Recovery: Asian Perspective" which will be held in Dhaka on 25 – 26 October. Pointing to these papers of ICC Bangladesh, the Representative of ICC Malaysia, and ICC India lauded the role of ICC Bangladesh.

The ICC- Secretary General also remarked that other National Committees should learn from Bangladesh as to how to run their affairs successfully.

Participation at EBAC Meeting (UNESCAP Business Advisory Council) in Bangkok,18 May

The Seventh Meeting of the ESCAP Business Advisory Council (EBAC) was convened on 18 May at Green Spot Co., Ltd. in Bangkok, Thailand. The Meeting was attended by 19 EBAC members, 11 associate members and 16 observers. ICC Bangladesh President Mahbubur Rahman and Mr. Asif Ibrahim attended the EBAC Meeting as Members.

Group picture of EBAC Members with UN ESCAP Executive Secretary Dr. Shamshad Akhtar (6th from right). ICC Bangladesh President Mahbubur Rahman (5th from left), EBAC Chairman Datuk Seri Mohamed Iqbal Rawther (7th from left), EBAC Vice Chair Mr. Chote Sophonpanich (6th from left) and former DCCI President & ICCB Member Asif Ibrahim (3rd from left) are also seen among others.

The Meeting was chaired by Datuk Seri Mohamed Iqbal Rawther, EBAC Chair, Group Executive Director, Farlim Group Malaysia, and Mr. Ravi Ratnayake, Director, Trade and Investment Division, ESCAP. Ms. Shamshad Akhtar, Under-Secretary-General of the United Nations and Executive Secretary of ESCAP made opening statements. The venue was provided by Mr. Chote Sophonpanich, EBAC Vice Chair, Executive Chairman, Green Spot Ltd. and Krungdhep Sophon Public Company Ltd. Mr. Ravi Ratnayake introduced the opening session by highlighting three reasons for why the Seventh Meeting was a very special meeting of EBAC. Firstly, a number of new members and associate members were attending their first EBAC meeting. Secondly, a rich and substantive agenda was to be discussed including many important issues such as disaster risk reduction, the next APBF, future direction of EBAC and also progress reports from the task forces of the SBN. Thirdly and most importantly, the new Executive Secretary of ESCAP, Ms. Shamshad Akhtar, was attending her fist EBAC meeting.

Ms. Shamshad Akhtar, in her opening statements, expressed her pleasure to meet all the business leaders who are members of EBAC. She emphasized that she greatly valued the Council as business was the major driving force of growth and was expected to play a major role in the formulation and implementation of sustainable development goals (SDGs). For ESCAP, a vibrant partnership with the private sector remained very important but required strategic recruitment of a wider array of business representatives at higher level in the Asia-Pacific region. Ms. Akhtar emphasized that she would like to engage the private sector in all areas of ESCAP's work. As the international community was in the process of transition to move from MDGs to SDGs, a crucial opportunity existed for the private sector and EBAC to play a larger role in the development of the development agenda beyond 2015. She further informed the Meeting that ESCAP would be holding he first Asia-Pacific Forum on Sustainable Development in Pattaya from 19 to 21 May 2014. The outcomes of this forum would feed into the second High-Level Political Forum (HLPF) in New York which was scheduled to be held from 30 June to 9 July 2014 in New York. Firstly there was a need to attract top Asia-Pacific leaders to ensure that EBAC's voice was more effectively heard by Member States. Secondly, EBAC should continue to drive the APBF and SBN and develop suitable mechanisms for sustainable development. Finally, EBAC should play a more active role in resource mobilization efforts for sustainable development across the region.

Datuk Seri Mohamed Iqbal Rawther thanked Dr. Akhtar for her attendance and remarks. He also welcomed the many new members and associate members at the Meeting. He highlighted that although the transition from the MDGs to SDGs was welcome many businesspeople felt a lot of pressure to incorporate the aspects related to sustainable development in their daily operations. Furthermore, insufficient attention was paid to how the new goals would fit with business so that business could realistically pursue the new agenda. He concluded by highlighting that the issues must still be approached from the perspective of what is best for the planet.

It was mentioned that at the next EBAC Meeting a new Chair would need to be elected as Mr. Iqbal's term would be coming to an end. Mr. Iqbal acknowledged the offer by key EBAC members from Bangladesh for hosting the APBF 2016 in Dhaka. The 2015 APBF location and local host remains to be decided.

Mr. Ravi Ratnayake, in his closing statements, reiterated the importance of the task forces of the SBN as the driving force behind EBAC. He acknowledged that some task forces had already done a lot of work with many tangible results and he urged other task forces to become more active and recruit new members. Mr. Ratnayake called for all task forces to have at least 15 members by the time the next APBF convenes in Colombo in November 2014.

Asia-Pacific Forum on Sustainable Development : regional partnership and strong leadership critical to post-2015 development

Strong leadership at all levels of government and inclusive regional partnerships with civil society, the private sector and the United Nations system were highlighted as key to delivering on an ambitious and transformative post 2015 development agenda, including the Sustainable Development Goals (SDGs) at the closing of the Asia-Pacific Forum on Sustainable Development. Convened by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and co-hosted by the Royal Thai Government, the Forum held from 19 to 21 May in Pattaya, Thailand marked the inaugural regional meeting under the High-Level Political Forum (HLPF) - the preeminent United Nations global body providing political leadership and guidance on sustainable development.

As the United Nations transitions from a development agenda driven by the MillenniumDevelopment Goals (MDGs) to a post-2015 development agenda anchored by sustainability, the Forum outcomes will serve as a key input into the global HLPF negotiations to ensure regional priorities and perspectives are reflected there.

"The outcomes of the Forum will define the sustainable development priorities and architecture of

regional strategy to pursue SDGs and the post-2015 development agenda," United Nations Under-Secretary-General and ESCAP Executive Secretary, Dr. Shamshad Akhtar affirmed at the Forum.

Mr. Asif Ibrahim, EBAC Member and Member of ICC Bangladesh delivered a statement on behalf of the ESCAP Business Advisory Council, outlining EBAC's priorities, concerns and vision for the future.

Over the three days, regional priorities and perspectives on the United Nations post-2015 development agenda, and a pathway towards a transformative development agenda with sustainability at its core, were shared by ministers and high-level representatives from across the region, along with civil society, United Nations and private sector organizations.

The importance of effective governance, securing adequate financing, sharing technological innovations and developing global partnerships were among the key priority drivers of transformation identified at the Forum, supported by strongnational, regional and international institutional foundations for effective implementation.

ICC Bangladesh Member & Former DCCI President Asif Ibrahim is delivering a statement on behalf of the EBAC outlining EBAC's priorities, concerns and vision for the future at Asia-Pacific Forum.

A focus on disaster risk reduction, sustainable consumption and production and the unique challenges and opportunities associated with an ageing population and the 'youth bulge' in the region, also stood out as regionally specific priorities.

"Shaping the post-2015 development agenda is both a challenging and sobering responsibility, and an unmatched opportunity to change lives, livelihoods and lifestyles, " Dr. Akhtar stressed, also emphasizing that the Asia and the Pacific region is well known for taking up this responsibility and for "successfully changing the destiny of its people."

Outcomes from the meeting will be delivered at the second session of the global High Level Political Forum, to be convened at the United Nations Headquarters in New York in July 2014.

ICCB Participation at ICC Banking Commission Meeting Dubai

The ICC Banking Commission in collaboration with Dubai Chamber of Commerce and Industry organized the bi-annual meeting in Dubai on 27-30 April. Vice Chairman of Dubai Chamber of Commerce and Industry H.E.Mr.Hisham Al Shirawi inaugurated the Meeting on 29 and was presided over by ICC Banking Commission Chair Mr. Kah Chuye Tan.

The Dubai 2014 bi-annual meeting was attended by over 350 trade finance experts from leading financial institutions and ICC National Committees to reshape the future of trade and finance. ICC Bangladesh Secretary General Ataur Rahman attended the Meeting. It may be mentioned that ICC Banking Commission meetings have built an unrivalled reputation for bringing the industry together to discuss the most prominent issues impacting trade finance today.

This year's conference, themed "Dubai 2014 – Gateway to Sustainable Trade and Development", provided an opportunity to discuss and debate some of the key issues resulting from major changes in the trade finance industry. The four-day event provided trade finance professionals, financial institutions, corporations, and international organizations from a wide range of countries, with opportunities to discuss the challenges the industry faces in providing trade finance services around the world.

ICCB Secretary General Ataur Rahman (2nd from right) is seen with Vice President, International Relations Department of Dubai Chamber of Commerce and Industry Hassan Al Hashemi (middle); Chair, ICC Banking Commission Kah Chye Tan (extreme right); Chair, ICC Banking Commission Task Force on Guarantees Andrea Hautann (3rd from right); Member of ICC Banking Commission Executive Committee Vincent O' Brien (3rd from left); Senior Policy Mananger & Executive Secretary of ICC Banking Commission Thierry Senechal (extreme left) and ICC Turkey Secretary General Yeliz Geriş (2nd from left).

Keynote and panel topics focused on issues such as the new engines of growth in trade finance, value creation opportunities and prospects for the industry as well as harmonization of business practices, the development of a common terminology for supply chain finance and the impact of compliance requirements and sanctions on business, to list a few. In addition to the plenary events, ICC Banking Commission task forces and working groups discussed on technical topics related to bank guarantees, anti-money laundering and compliance, supply chain finance, factoring, forfaiting, legal issues and regulation.

Besides, ICC UEA Workshop : Technical Trade Forum and Training Session on the Bank Payment Obligation (BPO) were also organized on 27 and 28 April respectively.

ICC Knowledge Centre
1st Executive Committee Meeting held

ICC Bangladesh and HSBC Bangladesh have collaborated to form a platform for learning, networking and knowledge facilitation for the professionals of the local corporate entities engaged in international trade titled the "ICC Knowledge Centre", Dhaka. An agreement was signed between ICC Bangladesh and HSBC Bangladesh on 25 February 2014 in this regard.

The first Meeting of the Executive Committee of the ICC knowledge Centre was held at ICC Bangladesh on 28 May. ICC Bangladesh President Mahbubur Rahman introduced the Members of the Executive Committee and hoped that the Committee Members will take active interest in making the ICC Knowledge Centre a prime centre of excellence for serving the trade professional.

The 8- member Executive Committee consist of the following: Md. Fazlul Hoque, Immediate Past President, Bangladesh Employers' Federation, Former President of BKMEA ; Asif Ibrahim, Chairman, Business Initiatives Leading Development; (BUILD), Former President, DCCI; Justin Davies, Director of Trade and Investment, UKTI, British High Commission, Dhaka; Dr. Toufic Ahmad Choudhury, Director General, Bangladesh Institute of Bank Management;Md. Ahsan Ullah, Executive Director, Bangladesh Bank, Foreign Exchange Branch; Syed Javed Noor, Country Head of GTRF (Global Trade & Receivable Finance), HSBC Bangladesh; Md. Moniruzzaman, Head of Marketing, Commercial Banking, HSBC Bangladesh and Ataur Rahman, Secretary General, ICC Bangladesh. All the members except Dr. Toufic Ahmed Choudhury were present. The Committee unanimously elected Md. Fazlul Hoque as the Chairman.

First Meeting of the ICC Knowledge Centre Executive Committee in progress.

The Committee was informed that the first two events, Workshops on Incoterms 2010 and Uniform Rules of Demand Guarantees (URDG) of the ICC Knowledge Centre will be held in Dhaka and Chittatong on 31 May and 2 June, 2014 respectively. Around 150 participants consisting of officials of corporate houses, Ministry of Finance and Bangladesh Bank would be attending the events.

The Committee was informed that Centre will organize 3/ 4 more events during the year 2014. The Committee endorsed the suggestion of translating UCP 600 in Bangla for easy understanding by the commercial officials dealing with export and import.

Bangladesh is going to be US$100 billion trade economy
Observed ICCB President Mahbubur Rahman

Bangladesh economy is growing up despite the unstable situation in 2013. It is expected that Bangladesh is going to be US$100 Billion trade economy not too distant future said ICCB President Mahbubur Rahman while inaugurating ICC Knowledge Centre Workshop on Incoterms 2010 & Uniform Rules for Demand Guarantees (URDG) on May 31 at a local Hotel in Dhaka. Mr. Rahman said "I must congratulate our private sector, in particular the export industries, namely Ready Made Garments, Leather, Pharmaceuticals and also the Shipbuilding Industry. I must also thank our hard working migrant workers whose regular remittances of around US$14 billion have helped in meeting our much needed foreign exchange," he added.

ICCB President Mahbubur Rahman (3rd from left) is seen at the inauguration of ICC Knowledge Centre First Trade Workshop on Incoterms 2010 and URDG organized by ICC Knowledge Centre. Also seen in the picture are Md. Fazlul Hoque(3rd from right), HSBC Country Head of GTRF Syed Javed Noor(2nd from right), ICCB Secretary General Ataur Rahman(extreme right), Workshop Resource person Pavel Andrle (2nd from left) and Director of Trade and Investment British High Commission, Dhaka Justin Davies(extreme left) .

We now have Foreign Exchange reserve of over US$20bliion, for which Bangladesh Bank definitely deserves credit. We now have to create congenial environment to attract both domestic and foreign direct investment for setting up basic industries, without which Bangladesh cannot sustain its growth momentum and achieve our aim of becoming middle income country within the next few years, he mentioned. ICC Bangladesh Secretary General Ataur Rahman welcoming the guests and participants mentioned that ICC Knowledge Centre is a joint initiative of International Chamber of Commerce Bangladesh (ICCB) and HSBC Bangladesh. It is a first ever unique learning, networking and knowledge facilitation platform for the professionals of the local trade community, engaged with international trade in Bangladesh.

The Centre will provide a dedicated one-stop platform on trade knowledge matters. He mentioned that the main objectives of Centre will include: (i) Promote knowledge on International Trade, through facilitating an access to the Forum; (ii) Promote trade communal affinity by providing networking opportunity; (iii) Promote Global standards in international trade transactions involving Bangladesh; (iv) Promote a one-stop knowledge / resource Forum for trade matters and (v) Promote trade knowledge through class room training, workshops and round tables, he said.

Md. Fazlul Hoque, Chairman, Executive Committee, ICC Knowledge Centre said ICC Knowledge Centre will play vital role to trade specialists to enrich their knowledge. Mr. Pavel Andrle, Member, ICC Banking Commission and Secretary to the Banking Commission of ICC Czech Republic who conducted the workshop also spoke on the occasion.

Justin Davies, Director of Trade and Investment British High Commission, Dhaka and Syed Javed Noor Country Head of GTRF (Global Trade & Receivable Finance) HSBC Bangladesh also attended the occasion. A total of 130 commercial officials of various corporate houses including officials of Ministry of Finance, Ministry of Commerce, Bangladesh Bank, National Board of Revenue and BIBM attended the workshop in Dhaka. The second workshop organized in Chittagong on 2 June was attended by 60 participants including official of Bangladesh Bank and Chittagong Customs.

ICC Workshops on URDG

ICC Bangladesh organized two workshops on Uniform Rules for Demand Guarantees (URDG) 758 in Dhaka and Chittagong on June 1 and 3 respectively. ICC Bangladesh Secretary General Ataur Rahman in his introductory remarks during the inaugural of the workshop in Dhaka mentioned that trade Finance is generally being considered to involve less risk for banks than other mainstream forms of bank financing. Historically banks have faced relatively low loss provisions when providing finance or securing trade deals using traditional trade finance instruments, such as letters of credit or guarantees. "The independent demand guarantee has played a

Group picture of participants at ICC Bangladesh Workshop on URDG held in Dhaka.

critical role in the advancement of international business over the last 3 decades with the use of guarantees continuing to increase. The advent of the financial crisis has accelerated the use of demand guarantees as contracting parties strive to cover the risks of non-performance or non-payment by counterparties. The revised URDG 758 of ICC, which became effective from July 2010, will provide the perfect balance of risk coverage and the flexibility to support the increased global demand for demand guarantees," he mentioned.

The main objective of the workshop is to help the officials from Bangladesh Bank, commercial banks, non-Banking financial institutions, insurance, corporate bodies, corporate lawyers, CA firms and other professionals to understand the various rules under URDG and take guard against the risks involved, especially so while dealing with counterparties whose track record and financial capacity do not correspond to the risk appetite of the other party, added ICCB Secretary General.

Mr. Pavel Andrle, a long term member of ICC Banking Commission conducted the workshops. He has been involved in preparation and revision of UCP, eUCP, ISP98, URDG 758 and Incoterms. A total of 68 bankers from 28 banks (including 5 from Bangladesh Bank) attended the workshop in Dhaka while there were 39 bankers from 22 banks including three from Bangladesh Bank attended at Chittagong workshop.

Australian High Commissioner visited ICC Bangladesh

H.E. Greg Wilcock, High Commissioner of Australia to Bangladesh visited ICC Bangladesh on May 12 at the invitation of ICC Bangladesh President Mahbubur Rahman. During his visit he was briefed by Mahbubur Rahman about the activities of ICC globally as well as in Bangladesh. He appraised the High Commissioner about the ICC International Conference on Global Economic Recovery: Asian Perspective to be held in Dhaka on 25-26 October 2014 coinciding with 20 years of ICC's presence in Bangladesh.

ICCB President mentioned about extending invitation to the Hon'ble Minister of Foreign Affairs of Australia to attend the Conference as Guest of Hounour and requested the High Commissioner to use his good office for the acceptance of the invitation by her as well as to request the Business Chambers to attend this important Event.

The High Commissioner thanked the ICC Bangladesh President for inviting him to visit ICC Bangladesh and appreciated the excellent works done by the National Committee for promotion of trade and investment as well as projecting Bangladesh to the global businesses.

It may be mentioned that two-way merchandise trade totaled $865 million for 2012, with exports to Bangladesh valued at $490 million. Principal exports to Bangladesh were vegetables, fertilisers (excluding crude), cotton and wheat. The main imports were clothing, textiles and floor coverings. Since 1 July 2003, products from Bangladesh enter Australia duty-free and quota-free.

Bangladesh offers commercial opportunities to Australian companies operating in the energy, telecommunications, transport, and mining sectors. Australian businesses are well placed to provide services and equipment for infrastructure development in Bangladesh.

The meeting was also attended by Mr. Mostafizur Rahman, Business development Manager, Australian Trade Commission and ICC Bangladesh Secretary General Ataur Rahman.

ICC Bangladesh President Mahbubur Rahman (extreme right) is seen with the High Commissioner of Austrlia to Bangladesh H.E. Greg Wilcok (2nd from right) during his visit to ICC Bangladesh. Also seen in the picture are: ICC Bangladesh Secretary General Ataur Rahman (2nd from left) and Mostafizur Rahman (extreme left), Business Development Manager of Australian Trade Commission .

The High Commissioner also visited Bangladesh International Arbitration Centre (BIAC). He was briefed about the activities of BIAC by CEO Dr. Toufiq Ali and shown the facilities of the Centre. Dr. Ali mentioned about arranging arbitration and mediation as well as training of judges, lawyers, bankers and other stakeholders. The High Commissioner was impressed seeing the most modern facilities of BIAC and hoped that the Centre will help in settling commercial disputes out of court.

Meeting with Ambassadors to discuss business relations between Bangladesh and the Philippines

ICC Bangladesh President Mahbubur Rahman hosted a lunch meeting on 22 June to discuss about the promotion of trade between Bangladesh and the Philippines and ICC International Conference on Global Economic recovery: Asian Perspective to be held in Dhaka on 25-26 October 2014. The Meeting was attended by H.E. Mr. Vicente Vivencio T. Bandillo, Ambassador of the Republic of the Philippines to Bangladesh, H.E. Maj Gen John Gomes, psc (Retd.) Ambassador of Bangladesh to the Philippines, President of Bangladesh Philippines Chamber of Commerce and Industry (BPCCI), R. Maksud Khan; Honorary Consul of the Philippines in Chittagong Md. A.Awwal, BPCCI Members Aftab-ul Islam, Asif Ibrahim, Rizwanur Rahman, ICC Bangladesh Secretary General Ataur Rahman and Tanzeem Chowdhury of EAST Coast Group.

