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# DCCI REVIEW

**FOREX MARKET**  
**VOLATILITY**





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## Forex market volatility

The Bangladesh Bank on January 9 devalued the taka against the dollar for the first time this year, making it a Tk 86-a-dollar affair from Tk 85.8 as it was in May 2021. The central bank weakened the taka against the dollar to protect interests of the people who earn from export and remit money home. The central bank planned to gradually devalue the taka even though such steps could add to inflationary pressure that was building up because of disruption in the global supply chain, increasing import and shipping costs and a slowdown in remittances. Central bank officials are then reported to have said that they might depreciate the taka close to Tk 87 a dollar gradually to protect the depleting foreign exchange reserves. Import payment by then increased because of the supply chain disruption and an increased domestic demand from the industrial sector after the economy had started becoming normal.

By July, repeated devaluations of the taka reached Tk 94.82 against the dollar, with signs that the depreciation could continue. It so did after a couple of rounds of a slight appreciation. The price of the dollar on the kerb market then hovered above Tk 107. The central bank then said that the value of the take was being reduced to adjust it to the actual value of the dollar. This suggests that the depreciation of the taka, as experts said, had not been effected at times when it was needed. The government, therefore, needed to effect a series of depreciation. The foreign exchange reserve, which was about \$48 billion in August 2021 because of a decline in import, fell below \$40 billion, straining the balance of payment situation as the 2022–2023 fiscal year began. The appreciation of the dollar, however, did not help to arrest the increase in import payment.

An increased import cost, declining remittances and a large payment to the Asian Clearing Union, an arrangement whereby participants settle payments for intra-regional transactions among participating central banks on a net multilateral basis, in January triggered the short supply of the dollar and decline in the foreign exchange reserve to \$44.33 billion in the month,

from \$46.39 billion on June 30, 2021, which reached the record \$48 billion in August. The central bank provided banks with dollar support to meet import bills of daily necessities such as fuel, power and food products and also government purchases. The central bank apparently stepped up its regular oversight and took steps to control import. It set a 100 percent letters of credit margin on the import of a number of products considered luxury items and increased import duty on some products.

Volatility in the foreign exchange soon appeared a barrier to macroeconomic stability. Amid the depreciation of the dollar and soaring prices on the world market, largely caused by the Russia-Ukraine war, inflation reached an eight-year high of 7.42 per cent in May as prices continued to increase. The Bureau of Statistics calculated general inflation of 7.48 per cent on a point-to-point basis for July, which is 0.08 percentage points lower than the inflation of 7.56 per cent calculated for June. The devaluation of the taka has, in turn, impacted the domestic market as the extent of increase in imported goods prices amounted to about 16.75 per cent because of the devaluation, further adding to the market instability, with not so strong a focus on remedial measures.

Experts, therefore, suggest that the government should take early steps to stabilize the market and ease inflation by reducing taxes and duties on the import of more essential goods. The central bank should sell dollars to local banks at the official rate for the import of essential goods to ease inflationary pressure on people. The government needs to step up its market oversight to check against any foul play on the market. The government, on the other front, needs to recover loans in default which soared by Tk 260 billion in the 2021–2022 financial year to reach Tk 1,252.57 billion from the amount of Tk 992.05 billion in the 2021 financial year. The government also needs to focus on a higher revenue mobilization to meet debt repayment challenges **1**

## BB to focus more on easing SME financing: Governor

### The DCCI board of directors calls on new BB governor



Dhaka Chamber President Rizwan Rahman (sixth from left) presenting a bouquet to newly appointed Governor of Bangladesh Bank Abdur Rouf Talukder (seventh from left) after a courtesy meeting on 18 July at the Central Bank. DCCI Vice President Monowar Hossain (fifth from left), Members of the Board of Directors, Deputy Governors of Bangladesh Bank Kazi Sayeedur Rahman (sixth from right) and Abu Farah Md. Nasser (fifth from right) are also seen in the picture.

The Board of Directors of the Dhaka Chamber of Commerce and Industry led by its President Rizwan Rahman called on the new Governor of the Bangladesh Bank, Abdur Rouf Talukder, at the Bangladesh Bank office on July 18. Deputy governors Kazi Sayeedur Rahman and Abu Farah Md Nasser attended. The DCCI President, Rizwan Rahman, said that the definition of the CMSME needed to be changed to exclude medium businesses, as they are always privileged, to ensure that incentive package, credit guarantee schemes and other financing facilities can have a higher reach-out for the rest of the businesses.

The expansion of credit guarantee scheme to expedite the CMSME financing for light engineering, leather products, agro-based, dairy and poultry sectors are apparently a good move for stimulating CMSMEs. The monetary policy statement for the 2022–2023 fiscal year has targeted 36.3 percent public sector credit. The private sector credit

has been targeted at 14.1 percent. A lower private credit flow could squeeze local investments, and industrial and employment growth. For better foreign exchange reserve and stability, currency swap for low-cost import with large import partners and multiple currencies can be considered, he added. “Our export has also recorded a \$52-billion milestone with 34 per cent growth past year. To continue with this momentum to gain the premium of currency devaluation, more focus should be given on export diversification and non-traditional item export,” he said.

The Bangladesh Bank can go for easy terms, if needed, to promote SMEs in their export process. A national level committee led by the central bank and composed of economists, researchers, trade analysts, business leaders and banks and capital market regulators, can be formed to assess foreign currency market and regional and global economic dynamics for likely strategies to

overcome any repercussion, he said. The Governor, Abdur Rouf Talukder, said that considering the shortage of the US dollar, the government tired to trade with India with local currency. He also said that protection for the devaluation of the taka and keeping the reserve at a satisfactory level would be the priority of the Bangladesh Bank.