ICC Bangladesh President briefed the Ambassadors about the October Conference and requested them to use their good offices to arrange for participation of high level officials and business delegation from the Philippines. He also suggested that a delegation from BPCCI to visit Manila within a month or so and requested the Ambassadors to assist and extend necessary cooperation in organizing the visit.

ICC Bangladesh President Mahbubur Rahman (middle) is seen at the lunch meeting with the Philippines Ambassador to Bangladesh H.E. Mr. Vicente Vivencio T. Bandillo (4th from left), H.E. Maj Gen John Gomes, psc (Retd.)Ambassador of Bangladesh to the Philippines (4th from right). Also seen in the picture are BPCCI President R. Maksud Khan (3rd from left), BPCCI Member Aftab ul Islam (extreme right), Honorary Consul of the Philippines in Chittagong Md. A.Awwal (2nd from right), Asif Ibrahim (2nd from left) and Rizwan-ur Rahman (extreme left).

Both the Ambassadors thanked ICC Bangladesh President for kindly inviting them and arranging the meeting with BPCCI delegation. They assured of extending all cooperation for arranging the visit by BPCCI Business Delegation.

The Bangladesh Ambassador assured that he will contact all the relevant chamber leaders in the Philippines for arranging the visit. He will also meet concerned government officials and request them to attend the ICC Conference in Dhaka in October.

It was agreed that a small delegation of BPCCI will visit Manila in the month of July / August, 2014 to introduce the BPCCI and the Business Community of Bangladesh, and at the same time extend formal invitations to the dignitaries in the Philippines for participating in the ICC Conference.

ICCB Team visited Grameenphone

ICC Bangladesh team led by President Mahbubur Rahman visited GP House on 24 June at the invitation of the Grameenphone CEO Vivek Sood. Welcoming the ICC Bangladesh Delegation GP CEO shared some observations regarding Business Environment and various challenges faced by GP in respect of Taxation, Regulatory Challenges and Mobile Financial Services. Mr. Sood expressed keen interest in working with ICC Bangladesh and other Chambers for promotion of trade and investment in Bangladesh. A presentation was given showing GP's journey from inception till date and a Video stating various contributions and achievements by GP was also shown. The delegates were shown various facilities of GPHouse. ICC Bangladesh President Mahbubur Rahman thanked Mr. Vivek Sood

ICC Bangladesh President Mahbubur Rahman (2nd from left) and Vice President Rokia Afzal Rahman (4th from left) are seen with Grameenphone CEO Vivek Sood (3rd from left) and CMO Alan Bonke (extreme left) during the visit to GP House.

for his kind invitation and for explaining about the operations and achievements of Grameenphone. He assured Mr.Sood all support of ICC Bangladesh and explained about the operations of the global ICC and the National Committee in Bangladesh. ICCB President mentioned about the establishment of the Bangladesh Arbitration Centre (BIAC) by ICC Bangladesh jointly with the Metropolitan Chamber of Commerce & Industry (MCCI), Dhaka and Dhaka Chamber of Commerce and Industry (DCCI) and suggested that Grameenphone can use BIAC for arbitration, if necessary. He also briefed about the upcoming Interantional Conference on Global Economic Recovery; Asian Perspective to be held in Dhaka on 25-26 October 2014 coinciding with 20 years of ICC's presence in Bangladesh.

ICC Bangladesh delegation included ICC Bangladesh Vice President Rokia Afzal Rahman, Former DCCI President Asif Ibrahim and ICC Bangladesh Secretary general Ataur Rahman. The Grameenphone official present during the meeting included: Alan Bonke (CMO), Mahmud Hossain (CCAO), Quazi Shahed (CHRO), Syed Tahmeed Azizul Huq (Head of Corporate Communications), Ishtiaq H. Chowdhury (Head of Stakeholder Relations), Sazal Kumar Hazra (Acting CTO) and Maruf Ahmed (GM Business & Societal Relations).

IFC Team called on ICCB President : discussed framework for corporate debt restructuring

Mr. Justin Yap, Senior Private Sector Development Specialist and Mr. Md. Mazedul Islam,Operations Analyst, Trade & Competitiveness, IFC (International Finance Corporation) called on ICC Bangladesh President Mahbubur Rahman to discuss and brief about their working with the Bangladesh Bank to introduce and potentially implement an effective out-of-court workout (OCW) framework for Corporate Debt Restructuring (CDR) in Bangladesh. The IFC team explained about a possible implementation plan for a CDR mechanism in Bangladesh.

Presided over by ICC Bangladesh President the Meeting was also attended by ICCB Executive Board Member Aftab ul islam, ICC Bangladesh Members: Evince Group Managing Director Anwar-Ul-Alam Chowdhury (Parvez), Newage Textiles Ltd Vice Chairman Asif Ibrahim & Plummy Fashions Limited Managing Director Md. Fazlul Hoque and ICC Bangladesh Secretary General Ataur Rahman.

The IFC team also informed that a number of Focused Group Discussions (FGD) has been held with representatives from the banking community, chambers and Bangladesh Bank where international best practices on out-of-court workouts were discussed. These consultations revealed that a framework for CDR could be beneficial but would require the active involvement of Bangladesh Bank and support of the senior members of the Association of Bankers, Bangladesh (ABB).

It was suggested and agreed that a CDR framework is a very timely initiative and it will always help borrowers to save their viable businesses through appropriate restructuring. However, the process must be confidential as a company would not be comfortable giving this message to everyone/ employees/ shareholders that there is a problem in their financial position.

Banks' lending procedure is not transparent, which is why loans turn into bad debts. It was therefore, suggested that banks should develop their capacity to assess businesses properly and objectively. Commodity traders are the biggest borrowers in the country and state owned enterprises are the biggest defaulters. It would be very important for CDR to bring in all these enterprises, it was suggested.

ICCB President Mahbubur Rahman (centre) presiding over a meeting with IFC Senior Sector Development Specialist Justin Yap (on his left). ICC Bangladesh Members Anwarul Alam Chowdhury (Pervez), Md. Fazlul Hoque, Aftab ul Islam, Asif Ibrahim and ICCB Secretary General Ataur Rahman on his right & IFC operations Analyst Md. Mazedul Islam also seen in the picture.

External factors (like electricity, gas cut-offs etc.) for business failure should also be considered for debt restructuring and companies should be treated as entities.It was observed that IFC has been doing investment in Bangladesh for many years, but they have not done anything on the Bankruptcy Act, which would helpful in addressing all these problems.

Executive Board reviewed ICCB activities during first quarter of 2014

The 59th Meeting of the ICCB Executive Board was held on 9 June. The Executive Board reviewed the activities of ICC Bangladesh during first quarter of the year. ICCB President briefed the Board about various actions already taken for celebrating the 20th anniversary by organizing a 2-Day International Conference in Dhaka on Saturday-Sunday, 25-26 October. The Executive Board Members assured the President of extending all support and cooperation for holding the event in a befitting manner as in the past. The Meeting was informed about holding of Certified Documentary Credit Specialist (CDCS) Examination in Dhaka on 11 April; the first initiative of ICC Bangladesh in organizing jointly with ICC Malaysia a ICC Workshop on Rules and Tools for International Trade in Kuala Lumpur on 23-25 April, ICC Workshops on Uniform Rules for Demand Guarantee (URDG) in Dhaka and Chittagong, ICC Knowledge Centre Workshops on Incoterms 2010 and URDG in Dhaka and Chittagong, participation at ICC Asia Pacific CEO Forum and Third China Import Expo, Kunshan, Jiangsu, China during 14-17 May , participation at EBAC Meeting (UNESCAP Business Advisory Council), in Bangkok,18 May. The Executive Board unanimously decided to appoint Mr. Muhammad A (Rumee) Ali, Former Deputy Governor of Bangladesh Bank & Director BRAC Bank as Chairman of ICC Bangladesh Standing Committee on Banking Technique and Practice.

59th Meeting of ICC Bangladesh Executive Board is in progress.

Presided over by ICC Bangladesh President Mahbubur Rahman, the Meeting was attended by ICCB Vice Presidents Latifur Rahman and Rokia Afzal Rahman and the following Board Members: Aftab ul Islam, Mahbub Jamil,R. Maksud Khan,Barrister Rafique-ul Huq,Mrs. Rupali Chowdhury, Sheikh Kabir Hossain & Waliur Rahman Bhuiyan, OBE.

Holding of CDCS Examination in Dhaka on 11 April

The Examination of Certified Documentary Credit Specialist (CDCS) of ***ifs*** School of Finance was held in Dhaka on 11 April. ICC Bangladesh organized the Examination at Bangladesh Institute of Bank Management (BIBM). A total of 217 candidates from 31 banks appeared at the Examination, out of which 123 from 22 Banks have passed.

It may be mentioned, since 2008 CDCS Examinations, conducted globally by ***ifs*** School of Finance, are being held in Dhaka. ICC Bangladesh arranges processing of registration of candidates from Bangladesh and started conducting the Examination from this year.

Partial view of CDCS examination being held in Dhaka on April 11.

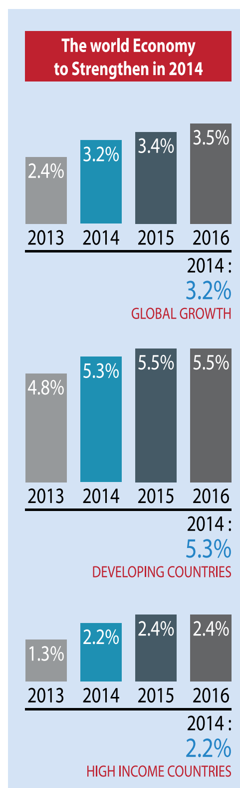
New Member of ICC Bangladesh

ICC Bangladesh Executive Board during the meeting held on June 9 accepted the membership application of **M/S. Puls Trading Far East Limited** as Member of ICC Bangladesh under Corporate Group. **M/S. Puls Trading Far East Limited**, registered in Hong Kong, has been operating in Bangladesh since 2005 by setting up a Liaison Office, representing H&M Worldwide International. It has 400 plus employee in Bangladesh Liaison Office at the moment.

International Conference on Global Economic Recovery : Asian Perspective

The world economy, five years after the global financial crisis, is showing signs of bouncing back this year pulled along by a recovery in high-income economies, says the World Bank's latest Global Economic Prospects report.

Growth prospects for 2014 are, however, sensitive to the tapering of monetary stimulus in the United States, which began earlier this month, and to the structural shifts taking place in China's economy. The Washington-based lender sees the world economy expanding 3.2 percent this year. The forecast for the richest nations was raised to 2.2 percent from 2 percent. Part of the increase reflects improvement in the 18-country euro area, with the U.S. ahead of developed peers, growing twice as fast as Japan. The bank held its forecast this year for Japan at 1.4 percent.



Overall, growth in emerging market and developing economies is expected to increase to 5.1 percent in 2014 and to 5.4 percent in 2015. Growth in China rebounded strongly in the second half of 2013, due largely to acceleration in investment. This surge is expected to be temporary, in part because of policy measures aimed at slowing credit growth and raising the cost of capital. Growth is thus expected to moderate slightly to around 7½ percent in 2014-15. Growth in India picked up after a favourable monsoon season and higher exports growth and is expected to firm further on stronger structural policies supporting investment.

According to ICC World Trade Agenda, greater trade efficiency could increase global trade in manufacturing by up to US$ 377 billion a year and triple the benefits for consumers from tariff reductions. The gains would be from streamlining customs, reducing bribery and corruption, better infrastructure and more efficient cross-border services, and speeding up business through use of the Internet. Significant improvements in trade facilitation could increase exports of developing countries by approximately US$570 billion and exports of developed countries by US$475 billion. Taken together this would translate into more than US$1 trillion world export gains. Trade facilitation improvements could result in global job gains of 21 million, with developing countries gaining over 18 million jobs and developed countries increasing their workforce by 3 million.

In the past Asia, led by China, Japan and India have played the key role in overcoming the economic downturn by maintaining steady growth. It is expected that Asia will continue to the lead the way for sustained world growth.

It is therefore, imperative that world leaders give their top most priority for the development of an integrated global strategy for sustaining the projected world growth momentum.

In celebration of the 20th year of ICC's presence in Bangladesh, it's National Committee has, therefore, chosen this theme : Global Economic Recovery : Asian Perspective for deliberations by the public and world leaders as well as experts on economic recovery strategies.

Conference Modules

Global Economic Recovery: Contemporary Reality

After a protracted period of recession and uncertainty, the global economy appears to be on track for growth. The nature and pace of this recovery, however, remains tentative with well-identified deep structural impediments, financial uncertainties and intra and inter-regional imbalances. Providing income earning opportunities for the millions of unemployed while promoting trade, investment and technological innovation require strategic thinking, policy initiatives and practical steps.

Asian Growth: Realities and Challenges

The economic recession has left its own unmistakable impact on Asian growth and development. Many had hoped that the global economy would recover based on Asian progress. While some Asian countries have been largely unaffected by the economic turmoil in the West, others have used extensive fiscal and monetary measures to help their respective economies adjust. As developing Asian countries continue to grow, they face the daunting challenges of providing employment and ensuring that income disparity does not widen.

Trade: Does the Bali Outcome Hold Promise for the Future?

Global trade suffered a dramatic fall during the recession, but soon recovered its momentum. Countries with greater exposure to trade suffered initially, but were able to recover through painful domestic support and aided by the gradual revival of consumer demand in importing countries. Some concentrated on developing domestic demand, which adversely affected their trade balances. In the meantime, the 9th WTO Ministerial in Bali was able to conclude a deal in Trade Facilitation. Does this provide hope that the multilateral trading system is alive and well, and can contribute to boosting trade?

Promoting Investment in Asia

Significant growth in investment in Asia holds the key to the future for this region, and its contribution to the global economy. Unlocking the potential that human resources offer in Asia is perhaps the key. What can the Government and the private sector, including FDI, do to provide complementary financial resources, managerial and technological know-how, infrastructure and energy? A need to refocus attention on the dynamic role that the private sector must continue to play will be a major highlight of the discussion.

Tentative Programme at a Glance

25-26 October, 2014

Inaugural Session Saturday, October 25		
Venue	:	Bangabandhu International Conference Centre (BICC)
15:00-17:00 Hrs.	:	Inaugural Ceremony
17:00- 18:00		Break for Contact amongst Participants
		Refreshment
Cultural Programme and Dinner Saturday, October 25		
Venue	:	Pan Pacific Sonargaon Hotel, Grand Ball Room
19:00-22:00	:	Cultural Programme
		Welcome Dinner
Plenary and Business Sessions Sunday, October 26		
Venue	:	Pan Pacific Sonargaon Hotel
09:30 -11:00	:	Plenary Session: Global Economic Recovery: Contemporary Reality and Challenges Ahead
11:00-11:30	:	Contact Break
11:30-13:00	:	Business Session: ONE Asian Perspectives on Sustainable and Inclusive Growth
13:00-14:30	:	Business Lunch
14:30-15:30	:	Business Session: TWO Trade Facilitation for Recovery and Sustainable Development
15:30-17:00	:	Business Session: THREE Building Capacities in Asia to Promote Investment
17:00-17:30	:	Refreshment
17:30-18:00	:	Press Briefing

**Tentative Programme, Subject to Change

**Separate Programme for the Spouses of Foreign Delegates will be organized.

News in Picture

Honourable Commerce Minister of Bangladesh Mr. Tofail Ahmed, MP (extreme right) was at the Dhaka Airport to see off WTO Director General Roberto Azevedo (2nd from right). ICC Bangladesh was represented by Asif Ibrahim (2nd from left). Also seen in the picture are: Senior Commerce Secretary Mahbub Ahmed (3rd from right) Addl. Secretary (WTO) Amitava Chakravarty (3rd from left) and Bangladesh Ambassador to Switzerland H.E. Abdul Hannan (extreme left).

Under-Secretary-General of the United Nations and Executive Secretary of ESCAP Dr. Shamshad Akhtar is seen with ICC Bangladesh President Mahbubur Rahman (extreme right), ESCAP Trade and Investment Division Director Ravi Ratnayake (2nd from right) among others.

ICC Bangladesh Board Member Aftab ul Islam is seen with Mr. Raghu Mody, Chairman of the CEO Forum during meeting Kunshan on 14-15 May.

ICCB President Mahbubur Rahman (middle), ICCB Vice Presidents Latifur Rahman (on his right) & Rokia Afzal Rahman (on his left) is seen with other ICCB Executive members during the visit of Forbes India Editor Nazneen Karmali (on his left).

News in Picture

Group picture of participants at ICC Knowledge Centre Trade Workshop on Incoterms 2010 and URDG held in Dhaka on 31 May.

Group picture of participants at Workshop in Kuala Lumpur on 23-25 April.

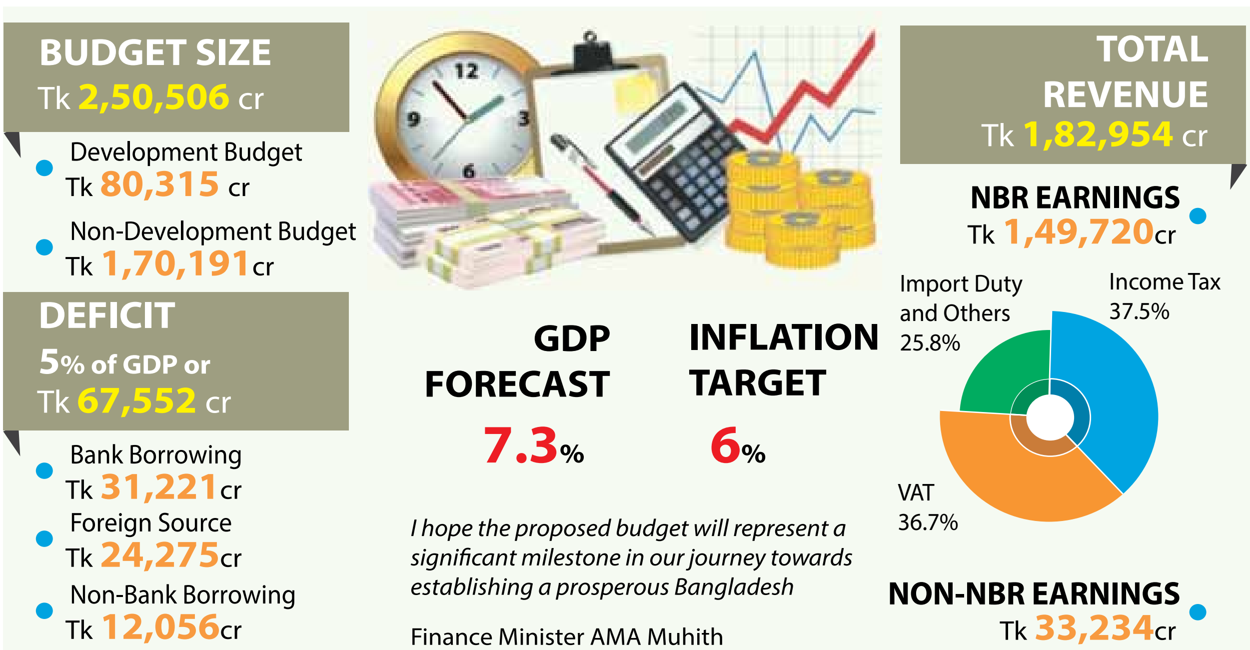
Group picture of participants at ICC Knowledge Centre Trade Workshop on Incoterms 2010 and URDG held in Chittagong on 2 June.

Group picture of participants at ICC Workshop on URDG held in Chittagong on 3 June.

Bangladesh Economy

Parliament approves Tk. 2.5 trillion Budget for FY 2014-15

The parliament approved Tk. 2.5 trillion budget including a non-development expenditure of Tk. 1.28 trillion and development expenditure of Tk. 863.45 billion for FY 15 setting the country's economic growth target at 7.3 percent for the year. Finance Minister A.M.A.Muhith M.P., said the general inflation will be hovering around 7 percent by June 2014 and will come down further at the end of the FY15.



The original outlay of the current or outgoing fiscal year's budget was TK 2.22 trillion which was later trimmed down to TK 2.16 trillion due to various reasons, including comparatively lesser implementation rate of ADP coupled with political unrest. The new budget for FY 15 set an overall revenue collection target of TK 1.82 trillion keeping an overall budget deficit of TK 675.52 billion of which TK 180.69 billion will come from the foreign sources while TK 432.77 billion from local sources, including bank borrowings. The estimate of the overall budget deficit has been made keeping the budget deficit at 5 percent of the GDP.

To meet the deficit financing, an amount of TK 432.77 billion will come from the domestic sources of which TK 312.21 billion will come from the banking system. The rest of TK 120.56 billion will come from the non-banking system, including TK 90.56 billion, from the national savings certificates.

Of the overall revenue collection target, the share of the National Board of Revenue (NBR) is estimated at TK 1.497 trillion, non-NBR tax revenue TK 55.72 billion, non-tax revenue (various tolls and services fee) TK 276.62 billion and foreign grants TK 62.06 billion. Meanwhile, the size of the non-development expenditure rose to Tk 1.54 trillion whereas the Annual Development Programme (ADP) is TK 803.15 billion except the self-financed projects of various government institutions.

In the proposed budget, the highest 30.15 percent of total allocation has been proposed for physical infrastructure sector, of which 14.69 percent has been proposed for overall agriculture and rural development. Then 25.16 percent has been allocated to social infrastructure sector, of which 21.58 percent has been proposed for human resource (education, health, and other related sectors). About 9.24 percent for overall communication sector and 4.61 percent for power and energy sector, 23.58 percent of total allocation has been proposed for general services sector, 3.4 percent of total allocation has been proposed for Public-Private Partnership (PPP), financial assistance for different industries, subsidy, and equity investment in nationalized banks and financial institutions; 12.39 percent has been proposed for interest payments. The remaining 5.34 percent will be spent on net lending and other expenditures.

About some of the tax and duty measures, the budget increased duty on a number of products and services for which there cost may go up. These include imported mobile phone sets, imported LPG cylinders, imported energy savings bulbs and electric fans, gold and gold ornaments, cigarette, biri and non-AC restaurant. Besides, the VAT on the motor vehicle garage and workshops, immigration advisers and English medium schools has been increased to 7 percent from 4.5 percent. Mobile phone handsets are getting costlier with the new budget levying 15 percent VAT on its import.

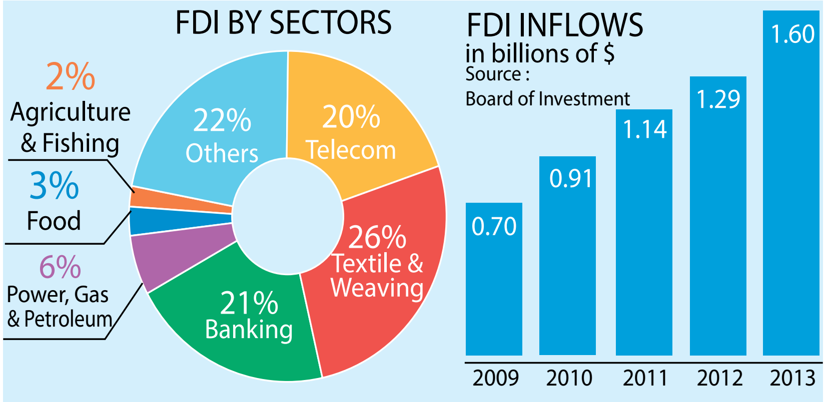
Aiming to bring transparency in house-rent process, amendments to the Income Tax Law will be made to define house-rent as both rent and service charges and to ensure the payment of monthly house-rent amounting to over Tk 25,000 through banks. The tax-free income exemption limit remains the same at Tk 220,000 per annum in the proposed budget.

On the other hand the tax-free slab for women taxpayers and those above 65 years of age has been raised in the proposal from Tk 250,000 to 275,000, for people with disabilities, to Tk 350,000 from Tk 300,000, and for freedom fighters, to Tk 400,000 from Tk 220,000.

In the proposed budget, those with an annual income of Tk 4.42 million or more will have to pay a tax of 30 percent instead of the existing 15 percent. Beside, the Finance Minister proposed extending the tax exemption facilities by four years to encourage investment up to June 2019 as the privilege was due to end on June 2015.

Bangladesh second favoured investment destination in South Asia during 2013: UNCTAD

Inflows of foreign direct investment into Bangladesh rose 24 percent year-on-year to $1.6 billion in 2013 although the country witnessed serious political unrest and an anti-business climate during the period.



FDI inflows increased 13.75 percent to $1.29 billion in 2012, compared to the previous year, according to United Nations Conference on Trade and Development (UNCTAD).

The telecommunications and banking sectors brought a combined $651 million in FDI last year, while textiles and weaving received $422 million. The World Investment Report of the UNCTAD, released on June 24, shows Bangladesh is placed as a distant second favoured investment destination in South Asia after India, which got $28 billion or 78 percent of the total FDI inflows into the region in 2013. Pakistan stood third in South Asia with $1.3 billion. The Board of Investment (BoI) of Bangladesh released the UNCTAD report at a press conference at its office in Dhaka.

The UN body has been publishing the World Investment Report annually since 1991. The report covers the latest trends in FDI across the world. Global FDI grew 9 percent to $1.45 trillion in 2013 and could rise to $1.6 trillion this year, the report said. FDI inflows into developing economies reached a new high at $778 billion or 54 percent of the total FDI last year. Transition economies got $108 billion.

Of the $1.6 billion FDI that Bangladesh received last year, $541 million came as equity (direct investment in Bangladesh), $361 million as intra-company loans (debt transactions between parent enterprises and affiliates) and $697 million were reinvested earnings (investors' share of profits not distributed as profits).

Of the FDI inflows into different sectors last year, telecommunications got $324 million, mainly for the payments of 3G licence fees and network expansion of the mobile phone operators. The banking sector, especially the foreign banks, got $327 million to meet their statutory capital requirements under Basel II obligations. Textile and weaving got $422 million, power, gas and petroleum $99 million, food products $40 million, agriculture and fishing $31 million and others $356 million.

Bangladesh's economy likely to rebound in FY '15
ADB expects rise in consumers' & investors' confidence level

Bangladesh's economic growth is expected to rebound to 6.2 per cent in the coming fiscal year (2014-15), aided by higher remittance and buoyant exports, the Asian Development Bank said in its latest Bangladesh Economic Update. The Manila-based multilateral lending agency pinned its hope on the positive outcome of better growth prospects in the United States and mild recovery of the Eurozone economy. The ADB in the Update said 6.2 per cent growth is possible following a likely rise in consumer and investor confidence with the stabilisation of political situation that would stimulate demand and strengthen growth momentum. The ADB however trimmed the Bangladesh's growth forecast for 2013-14 to 5.6 per cent mainly due to a sharper-than-expected industrial and service sector slowdown.

In its latest quarterly (January-March) report, the ADB said industry growth will slow to 8.0 per cent in the current fiscal year (FY 2014) because of output lost to political unrest and weaker domestic demand. It said the growth of the service sector that employs 35.4 per cent of total employment will slip to 5.4 per cent in the fiscal year due to the lost sales during pre-election unrest and slower industry activity.

The ADB said domestic demand was depressed in the first half of the year, as the prolonged political unrest ahead of the January polls, lowered the confidence of both consumers and investors. "This (the loss of confidence) is reflected in the lower private credit growth, declining imports of consumers' goods and capital machinery," it stated.

The pre-polls political unrest and the lower growth in dutiable imports affected revenue collection by the National Board of Revenue (NBR) as tax collection grew by only 10 per cent during the July-January period of the current fiscal. The collection of import-based taxes grew by only 1.1 per cent during the period, the report said. Tax collection from customs duties fell by 1.8 per cent, import stage value-added tax rose by 1.7 per cent and supplementary duties declined by 7.9 per cent.

The ADB noted that attaining the export target of US$30.5 billion would be a challenge as the US suspension of the generalised system of preference over the issue of 'inadequate worker rights' is also likely to suppress exports. The ADB however said the agriculture growth accounting for 20 per cent of the GDP is expected to rise to 3.0 per cent in the FY 2014. It said the output of two crops -Aus and Aman - increased this fiscal year over that of the previous year.

The Bank noted that the macroeconomic policies were generally sound but inflation showed a rising trend in recent months. It also maintained that the central bank of Bangladesh has adopted a more cautious monetary policy in a bid to keeping inflationary pressure under control. The fiscal policy, the Update said, remains prudent as the government seeks to keep unproductive spending in check, cut in subsidies and advance tax policy and tax administration reforms.

The multilateral lending agency suggested that Bangladesh needed to boost investment in infrastructure and skills development to raise the economy's productive capacity and shift the economy to a 7.0-8.0 per cent growth trajectory. On the banking sector, the ADB said weak governance in the state-owned commercial banks has undermined the strengths and efficiency of banking. "Vulnerability in the banking system must be addressed to remove weakness in asset quality, improve risk management, and strength internal audit and controls, the quarterly Update said.

The ADB however said financial soundness indicators for the banking system slightly improved as the ratio of gross non-performing loans (NPLs) to total loans in the banking system moderated slightly to 8.9 per cent at the end of December 2013.

It observed that broad money or M2 grew by 16.3 per cent year-on-year in January in 2014, down from 18.7 per cent in January in 2013. The ADB said M2 growth remained lower than monetary programme growth target of 17 per cent.

It noted that slower growth in net foreign assets as well as domestic credit of the banking system contributed to the lower broad money growth.

The Update said net foreign asset growth was lower due to lower remittance inflows. It said domestic credit growth remained lower due to lower credit demand from the private sector.

The ADB said annual development programme (ADP) implementation remained low in the first eight months of the fiscal year.

The ADP utilisation stood at 38 per cent in eight months ending in February compared with 44 per cent in the same period of the previous year.

It said both nominal and real effective exchange rates appreciated at the end of February last by 4.1 per cent and 8.0 per cent respectively.

Social Progress Index

Bangladesh does better than most South Asian nations

Bangladesh has done better than most South Asian countries in social progress, according to a report by Washington-based organisation Social Progress Imperative. Ranked 99 among 132 countries, Bangladesh has scored higher than India, Pakistan and Nepal, losing out only to Sri Lanka in the region.

The evaluation was done based on the performance of these countries over the past one year. The Social Progress Index, a multi-country analysis report, was released on April 3. It is prepared considering a country's ability to provide its citizens with basic needs and scopes to improve their lives, and whether or not the government can help people develop them to full potential. And to accurately pinpoint a country's strong and weak points, it is compared with countries with a similar GDP.

Some of Bangladesh's worst sides are limited freedom of religion, a restricted press and discrimination towards minorities, said the study. To assess the religious scenario of a country, the study evaluated whether individuals are harassed over their attire or abused showing religious reasons, as well as the prevalence of sectarian violence in the country.

According to the index, Bangladesh's relative strength lay in bringing down child mortality, achieving gender parity in secondary school enrollment, improving life expectancy, showing respect to women, and its increased demand for contraception. And while Bangladesh fared well in improving sanitation facilities, India lagged behind on that category. Similarly, the situation of slavery, underage marriage and human trafficking was deemed a weak point for India, whereas Bangladesh showed a lesser prevalence of that.

Ranking	
Sri Lanka	85
Bangladesh	99
Nepal	101
India	102
Pakistan	124

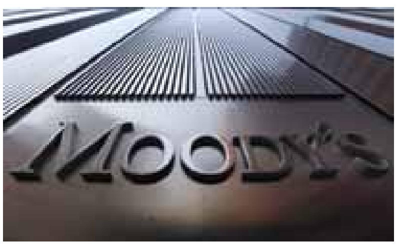
Bangladesh did better in this category compared to Pakistan as well. Pakistan's situation of gender discrimination in secondary education was pointed out as a relative weakness. The assessors were able to do a direct evaluation of the strengths and weaknesses between Bangladesh and Nepal as the two countries belong to the same GDP per capita bracket.

Bangladesh fared better than Nepal in providing electricity and ensuring more freedom of assembly. The study showed that women in Nepal suffer more than their counterparts in Bangladesh. The people of Bangladesh also spend more years in colleges or universities than those of Nepal, it said. However, the study pointed out that Nepal has a greater tolerance for homosexuality than Bangladesh. Similarly, Bangladesh hosts a more religiously intolerant landscape than Nepal.

Stable credit outlook for Bangladesh

Moody's retains Ba3 rating despite political uncertainty

Leading international credit rating agency Moody's on April 17 gave a stable outlook to Bangladesh's credit rating, a resounding endorsement for the government seeing that the uncertainty in the political arena is yet to dissipate completely following the parliamentary elections. "The stable outlook reflects prospects for continuing economic stability despite recent electoral pressures," it said while retaining the credit rating of Ba3 for Bangladesh.



Political turmoil and divisiveness, as seen in January 2014 ahead of parliamentary elections, have been a recurrent feature in Bangladesh. "Nevertheless, we expect ongoing tax and subsidy reforms to eventually strengthen the budget and provide more fiscal space, enabling the government to expand capital expenditure."

Moody's said its affirmation of the stable outlook for Bangladesh is based on the view that the country's underlying credit strengths have withstood the impact of recent political tensions, industrial accidents in the garment sector and the poor financial health of state-owned commercial banks. A healthy outlook for economic growth, progress on policy reform and limited vulnerability to fiscal and external funding stress were key drivers for the decision.

It said despite political turbulence and headwinds to the garment industry on the back of a number of industrial accidents, the outlook for economic growth remains largely favourable. It estimates that real gross domestic product (GDP) growth will moderate only mildly, to around 5.8 percent year-on-year in the fiscal year ending June 2014, from a 6.2 percent average over the last decade.

"Even factoring in this deceleration, Bangladesh's growth during 2003-13 has been significantly above the median for Ba rated countries." Moody's said political uncertainty likely led to some investment delays, while a contraction in remittances from workers abroad depressed consumption expenditure.

"However, increases in minimum wages in the garment industry and in civil servants' allowances, as well as dissipating political tensions are expected to contribute to a recovery in consumption." It said pressures on the balance of payments that emerged in 2011 have eased, with the current account reverting to a surplus. "Although remittance inflows have contracted, export growth so far has withstood the international scrutiny facing the garments industry."

The rating agency praised Bangladesh's progress on significant policy reform underpinned by the International Monetary Fund programme under a three-year Extended Credit Facility. “The government has also implemented several important fiscal reforms under the programme.” The measures may turn into credit-positive developments if growth shifts to a higher trajectory, government debt affordability and fiscal flexibility improve and external liquidity strengthens further, said the rating agency.

Moody’s said the poor financial health of state-owned banks could result in the crystallisation of contingent liabilities that add to the fiscal burden. “However, given the small size of the banking system, the shrinking role of state-owned banks and improvements in central bank oversight and supervision, we expect these risks to be limited.”

Bangladesh has 6th largest renewable energy related workforce in the world : Study says

Bangladesh has been able to create the sixth largest renewable energy-related workforce in the world in 2013, which is as large as that of Spain, a study said.

Solar power is increasingly becoming a way to leapfrog the need to build a bigger power grid. Bangladesh was able to generate those jobs mainly due to a growing popularity of solar home systems. , said Mahmood Malik, chief executive of the Infrastructure Development Company Ltd (IDCOL).

United States 625,000	Brazil 894,000
Rest of EU 760,000	Germany 371,000
Spain 114,000	India 391,000
China 2,640,000	Bangladesh 114,000

6.5 million jobs in 2013

In the last 10 years, the number of solar-powered homes in Bangladesh has jumped from 25,000 to 2.8 million, said a report of the International Renewable Energy Agency (IRENA) published in the Daily Star on May 15.

This created some 114,000 jobs, for assembling solar panels and selling, installing and maintaining them. The number of solar-power related jobs nearly doubled between 2011 and 2013.

“The numbers are set to increase further due to higher installation rate,” said the Dubai based intergovernmental organisation in its latest annual review. The increase is expected despite the fact that 62 percent of the population have access to the national power grid as of September 2013. In 2009, only 47 percent had this access, according to data from the Power Division.

The IDCOL’s programme of solar home systems has itself created around 50,000 green jobs directly and indirectly in the country, he said, adding that a strong backward linkage industry has already developed centring their programme. IDCOL, with financial support from the World Bank, started the programme in 2003.

“Regional shift from developed to emerging countries continued in wind and solar technologies, predominantly in the manufacturing and installation segments of the value chain,” the IRENA report stated. Solar photovoltaic and wind power remain the most dynamic renewable energy technologies. Solar energy accounted for 2.3 million of the world’s 6.5 million renewable energy-related jobs in 2013, which was 5.7 million jobs in 2012, according to the report.

China remains the largest employer in the renewable energy sector with 2.6 million people working in renewable energy.

In 2013, the installation of 13 gigawatts of solar photovoltaic cemented China’s position in solar power globally. The Chinese solar photovoltaic value chain employed 1.6 million people that year.

Brazil is the second largest green job generator with 894,000 people employed in renewable energy jobs in 2013. About 70 percent of those positions are related to biofuel production.

The United States came in third with 625,000 renewable energy jobs. Solar, wind and biofuels accounted for most of those jobs. India employed nearly 400,000 people in green-energy jobs.

Germany remains the dominant force in Europe, despite having suffered some job losses. The latest statistics from 2013 indicate that the country has 371,000 direct and indirect green jobs.

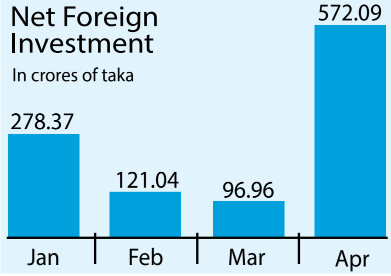
Once a renewable energy pioneer, Spain has been hit hard by the economic crisis, and adverse policy changes continue to damage employment prospects there. Spain employed 114,000 people in green-energy jobs. Altogether, the country lost about 23,700 jobs in the renewable energy sector between 2008 and 2012.

Net foreign investment in Dhaka stocks rose to 69% (Jan-Mar)

Overseas investors bought shares worth Tk 935.47 crore and sold stocks worth Tk 439.10 crore, taking their net investment to Tk 496.37 crore at the end of March, according to data from Dhaka Stock Exchange. The net foreign investment in the first quarter of 2013 was Tk 293.03 crore, after foreign investors bought shares worth Tk 440.33 crore and sold shares worth Tk 147.30 crore during the period.

By nature the foreign investors are long-term investors, and the first quarter was an ideal time for them to take positions in the market. Net foreign investment, however, fell around 19 percent in March compared to February, as the investors adjusted their portfolios.

Net investment in January rose to a seven-month high on the back of easing political tension and favourable macro indicators, but later started to go slow. Also known as portfolio investment, foreign investment accounts for around 1 percent of DSE's total market capitalisation, which was Tk 290,170 crore on April 6.



Tourist spending to rise this year: WTTC study

Spending by local tourists is expected to grow by 7 percent year-on-year in 2014 to Tk 39,670 crore, according to a London-based research organisation. The amount will rise by 5.8 percent each year and finally stand at Tk 69,990 crore in 2024, World Travel & Tourism Council (WTTC) said in its latest study.