The Bangladesh Bank will, moreover, put its core focus more on policy issues. SMEs would get some good news soon, he said, terming that the Russia-Ukraine war a problem for the global economy and supply chain. He also hoped that by the end of this year, everything would come under control. Regarding energy shortage, he requested all to maintain austerity so that “we can save energy for tomorrow.” In order to reduce pressure of the US dollar, the Bangladesh Bank discourages the import of luxury and less important products **r**

## ‘Pharma products can compete with apparels in export’

The pharmaceutical sector has the potential to become the next apparel sector in export earning even after meeting 98 percent of the domestic demand, said speakers at a seminar on the “Export of pharmaceutical sector upon LDC graduation: strategies and way forward” that the Dhaka Chamber of Commerce and Industry organized on July 23. Salman Fazlur Rahman, MP, Private Sector Industry and Investment Adviser to the Prime Minister, attended as chief guest and Dr Ahmad Kaikaus, Principal Secretary to the Prime Minister’s Office, attended as special guest. The Dhaka Chamber of Commerce and Industry President, Rizwan Rahman, chaired the seminar.

The DCCI President, Rizwan Rahman, said that after the LDC graduation, Bangladesh would face a higher tariff regime ranging from 8–15 percent on the export market and export earnings could decline by 14.28 percent, which would amount to \$5.73 billion. “After the

graduation, our IP exemption benefits will be reduced till 2026, having no import restrictions,” he said. The pharmaceutical sector may be affected in the absence of IP waiver, resulting in a decline of generic and patented drugs production and export share. Alongside, the private sector is to be equipped and incentivized in IP adoption for business development. He also requested the government to consider various policy reforms, including the development of pharmaceutical research and development facilities and export-market diversification.

Salman Fazlur Rahman, MP, Private Sector Industry and Investment Adviser to the Prime Minister, said that the achievement in the pharmaceutical sector is phenomenal and the secret of this success is skilled human resources. “We need more research and development for more advancement,” he added. “A shift on the production of biological drugs will, however, be a major challenge

for us,” he said. Sixteen out of top 20 bestselling medicines in the world are biological drugs now. Now, 15 percent of active pharmaceutical ingredients are produced locally but value addition is the most important in this sector. “We are hopeful about entering the US market and once we can have access to US market, this image will help us,” he said. He also said that pharmaceutical sector should have the same facilities that the apparel sector enjoys. “In next four to five years, the pharmaceutical sector will be a \$5-billion industry.”

Ahmad Kaikaus, Principal Secretary to the Prime Minister, said that the LDC graduation would be “an opportunity for us although there are some challenges we have to overcome.” Describing the private sector as the partner of the government, he said that private sector had already proved its ability at leading the economy. Stakeholders’ consultation meeting can play an important role in identifying the challenges of the



DCCI President Rizwan Rahman (center) seen addressing a seminar on “Export of pharmaceutical sector upon LDC graduation: Strategies and Way forward” on July 23 held at DCCI Auditorium. Private Sector Industry and Investment Adviser to the Prime Minister Salman Fazlur Rahman, MP (second from left), Principal Secretary to the Prime Minister Dr. Ahmad Kaikaus (second from right), Distinguished Fellow, Centre for Policy Dialogue (CPD) Professor Dr. Mustafizur Rahman (left) and DCCI Vice President Monowar Hossain (right) were also present.

sector, he said. Because of the Covid outbreak and the Russia-Ukraine war, the world experiences a crisis and Bangladesh is no different because of its global integration. "This temporary and we have nothing to be worried about," he said. In this situation, he requested all to go by austerity measures so that economic activities are not hampered.

Professor Dr Mustafizur Rahman, Distinguished Fellow, Centre for Policy Dialogue, said that Bangladesh's pharmaceutical sector meets 97 percent of the domestic demand worth about \$3.5 billion. In the 2022 fiscal year, the export of pharmaceutical products was worth \$188.8 million. Bangladesh's rank was the 67th in the global pharmaceutical

export market in 2021. But in terms of active pharmaceutical ingredients, Bangladesh is heavily dependent on import. In the 2020–21 fiscal year, Bangladesh's import of such ingredients was worth \$1050.1 million. The global API market is of \$200 billion. The API Park having the facility of a central effluent treatment plant should be put into operation as early as possible, he said.

To strengthen this sector, he suggested strong research and development, the resolution of skilled human resource issues, the exploration of opportunities for the establishment of joint ventures and contract manufacturing, he said. Bangladesh should take the advantage of a compulsory licensing provision of the

TRIPS Agreement by bringing about required changes in patent laws and drug policies.

AHM Shafiquzzaman, Director General, Directorate of National Consumers' Right Protection, M Mosaddek Hossain, Managing Director, UniMed UniHealth Pharmaceuticals Limited and Professor ABM Faroque, Director, Biomedical Research Centre, University of Dhaka, also spoke on the occasion. They also emphasized a faster implementation of the API Park, long-term policies, value addition, more apparel sector-like facilities, negotiation with the WTO for the extension of TRIPS Agreement, update on laws and the exploration of the ASEAN market **r**

## Call for strong trade, investment within D-8

*Pakistani business delegation and Nigerian high commissioner visit DCCI*



Acting President of Dhaka Chamber Monowar Hossain (12<sup>th</sup> from left) presenting a publication titled "Genesis of DCCI" to President of the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) Irfan Iqbal Sheikh (13<sup>th</sup> from left) after a bilateral meeting held on July 25 at DCCI Gulshan Center. Members of the DCCI Board of Directors and visiting Pakistani business delegation are also seen in the picture.

A visiting Pakistani business delegation led by the President of the Federation of Pakistan Chambers of Commerce and Industry and the Nigerian High Commissioner to Bangladesh, Ahmed Sule, visited the Dhaka Chamber of Commerce and Industry. The acting DCCI President,

Monowar Hossain, chaired both the meetings at the DCCI Gulshan Centre on July 25. Both Pakistan and Nigeria are members of the D-8 bloc.

At the meeting with the Pakistan delegation, Monowar Hossain said that trade between Pakistan

and Bangladesh in the 2020–21 fiscal year was \$585.41 million. He said that the businesspeople of both the countries should try to reduce the trade imbalance. He also emphasized a close liaison between business communities, regional trade enhancement and joint research and



Acting President of Dhaka Chamber Monowar Hossain (sixth from left) presenting a publication titled “Genesis of DCCI” to Nigerian High Commissioner to Bangladesh Ahmed Sule (seventh from left) after a bilateral meeting held on July 25 at DCCI Gulshan Center. Members of the DCCI Board of Directors and Nigerian delegation are also seen in the picture.

development. He stressed the need for policy reforms, the development of communication infrastructure and resolving tariff and non-tariff barriers among D-8 countries.