The forecast of WTTC seems to be achievable as the country is witnessing a stable political environment this year compared to the previous two years, said Kazi Wahidul Alam, a travel and tourism analyst. An increase in people's purchase power has also contributed to the rise in spending on leisure travel, he said.

The country is expected to attract 435,000 international tourists this year, up by 11 percent from the previous year, the study said. "It is clear that the growth in travel and tourism demand from emerging markets continues with pace, as large rising middle classes, especially from Asia and Latin America, are willing and more able than ever to travel both within and beyond their borders," the WTTC said.

Travel and tourism contributed Tk 22,260 crore or 2.1 percent to Bangladesh's gross domestic product last year. This is forecast to rise 7.7 percent to Tk 23,980 crore this year. The direct contribution of travel and tourism to GDP reflects the 'internal' spending within a particular country by residents and non-residents for business and leisure purposes. This also includes the government's spending directly linked to visitors, such as museums or national parks.

The WTTC has been conducting economic impact research for more than 20 years to assess and quantify the value of travel and tourism's contribution to GDP and employment.

The WTTC study said travel and tourism investment in Bangladesh was Tk 4,050 crore in 2013, or 1.5 percent of the total investment. It should rise by 3.4 percent in 2014, and 6.5 percent per annum over the next ten years to Tk 7,850 crore.

Together with its research partner, Oxford Economics, the WTTC produces comprehensive reports on an annual basis to quantify, compare and forecast the economic impact of travel and tourism on 184 economies around the world. It also publishes a world report highlighting global trends, as well as reports on regions, sub-regions and economic and geographic groups.

Travel and tourism also generated 1,328,500 jobs directly in 2013 (1.8 percent of total employment) in the country and this is forecast to grow by 4 percent in 2014 to 1,381,500.

This includes employment by hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). It also includes, for example, the activities of the restaurant and leisure industries directly supported by tourists.

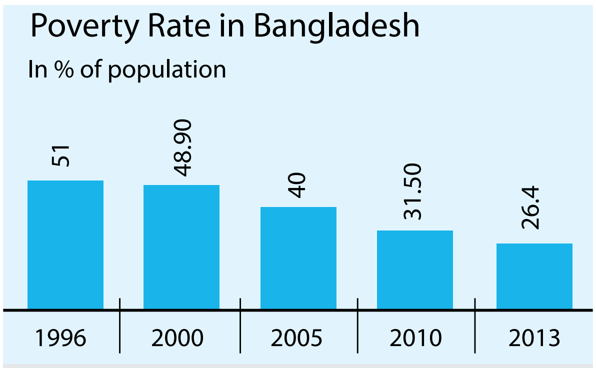
Domestic travel spending generated 97.8 percent of direct travel and tourism GDP in 2013 compared with 2.2 percent for visitor exports (for example foreign visitor spending or international tourism receipts).

Visitor exports spending within the country by international tourists for both business and leisure trips are a key component of the direct contribution of travel and tourism.

In 2013, Bangladesh generated Tk 830 crore in visitor exports and the amount may rise to Tk 890 crore this year.

Industrial expansion helping reduce Poverty

Poverty rate came down to 26.4 percent in 2013, from 31.5 percent in 2010, mainly due to expansion of industrial and services sectors, according to budget documents.



The rate of decline was 1.70 percentage points a year. Poverty fell 1.8 percentage points annually between 2000 and 2005, and 1.7 percentage points annually between 2005 and 2010, according to Household Income and Expenditure Survey.

Analysts said consistent economic growth, employment generation, wage hike in the farm sector and social safety net programmes have played the key role in reducing poverty rates steadily.

Wage hike in the farm sector due to labour migration to non-farm sectors also has a role, according to analyst.

A labourer in the farm sector gets Tk 400 a day, which is quite a good amount, he said. Finance Minister AMA Muhith in his budget speech on on June 5 said the rates of poverty and extreme poverty went down to 26.4 percent and 11.9 percent respectively in 2013, from 33.4 percent and 19.3 percent in 2009.

Also, there was a continuous decline in the number of poor people - from nearly 63 million in 2000, to 55 million in 2005, and then 47 million in 2010.

Analysts said the rate of poverty reduction is not enough to pull the country out of poverty in near future though Bangladesh is on track to meet the Millennium Development Goals.

Business Environment Rankings : BD moves two notches up

Bangladesh has moved up by two notches in the Business Environment Rankings (BER) 2014, prepared by the Economist Intelligence Unit (EIU) of the London-based financial weekly The Economist.

The latest BER put Bangladesh at the 69th place in the list of 82 countries covering Asia, Europe, America, Middle East and Africa, reports BSS.

Last year Bangladesh secured 71st position with scoring 4.7 out of total 10 points, calculated on the basis of various parameters of doing business.

This year the country scored 5.38 that took it ahead of Pakistan. Pakistan ranked 74th this year, two notches down from the last year's 72nd position.

Among the SAARC countries, India and Sri Lanka achieved 57th and 61st positions accordingly when the four other members of this regional group were not included in the BER. Singapore retained the top position with a score of 8.56 when Switzerland held the second place for the consecutive second year followed by Hong Kong, Canada and Australia among the top five places. Canada, which ranked 7th last year, significantly improved its position to the 4th place this year. The bottom five countries are Morocco, Serbia, Kazakhstan, Dominican Republic and Greece.

The BER identified infrastructure as a relative weak point for Asia, with only Singapore ranking among the world's top 10 in this category compared with other areas of the business environment.

While some of the region's infrastructure is excellent, particularly in telecoms and air transport, other areas require investment to improve distribution networks and utilities provision, as well as lower office rents, the report said.

The business rankings model measures the quality or attractiveness of the business environment in the 82 countries and designed to reflect the main criteria used by companies to formulate their global business strategies, and is based not only on historical conditions but also on expectations about conditions prevailing over the next five years. The report also focuses on how economic and political developments will shape the business environment in 82 of the world's largest economies over the next five years.

Bangladesh needs $100b in 10 years for infrastructure: WB

Bangladesh will have to spend $7.4 billion to $10 billion a year until 2020 to bring its power grids, roads and water supplies up to the standard needed to serve its growing population, a World Bank report on April 2.

Luis Andres, one of the co-authors of the report was talking to reporters of Bangladesh, Nepal and Pakistan from the bank's headquarters in Washington via a video conference. The report Reducing Poverty by Closing South Asia's Infrastructure Gap is the first analysis of the region's infrastructure needs by the WB. The lender shared the report with the media at the Dhaka office of International Finance Corporation, the WB's private sector financing arm.

The report said SAARC, the eight-nation bloc, needs to spend as much as $2.5 trillion on infrastructure by 2020 to bring the region's infrastructure to a standard level. It says the region, which includes Afghanistan, Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka, could address its enormous infrastructure needs by tapping private and public sector funds as well as by introducing reforms.

Andres said: "Despite recent rapid growth and poverty reduction, the South Asia region continues to suffer from a combination of insufficient economic growth, slow urbanisation, and huge infrastructure gaps that together could jeopardise future progress. "It is essential to make closing its huge infrastructure gap a priority," said the lead economist for sustainable development for the South Asia region at the bank.

Bangladesh will have to give the highest priority to its transport sector, as the report said the country needs to spend between $36 billion and $45 billion for expanding its communication network. The power sector will require an investment between $11 billion and $16.5 billion to take credible electricity to the poor in the country where about half of the population is still not connected to the national grid.

Improving water supply and sanitation will need a flow of investment of $12 billion to $18 billion, solid waste management $2.1 billion to $4.2 billion, telecom $5 billion, and irrigation $7.7 billion to $11.6 billion until 2020.

According to the report, Bangladesh ranked sixth among eight countries in the region in providing telecom access to its population in 2011. It came seventh in both electricity access criteria and access to improved water. The country, however, fared well when it comes to access to improved sanitation, as it was placed third.

The country has 0.1 kilometre of road per 1,000 people, which is the lowest in the region. Only 10 percent roads in the country are paved, which, again, is the lowest in the region.

"Many people in South Asia remain unconnected to a reliable electricity grid, a safe water supply, sanitary sewerage disposal, and sound roads and transport networks," said Philippe Le Houérou, vice president for the South Asia region at the World Bank, in a statement.

If the region hopes to meet its development goals and not risk slowing down or even halting growth, poverty alleviation, and shared prosperity, it is essential to make a priority of closing its huge infrastructure gap, said the report. The report said the task would be difficult but not impossible with a concerted effort by governments in the region, where access to infrastructure compares with Sub-Saharan Africa.

During the video-conferencing, Dan Biller, another report co-author, said the South Asia and East Asia regions have enjoyed similar growth rates for the past 20 years. "Yet South Asia's access to infrastructure services lags significantly behind both East Asia and Latin America with some access rates comparable only to Sub-Saharan Africa," said Biller, also sector manager of the economics and sustainability group of the Multilateral Investment Guarantee Agency, an arm of the WB.

According to the report, South Asian policymakers should invest in rehabilitating and maintaining infrastructure assets to deliver services efficiently and sustainably, moving away from the "build, neglect and rebuild" mindset.

They could reform service providers and ensure financial and operational sustainability so that they can be able to plan and implement sound investment strategies and improve operational performance for the long term.

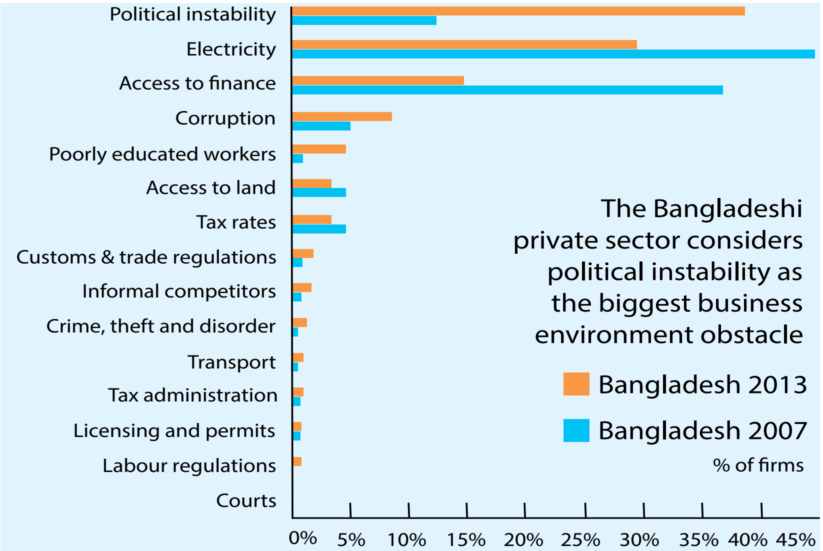
The report said governments could establish solid and transparent legal, policy and regulatory frameworks in order to attract private investment in line with the best organisational form for each service. They could also decentralise service provision in an appropriate manner.

Le Houérou emphasised the bank's strong support for the people of Bangladesh and said he is optimistic about the country's prospects for ending poverty and achieving shared prosperity. "Against the odds, Bangladesh has achieved sustainable growth that pulled 16 million people out of poverty in the last decade," he said.

"The World Bank remains committed to working with this dynamic and resilient country to reduce poverty and bring prosperity to all Bangladeshis, especially the poor."

Political instability biggest obstacle for business : WB

The private sector sees political instability as the biggest obstacle for



Source: Enterprise surveys, WB/IFC

the country's business environment, according to a new study of the World Bank. Among 15 areas of the business environment, electricity, access to finance, and corruption are the other big challenges to the daily operations of businesses, said the 'enterprise survey' of the WB and International Finance Corporation.

Compared to 2007, uncertainty stemming from political rivalry is deepening, as political instability has overtaken electricity and access to finance as the main concern for the private sector. "This result is a reflection of how perceptions are affected by surges in civil unrest," the report said. The 15 areas are: political instability, electricity, access to finance, corruption, poorly educated workers, access to land, tax rates, customs and trade regulations, informal competitors, crime, theft and disorder, transport, tax administration, licensing and permits, labour regulations, and courts.

Problems with electricity remain a major obstacle for firms' operations as shown by the fact that 28 percent still consider this element of the business environment as their top obstacle. The WB interviewed a representative sample of the private sector in four of the most active economic regions in Bangladesh. The sample consisted of 1,442 business establishments surveyed from April 2013 through September the same year.

The report said although less than 10 percent of the businesses identify corruption as their biggest obstacle, almost 60 percent indicated that an informal gift or payment was requested when obtaining an operating licence. Similarly, almost 50 percent of the firms experienced at least one bribe payment request among six possible regulatory or utility transactions. "This bribery incidence is much larger than in most other countries," the report said. In fact, 77 percent of the firms report a bribe solicitation when obtaining an import licence, which is the highest percentage among all countries.

However, the picture painted in the survey is not all gloomy. It said the Bangladeshi manufacturing firms report very high levels of capacity utilisation. On average, manufacturing firms in the country outperform firms worldwide in terms of capacity utilisation, measured as the establishment's output produced as a proportion of the maximum output possible when using all available resources.

The average capacity utilisation for Bangladesh is 84 percent whereas the average percentage for 122 countries with the survey data is 73 percent. The average capacity utilisation for small firms is the lowest among all categories in Bangladesh, but at 79 percent it is still higher than the world average. Local firms also export at higher levels compared to their peers in neighbouring and similar income countries. More than 22 percent of Bangladeshi firms export, directly or indirectly, at least 1 percent of sales whereas this rate is 16 percent in all countries and 11 percent in low income countries.

However, women's inclusion in the economic activities depicts a dismal picture, with their participation in management, firms' ownership, and employment lagging behind most countries. The share of women participating in the workforce is higher at 16 percent, but still considerably lower than the average for all countries, at 34 percent, and for low income countries, at 25 percent.

Political unrest ate up $1.4b
WB study finds service sector most affected in six months

Bangladesh has suffered a production loss of $1.4 billion (around Tk 10,857 crore), which is more than 1 percent of its gross domestic product, in the current fiscal year due to political turmoil from July last year to January, according to a World Bank study. The WB revealed the findings on April 9 at the launch of Bangladesh Development Update Report 2014 at its Dhaka office.

In late January, local think-tank Centre for Policy Dialogue also came up with an estimate of the country's economic losses, almost five times that of the WB. The CPD estimated that nationwide shutdowns and blockades from July to December last year caused a loss of Tk 49,017 crore to the transport, garment, agriculture and tourism sectors.

The economic loss Bangladesh suffered in the current fiscal year was more than one percent of the country's GDP of around $130 billion, according to the WB. Of the losses, 86 percent was in the service sector, 11 percent in industry and the remaining 3 percent in agriculture, it said.

The WB report said the opposition parties (the BNP-led alliance) had enforced 85 days of nationwide hartals and blockades since January last year. Of those, 45 days were between July and January. All sectors be it a bank, manufacturer, trader, transport company or a small dairy farm had to bear the brunt in many ways. Many trucks loaded with goods, and buses were torched. Power stations and schools too were not spared.

85 hartals, blockades since Jan 2013

GDP loss more than 1 % of GDP

Growth rate declines to 5.4 %

Industry, farm sectors badly hit

Political unrest most affected the service sector, which accounts for more than 54 percent of GDP. Transport, wholesale and retail trade, domestic tourism and entertainment, and hospitality firms were hit hard. Activities on inter-district or cross-country road networks remained stopped with huge loss of income for a couple of months. The financial sector suffered a blow, as many of the affected entrepreneurs couldn't pay back their debts, and are now seeking special financial arrangements for survival.

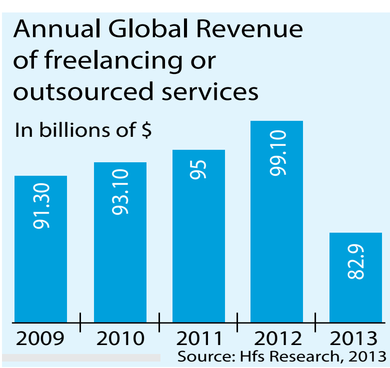
"The private investments were depressed … Its impact on aggregate demand was compounded by the political turmoil and decline in remittances as they weakened private consumption expenditures, notwithstanding wage increases in the public and private sectors," according to the report.

Strong export demand and restoration of political stability since the January 5 elections have revived economic activity, it said. "However, investments remain weak in general due to continued uncertainty with regard to the stability of the political climate over the medium term and garments exports remain subject to the risk of GSP [Generalised System of Preference] removal in Europe."

Bangladesh faces three sets of formidable challenges in the immediate future. One is maintaining stability and resolving political uncertainties, and boosting investments in power and roads, the report said. The other two are managing the transition in the readymade garment industry, and stemming the decline in remittances.

IT freelancers may earn $1b a year within a decade:
Industry players seek policy support

Bangladesh can earn around $1 billion in exports per year from IT freelance services within the next decade due to availability of competitive labour, industry people said. "We have immense potential in outsourcing mainly due to growing popularity of IT services and a large population base," said Zakaria Swapan, founder and chief executive of Priyo.com. The global market for freelance services is now hovering around $100 billion a year, he said.



The country will be able to grab at least 1 percent of the global freelance market within the next decade if the government provides necessary policy support, he said at a seminar on "entrepreneurship development through outsourcing" organised by SME Foundation at its office in Dhaka on April 7.

Freelance refers to a type of job where the worker is self-employed. A freelancer works for themselves and bids for temporary jobs and projects with one or more employers. The amount of money freelancers earn from abroad each year is tough to measure as their incomes are not included in the software export data, Swapan said.

The country has around 200,000 freelancers at present working from their homes for different global companies, said Zunaid Ahmed Palak, state minister for posts, telecommunications and information technology.

The government has also undertaken a project to create another 50,000 freelancers by providing necessary training, he said. The minister said the government has brought 197 upazilas so far under fibre optic connectivity in a bid to provide high speed internet in rural areas; it plans to cover all the upazilas by 2015. About 24 percent of the population uses the internet in Bangladesh, which was a mere 6 percent five years ago, he added.

Bangladesh now exports IT and IT-enabled services worth around $200 million a year, which was only $23 million in 2009. Countries that hire freelancers from Bangladesh include the US, Canada, the UK, Australia and Singapore. Bangladesh is competing with India, Pakistan and some East European nations for freelance work, which definitely speaks volumes about the high calibre of Bangladeshi IT professionals. Freelancers earn $15 to $20 an hour on average for technical work, and $5 to $10 for administrative or non-technical work, according to industry insiders.

Leather industry hits record export: $1b

The leather industry has crossed the record $1-billion mark in exports in the first ten months of this fiscal year on the back of competitive pricing and quality improvement. Between July and April, the leather industry exported $1.06 billion of products, whereas the exports receipts for the whole of fiscal 2012-13 stood at $980.67 million, according to data from the Export Promotion Bureau.

Leather businessmen are now confident of meeting the export target of $1.21 billion set by the government for this year, and Taher said the sector will be able to earn as much as $2 billion next fiscal year if the present trend continues.

Leather goods exports rose 70.14 percent to $197.36 million in the first ten months of this fiscal year, while it was 33.90 percent to $424.05 million in leather and 30.24 percent to $443.54 million in footwear, EPB data shows.

Buoyant work orders encouraged entrepreneurs to park more funds in the sector: opening of letters of credit for capital machinery imports rose by 118.58 percent to $4.8 million year-on-year in the July-February period, according to Bangladesh Bank. Many leather goods and footwear makers are producing high quality products targeting the middle- and higher-end segments of the market, which ultimately helps in earning more in unit price.

Between July and January, leather shipment rose 45.38 percent year-on-year in terms of value, according to BB.

Bangladesh exports leather products mainly to Italy, New Zealand, Poland, the UK, Belgium, France, Germany, the US, Canada and Spain. Also, Japan, India, Nepal, Australia and some other countries are emerging as potential importers of Bangladeshi leather goods.

Bangladesh now exports only 0.005 percent of the global leather and leather goods market worth $230 billion, according to industry insiders.

The country will be able to earn at least $5 billion in exports from leather, leather goods and footwear in the next decade if it can properly address health, environment and compliance issues in the sector.

Unique helpline for farmers
Website consultation can up production up to 30pc

The government on April 29 launched an online fertiliser recommendation system meant to ensure balanced use of fertiliser that can optimise productivity by 20 to 30 percent.

By furnishing location of the piece of land, its size, crop category and type, and which fertiliser he intends to apply in the given form of Bangla website www.frs-bd.com, a farmer can get the recommended dose of fertiliser online.

Many farmers of our country are used to applying more fertiliser than the necessary dose thinking it would make better yield. But in fact, it proved counterproductive.

If farmers use appropriate kind and quantity of fertilisers, production will shoot up and the cost will go down. The technique also reduces pest attacks and enhances crop quality.

Farmers can also visit the union information service centres or Grameenphone's community information centres to get the recommended dose of fertilisers. Besides, subscribers of telecom operators Banglalink and Grameenphone can call at 7676 and 27676 respectively for the information.

The SRDI and Katalyst jointly developed the software after extensive soil tests throughout the country to identify specific fertiliser requirements in different regions.

Addressing as the chief guest at the ceremony, she said farmlands of the country had been declining by more than 68,000 hectares per year while food demand was increasing with the growing population.

So, balanced use of fertiliser could be a major contributor to increasing productivity, she told the programme organised by SRDI.

The government would welcome innovations in crop production in the hilly, char, salinity prone and haor areas where farmers had been facing difficulties in producing crops, said the agriculture minister.

Special guest at the ceremony, European Union Ambassador William Hanna, said use of fertiliser and pesticide is also related to food safety, which is a major issue in Bangladesh now.

He said he had visited many project areas and was impressed with the achievements of the farmers in enhancing crops and developing new technologies that help improve the soil quality.

A joint venture pharma tech company in BD

Azbil Telstar Bangladesh, a joint venture among Japan, Spain and Bangladesh began its journey on April 2.

It will provide high-tech solutions in design, engineering and construction, and sells equipment and machinery to pharma companies.

The investment in the company is Tk 100 crore. Mr. SA Khan, managing director of SAKA International, which has a 35 percent stake in the company and the remaining 65 percent is owned by Azbil Telstar, a joint venture of Japan-Spain.

Azbil Telstar is a globally renowned company in the pharma sector with a yearly turnover of €2.58 billion. The company invests 3 percent of its turnover in research, development and innovation of its technologies and equipment.

Bangladesh pharmaceutical exports rose around 24 percent year-on-year to $59.82 million in fiscal 2012-13.

Demand for Bangladeshi medicines in Southeast Asia, Asia Pacific and Africa is growing.

Money flies away from Bangladesh : UNDP

Bangladesh counts millions of dollars in capital flight every year owing to leakage in the balance of payments and trade misinvoicing by businesses. Over the last four decades, the country lost $800 million a year on average in capital flight driven by balance of payment leakages, trade misinvoicing and unreported remittances, according to a United Nations study. The total capital flight from Bangladesh accounts for 30.4 percent of its GDP of over $100 billion in 2010, says the study by the United Nations Development Programme.

The UNDP looked into illicit financial flows from eight low income and Least Developed Countries (LDCs): Bangladesh, Bolivia, Côte d'Ivoire, Guinea, Nepal, Sierra Leone, Tanzania and Zambia. By 2008, the LDCs were losing between $20 billion and $28 billion annually due to illicit financial flows. This sum is roughly equivalent to the amount of Official Development Assistance that flows into these economies annually. The study blames leakages in balance of payments, export and import misinvoicing and unreported remittances for the capital flight.

According to the World Bank, capital flight is the unrecorded movement of funds between a country and the rest of the world. This money is intended to disappear from any record in the country of origin, and earnings on the stock of flight capital abroad don't normally return to the country of origin. The term, "illicit financial flows", is commonly used to describe this form of capital flight.

Leakages in the balance of payments account for 83.1 percent of the capital that went out of Bangladesh over the four decades, show UNDP data. Such leakage occurs when there is a mismatch between inflow and outflow of foreign currency. The authorities then put the lost money under the heading of "Error and Omission" in the country's balance of payments account.

The amount of such losses was $977 million in fiscal 2011-12, $764 million in 2012-13 and $676 million in the first six months of 2013-14, according to the government's Economic Review 2014. Trade misinvoicing, which includes mispricing in imports and exports, accounts for the rest 16.9 percent of the capital flight, says the UNDP. The actual amount of money going out of the country might be higher as updated figures are not available.

The issue came to the fore on June 19 after Switzerland's central bank disclosed that Bangladeshi citizens' deposits with different Swiss banks rose by 62 percent year-on-year in 2013. The deposits, which stood at Tk 3,236 crore (372 million Swiss franc) at the end of 2013, were Tk 1,991 crore in 2012, show the latest data of the Swiss National Bank.

Officials say Bangladesh Bank, the National Board of Revenue (NBR) and the Anti-Corruption Commission (ACC) are working on a mechanism to stop capital flight. They would soon hold a joint meeting, said an official on condition of anonymity. As part of the initiatives, the BB will check its data on letters of credit with the customs data at the NBR.

> Bangladesh a top exporter of illicit money
>
> On average, $800m leaked out a year between 1970 and 2010
>
> Leakages in the balance of payments and trade mis-invoicing by businesses are key conduits of capital flight

A joint cell of the central bank and the NBR will be set up to collect data on commodity and machinery prices in overseas markets to stop under and over-invoicing. This would help check tax evasion and capital flight.

The BB has started working with the Export Promotion Bureau and banks to ensure that export proceeds return to the country in time. The move came after a state-owned commercial bank was fined for not bringing in export proceeds to the country in time.

Another UNDP publication, "Illicit Financial Flows from the Least Developed Countries: 1990-2008", ranked Bangladesh as the top exporter of illicit capital among all LDCs between 1990 and 2008 when $34.8 billion leaked out of the country. For every dollar received in official development assistance, $1.4 goes out of the country in illicit flows.

The UNDP said political and governance environment of a country influences capital flight. An unstable political environment raises the risk of losses of private wealth through expropriation or destruction of assets in violence. Poor governance, in turn, facilitates theft, embezzlement of national resources, trade misinvoicing, and smuggling of goods and capital across borders, all of which can induce illicit financial flows, said the UN agency.

Bangladesh Financial Intelligence Unit on June 24 wrote to the Money Laundering Reporting Office Switzerland, showing an interest in signing a memorandum of understanding with it for sharing information on money laundering. Bangladesh has already signed agreements with financial intelligence units of 24 countries after it became a member of the EGMONT Group, the global anti-money laundering body.

Regional News

Asia will remain the global growth leader : IMF

The International Monetary Fund has said it is not concerned over Bangladesh's economic performance as the growth rate is hovering around 6 percent. "Due to the political conflict last year, the growth rate was a little lower. Now it seems things are going normal. I hope Bangladesh can go on the higher than 6 percent growth path," Changyong Rhee, director of IMF's Asia-Pacific Department, said at a media briefing in Washington on April 11. "The 6 percent growth rate or close to 6 percent is not a bad performance and that is not a very low level either," Rhee said.

The economic outlook for Asia is one of steady growth, Rhee said as the Spring Meetings of the IMF and World Bank took off on April 11 in Washington. Bangladesh's GDP growth prospects are slightly brighter than its Asian peers: the IMF expects Asian growth to improve to 5.4 percent in 2014 and 5.5 percent in 2015, up from 5.2 percent last year.

Asia will remain the global growth leader, as Rhee said the main growth drivers are improved external demand, which has lifted exports,

healthy labour markets and robust credit growth. "The latter has helped keep financial conditions relatively accommodative despite the rise in interest rates in many economies."

"But this general trend masks increasing sub-regional diversity across Asia-Pacific," he said. In China, growth is expected to slowly decelerate to a more sustainable path but should still reach 7.5 percent this year, with investment still remaining a major driver, according to an IMF forecast.

Japan's growth is expected to remain above the trend as a whole, despite the increase in consumption tax in April. Economic growth in India will remain below the trend but should improve to 5.4 percent in 2014, as exports benefit from improved competitiveness and global growth. India's inflation will remain relatively high at 8 percent this year, but price pressures have already receded and may remain on a downward path.

For the ASEAN region, growth is expected to be broadly stable at 5 percent this year, with the Philippines and Malaysia doing relatively well. Thailand is an exception: political tensions have hurt sentiments and the economy may slow to 2.5 percent in 2014 as private demand weakens and public investment plans are delayed, the IMF said.

World Bank sees 'flat' growth for developing countries

The World Bank lowered its 2014 growth forecasts for the global economy on June 10, but said advanced economies' rebound from a rough start would help offset stagnation in developing countries. Most of the pick-up in growth this year will come from high-income countries, particularly the United States and the 18-nation eurozone, the World Bank said in its twice-yearly Global Economic Prospects report.

But a rough start to the year -- bad weather in the United States, financial market turmoil and the Ukraine crisis -- dragged down global growth for the year as a whole, the Bank said. It marked down its 2014 forecast to a 2.8 percent pace from its January forecast of 3.2 percent. The global economy grew 2.4 percent growth in 2013.

High-income countries would see stronger growth this year of 1.9 percent from 1.3 percent in the previous year, the World Bank said. But developing countries can expect mixed challenges from the accelerating growth in the rich countries. As high-income economies expand, their import demand should grow, boosting developing-country exports.

But developing countries will be hard-pressed to find the capacity to meet that demand, because most of them already are fully recovered from the 2008 financial crisis and growing close to potential, the Washington-based development lender said. Developing countries were projected to grow 4.8 percent this year, substantially below the 5.3 percent estimate in January. "The outlook for developing countries is for flat growth in 2014. This marks the third year in a row of sub-five percent growth and reflects a more challenging post-crisis global economic environment," it said.

The World Bank's latest outlook marked a deterioration from the January report, when it had raised its growth forecasts, saying both rich and developing countries appeared to be "finally turning the corner" after the global financial crisis. Much of the slowdown this year reflected weakness in China, the world's second-largest economy. First-quarter growth in Chinese gross domestic product was only a 5.8

percent annualized rate, with a sharp deceleration in industrial output and Beijing taking steps to tighten credit.

The Washington-based lender forecast growth of 7.6 percent this year, lower than China's 7.7-percent growth rate in 2013. Beijing's own target for this year is 7.5 percent. GDP growth accelerated slightly in the first quarter in India, Mexico and the Philippines. But the pace of growth slowed in Indonesia, Mongolia, Malaysia and Brazil and turned negative in South Africa and Peru. Sharp annualized contractions of between eight and 12 percent occurred in Ukraine, Thailand and Morocco.

The weakness in developing countries reflected a slew of factors, including knock-on effects from the severe winter in the US; political tensions in Thailand, Ukraine and Turkey; labor unrest in South Africa; and monetary policy tightening following financial market turmoil a year ago, the Bank said.

Japan investment in Southeast Asia surges amid China slump

Japanese companies' investments in Southeast Asia surged last year to almost three times the amount invested in China, after relations between Beijing and Tokyo soured in 2012 and Chinese labour costs rose, a government agency of Japan said on April 18.

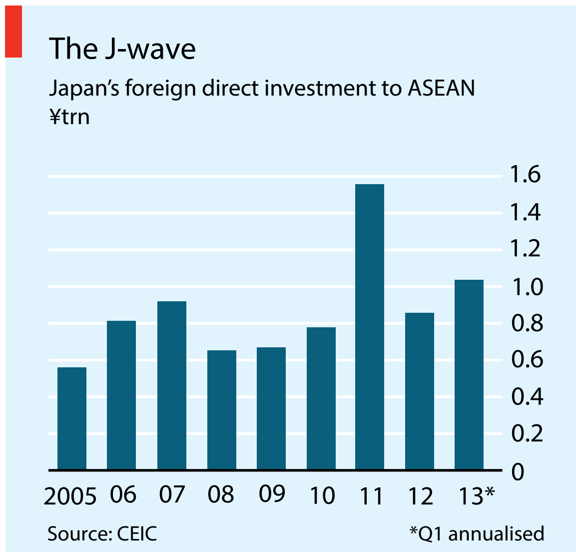
Japanese companies invested 2.33 trillion yen ($22.8 billion) in Singapore, Thailand, Indonesia, Malaysia, the Philippines and Vietnam last year, compared with 887 billion yen in China, Japan's largest trading partner, the Japan External Trade Organization (JETRO), said.

Investments doubled in Southeast Asia and fell 18 percent in China over 2012 and China's waning attraction is likely to continue as the ratio of companies planning expansion there fell to a record low of below 55 percent, JETRO said, citing a survey of Japanese companies.

"Viewed from the Japanese companies' headquarters, China's economy and China's political situation present a considerable amount of risk," JETRO Chairman Hiroyuki Ishige told reporters at a briefing.

Sino-Japanese ties have been strained by a territorial row over tiny disputed isles in the East China Sea and perceptions in Beijing that Japanese Prime Minister Shinzo Abe wants to rewrite Japan's wartime history and tone down past apologies.

The fall off in Chinese investment follows the outbreak of riots against Japanese interests in 2012 when the territorial dispute escalated after the Japanese government bought the uninhabited islands in the East China Sea. Rising wages in China are also having an impact on companies trying to keep costs down and maximise profits. China's average salaries now exceed those of Thailand, according to a JETRO survey carried out between October and November last year.



The Philippines and Indonesian labour costs are about one third lower than China's, while those in Vietnam are less than half, the survey showed.

Life expectancy rises in poor nations: UN

Life expectancy in the globe's poorest countries has risen by an average of nine years over the past two decades, thanks to major improvements in infant health, the United Nations said on May 15. In its annual statistics, the UN's World Health Organization (WHO) said that six of the countries had even managed to raise life expectancy to over 10 years between 1990 and 2012.

The top achiever was Liberia, where average lifespans increased by a full 20 years, from 42 to 62. Next in line were Ethiopia (from 45 to 64 years), Maldives (58 to 77), Cambodia (54 to 72), East Timor (50 to 66) and Rwanda (48 to 65).

"An important reason why global life expectancy has improved so much is that fewer children are dying before their fifth birthday," WHO chief Margaret Chan said in a statement. Globally, average life expectancy rose by six years during the same period. Based on global averages, a girl who was born in 2012 can expect to live to around 73 years, and a boy to the age of 68, the WHO said.

"But there is still a major rich-poor divide: people in high-income countries continue to have a much better chance of living longer than people in low-income countries," Chan said.

A boy born in 2012 in a high-income country can expect to live to the age of around 76 - 16 years longer than a boy born in a low-income country. For girls, the difference is even wider, with those in high-income countries likely to live to the age of 82 and those in poor nations to 63. Female life expectancy in all the top 10 countries of the globe is 84 years or more, the WHO said. Women in Japan enjoy the world's best life expectancy, at 87 years, followed by Spain, Switzerland and Singapore on 85.1 years each. Life expectancy among men, meanwhile, is 80 years or more in nine countries, with the longest in Iceland (80.2), Switzerland (80.7) and Australia (80.5).

Global wealth grows to $152tr
Number of millionaires rockets worldwide

There are millions more millionaires in the world, thanks to a huge surge in private wealth around the world. More than 16 million households passed the mark in US dollars in 2013, up from 13.7 million in 2012, according to a report by the Boston Consulting Group (BCG). Most of them are to be found in the US, which also has the highest number of new millionaires, and wealth is growing fast in China. There are 2.4 million households there with more than $1 million – 900,000 more than the year before, the report found.

Looking beyond the super-rich, private wealth overall grew to $152 trillion (£90 trillion) last year, boosted by rising stock markets and wealth creation in rapidly developing economies. The 15 per cent rise was stronger than in 2012, when global wealth grew by 9 percent. Wealth was growing rapidly in the Asia-Pacific region (apart from Japan), Eastern Europe, North America, the Middle East, Africa and Latin America.

China has been the biggest driver, with private wealth in the country surging by almost half in 2013. The situation in Western Europe was steadier, with wealth increasing by 5.2 per cent in a year, but it is expected to be knocked from its spot as the second-richest global region next year. Analysts expect Asia-Pacific to be the richest place in the world in terms of private wealth by 2018.

Brent Beardsley, a BCG senior partner who co-authored the report, said developed economies must make the most of existing assets. He added: "The task in the developing economies is to attract a sizable share of the new wealth being created there. Overall, the battle for assets and market share will become increasingly intense in the run-up to 2020."

The report found that the growth of private wealth was largely driven by a strong rebound in equity markets from the second half of 2012. Improvements were spurred on by relative economic stability in the US and Europe, alongside signs of recovery in some countries including Ireland, Spain and Portugal.

Top income earners take too much, pay too little: OECD

People with the highest incomes in advanced countries have grown disproportionately richer despite the recent financial crisis and should pay their fair share of the tax burden, the OECD said on April 30. The lowest wage earners have scarcely progressed and some may even have fallen behind in real terms in the last 30 years, the Organisation for Economic Cooperation and Development said.

The gap will widen without policy action on the way tax systems work, it said, probing facts, trends and causes of a perpetually hot subject in political debate which took centre stage as governments ramped up taxes to cope with a banking crisis, and then in Europe with a debt crisis. The richest 1.0 percent of wage earners had captured a "disproportionate" share of overall income growth in the last three decades, it said.

In the United States the real incomes of the top one-in-a-hundred people had grown by 47.0 percent and in Canada by 37.0 percent. Noting that in the last 30 years, top income tax rates had fallen markedly in most OECD countries, the organisation suggested that death duties, or inheritance tax, could feature among measures to correct the imbalance.

The 34-member OECD grouping advanced democracies is known for providing hard-hitting policy advice recommending competition and open markets as the key to rising prosperity and welfare for all. It's mission slogan is "Better policies for better lives".

The analysis concluded: "Even in countries which have a history of more equal income distribution, such as Finland, Norway and Sweden, the share of the top 1.0 percent increased by 70 percent, reaching around 7.0-8.0 percent. "By contrast, top earners saw their share grow much less in some of the continental European countries,

G20 still increasing protectionism, says joint WTO/UN/OECD report

Members of the Group of 20 leading economies are still doing more to restrict trade than to liberalise it, according to a report published by major world agencies on June 18. The regular monitoring report, from the World Trade Organization, Organization for Economic Cooperation and Development and the U.N. agency UNCTAD, said the G20 countries had put in place 112 new trade restrictions in the six months to mid-May.

Although that was slightly less than the 116 protectionist policies in the previous 6 months, and G20 countries had also done more to liberalise trade, "it is clear that overall trade restrictions have continued to accumulate," the report said. "The vast majority of trade-restrictive measures taken by G20 members since the onset of the global financial crisis remain in place," it added.

The new protectionist policy steps, which outnumbered the liberalising measures, affected 0.2 per cent of world merchandise imports, the report said.

The cumulative protectionism since October 2008 affected 4.1 per cent of world trade, equivalent to about $750 billion annually. The goods most heavily affected by the latest protectionism were electrical machinery and pharmaceutical products, the WTO said.

The regular report on protectionism has recorded 1,185 trade-restrictive measures by the G20 since October 2008, and about 79 per cent were still in place by May 2014.

Nutrient-rich Crop Developments
Focus on Bangladesh's feat

Bangladesh's back-to-back success in breeding zinc-enriched rice varieties came under the spotlight at a global agricultural conference held in the Rwandan capital in the 1st week of April. The Bangladeshi rice breeders have developed the world's first biologically fortified (biofortified) zinc-enriched rice BRRI dhan62 in August last year and are currently at the last stage of developing another rice breed with even higher zinc content.