The FPCCI President, Irfan Iqbal Sheikh, said that using regional integration, “we can improve bilateral trade. Over the last couple of years, both Bangladesh and Pakistan have become regional powers in the ICT industries, especially in software export.”

Bangladesh’s medicines, apparel, agro-products, jute and jute goods, halal products and ceramics have

good prospects in Pakistan, he said, adding that Bangladesh and Pakistan can profit from growing business relations.

At a separate meeting, Nigerian High Commissioner to Bangladesh Ahmed Sule said that in the 2020–21 fiscal year, bilateral trade was \$79.76 million, where Bangladesh’s import and export was \$71.53 and \$8.23 million respectively.

Nigeria is taking steps to ease doing business to attract more FDIs, he added. He also said that Bangladesh showed much progress in capacity building of SMEs and

Nigerian entrepreneurs can learn from Bangladesh to develop their SMEs. He also proposed holding B2B match-making between SMEs of Bangladesh and Nigeria. He also said that Bangladeshi apparel and pharmaceutical sectors have a huge potential in Nigeria.

The acting DCCI President, Monowar Hossain, also urged the establishment of a Bangladesh-Nigeria business council to explore trade and investment opportunities. Members on the DCCI board attended **r**

## Bangladeshis urged to invest in Kenyan agriculture, ICT sector

### Bangladesh-Kenya Joint Trade Commission proposed

Kenya has a warm diplomatic relation with Bangladesh and it is now time to turn it into a good trade relation, said Ambassador Moi Lemoshia, director general for the Bilateral and Political Affairs of Kenya, at a meeting with the Dhaka Chamber of Commerce and Industry on July 25. A 10-member government delegation led by Moi Lemoshia held the meeting with the

Dhaka Chamber of Commerce and Industry at its Gulshan Centre.

Lemoshia invited Bangladeshi entrepreneurs to invest in agriculture and ICT sectors in Kenya that will give them an access to other African countries as Kenya is a member of the Common Market for Eastern and Southern Africa and the East African Community. He also proposed

the establishment of a joint trade commission to accelerate bilateral trade and to identify bottlenecks. Kenya’s economy is also SME-driven as it is Bangladesh. He, therefore, suggested the joint collaboration on the SME sector. For technology transfer and training, he urged a strong private sector and chamber-to-chamber relation.



DCCI Acting President Monowar Hossain (eighth from left) receiving a token of appreciation from Director General, Bilateral and Political Affairs of Kenya Amb. Moi Lemoshia (seventh from right) after a bilateral meeting held on July 25 at DCCI Gulshan Center. Members of the DCCI Board of Directors and Kenyan government delegation are also seen in the picture.

The acting DCCI President, Monowar Hossain, said that Bangladesh is a suitable place for investments. He said that regular exchanges of business delegation, B2Bs with the SMEs of Bangladesh and Kenya and regular trade exhibitions will open up new window of opportunities. If the private and public sectors of both the countries can work together with

shared objectives, “we can create more bilateral trade and investment opportunities to enhance the insignificant bilateral trade of only \$24.80 million.”

DCCI Director Khairul Majid Mahmud said that in Bangladesh, huge infrastructure development is going on. He urged Kenyans to import

jute and jute goods from Bangladesh. He also emphasized contract farming over there and requested the establishment of a Kenyan mission in Dhaka, direct Dhaka-Nairobi air connectivity and eased visa process. Tareque Muhammad, High Commissioner of Bangladesh in Nairobi, and members on the DCCI board attended **r**



## অফিস স্পেস ভাড়া

ঢাকার প্রাণ কেন্দ্র মতিঝিল বাণিজ্যিক এলাকায় অবস্থিত ঐতিহ্যবাহী ঢাকা চেম্বার বিল্ডিং এর বিভিন্ন তলার উল্লেখিত স্পেসগুলো অগ্রাধিকার ভিত্তিতে ব্যাংক, বীমা প্রতিষ্ঠান, ইন্সুরেন্স কোম্পানী, লিজিং কোম্পানী মাল্টিন্যাশনাল কোম্পানী ও বিভিন্ন কর্পোরেট অফিসের জন্য জরুরী ভিত্তিতে সম্পূর্ণ বা আংশিক ভাড়া দেয়া হবে।

### যোগাযোগঃ

ঢাকা চেম্বার অব কমার্স অ্যান্ড ইন্ডাস্ট্রি  
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## Seminar on Export of Pharmaceutical Sector upon LDC Graduation: Strategies and Way Forward

Bangladesh is set to leave LDC group to join the developing country club by 2026. If Bangladesh graduates from the list of LDCs, the benefits it currently has under WTO rules will be discontinued from 2026. Along with other leading export sectors, Bangladesh's pharmaceutical sector may become a victim of shocks post-LDC graduation, just after 2026, due to a number of inherent risk factors within the sector. Currently, the TRIPS waiver on pharmaceutical products allow the pharmaceutical companies of Bangladesh to produce generic versions of patented medicines at a significantly cheaper price by imitating the innovator's formulations, obviously without payment of royalties. Cheaper prices also facilitated steep growth of both the export and domestic market. The sector currently meets 98% of the total national demand for medicines and exports to more than 150 countries. However, the growth of the Bangladeshi pharmaceutical industry may experience a sharp decline after the LDC graduation since most high in demand new drugs are patented ones. This has raised a grave concern among the industry insiders of this sector.

To address the challenges and prospects of the Pharmaceutical Sector in Post LDC era and to chart recommendations for policymakers, Dhaka Chamber of Commerce & Industry has taken an initiative to organize a seminar on "Export of Pharmaceutical Sector upon LDC graduation: Strategies & Way forward" on July 23, 2022, Saturday at Dhaka Chamber Auditorium.