The BRRI dhan62, capable of fighting diarrhoea and pneumonia-induced childhood deaths and stunting, contains 20 parts per million (ppm) zinc content as against an average 14 to 16 ppm available in non-fortified rice varieties.

Another biofortified rice variety developed by the Bangladesh Rice Research Institute (BRRI) is in the pipeline for release that would contain 24 ppm zinc.

More than 300 high-level stakeholders from different governments, businesses and civil societies converged on the Rwandan capital of Kigali for the Second Global Conference on Biofortification and took into cognisance the Bangladeshi breeders' efforts in developing biofortified crops.

The HarvestPlus, a Washington-based global programme to improve nutrition and public health, organised the Kigali conference from March 31 through April 2 with an aim to scale up production of biofortified crops to address the 'hidden hunger'. Biofortified beans, first released in Rwanda in 2010. Half of 1.2 million Rwandese farm families now grow this bean which is reach in iron content.

Nearly one in three people globally suffers from a lack of essential vitamins and minerals such as vitamin A, zinc and iron in the diet. This condition, known as hidden hunger, increases the risk of stunting, anaemia, blindness, infectious diseases, and even death. Women and children are especially vulnerable to this situation.

The HarvestPlus has worked with partners to develop new varieties of nutritious food crops that provide more vitamin A, zinc, or iron. These crops, already being grown by around 1.5 million farmers, have been conventionally bred. They include cassava, maize and orange sweet potato for vitamin A; beans and pearl millet for iron; and rice and wheat for zinc.

The Kigali conference that brought together luminaries like MS Swaminathan, the renowned architect of India's Green Revolution, Akinwumi Adesina, Nigeria's minister of agriculture and rural development and Forbes Africa Person of the Year 2013, Dr Mahbub Hossain, Brac adviser and a member of Global Panel on Agriculture and Food Systems for Nutrition, and Chris Elias, the Global Development

Program President of the Bill and Melinda Gates Foundation, was particularly encouraged at the rapid and phenomenal successes of biofortified beans in conference's host nation Rwanda.

In Rwanda, anaemia, which is used as an indicator of iron deficiency, afflicts almost one in five non-pregnant women and almost one in three children under five. Although iron can be found in several other food items such as red meat, fish, and green leafy vegetables, these are rarely eaten in the quantity needed. The development and dissemination of iron beans complement these efforts and builds on beans as mainstay of the Rwandan diet. On average, Rwandans consume 60kg of beans per capita annually.

Rwanda and Bangladesh apart, biofortified crops have also been released in several other countries under the HarvestPlus initiatives in recent years. These include vitamin A-enriched cassava in Nigeria, vitamin A-enriched maize in Zambia, iron-rich millet and zinc-rich wheat in India and iron-rich beans in Uganda and Congo. HarvestPlus Director Howarth Bouis said, Pakistan will be joining the bandwagon of biofortified crops by next year. Besides, China and Brazil are also growing biofortified crops.

Though buoyant at renewed fund commitments from Gates Foundation and the UK Department for International Development, Howarth reckons that it would not be possible for HarvestPlus to have its footmarks on all the countries of the world but to scale up the biofortified crop production "we're partnering with other stakeholders, who can help develop and grow nutrient-rich crops in as many countries as possible." Nigerian Agriculture Minister Dr Akinwumi Adesina, who is globally recognised for his efforts in improving African agriculture through innovative technologies, was one of the keynote speakers at the conference. Forbes Africa Person of the Year 2013, Dr Adesina pledged his determination to "make Nigeria the largest grower of biofortified crops".

Deal fever hits global pharma sector

Global pharmaceutical companies facing major patent expirations have announced billions of dollars of transactions in a wave of deal-making that could ultimately include mega-mergers and hostile takeovers. On April 29, Switzerland's Novartis, GlaxoSmithKline of Britain and US group Eli Lilly announced nearly $25 billion worth of deals to shift key assets in oncology, vaccines and animal health among the three giants.

The same day, Canadian company Valeant, working with activist investor Bill Ackman, unveiled a bid to acquire Botox-maker Allergan for $45.6 billion. The proposal suggested Valeant would launch a hostile campaign if management does not accede to "productive discussions." Both deals were shadowed by the possibility of an even more dramatic outcome: the purchase by US giant Pfizer of Britain's AstraZeneca for more than $100 billion. Pfizer reportedly approached AstraZeneca about such a deal, although talks are not active.

The stream of activity comes as pharmaceutical giants seek to make up for lost sales as patents expire and as medium-sized firms and generics specialists take steps to grow by acquisition. "We expect the next few years to be particularly active from a mergers and acquisitions perspective and hence pivotal in the reshaping of the industry," said Barclays analyst Shubhomoy Mukherjee. If this week's transactions are completed, including Valeant-Allergan, that would lift the total on healthcare deals in 2014 to $162.1 billion, making it the second biggest sector in terms of deals after telecommunications, according to Dealogic.

Driving the realignment is pressure on pharma giants to build up specialty businesses and exit lower-priority investments that in some cases have suffered from their second-fiddle status within their companies. Pharma companies typically enjoy huge profit margins on blockbuster drugs, but the expiration of patents leaves them vulnerable to steep declines in sales.

AstraZeneca chief executive Pascal Soriot said the bulk of the British giant's research investment focused on three core areas -- oncology, cardiovascular and metabolic disease, and respiratory, inflammation and autoimmune problems. The company, aiming to spend less outside these fields, is exploring "partnering options" for its remaining research in infectious diseases and other areas, Soriot said.

The Novartis-Glaxo-Lilly transactions further Novartis' efforts to boost its specialties in oncology, Glaxo's efforts to build vaccines and Lilly's efforts to become a bigger player in animal health. Novartis and Glaxo also announced plans to create "a world-leading consumer healthcare business" focused on wellness, oral health, nutrition and skin health.

The venture would sell popular remedies to quit smoking and address back pain, and is geared at growing market share in developed and emerging markets.

Valeant too is looking to become a dominant force in choice fields, which include dermatology, aesthetics and ophthalmology. Valeant has said its goal is to become one of the five biggest pharma companies by 2016. Merck, which has slashed headcount as it contends with the loss of patent exclusivity of its allergy and asthma drug Singular and other best-sellers, is reportedly looking to divest its consumer-brands business for $10 billion or more. The unit includes products like Coppertone and Claritin. Merck has also streamlined its research efforts to focus on Alzheimer's, oncology and other choice areas.

ICC HQs News

ICC Coouncil elected six new members of the ICC Executive Board

Former Ambassador John Danilovich elected ICC Secretary General

ICC in its 202nd World Council elected six new members of the ICC Executive Board. They are Maria Fernanda Garza, Chair and CEO of Orestia and Chair of ICC Mexico; Dennis M. Nally, Chairman of PricewaterhouseCoopers International; Yongmaan (YM) Park, Chairman and Chief Executive Officer of Doosan Group; KasemsitPathomsak, President and Chief Executive of Merchant Partners Securities and Chair of ICC Thailand; Latifur Rahman, Chairman of Transcom Group and Vice- Chair of ICC Bangladesh; and Thomas Wellauer, Chief Operating Officer of Swiss Re and Chair of ICC Switzerland.

The World Council also elected Kap-You (Kevin) Kim, Partner Bae, Kim & Lee as a Vice-President of the International Court of Arbitration as well as13 new Court members.

The International Chamber of Commerce (ICC) World Council meeting took place as part of three days of meetings of ICC governing bodies in Geneva. On June 25, the ICC Executive Board voted in Jan Kleinheisterkamp, Associate Professor of Law at the London School of Economics and Sven Dumoulin, General Counsel Executive Committee Member, Akzo Nobel NV as new members of the Governing Body for Dispute Resolution and announced that Karien Van Gennip, General Manager, Private Banking and Investments at ING, would take over as Chair of the International Chamber of Commerce (ICC) Finance Committee.

World Trade Organization (WTO) Director-General Roberto Azevedo addressed members of the Executive Board, providing an update on WTO activities including efforts to implement a trade facilitation agreement deal achieved in Bali last year.

A global business leader and international diplomat, John Danilovich, has been appointed Secretary General of the International Chamber of Commerce (ICC). ICC's World Council voted unanimously to approve Mr Danilovich's appointment on June 27 in Geneva, following a recommendation by the ICC Executive Board.

A selection committee appointed by the Board reviewed the qualifications of more than 300 candidates before selecting Mr Danilovich based on his impressive credentials in the international arena and extensive experience of trade related issues.

Mr Danilovich has been active in the international maritime industry for several decades, holding executive board positions in a number of companies.

He served as the US Ambassador to Brazil and to Costa Rica, and from 2005-2009 was the chief executive officer of the Millennium Challenge Corporation, an innovative and successful foreign aid programme.

His current positions include Board Member of the International Advisory Council for the Harvard School of Public Health; Senior Advisor at the Center for Strategic and International Studies (Washington, DC); Life Member of the Council on Foreign Relations (New York); Member of the North American Advisory Council of Chatham House (United Kingdom); and Member of the Board of Directors at d'Amico International Shipping.

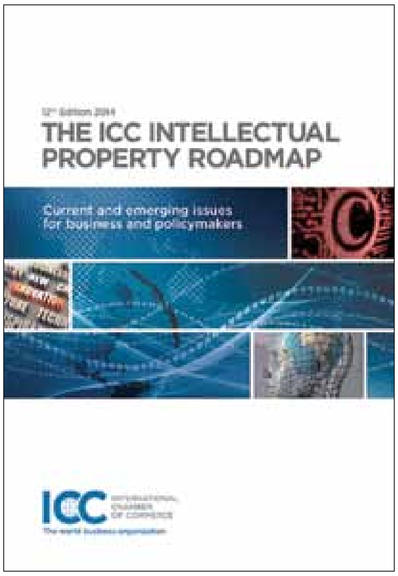
As US Ambassador to Costa Rica, Mr Danilovich played a significant role in driving the Central America Free Trade Agreement (CAFTA).

He is skilled at building international partnerships and has established advocacy relationships with policymakers, foreign dignitaries and leaders in major international forums.

Mr Danilovich, who has a Bachelor of Arts degree in Political Science from Stanford University and a Master of Arts degree in International Relations from the University of Southern California (London), said he will be honoured to take up the challenges when he takes the reins as the International Chamber of Commerce (ICC) Secretary General on 30 June 2014.

A long-term London resident, Mr Danilovich and his English-born wife, Irene Danilovich, will be moving to Paris.

ICC releases 2014 Intellectual Property Roadmap



The 12th edition of the ICC's "Intellectual Property Roadmap: Current and Emerging Issues for Business and Policymakers" was released on June 23 at the Intellectual Property Business Congress (IPBC) global conference in Amsterdam.

Containing contributions from experts around the world, the report has this year been restructured to better reflect the way businesses consider intellectual property (IP) as an asset that can be used to create value for their companies, for consumers and for society as a whole. Each section explains the background and the current landscape as well as provides perspectives for the future.

There has been extensive updating of the introductory chapter and the sections on trademarks, trade secrets, domain names, enforcement on the Internet, litigating IP rights, counterfeiting, sustainable economic development and climate change.

The ICC IP Roadmap is published every two to three years and is translated into languages including Arabic, Chinese, French, German, Portuguese, Russian, Spanish and Turkish. It is widely read by business, policy and legal professionals around the world.

Trade facilitation implementation off to good start, WCO Director tells ICC

Speaking to over 40 members of the ICC Commission on Customs and Trade Facilitation in 2nd week of June, World Customs Organization (WCO) Director of Compliance and Facilitation, Gaozhang Zhu said he was optimistic about the implementation of the World Trade Organization (WTO) Agreement on Trade Facilitation adopted at the WTO's Ninth Ministerial Conference in Bali at the end of 2013.

On behalf of its global network reaching 6.5 million companies worldwide, ICC was steadfast in its campaign to push for improvements in trade facilitation which according to an ICC report could boost the world economy by US$1 trillion annually and result in job gains of 21 million.

Mr Zhu, a guest speaker at the meeting, addressed ICC members from 20 countries at ICC global headquarters in Paris on June 19. Underscoring the importance of business engagement, Mr Zhu gave an overview of the ways in which the WCO is working to support WTO members toward implementation.

He told meeting participants that in December 2013 the WCO had adopted a resolution committing to the efficient implementation of the agreement on trade facilitation and had since trained a pool of some 500 experts to help Customs administrations and other government agencies.

ICC has a longstanding strategic relationship with the WCO and through the work of the commission and the World Chambers Federation, ICC plays a key role ensuring that the voice of the private sector is heard in the implementation process.

The ICC Commission on Customs and Trade Facilitation has over 200 members from 49 countries. Commission members comprise customs policy, transport and logistics specialists from ICC member companies and business representative organizations.

To improve business' understanding of the WTO Agreement on Trade Facilitation and facilitation measures, the International Chamber of Commerce (ICC) is creating a practical online resource centre – due to launch soon – providing an overview of available trade facilitation tools.

ICC Green Economy Roadmap Launched in Qatar

The International Chamber of Commerce Qatar (ICC Qatar) launched the ICC Green Economy Roadmap and the ICC Qatar Energy and Environment Commission on June 16 during a seminar jointly hosted by ICC Qatar and Qatar Green Building Council (QGBC). More than 60 professionals and project managers gathered at the Qatar Chamber for the 'ICC's Green Economy Roadmap: implications for Qatar' seminar to learn about ICC's flagship guide, which provides guidance to business, policymakers and other stakeholders in the development and implementation of policies and actions towards a 'green economy'. Remy Rowhani, Director General of Qatar Chamber and Secretary General of ICC Qatar, welcomed delegates to the seminar and explained the roadmap's benefits.

Launched during Rio+20 as an initiative to promote a more common understanding of the green economy, the roadmap outlines 10 conditions and related policy recommendations as a framework to discuss a range of inter-linked policies and actions to transform into a green economy.

These conditions include social, environment and economic innovation; collaboration between all sectors; integrated governance; balancing short-and long-term strategies and multilateralism. The roadmap also aims to share existing best practice and initiate new collaborative activities.

QGBC was launched in 2009 by Qatar Foundation for Education, Science and Community Development, to promote and equip a sustainable building industry for Qatar.

Global trade set to benefit from ICC report

Released on June 19, the International Chamber of Commerce (ICC) Trade Register Report 2014 provides empirical evidence that, in all forms, trade and export finance is a low risk bank financing technique – further supporting ICC's advocacy of trade finance as a strong contribution to economic recovery and growth. This evidence has the potential to alter attitudes towards trade finance, and therefore contribute to the growth of both global trade and the global economy.

Based on data contributed by the major global commercial banks and reflecting more than 4.5 million transactions totalling an exposure in excess of US$2.4 trillion, the ICC Trade Register Report 2014 ("the Trade Register") empirically demonstrates that trade finance is lower risk than many other types of financing and assets. It records that short-term trade finance customer default rates range from a low of 0.033% to a high of 0.241%, which is a fraction of the 1.38% default rate reported by Moody's for all corporate products (according to 2012 figures).

First launched in 2009 by ICC's Banking Commission, the report is widely recognized as one of the world's leading analytical reports on global risks for the trade finance industry—identifying risks across a range of trade finance products and markets.

The report offers those involved in trade—whether in business, finance, government or multilateral institutions—a tool for understanding the risks, which should support liquidity and the regulatory oversight of the technique. Around 80-90% of cross-border trading activity relies on some form of trade finance, making the regulatory treatment of instruments such as letters of credit (L/Cs) and pre-export finance vital for the health of the world's economy.

In fact, it was the market's concern that the regulatory requirements were subjecting trade finance to disproportionately stringent capital-adequacy standards that encouraged ICC's Banking Commission, through an initial partnership with the Asian Development Bank, to initiate the Trade Register. Those same concerns underpin ICC's on-going engagement in this initiative, to empirically support what had previously been only anecdotally known: that trade finance is a low risk asset class for lenders. The findings of ICC's Trade Register therefore have the potential to transform trade, and—by association—open up trade finance as a lubricant for economic growth.

By demonstrating trade finance is low risk—not just anecdotally, or theoretically, but through data gathered from the major global commercial banks—the Trade Register not only acts as a vital tool for both policymakers and financial regulators, it encourages lenders to finance trade activity in the developed and emerging economies, and for both the short- and medium-term. As such, the report could encourage economic recovery and value-creation, as well as enable SME growth, international development and, therefore, the engagement of emerging markets.

The report demonstrates the low risk nature of both short-term, and medium- to long-term trade finance. Short-term trade finance (with an average contractual tenor between 90-180 days) customer default-rates for 2008-12 were 0.033% for export L/Cs, 0.117% for import L/Cs, 0.157% for performance guarantees, and 0.241% for loans for import/export. Meanwhile, the report explains that for medium-long term export loans

included in the Trade Register—where an export credit agency (ECA) has provided either state-backed Guarantee or Insurance to the financing bank—the expectation is that losses will be very low unless the ECA itself defaults, which is typically considered remote as the loans are government-sponsored and the ECAs generally have investment-grade ratings.

Warsaw resolutions secure Certificate of Origin advances

The Australian Chamber of Commerce and Industry (ACCI) and its network of state chambers, as well as the French local Chamber, the Essonne Chamber of Commerce, have become the latest members of the International Certificate of Origin Accreditation Chain, increasing the number of COs issued with the ICC World Chambers Federation (WCF) CO quality label to more than 8 million.

The announcement was made during a meeting of CO experts from more than 30 countries which took place in Warsaw on 3-4 June. Hosted by the Polish Chamber of Commerce the gathering was the first of its kind in Eastern Europe.

The relevance of the CO verification website and its success was well received by the Council. This service, available to members of the International CO Chain, allows Customs authorities to verify online the authenticity of COs issued by participating chambers. More than 3 million COs from China are now included in the system, joining existing COs issued by participating chambers from France, United Arab Emirates and Netherlands, with those from Belgium, Korea, Slovakia and the UK set for the near future.

To better serve their customers, chambers are also pro-actively developing systems for issuance and delivery of COs online. In a world of fast changing systems relating to origin control, including self-certification and Authorized Economic Operations, the Council was able to provide input to develop a common position in response to latest developments, as presented during the meeting by the International Chamber of Commerce (ICC) Commission on Customs and Trade Policy Manager Donia Hammami.

Discussion on developments relating to the continuing expansion of Preferential Certificate of Origin issuance to chambers also took place during the two-day meeting.

ICC Launches 2014 Mediation Rules in North America

On May 28, the International Chamber of Commerce (ICC) held a promotional event to celebrate the North American launch of its revised mediation rules, hosted by law firm Simpson Thacher in New York City.

Administered by the ICC International Centre for ADR, the new rules were drafted by the Commission on Arbitration and ADR, a task force of dispute resolution specialists and company representatives from 29 countries. The new mediation rules replace the former ICC ADR rules, a name-change that Andrea Carlevaris, Secretary General of the ICC International Court of Arbitration® said "reflects the reality that 90% of cases are mediation cases."

"The main value of the ICC mediation rules is that they can help parties overcome hurdles," said Hannah Tuempel, senior counsel and manager of the ICC International Centre for ADR, during a panel discussion. Ms Tuempel was involved in the revision of the new mediation rules.

She said that the new rules make it easier for parties to overcome common obstacles that thwart mediation. Such hurdles include how to start a mediation if it is not included in a prior contract clause; where to mediate and in what language if both parties come from different countries, how and where to find the right mediator with the appropriate experience and language skills, and how the parties bear the cost of mediation.