Rizwan Rahman, President of Dhaka Chamber moderated the dialogue after delivering his welcome address. Salman Fazlur Rahman, MP, Private Sector Industry and Investment Adviser to the Honourable Prime Minister, Government of the People's Republic of Bangladesh has graced the occasion as the chief guest. Dr. Ahmad Kaikaus, Principal Secretary to the Honourable Prime Minister, Government of Bangladesh was present as the special guest, while Professor Dr. Mustafizur Rahman, Distinguished Fellow, Centre for Policy Dialogue (CPD) delivered the keynote presentation. M Mosaddek Hossain, Managing Director, UniMed UniHealth Pharmaceuticals Limited; Professor A B M Faroque, Director, Biomedical Research Centre, University of Dhaka; A. H. M. Shafiquzzaman, Director General (Additional Secretary), Directorate of National Consumer Rights Protection, Government of the People's Republic of Bangladesh remained present as Distinguished Panelists of the event.

### Observations by Rizwan Rahman, President, DCCI

- WTO Doha round first allowed TRIPS exemption for pharmaceutical production in LDCs for 15 years which extended till 2033. Bangladesh will become ineligible to receive this exemption after 2026.
- IP waiver lost after 2026 will result in the decline of generic and patent drug production of export share.
- A result-oriented action plan integrating IP governance through innovation and capacity building of copyrights offices needs to be developed.

- Bangladesh would face a higher tariff regime ranging from 8 percent to 15 percent in the export market which might decline export earnings by 14.28 percent equivalent to \$5.73 billion.
- Government allowed API policy to strengthen backward linkage and export of the pharmaceutical sector. In addition to this, policy reforms including pharmaceutical R&D facility development, bioequivalence lab others to support innovation and registration of drugs, the partnership of local firms-MNC for technology transfer, international business practice as well export market diversification should be given prime importance.

### Observations by Professor Dr. Mustafizur Rahman, Distinguished Fellow, CPD & Keynote Presenter

- There are 183 Special and Differential treatment clauses in 16 key WTO Agreements. Of these, 25 are exclusively for the LDCs.
- LDC graduation will have important implications for Bangladesh as the country will no longer be eligible to enjoy LDC-specific S&DTs upon graduation.
- Bangladesh is among very few countries which were able to take advantage of LDC waivers in view of WTO-TRIPS Agreement. The concern is that it has the most to lose when LDC-specific waivers will no longer be available to the country beyond 2026.
- A proposal was floated by the LDCs in December 2020 to extend LDC-specific International Support Measures (ISMs) for 12 years for the graduating LDCs.
- WTO-MC12 in Geneva held in June, 2022 failed to address the concerns and no decision was taken to extend LDC-specific waivers to graduating LDCs for any time period.
- A proposal was floated to allow current LDCs to enjoy the TRIPS flexibilities till 2033 even if they graduate prior to this timeline.
- However, in MC12, there was a decision, as regards, TRIPS and Public Health and the Pandemic. This decision will be effective for 5 years and has important implications for Bangladesh in view of LDC Graduation.
- Members have flexibility to protect public health including in future pandemics in accordance with the TRIPS Agreement and Doha Declaration on the TRIPS Agreement and Public Health of 2001.

### Pharmaceutical Sector in Bangladesh Economy:

- Bangladesh's pharmaceutical sector is a critically important part of Bangladesh's economy, in terms of: relevance for access to medicine and affordable public health and white-collar employment opportunity.
- Bangladesh has benefitted from LDC-specific S&DT as granted under the WTO-TRIPS Agreement and Doha Declaration on Pharmaceuticals and Public health

- Policies that have contributed importantly to evolution of Bangladesh's Pharmaceutical industry are: Drug Policy (1982); PMO Directive (1998); Amended Drugs Policy (2005); Patent Law Suspension (2008); New Intellectual Property Policy (2018).
- Bangladesh's producers cater to 97% of total domestic demand of about USD 3.5 billion and the overwhelming part of the domestic market are catered to by Bangladeshi-owned firms.
- Top three producers that share 36% of industrial production are: Square (17%); Incepta (11%); Beximco (8%)
- Other Bangladeshi-owned firms that have a major share in industrial production are: Healthcare (6%); Renata (5%); Opsonin (5%); Drug International (5%); Aristo-Pharma (4%); ACI (4%); SK-F (4%).
- The pharma sector accounts for significant share of white-collar jobs in Bangladesh. According to a study by BBS (2018), 65% of employees in the pharma sector are in white-collar position compared to 7.9 % in the overall manufacturing industry.
- Export of Pharmaceutical products increased to \$188.77 million in FY22 from \$129.95 million in FY19.
- Top three destinations of pharmaceuticals exports from Bangladesh in FY22 are: Myanmar (15%); Sri Lanka (12%); Philippines (12%). Other major export destinations are: USA (7%); Kenya (6%); Kampuchea (5%); Nepal (3%).
- Bangladesh's rank was 67th in the global pharma export market of US\$ 825.65 billion in 2021 while the High-income countries (HICs) dominating the export market with their 87.61% share.
- Total FDI Inflow to Bangladesh was US\$ 3883.3 million in 2021 of which Pharmaceuticals and chemicals accounted for US\$ 89.8 million (2.31%).
- Bangladesh is overwhelmingly dependent on import of API. 66% of Bangladesh's total import of API in FY21 were from two countries: China (34%), India (32%).

#### **WTO Decision on TRIPS and Pharmaceuticals: Relevance for Bangladesh**

- There will be some TRIPS flexibilities even though Bangladesh graduates from LDC such as research exception and reverse engineering. In the former case, researchers are allowed to use the patent product to achieve complete understanding of the invention. Consequently, generic manufacturers are allowed to reverse engineer the patented invention and use it to apply for marketing approval, so that they can market these generic versions as soon as the patent expires.
- Compulsory Licensing is another area where Bangladesh will have flexibility after graduation, because this provision allows Member governments to permit any other producer to produce a patented invention without the authorisation of the patent right holder, mainly for non-commercial use to uphold public interests such as pandemic or any such event. We need to legislate laws defining Compulsory Licensing not only for produce

local consumption, but also export our pharmaceutical products.

- Price of insulin in Bangladesh could go up eight times compared to prevailing market price as a consequence of implementation of the TRIPS, with consequent deterioration of the poverty status of the concerned households.

#### **Way Forward**

- Develop strong research and development (R&D) base
- Bangladesh's pharmaceutical companies need to focus on expansion of research and development to strengthen capacities in the production of new molecules and reverse engineering.
- Pharmaceutical companies may form strategic partnerships with R&D based transnational companies to gain necessary skills and benefit from the transfer of technology.
- Address shortage of skilled human resources in the pharmaceutical industry
- Edge of Competitiveness for white collar jobs need to be maintained by persistent efforts to raise the quality of the human resources that service the sector.
- Explore opportunities of setting up joint ventures to attract more FDI to the SEZs
- Encourage Contract manufacturing
- Since contract manufacturing (toll processing) saves the client company from undertaking significant capital investment, it needs to be made more popular in Bangladesh. Therefore, the average annual growth rate for local contract manufacturers is 7.5 percent.
- Taking advantage of the TRIPS Agreement
- Compulsory licensing under which the GoB may allow the competent national authority to grant a third party the permission to manufacture or commercialise a drug which is still under patent;
- Implementation of the Bolar provision that would allow interested (generic) manufacturers to start producing test-batches of a product before the expiry of the patent,
- Operationalisation of the API Park: A Priority
- Bangladesh is highly dependent on API import. BDT 3.40 billion API Park project was initiated in 2008, 41 plots have been allotted to 27 companies. Delay in the construction of the CETP has led to delays in operationalisation of the API. Full operationalisation of API park is needed.
- The benefits proposed under the draft policy by the Ministry of Commerce to incentivise API production
- Unconditional tax holiday to all API and laboratory reagent producers (both local and joint ventures for five years.
- If a producer can manufacture at least five molecules each year, it will receive 100 per cent tax holiday from fiscal 2021-22 through to December 31, 2032 (producers of three molecules to be entitled to a 75 per cent tax holiday).

- VAT and VAT deduction at source will be waived on purchase and sales of locally made API, laboratory reagents, all raw materials, immovable assets and services up to 2032.
- Waiver on advance income tax and tax deduction at source
- The policy has proposed a 20 per cent cash incentive if producers add at least 20 per cent value. However, the government will review the value addition issue after 2026.
- WTO Compliance of Bangladesh Industrial and Investment policies

Bangladesh has maintained WTO compliance with local manufacturing and joint venture requirements (1982), support for local research and development (or tax benefits contingent on those support). Maintaining WTO compliance. Maintaining WTO compliance in the case of “Administrative rules providing Government review of licensing agreements, supervision by local personnel, and strict enforcement of unlicensed imports (1982)”. Maintaining WTO compliance in the case of “Access to preferred finance for API and reagent producers” and “Priority plot allocation in special economic zones for API and reagent producers” is possible but challengeable.

- Amendments to the Patent Law
- Clarify the definition of inventions that are not patentable.
- There should be no provision for patent term extension.
- Bangladesh should not provide protection of undisclosed data as belonging exclusively to the originator.
- Strengthen pre-and-post-patent opposition by elaborating the grounds for filing a pre-grant opposition (including wrongfully obtaining the invention; prior claiming in Bangladesh etc.)
- Clearly articulate in the law the grounds when Bangladesh will be able to issue compulsory license.
- Identify whether there are any TRIPS plus provision (for developing countries) in the patent law and delete those.

#### Observations by Panel Discussants

- Local domestic market of the pharmaceutical sector is currently worth around US\$3.5 billion whereas export is worth around USD189 million which is only 6% of the domestic demand. Hence, the sector needs to explore opportunities to increase its share of exports in the export basket.
- Multifaceted challenges are existing in this sector, such as poor backward linkage production, lack of adequate export promotion and lack of international order. A coordinated initiative from Govt. and private sector is needed to remove these challenges.
- A study needs to be conducted to forecast the export portfolio of patented products in post-LDC graduation era to understand the future market. It will help in taking policy decisions accordingly.
- A comparative analysis is needed on the policy up-gradation and industry initiatives of the already graduated countries such as India, China, Brazil, South Korea, and

Argentina. This will help Govt. to face the transition-related challenges and opportunities.

- Amendment in the patent law should be done only after 2026 so that pharma sector can get enough time to prepare for the post-LDC challenges.
- Govt. can provide necessary policy support for flourishing it even after the country's LDC graduation.
- Bangladesh has a lot to learn from other pharmaceutical exporting countries like India. Domestic market of the pharmaceutical sector in India is worth USD 40 billion whereas the export market is valued at USD 20 billion. India has achieved this milestone by taking several steps in this sector such as formation of a robust pharmaceutical council under the department of pharmaceuticals to expedite the export.
- Active Pharmaceutical Ingredients (API) park needs to be made fully operational as soon as possible.
- Production of raw materials in API park needs to be accelerated.
- Meeting domestic demand should be given equal importance as increasing the export market share. The companies should continue providing affordable pharmaceutical products to the domestic market.
- During the previous two waves of the Corona pandemic, this sector not only produced sufficient essential drugs but also increased the export share in the international market. To continue this success, Govt. needs to expedite its effort to strengthen this sector.
- If WTO does not extend its facilities post-LDC graduation of Bangladesh, the price of the pharmaceutical products will substantially increase.
- The global crisis that arose from the Russia-Ukraine war has already disrupted the supply chain of various essential commodities. This has negatively impacted the least developed countries, particularly those which were on the path of LDC graduation. These issues need to be brought before WTO so that they consider the extension of preferential facilities to the LDC graduating countries like Bangladesh.