The new rules address all those obstacles. If one disputant wishes to mediate but is wary about approaching the other party for fear of showing weakness, the disputant can contact the ICC International Centre for ADR, who will assist the parties in considering a proposal to mediate even if there is no prior mediation clause in their contract. ICC can also help select a neutral mediator, and can even provide a list of qualified mediators that both parties agree upon. Once both parties agree to mediate, the new rules describe the conduct of mediation and stipulate that both parties must bear the cost of mediation in equal parts, unless agreed upon otherwise. Disputants may also contact ICC at any time for mediation guidance and assistance.

While the new rules aren't relevant for purely domestic US disputes, Mr Robert Smit, partner and Co-chair of the International Arbitration and Dispute Resolution Practice at Simpson Thacher explained that for the US market, "the real value of ICC mediation rules lies in international disputes." He said that under the new rules an American corporation can ask ICC to contact the other disputant to get the ball rolling on mediation, which is "valuable assistance indeed." Mr Smit also cited the benefit of having International Chamber of

Commerce (ICC) select the location and language of the mediation, which eliminates the burden of leaving those contentious choices up to the mediator. Also, most American disputants don't know where to find a qualified mediator in jurisdictions outside of the US, so Mr Smit appreciates that the International Chamber of Commerce (ICC) can provide a list of qualified mediators to the disputants.

International Centre for Expertise announces new Standing Committee Chair

On 1 May 2014, James Nicholson, Senior Managing Director in the Paris office of business advisory firm FTI Consulting and a member of the firm's international arbitration practice, took over as the new Chair of the Standing Committee of the ICC International Centre for Expertise.

Expert advice in settling business disputes is in demand more than ever with the advance of technology and the global economy. The ICC International Centre for Expertise proposes or appoints experts from a limitless range of sectors. The possibilities of expertise are endless. Companies might call upon the Centre when seeking an expert who will support them in their negotiations.

Similarly, parties, arbitral tribunals or state courts might request suitable experts in relation to the resolution of a pending commercial dispute. The Centre can also administer independent expert proceedings, in which an expert issues a report on any subject relevant to business transactions. Since 2013, the Centre has also administered dispute resolution proceedings in relation to disputes arising from applications for new generic top-level domain names.

In 2013, the Centre's services were used by parties of over 30 nationalities.

ICC WCF and CCOIC commit to Silk Road Economic Belt cooperation

ICC and the China Chamber of International Commerce (CCOIC) have signed a cooperation agreement to strengthen collaboration and cooperation among chambers of commerce operating within the New Silk Road Economic Belt, proposed by the President of the People's Republic of China Xi Jinping.

The new agreement, to be implemented through ICC World Chambers Federation (WCF), aims to forge closer economic ties in the Euro-Asia region, home to more than 3 billion people. CCOIC put forward its proposal for a Silk Road Economic Belt Collaboration Initiative to establish collaboration and cooperation between chambers along the historic trade route at the last meeting of the WCF General Council in February 2014.

The collaboration initiative comprises three main elements: the Silk Road International Expo, the Silk Road Expo Park and the E-Silk Road, an online, cross-border electronic business platform.

Under the terms of the cooperation agreement ICC WCF will raise awareness of Collaboration Initiative events as well as business and cultural opportunities among its worldwide network of over 6 million companies, chambers of commerce and business associations in more than 130 countries. May 14 signing of the cooperation agreement is ICC's most recent effort to leverage synergies and augment collaboration

between ICC and CCOIC in line with commitments outlined in a memorandum of understanding signed in April 2012.

ICC calls for post-Bali World Trade Agenda at CEO Forum in China

ICC Chairman Harold (Terry) McGraw has advocated for a post-Bali World Trade Agenda to

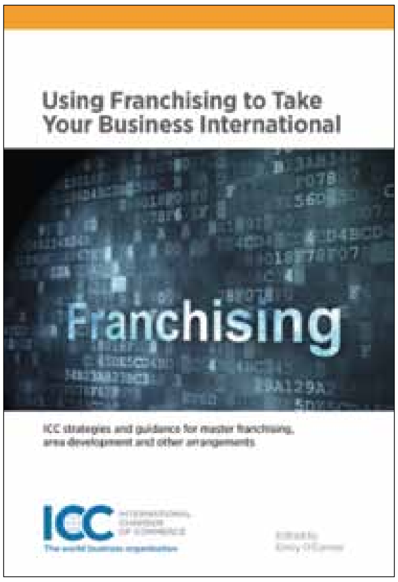
create jobs and growth during the opening of the 2nd ICC Asia Pacific CEO Forum in China. Regional leaders and CEOs from around the Asia-Pacific region gathered at the Kunshan Expo Center in Kunshan, China, on May 13 for the first day of the ICC Asia Pacific CEO Forum. To an audience that included representatives of major international trade and business groups, along with representatives of the regional chambers of commerce, Mr McGraw called for the restoration of "stronger, sustainable, and more equitable" global growth, which would create jobs while maintaining the momentum of the multilateral trading system.

Mr McGraw advocated for a World Trade Agenda (WTA) that could advance the mission of the post-Bali agenda with clear policy initiatives to drive jobs and growth. The goals of the post-Bali WTA would include expanding trade in IT products and encouraging the growth of e-commerce worldwide; liberalizing trade in services; fostering "greener" economic activity through trade; and advancing the international investment agenda and framework by moving towards a high-standard multilateral framework on investment.

New ICC guide helps businesses step into international franchising

The International Chamber of Commerce (ICC) has published a practical guide to help business people understand why, how and when to use franchising to expand into new foreign markets. Entitled Using Franchising to Take Your Business International: ICC Strategies and guidance for master franchising, area development and other arrangements, the new ICC guide gives legal and business advice for each step of the process, from defining an international expansion strategy, through to finding franchisee candidates and signing legal agreements. There is also help with planning an exit strategy.

Emily O'Connor, Senior Policy Manager of the ICC Commission on Commercial Law and Practice, edited the guide by pooling expertise from franchising practitioners and academics in North America, South America, Europe, Asia and beyond. Designed mainly for franchisors already running a successful multi-unit operation in one market, Using Franchising to Take Your Business International is also useful for any lawyer involved in international franchising.



ICC's guide steers the reader around international franchising pitfalls such as money laundering, disputes and unexpected costs. Packed with market and financial research, there is also advice on legal planning, local laws and regulations, intellectual property issues, public policy, and laws with international application. Businesses searching for the best approach will also find sample country-specific information and checklists for three main contract types used for international expansion – Master Franchising, Area Development and Sub-Franchising.

Banking industry announces major undertaking to harmonize Supply Chain Finance terminology

Five leading business associations have joined forces with the International Chamber of Commerce (ICC) Banking Commission to undertake a major project to standardize and harmonize market terminology for global supply chain finance products and services.

Launched April 30 on the side-lines of a Banking Commission gathering in Dubai, the newly formed Global Supply Chain Finance (SCF) Forum seeks to clarify existing definitions and supply chain finance terminology and will be led by the ICC Banking Commission, Euro-Banking Association (EBA), Bankers Association for Finance and Trade (BAFT), Factors Chain International (FCI), International Factors Group (IFG) and the International Forfaiting Association (IFA).

Encompassing both traditional and non-traditional products and services that are generally categorized as Supply Chain Finance such as Open Account techniques the project responds to the growing need for greater harmonization within the trade finance industry and will extend to products and services offered by financial institutions such as banks and factoring and forfaiting companies.

In an effort to build consensus on the proposed Supply Chain Finance (SCF) market terminology, the six associations undertaking the project expect will conduct a series of non-binding, open consultations including where appropriate corporates and end-clients – and aim to complete the set of recommended definitions within a twelve-month timeframe.

BAFT and International Chamber of Commerce Banking Commission Announce Cooperation Agreement

The ICC Banking Commission, the leading standard-setter for the trade finance industry, and BAFT, the international financial services association have agreed a cooperation agreement to improve consumer services and strengthen the global voice of the industry.

One of the main objectives of the agreement is to streamline certain workflows across both organizations and leverage each other's strengths. Initial areas of cooperation will include: (1) Establishing global supply chain finance definitions; (2) Adopting standardized industry documentation, including the BAFT Master Loan Agreement and the ICC Rules for Bank Payment Obligations; (3) Increasing awareness of industry initiatives, such as Sustainable Trade Finance; and (4) Coordinating industry surveys.

Through this unique partnership, ICC and BAFT will collaborate on facilitating domestic and cross-border trade by harmonizing definitions and business practice.

The BAFT Global Trade Industry Council and ICC Banking Commission Advisory Board will also jointly discuss other opportunities for collaboration on trade finance industry needs. Each organization will continue to pursue core initiatives, and will coordinate efforts where there is common interest in order to achieve a better outcome for the industry.

The Kingdom of Bahrain opens for business with implementation of ATA Carnets - passports for goods

The Kingdom of Bahrain has become the 74th country to effectively implement the ATA Carnet system that allows for the temporary duty and tax-free export or import goods for up to one year. Following the United Arab Emirates in 2011, the Kingdom of Bahrain is the second GCC Member State to join the ATA Carnet Chain and will begin operating on 1st June 2014.

ATA Carnets remove the need for exporters to provide Customs authorities with the otherwise necessary guarantees required for goods to cross borders. Operating like passports for goods, over 175,000 ATA Carnets covering hundreds of thousands of Customs transactions are issued worldwide every year for goods valued at US$ 25 billion. From computers to prehistoric relics, Carnets cover all kinds of goods including commercial samples, professional equipment, goods for fairs and exhibitions.

Lowest first quarter piracy figures since 2007 but no room for complacency, reports IMB

The International Chamber of Commerce's International Maritime Bureau (IMB) has revealed that piracy on the world's seas is at its lowest first-quarter level since 2007, but warns that the threat is still present. The latest IMB Piracy Report, published on April 24, shows 49 piracy incidents in the first quarter of 2014 – the lowest first quarter figure since 2007, when 41 incidents were recorded.

In the first three months, two vessels were hijacked, 37 vessels boarded, five vessels fired upon and five attempted attacks were reported. Forty-six crewmembers were taken hostage and two kidnapped from their vessel. Off Somalia, five incidents were reported – the same number as the first quarter of 2013. In 2014, three attempted attacks were recorded and two vessels fired upon. Off West Africa, 12 reports were recorded, including the hijacking of two vessels with 39 crew taken hostage and two crew kidnapped from their vessel. Nigeria accounts for six incidents including the hijacking of a supply vessel, which was used unsuccessfully to hunt for other potential vessels to hijack.

Angola saw its first reported hijacking in the first quarter of 2014 demonstrating the increased range and capability of Nigerian piracy if left unchecked.

The incident involved armed pirates boarding and hijacking a loaded tanker from Luanda anchorage, Angola. The pirates stole a large quantity of the tanker's gas oil cargo in three separate ship-to-ship transfer operations. Elsewhere, Indonesia ranks as the country with the highest number of attacks with 18 reports compared with 25 in the first quarter of 2013. Vessels were boarded in all the incidents.

Successful ICC conference on Facilitating Trade in the Digital Economy attracts more than 125 participants from 24 countries

Business and government representatives came together from across the world in Geneva on 8-9 April 2014 to investigate how electronic systems can replace paper-based trade and administrative processes in key business areas such as customs, taxation and public procurement.

Many leading experts from governments in emerging and industrialized markets, digital economy user companies, information and communications technology (ICT) provider organizations, law firms, as well as business and intergovernmental organizations came together to share their vision on how stakeholders can work together to develop Internet

governance and apply practical standards and principles needed for efficient paperless trade.

The overriding conviction shared by conference participants was that paperless trade can help to make governments and companies substantial savings each year while increasing the security of transactions, and contributing to economic growth and social development. Statistically speaking, paperless trade was said to increase productivity saving by 22.3%. However, this represents only part of the potential savings, the lack of coordination among regulators using different approaches to control digital trade continue to hamper solutions that could make massive savings available to all parties through improved efficiency in e-customs, e-public procurement and e-tax.

Asian-Pacific chambers bid to host 10th World Chambers Congress

ICC WORLD CHAMBERS FEDERATION

Bidding has officially begun to host the 10th World Chambers Congress in 2017, upon its return to the Asia-Pacific region. Four chambers have submitted their bids to host the next edition of the event: The Indian Chamber of Commerce, Philippine Chamber of Commerce and Industry, Sydney (NSW) Business Chamber and Zhejiang CCPIT/ CCOIC (China Council for the Promotion of International Trade/ China Chamber of International Commerce) all setting their sights on victory.

The Congress bidding judging panel will assess each candidate based on a wide range of criteria, from team strength and experience to financial resources and promotional intentions. Candidates are required to submit the first draft of their bid books to the WCF Council members one month before giving live presentations at the WCF General Council meeting to be held on 17 October 2014 in Tokyo. Candidates will present bids and be given the chance to explain why their destination is the best location to hold the Congress. Candidates will then present the final version of their bid books on 31 October 2014, with the result of the 2017 host to be announced by WCF Chairman Peter Mihok as early as November.

Held every two years in different regions of the world, the World Chambers Congress is a dynamic event that opens up new opportunities and interconnections for the global community of more than 12,000 chambers of commerce. It is the only event of its scale and scope that provides a unique opportunity to share best-practice experiences, develop networks and learn about new areas of innovation.

The event also features the prestigious World Chambers Competition, which recognizes the most innovative projects undertaken by chambers of commerce and industry worldwide.

Ever since the first World Chambers Congress was held in Marseilles, France, in 1999, chambers from every continent have lined up as candidates to host this important event.

WCF has received expressions of interest to host the Congress right up to 2023. Italy's Torino Chamber of Commerce is now gearing up for the 9th Congress that will run from 10-12 June 2015.

ICC announces new Chair and Vice-Chair of Commission on Customs and Trade Facilitation

The International Chamber of Commerce (ICC) is pleased to announce the appointment of Norman Schenk as the new Chair of the International Chamber of Commerce (ICC) Commission on Customs and Trade Facilitation and the appointment of Oliver Peltzer as the Vice-Chair focusing on transport and logistics issues.

Mr Schenk is the Vice President Global Customs Policy & Public Affairs at UPS and brings over thirty-five years of experience in customs and trade facilitation work to the post.

In his current position, Mr Schenk is responsible for shaping UPS' global customs policy and border strategies to facilitate the smooth flow of shipments across international borders.

He has been working directly with government leaders on reducing trade barriers, simplifying processes and supply chain security issues and, together with the US Council for International Business (USCIB), has actively contributed to national discussions on customs reauthorization and de minimis provisions. Mr Schenk will take over the reins from Anthony Barone.

Oliver Peltzer is a Partner at Dabelstein & Passehl, a German law firm focusing on all legal aspects of international supply chains, logistics solutions and world transport systems.

He is a lecturer of transport and logistics law at the Technical University of Hamburg and has served as a representative of International Chamber of Commerce (ICC) Germany and of the Federation of German Industries in a variety of national and international transport and logistics debates, including the revision of the International Chamber of Commerce (ICC) rules Incoterms® 2010, the recent reform of German shipping law, and the revision of the widely used Freight Forwarders Terms and Conditions.

The International Chamber of Commerce (ICC) Commission on Customs and Trade Facilitation has over 120 members from 25 countries. Commission members comprise customs, transport and logistics specialists from International Chamber of Commerce (ICC) member companies and business representative organizations.

The central objective of the commission is to overcome trade barriers, to ensure that the liberalization of global trade and investment has a positive impact at the level of the individual international trade transaction.

Ilham Habibie takes reins as new BASIS Chair

ICC has announced the appointment of Ilham Habibie, President Director of Indonesian company Ilthabi Rekatama, as the new Chair of the ICC initiative Business Action to Support the Information Society (BASIS).

Mr Habibie is Chairman of the Indonesian Chamber of Commerce and Industry (KADIN) Committee for Germany, Austria and Switzerland, and the Committee for Research and Technology. Founder of the Human Resource Development in Science and Technology Division of the Habibie Foundation, Mr Habibie is also Chair of the Board of Trustees at the International University Liaison Indonesia Foundation and at Indonesia's national information and communication technology (ICT) Council (DeTikNas).

Mr Habibie succeeds Subramanian Ramadorai, Vice-Chairman, Tata Consultancy Services, who completed his term as BASIS Chair in January 2014.

BASIS brings the voice and expertise of businesses worldwide to international discussions on Internet governance and ICTs. Established at the request of companies who realized the importance of global business coordination on these issues, BASIS plays a prominent role at international gatherings and in processes such as the UN-linked Internet Governance Forum (IGF) and other activities stemming from the World Summit on the Information Society (WSIS).

WTO News

WTO Report on G-20 trade measures

The WTO's report on G-20 trade measures, issued on 18 June said that "G-20 members put in place 112 new trade restrictive measures during the period mid November 2013 to mid-May 2014 — slightly down from the 116 new restrictive measures introduced in the previous period from mid-May to mid-November 2013". Director-General Roberto Azevêdo said that " it is clear that the coat of trade restrictions has grown a bit thicker over this period. This will not help our efforts to support growth and development around the world — and therefore we must remain watchful".

Summary of WTO Report on G-20 Trade Measures

(Mid-November 2013 to mid-May 2014)

World trade and output have continued to grow inconsistently since the December 2013 G-20 trade report, with expansions in the fourth quarter of 2013 followed by setbacks in the first quarter of 2014. If the most recent GDP growth forecasts hold, the volume of world merchandise trade is expected to grow by 4.7% in 2014 and by 5.3 % in 2015, significantly larger than in 2013. The projection for 2014 is below the 5.3 % average of the last 20 years and the 6% average of the 20 years leading up to the financial crisis. Most of the risks to this trade outlook are on the downside (Table 1).

Table 1 World merchandise trade volume by region and level of development, 2010-2015a, Annual percentage change

	2010	2011	2012	2013	2014P	2015P
Volume of world merchandise trade	13.9	5.4	2.3	2.1	4.7	5.3
Exports						
Developed economies	13.3	5.2	1.1	1.5	3.6	4.3
Developing economies and CIS	15.1	5.8	3.8	3.3	6.4	6.8
North America	15.0	6.5	4.5	2.8	4.6	4.5
South and Central America	4.7	6.8	0.8	0.7	4.4	5.5
Europe	11.7	5.7	0.8	1.5	3.3	4.3
Asia	22.7	6.4	2.7	4.6	6.9	7.2
Other regions	5.6	2.1	4.3	0.3	3.1	4.2
Imports						
Developed economies	10.6	3.4	0.0	-0.2	3.4	3.9
Developing economies and CIS	18.3	8.1	5.1	4.4	6.3	7.1
North America	15.7	4.4	3.1	1.2	3.9	5.1
South and Central America	22.4	13.1	2.2	2.5	4.1	5.2
Europe	9.4	3.2	-1.8	-0.5	3.2	3.4
Asia	18.2	6.7	3.6	4.5	6.4	7.0
Other regions	10.9	8.4	9.8	2.9	5.8	6.6

Sources : WTO secretariat

a. Figures for 2014 and 2015 are projections

b. Other regions comprise the Africa, CIS and the Middle East.

G-20 members continue to introduce trade restrictions, but at a slightly slower rate

G-20 members put in place 112 new trade-restrictive measures during the period mid-November 2013 to mid-May 2014 — slightly down from the 116 new restrictive measures introduced in the previous period from mid–May to mid-November 2013 (Table 2). As in the past, trade remedy actions account for more than half of the number of new restrictive measures applied during the period under review. New import restrictive measures applied by G-20 members during the period under review affect 0.2% of world merchandise imports or 0.3% of G-20 merchandise imports (Table 3).