#### Observations by Dr. Ahmad Kaikaus, Principal Secretary to the Honourable Prime Minister, GoB

- Government is working in close liaison with Private sector and pharma industry representatives on how to address these so-called LDC graduation challenges.
- Although LDC-graduation have some challenges, it is an opportunity as well.
- Since LDC coincides with some global crises, Bangladesh is facing some problems because of COVID shock and economic unrest.
- Bangladesh's RMG is quite integrated globally, so any incident in the world will affect the sector.
- Bangladesh has proven our competence to remain competitive in adverse condition. Our largest export destination of RMG is USA where we don't get any preference (GSP), rather we are competing with the preferentially treated countries.

- Entrepreneurs in Pharma industry have also proven their strength.
- Pharma industry leaders must inform and guide the Government of the set standards and reform policies through continuous dialogues.
- A national seminar will be organized soon to discuss to identify and overcome the challenges faced by pharmaceutical industry due to LDC graduation.

#### **Observations by Salman Fazlur Rahman, MP, Private Sector Industry and Investment Adviser to the Honourable Prime Minister**

- Bangladesh's pharmaceutical market is valued USD 3.5 billion at local price; however, it would be worth USD \$15 billion in US price, which is a remarkable achievement.
- TRIPS waiver is the second-largest factor influencing the expansion of this industry. Since LDCs were not required to obtain patents, Bangladesh developed a lot of generic drugs.
- Meeting the demand of 165 million people is a success for Bangladesh.
- As far as injectable and solid dosages are concerned, Bangladesh is making most of the drugs by reverse engineering. Therefore, if Parliament approves legislation declaring these drugs off-patent before 2026, Bangladesh's current market will not be threatened or impacted by LDC graduation.
- Reverse engineering is used to create generic versions of patented drugs. The term "biosimilar" refers to generic biologics.
- Due to a significant shift in the use of biologic-based drugs internationally, export of pharmaceutical will be the real challenge when it graduates. Out of 20 top best-selling medicines in the world, 16 are bio similar drugs. Production of biosimilar is now in the R&D stage, hence none are being made in Bangladesh.
- Pharma sector entrepreneurs may turn this difficulty into a huge opportunity if they manufacture biosimilar medicines before 2026 which will significantly enhance exports as well as the local market.
- Not only portraying API park is the solution but also see the value addition of API park is crucial.
- Bangladesh has relatively affordable pharmaceutical prices as a result of strong industry competitiveness.
- At present, 15% of Active pharmaceutical Ingredients (APIs) is being produced locally, value addition is crucial to the industry.
- Bangladesh is very much hopeful to enter the US market and once the sector can have access to the US market, this image will help us as the best marketing tool.
- Pharmaceutical industry should have the same facilities as the RMG industry. The pharmaceutical business will grow to a \$5 billion sector over the next four to five years.
- To make the pharma sector one of the diversified export baskets of the country, manufacturers and the

government are working jointly and already have achieved tremendous success.

#### **Overall Recommendations**

- We must concentrate on increasing R&D to strengthen capacities in the production of new molecules and reverse engineering.
- Internal capacity of this sector needs to be increased. Govt. can extend its support to the private sector to improve this sector's internal capacity.
- Govt. needs to apply for the extension of the transition time specified by TRIPS the way some graduating LDCs have done the same. For instance, Maldives successfully extended the transition time on TRIPS in 2005 showing their economic vulnerability caused by Tsunami.
- Competitive-waged for white collar jobs with an edge need to be maintained by persistent efforts to raise the quality of the human resource.
- Contract manufacturing (toll processing) needs to be popular in Bangladesh context as it saves the client company from undertaking significant capital investment.
- We need to legislate laws defining Compulsory Licensing. The relevant national authority may be able to authorize the manufacturing or sale of a medicine by a third party.
- We need to legislate laws defining Compulsory Licensing not only for produce local consumption, but also export our pharmaceutical products.
- Exploration of setting up opportunities with joint ventures to attract more FDI to the SEZs is needed.
- Pharmaceutical companies may form strategic partnerships with R&D based transnational companies to gain necessary skills and benefit from the transfer of technology.
- Fully operationalized API is needed as it is envisioned to reduce import dependence and would act as hub for generic medicines.
- It is necessary to develop a result-oriented action plan that integrates IP governance via innovation and copyright offices' capacity growth.
- To collect necessary data for submission to regulatory authorities, implementation of the Bolar provision would allow interested (generic) manufacturers to start producing test-batches of a product.
- Bangladesh Govt. needs to take immediate steps to enter into trade agreements with ASEAN countries for uninterrupted trade with these countries.
- The medicines which are already introduced in Bangladesh need to be declared off patent by the parliament before 2026.
- Relevant authorities should take the necessary steps to expedite the process by removing the lag time of the projects related to this sector.
- Price of pharmaceutical products needs to be monitored for the unnecessary price hike.
- Govt. needs to ensure energy facility in API park as soon as possible to initiate production.

## BB announces measures to ease strain on forex reserves

Bangladesh Bank has made several policy changes in a bid to ease the pressure on the country's foreign exchange reserves amid a global economic crisis. As part of the import monitoring framework, banks will now be required to report all types of foreign exchange transactions, including those of offshore banking operations. They must also submit a report to the Bangladesh Bank 24 hours before opening letters of credit for customers for imports. The reporting is required for transactions valued at \$5 million and above.

The new rules exclude imports by the government, according to a notice issued by the central bank on July 14. Banks have also been instructed to encash 50 per cent of the total balance held in exporters' retention quota accounts in the names of relevant exporters. The retention limit of realized export proceeds has also been reduced to 7.50 per cent, 30 per cent and 35 per cent from 15 per cent, 60 per cent and 70 per cent, respectively. The revised limit will remain valid until December 31.



Meanwhile, the limitations on the transfer of funds between offshore and onshore banking units have also been eased. Offshore banking units will now be able to place up to 25 per cent of the banks' total regulatory capital in domestic units for a period of six months to settle the import payment of capital machinery, industrial raw materials and imports by the government. The policy will remain in effect until December 31. The new measures come as the country's forex reserves dropped below \$40 billion for the first time in two years after the authorities paid

import bills of the Asian Clearing Union.