The vast majority of trade restrictive measures taken since the global financial crisis remain in place

1,185 trade restrictive measures have been recorded since October 2008, with only 251, or roughly one-fifth, of these having been removed by mid-May 2014 making the total number of measures still in place 934 — up by 78 from the end of the last reporting period. The relatively

Table 2- Trade restrictive measures

Type of measure	Mid-Oct 10 to Apr 11 (6 months)	May to mid-Oct 11 (6 months)	Mid-Oct 11 to mid-May 11 (7 months)	Mid-May to mid-Oct 12 (5 months)	Mid-Oct 12 to mid-May 13 (7 months)	Mid-May to mid-Nov 13 (6 months)	Mid-Nov 13 to mid-May 14 (6 months)
Trade remedy	53	44	66	46	67	70	66
Imports	52	36	39	20	29	36	25
Export	11	19	11	4	7	8	17
Other	6	9	8	1	6	2	4
Total	**122**	**108**	**124**	**71**	**109**	**116**	**112**
Average per month	20.3	18.0	17.7	14.2	15.6	19.3	18.7

Table- 3 Share of trade covered by import restrictive measures (per cent)

	Mid-Oct 11 to mid-May 12	Mid-May 12 to mid-May 12	Mid-Oct 12 to mid-May 13	Mid-May to mid-Nov 12	Mid-Nov 13 to mid-May 14	Cumulative total (as from Oct 2008)
Share in total world Imports	0.9	0.3	0.4	0.9	0.2	4.1
Share in G-20 Imports	1.1	0.4	0.5	1.1	0.3	5.2

low removal rate and the continuing addition of new restrictive measures have resulted in a continuing upward trend. Looking specifically at import restrictive measures, excluding those measures that have been reported as terminated, they are estimated to cover around 4.1% of world merchandise imports and around 5.2% of G-20 imports.

Encouragingly, the number of trade liberalizing or facilitating measures has increased

As in the past, the number of trade restrictive measures applied by G-20 members during the period under review exceeds the number of liberalizing measures. However, the number of liberalizing measures taken during this period is significantly larger than in the previous period both in absolute and in relative terms. The number of such measures taken in the most recent period is 93, compared with 57 in the period mid-May to mid-November 2013. The liberalizing measures now represent a larger share of all recorded measures (45%) than in the previous period (33%). Looking at import facilitating measures introduced during the period under review, they cover around 0.4% of world merchandise imports or 0.6% of G-20 merchandise imports.

Lack of information persists in respect of certain types of measures

Although the information presented in this report covers a wide range of measures affecting trade in goods and services, the observations made in the December 2013 G-20 trade report on the lack of adequate data regarding certain types of measures remain valid. This is the case in particular with respect to subsidies and other support measures. As reflected in Annex 2 to this report, the information made available by G-20 members on such measures is very limited. How to ensure greater transparency with respect to subsidies and other types of behind-the-border measures is an important matter that requires further attention.

The important role of the G-20 members in reinvigorating the multilateral trading system

The multilateral trading system remains the best defence against protectionism and an important driver of economic growth, sustainable recovery and development. The successful outcome of the WTO's 9th Ministerial Conference has provided an important opportunity to strengthen and reinvigorate the multilateral trading system. Implementation of the decisions reached in Bali and developing a work programme by the end of this year on the conclusion of the Doha Development Agenda are the next steps in strengthening the multilateral trading system. This will deliver a boost to trade around the world and help to alleviate the concerns regarding obstacles to global trade flows. It will also help to deliver global growth, though protectionist pressures are bound to remain in a context of slow uneven recovery and persistent high levels of unemployment. G-20 members need to remain vigilant and show leadership in combatting such pressure.

Azevêdo underlines leadership role of Bangladesh in post-Bali work

Director-General Roberto Azevêdo, in a speech to Bangladesh textile manufacturers and exporters in Dhaka on 3 June, said that "Bangladesh's substantive input and continued active engagement can help the LDC Group realize the full potential from the Bali package and the Doha Development Agenda". He expressed confidence that "under the leadership of Prime Minister Sheikh Hasina, Bangladesh can continue to consolidate its economic and social advancement". There is a brief what he said: "Bangladesh is a very important member of the WTO as well as of the LDC Group. As a long-standing advocate of LDC interests, Bangladesh played a crucial role in creating the conditions in which WTO members could deliver the Bali Package at the Ministerial Conference in Bali last December. I'd like to take this opportunity to thank you all for your support.

The Bali success demonstrated, for the first time, that the WTO can reach multilaterally agreed outcomes. It was the first such deal since the organization was created in 1995. So it has given the WTO a new and fresh perspective for the future. But it also evidenced a new dynamic within the WTO. Developing and least-developed countries made their voice heard loud and clear during the negotiations — and the outcomes of the deal reflect that.

I'm here today to make the case for going even further — to talk about our vision for the future of the WTO, and how Bangladesh could fit into that vision. Bangladesh is an increasingly meaningful player in the WTO — and I think that the WTO will be increasingly important for Bangladesh as well. If you'll forgive me, I'd like to start by offering an outsider's perspective on Bangladesh's economy.

GDP growth rates have been steady and strong at around 6% over the past decade, outperforming most other least-developed economies. This has supported you to cross the threshold of 130 billion US dollars in GDP and 30 billion US dollars in exports. Bangladesh's exports — 90% of which are merchandise products — have risen from 6 billion US dollars in 2000 to 25 billion US dollars in 2012 — a four-fold increase since the time of launching the Doha Development Agenda.

I am sure that, under the leadership of Prime Minister Sheikh Hasina whom I just met, Bangladesh can continue to consolidate its economic and social advancement. And I think this economic and social performance is perhaps one factor behind the active and constructive leadership role you are taking at the WTO. Bangladesh does not negotiate alone in the WTO — but rather as part of the LDC Group.

As a prominent member of the LDC Group, Bangladesh has provided strong leadership in the LDC work since the launch of the Doha Round by coordinating the Group on several occasions. You have played a critical role in all achievements of the Group. Therefore, Bangladesh — in this leadership role — has great influence on what happens in Geneva and makes a great contribution to the work of the WTO.

Lower income countries have much greater influence in the WTO than they would in other types of arrangements, like the bilateral agreements that are taking place around the world. This is firstly because in the WTO all voices are heard and all decisions are taken by consensus. And secondly it is because your strength is multiplied by speaking in unison with others who share your position.

The trend towards increased regionalism could be reversed, new WTO research suggests

A new attempt to paint a picture of the world economy in 2035 shows that the share of trade within major regional trade agreements might decline.

Under various scenarios, including the possibility that countries will form large blocs ("mega-regionals"), trade among and outside these areas would be dominant, according to a WTO working paper released on 4 April. And that would suggest that trade cooperation at the multilateral level remains crucial.

The paper also finds that a dynamic economic and open trade environment will be needed for new players to continue to emerge in the world economy, for South-South trade to intensify and for countries to diversify into skill-intensive activities.

The paper — by Lionel Fontagné of the University Paris 1 and CEPII (Centre d'Études Prospectives et d'Informations Internationales, the French research centre in international economics), Jean Fouré of CEPII and Alexander Keck of the WTO — says this means that the stakes for developing countries are particularly high.

Technological progress is likely to have the biggest impact, it says. Population changes will also play a part in future economic trends. For some countries, improving workers' skills will be crucial; for others labour shortages may be addressed through migration, the paper says. And it adds that several developing countries would benefit from increased capital mobility; others will only diversify into more dynamic sectors when the costs of trade are further reduced.

The paper, "Simulating world trade in the decades ahead: driving forces and policy Implications", uses the analytical techniques of linking a macroeconomic growth model and a sectoral computable general equilibrium (CGE) framework in order to project the world economy forward to 2035.

It assesses to what extent current trends in trade are expected to continue and to what extent individual policy areas may matter for specific countries and regions.

Members review six free trade agreements, EU enlargement to 28 member states

The Committee on Regional Trade Agreements, on 8 April reviewed six regional trade agreements (RTAs) and the enlargement of the European Union to 28 member states with the accession of Croatia. The Committee concluded the oral discussion on the following RTAs, based on factual presentations prepared by the WTO Secretariat:

Chile-Malaysia Free Trade Agreement

In its introduction, Malaysia said this is its first RTA with a Latin American country, and noted that its bilateral trade with Chile had risen by 76 per cent since the implementation of the RTA. Chile said that both countries are already taking part in the Asia Pacific Economic Cooperation (APEC) Forum and in the Trans-Pacific Partnership

(TPP) negotiations. It said it wants to expand economic relations with a dynamic region like Southeast Asia. The United States noted that Chile has several RTAs not yet notified to the WTO and hoped these would be notified shortly.

Canada-Jordan Free Trade Agreement

Canada said this RTA will help strengthen commercial links between the two countries. Jordan said that the RTA, by giving it a transition period to implement tariff cuts, recognizes its status as a developing country. It said that its exports to Canada had risen by 133 per cent since the RTA entered into force. The United States said Jordan has a number of RTAs not yet notified to the WTO which it hoped would be notified soon.

Canada-Panama Free Trade Agreement

Canada said it views RTAs as a means for establishing a level playing field for Canadian producers. It said that this RTA would allow Canadian companies to participate in government procurement in Panama, including construction projects related to the expansion of the Panama Canal. It said the RTA also contains a non-binding chapter on labour rights recognized by the International Labour Organization (ILO). Panama said that its trade with Canada has risen by 125 per cent since the entry into force of the RTA, and that Canadian investment into Panama has risen by 31 per cent. It said that it has become one of the most dynamic countries in the region through its trade liberalization policies. The United States noted that Panama has a number of RTAs still not yet notified to the WTO and hoped these would be notified soon.

Korea-Turkey Free Trade Agreement

Korea said that this RTA shows that the two countries have chosen trade liberalization over protectionism in dealing with the economic crisis. It said that negotiations to extend this RTA to services are at an advanced stage. Turkey noted that the RTA provides a transition period for phasing in the tariff cuts. The United States expressed regret at the substantial carve-out of the agriculture sector by both Korea and Turkey. Chinese Taipei said it will be submitting follow-up questions related to technical barriers to trade. Canada said it will be reviewing responses to its questions while the European Union said it had no follow-up questions.

Central America (Honduras, Nicaragua and Guatemala)-Panama Free Trade Agreement

Honduras, speaking also on behalf of Guatemala and Nicaragua, said that their trade with Panama has increased substantially since the entry into force of the RTA. Panama said that this RTA is part of an ambitious regional integration programme. The United States said it hoped that the parties to this RTA would notify RTAs that have not yet been notified to the WTO.

European Union-Bosnia and Herzegovina Free Trade Agreement

The European Union said this RTA is part of its Stabilization and Association Agreement with Bosnia and Herzegovina, and related to efforts towards EU accession. Speaking as a WTO observer, Bosnia and Herzegovina said that the RTA promotes economic reforms that would help it in acceding both to the European Union and the WTO.

It said that 60 per cent of its trade is with the EU, and that the RTA provides for a five-year transition period for it to cut tariffs. The United States said that the RTA showed a relatively low level of agricultural tariff cuts by Bosnia and Herzegovina.

The Committee also reviewed the enlargement of the European Union to 28 member states with the accession of Croatia. The European Union, also on behalf of Croatia, said that the EU accession represented enormous efforts on the part of Croatia.

It said that as part of its EU accession, Croatia's schedule of concessions in the WTO was withdrawn on 4 July 2013. Since then, the EU had been consulting with a number of members, including Argentina, Australia, Brazil and Uruguay, which have submitted claims for compensation. Uruguay confirmed that it has been meeting with the European Union regarding its claim for compensation.

Yemen brings WTO membership to 160

On 26 June, Yemen became the 160th WTO member, closing the 13-year long chapter of negotiating its accessions terms with WTO member countries. "I am delighted to welcome the Republic of Yemen as the 160th Member of the WTO", DG Azevêdo declared. "This is great news for Yemen's economy and therefore for the people of Yemen. It is also a boost for the WTO as we work to deliver the benefits of the agreement struck in Bali last year and redouble our efforts to complete the Doha round of negotiations. With Yemen's accession, 97.1% of the global economy now falls under the rules-based multilateral trading system."

Trade ministers of WTO members officially approved Yemen's accession on 4 December 2013 during the Ninth Ministerial Conference in Bali, Indonesia. The Protocol of Accession was signed by H.E. Dr Saadaldeen Talib, Yemeni Minister of Trade and Industry, and WTO Director-General Roberto Azevêdo.

WTO opens online registration for the Public Forum

Online registration for the 2014 Public Forum "Why trade matters to everyone", to be held at the WTO headquarters in Geneva from 1-3 October, is now open. Anyone wishing to attend must complete an online application form on the Public Forum website — www.wto.org/pf14 — before 26 September 2014.

The Public Forum is an annual event which was first launched in 2001. It provides a platform for public debate and discussion across a wide range of WTO issues and activities. The Public Forum has become one of the most important platforms for dialogue between the stakeholders of the WTO. Over the years, more than 9,000 representatives from NGOs, civil society, academia, business, the media, governments, parliamentarians and inter-governmental organizations have attended the Public Forum. This year's event will focus on the human story behind trade.

New publication explains how WTO disciplines help to address the use of regulations

A new booklet on the WTO's Technical Barriers to Trade (TBT) Agreement, published on 16 May, highlights the role of the Agreement and the work of the TBT Committee in helping governments address regulations and standards that affect trade in goods.

The booklet provides a brief overview of the background, purpose and scope of the TBT Agreement. It describes the types of measures covered, sets out key disciplines and principles (including in light of recent TBT jurisprudence) and describes the mandate, role and work of the TBT Committee. The booklet also contains the legal text of the Agreement as well as a compilation of all the Committee's decisions and recommendations agreed since 1995.

The work of the TBT Committee, which oversees the implementation of the TBT Agreement, helps promote much-needed sharing of information — or transparency — and predictability in the development of regulations and standards. Trade officials, regulators and representatives of standards bodies regularly participate in meetings of the Committee to help improve coherence in government policies and to balance more open trade with the pursuit of legitimate public policy objectives. Read about the latest TBT Committee meeting here.

The TBT booklet is part of the WTO Agreement series, which aims to assist understanding of WTO agreements. This new edition of Technical Barriers to Trade has been fully revised and expanded.

The TBT booklet may be ordered from the WTO's Online Bookshop. Further information about the booklet is available here.

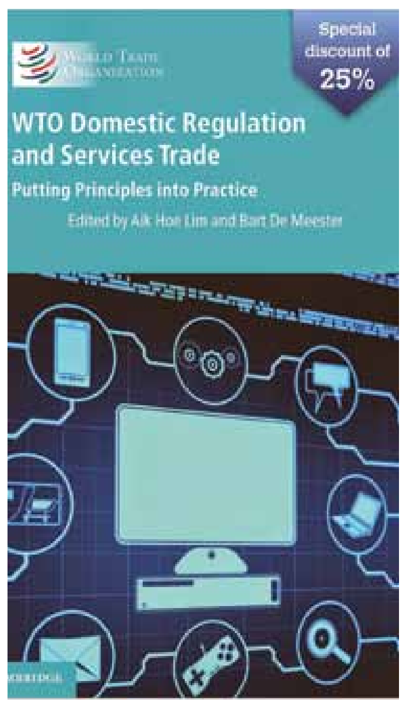
New book examines regulatory practices in services trade and role of WTO legal principles

A new book co-published by the WTO and Cambridge University Press highlights the key challenges in addressing regulatory issues in services trade. Launched at the WTO on 7 May, "WTO Domestic Regulation and Services Trade" discusses the impact of domestic regulation on services trade and how good regulatory practices and WTO legal principles can help address these issues.

The book delves into the main domestic regulation principles which trade negotiators have been seeking to craft, under the mandate of the WTO's General Agreement on Trade in Services (GATS), as a means of reducing the impact of regulatory diversity, simplifying procedures, making procedures more transparent and avoiding unnecessary complexity or disguised restrictions.

The book also includes country and sector-specific case studies, which focus on a particular regulatory experience or challenge; they discuss general approaches, mechanisms or solutions that have been applied across a range of sectors. The case studies help shed light on how some of the issues discussed in the domestic regulation disciplines have been addressed.

WTO Domestic Regulation and Services Trade may be ordered from the WTO's Online Bookshop and can be purchased locally through CUP stockists across the world.



About ICC Bangladesh

International Chamber of Commerce (ICC) - *The world business organization* was founded in 1919 by a few visionary business leaders of Europe immediately after the First World War; having its HQrs. in Paris.

ICC has been promoting Free Market Economy, formulating various rules and guidelines for cross border trade and investment. ICC's 6.5 million member companies in over 130 countries have interests spanning in every sector of private enterprise. ICC works in close cooperation with national governments and multi-national institutions such as G-8/G-20, World Bank, WTO, Asian Development Bank, UNCTAD, OECD and several UN agencies for promotion, protection and development of world economy.

Bangladesh National Committee of ICC, established in 1994, is comprised of major Chambers of Commerce & Industry, Business Associations, Stock Exchange, Banks, Non-banking Financial Institutions, Insurance Companies, Trans-national companies, Law & Accounting Firms and large Corporate Houses having significant interest in international trade.

The activities of ICC Bangladesh (ICCB) include promotion of foreign trade and investment, trade policy reviews, business dialogues, seminars & workshops on related policy issues, harmonization of trade law & rules, legal reforms, updating businesses with the ICC rules & standards for cross border business transactions.

As a part of its regional & international activities, ICC Bangladesh has so far organized following regional & international conferences.

- In 2000 a 2-day ICC Asia Conference on "Investment in Developing Countries: Increasing Opportunities" organized by ICCB was inaugurated by the Prime Minister of Bangladesh and attended by a number of high profile dignitaries including the Thai Deputy Prime Minister & Director General Designate of WTO, ADB President, Under Secretary General and Executive Secretary of UN-ESCAP and Chinese Vice Minister for Foreign Trade & Economic Cooperation. More than 250 participants from 24 countries participated in this event.

- A 2-day International Conference on "Global Economic Governance and Challenges of Multilateralism" was held in Dhaka in January, 2004 coinciding with 10th Anniversary of ICC Bangladesh. The Conference was inaugurated by the Prime Minister of Bangladesh and Thai Prime Minister was the Keynote Speaker. WTO Director General, EU Commissioner for Trade, UNESCAP Executive Secretary, Governor of Japan Bank for International Cooperation, six Ministers from three continents, Bangladesh Ministers, ICC Chairman, ICC Vice Chairman, ICC Secretary General and more than 500 participants from 38 countries attended this event.

- In 2005, ICC Bangladesh organized a Regional Seminar on "Capital Market Development: Asian Experience". The Seminar, inaugurated by the President of the People's Republic of Bangladesh was attended by Chairmen/CEOs of securities & exchange commissions, stock exchanges, capital market operators, financial institutions and investors from 15 Asian countries.

- In 2010, ICCB organized a Conference on "Energy for Growth" coinciding with the 15 years of ICC's presence in Bangladesh. The Conference was inaugurated by the Finance Minister of Bangladesh and attended by ICC Global Chairman, Minister for Commerce of Bangladesh, Minister for Development Cooperation of Denmark and Adviser to the Bangladesh Prime Minister for Energy & Mineral Resources. Some 800 delegates from home and abroad including energy experts, power developers, gas exploiters, coal miners, international financiers from Australia, China, Denmark, India, Germany, Japan, Singapore, Switzerland, UK and USA.

ICCB arranges four regular professional training programmes: e-Learning programme on 'FIT Initiative' (Finance of International Trade) supported by ICC, Paris, eBSI (eBusiness School International, Ireland), International Finance Corporation (IFC) & Institute of Export, UK; Certified Documentary Credit Specialist (CDCS), Certified Specialist on Demand Guarantee (CSDG) and Certificate of International Trade Finance (CITF) Examinations conducted worldwide every year by ***ifs*** School of Finance, UK incorporated by Royal Charter and supported & endorsed by ICC Paris.

ICC Bangladesh and The Hongkong and Shanghai Banking Corporation Limited (HSBC) in Bangladesh have jointly launched a trade knowledge and network building platform titled "ICC Knowledge Centre" to provide the trade professionals of Bangladesh with an access to online resources, insights and trade related articles, researches and upto date trade information.

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