Rising prices and shipping costs amid the recovery from the effects of the coronavirus pandemic and the Russia-Ukraine war have also put pressure on Bangladesh's reserves, with the dollar prices soaring against the taka. The authorities have taken a slew of measures, including restrictions on the imports of luxury products, to save dollar reserves. The government has also suspended spending on low-priority projects and foreign tours of officials **[R]**

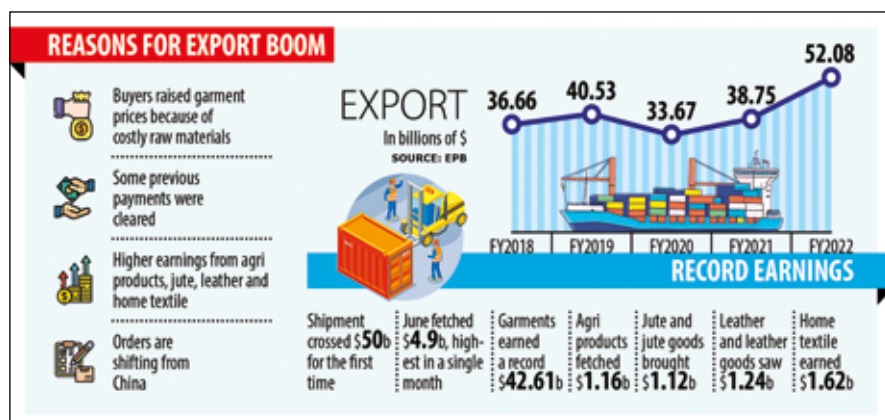
## Export earnings surpass \$52b in FY22

The country's merchandise export earnings maintained hefty growth in the just-concluded 2022 fiscal year, recording over 34 per cent rise to

\$52.08 billion year-on-year following the excellent performance of apparel shipments. Bangladesh fetched \$38.75 billion in the July-June period

of the fiscal year 2020–21, according to provisional data from the Export Promotion Bureau. The overall export earnings also surpassed the set target by 19.73 per cent. Besides, the single-month export earnings growth in June increased by 37.29 per cent and earned \$4.90 billion. Since September 2021, with an exception of May this year, the country's single-month export earnings had surpassed the four-billion mark.

Of the total \$52.08 billion export income during the July-June period, the RMG sector fetched \$42.62 billion, posting a 35.47 per cent



growth over last fiscal's rate. A breakdown of the clothing-sector performance shows that the knitwear subsector of RMG earned \$23.21 billion from exports, registering 36.88 per cent growth. Earnings from woven garments export have amounted to \$19.39 billion in the past eight months, up by 33.83 per cent. Home-textile exports also recorded over 43 per cent growth to \$1.62 billion in the first eleven months of this fiscal **r**

## Remittance inflow falls by over 15pc

Inward remittances into the country dropped over 15 per cent in the 2021-22 fiscal year over the previous fiscal, despite providing higher incentives. Bangladeshis staying abroad sent home over \$21.03 billion in the just-concluded fiscal compared to more than \$24.77 billion in the 2020-21 fiscal year, according Bangladesh Bank data. The remittance inflow declined by around 5.0 per cent in June alone compared to that of May. Expatriate Bangladeshis remitted nearly \$1.84 billion in June 2022 while the amount was about \$1.94 billion in May, the central bank figures revealed.

According to official figures, the volume of inward remittances had

been showing a downturn in last couple of months. The central bank and other banking sources, however, attributed such decline in the remittances to inflow of a significant volume of foreign currencies through informal channels, meaning 'hundi'. With a view to encouraging remittance through legal channels, the government has raised the rate of incentives by 0.5 per cent to 2.5 per cent from January 2022. Although the government along with the central bank took some measures to boost remittances through formal channel, those hardly made any visible outcome.

The government introduced a 2.0-percent incentive on inward remittances in the 2019-20 fiscal year to encourage inflow of the same through official channels. Later, the government raised the rate of incentives by 0.5 per cent to 2.5 per cent from January 2022, which has been kept unchanged in the budget for the 2022-23 fiscal year. Besides, the government has also withdrawn the mandatory provision for submission of earning documents of the remitters in the case of availing cash incentives against remittances exceeding the amount of \$5,000. Despite such measures, the volume of inward remittances showed downward trends in all the months of the 2021-22 fiscal year **r**

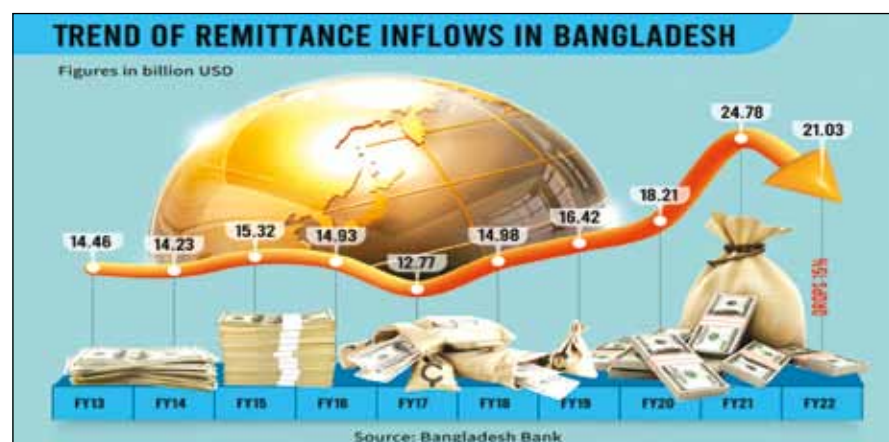
## Growth exceeds projection: ADB

Bangladesh's economic growth has exceeded the rate, as was projected by the Asian Development Bank. The Manila-based multilateral lender said this in its July Asian Development Outlook supplement. "In Bangladesh, latest official estimates for 2022 fiscal year show GDP growth at 7.2 per cent, surpassing ADO 2022's 6.9 per cent projection," it said, adding the growth was driven by industry (10.4 per cent) and services (6.3 per cent).

Agriculture output, however, fell to 2.2 per cent while exports and imports were stronger than expected, reflecting a faster recovery in economic activity and private investment, it mentioned. This recovery is also being supported by rising credit to private sector, the ADB added. Inflation projections for Bangladesh remain unchanged in the 2022 fiscal year, but revised up slightly for the 2023 fiscal year on rising global food and energy prices, including for diesel, kerosene, and natural gas, according to the ADO.

However, the ADO Supplement lowered the growth forecast for also South Asia from 7.0 per cent to 6.5 per cent for 2022 and from 7.4 per cent to 7.1 per cent for 2023 mainly due to the economic crisis in Sri Lanka and high inflation and associated monetary tightening in India.

It also revised the growth forecasts for developing Asia from 5.2 per cent to 4.6 per cent for 2022 and from 5.3 per cent to 5.2 per cent for 2023, reflecting worsened economic prospects because of Russia's continued invasion of Ukraine, more aggressive monetary tightening in advanced economies, and Covid lockdowns in the People's Republic of China **r**



## NBR presents overview to IMF mission

The revenue board gives a detailed overview to the visiting mission of the International Monetary Fund (IMF) on how it plans to meet the collection target this fiscal overcoming challenges. The government has set a Tk 3.70-trillion target for tax-revenue collection in fiscal year (FY) 2022-23. The overview was made at a meeting on the National Board of Revenue (NBR) premises on Monday. NBR chairman shared the board's effort to achieve an average 15-per cent growth amid Covid challenges last year, officials, who attended the meeting, told the FE.

However, the actual tax-revenue collection data for FY 2021-22 is yet to be compiled from the across the country. Chairman Abu Hena Md Rahmatul Muneem pointed out two challenges for tax authorities, including increasing tax collection from individuals and retail businesses. The delegation, led by Rahul Anand, division chief of the IMF's Asia and Pacific Department, sought any update on finalising the new Income Tax Law. It also wanted to know about the NBR's effort to outsource the electronic fiscal device (EFD), customs automation, national single window project and electronic tax deducted at source.

The visiting mission of the Washington-based lender will visit different government and private officials until July 21. Finance ministry has recently opened negotiations to take out a \$4.5-billion loan from the IMF in a bid to narrow its budget deficit and level up the foreign-currency reserves. A senior NBR official says the revenue board has outlined high, medium and low-category needs for technical assistance (TA) from the IMF to develop capacity of its officials. There is a need for TA on risk management,

audit techniques, impact assessment of tax expenditure, detecting tax-VAT swindle or carousel fraud, he adds.

Capacity of tax and VAT officials should be developed to analyse financial reports of taxpayers and VAT returns of businesses, according to the official. Auditing electronic transactions is now a demand of the time as the NBR is framing fiscal policies for cashless transactions, he states. The NBR needs TA to overcome the challenges on tax collection from digitisation and cash economy, he says **R**

## Dollar hits record Tk 112 in kerb market

The exchange rate of the US dollar against the taka today hit a record of Tk 112 in the country's kerb market. Traders in the kerb market, an open market where people sale and buy cash dollar, said the price of the dollar had been on the increase sharply in the last couple of weeks. Common people yesterday counted Tk 107 to purchase each dollar from the kerb market, which is largely unregulated by any regulator. This means the greenback is appreciated around Tk 5 overnight.

The exchange rate of the taka against the dollar has been increasing in the kerb market on a regular basis since the inception of this year, a trader said. The commoners purchased dollar by counting below Tk 100 per dollar before Eid-ul-Azha. The exchange rate of the taka against the dollar in the interbank platform is also on the increase. Banks yesterday traded the dollars with their counterparts quoting Tk 94.70, up from Tk 94.45 fixed on July 21. On July 26 last year, the American greenback traded at Tk 84.80, meaning there has been an 11.67 per cent loss in the value of the local currency in a year **R**

## IMF advises avoiding forex 'misclassification'

Bangladesh has assured the International Monetary Fund (IMF) of complying with latest global standards of reporting foreign-exchange reserves, officials say, as an IMF mission mentioned 'miscalculation' of the amount. The assurance was made in a meeting with an IMF economic appraisal mission, held at the central bank headquarters in Dhaka on July 17. High-ups of the Bangladesh Bank (BB), including deputy governors Ahmed Jamal, Kazi Sayedur Rahman and A.K.M Sajedur Rahman Khan, were present at the meeting.

The central bankers, at the meeting, informed the mission that Bangladesh would go by IMF's Balance of Payments and International Investment Position Manual Sixth Edition (BPM6) properly in reporting on the country's reserve position in the near future, they added. Earlier, the Washington-based monetary watchdog had raised the issue through submitting Safeguards Assessment Report, January 10, 2022 to the central bank with the mention of few cases of misclassification of the currency assets, which are not high-quality claims on non-residents readily available for meeting balance-of-payments financing needs. "We'll examine the issue further giving priority to national interest before complying with the accounting standards," a top central banker told the FE while replying to a query.

The IMF found the central bank having overstated its foreign-exchange reserves by nearly US\$7.2 billion end of June 2021 through inclusion of non-reserve assets by underestimating related risks. The figure of overstatement in the case of official forex reserves now stand at more than \$8.0 billion as the central bank has increased the allocation

of Export Development Fund (EDF) scheme to \$7.0 billion from previous \$6.0 billion. The non-reserve assets as identified by the IMF are foreign-currency loans to local banks worth \$6198 million, deposit with a state-owned commercial local bank of \$651 million, deposits with the International Islamic Trade Finance Corporation (ITFC) of the Islamic Development Bank Group, worth \$288 million, and fixed-income securities below investment grade \$60 million.

The IMF recommends an immediate revision of the composition of the official foreign-currency reserves by removing these no-liquid, earmarked and/or not readily available items as they inflate the total amount of forex available to the central bank. Regarding disbursement of \$200 million to the central bank of Sri Lanka as foreign-currency support, the IMF in its report said the reciprocal deposits acquired by the BB under the 2021 swap arrangement with the Central Bank of Sri Lanka after end-June 2021 do not qualify as reserve assets because they are denominated in Sri Lankan rupee, which is not a convertible currency. The IMF also raised question about BB's involvement in non-core central-banking activities through the financing of the Bangladesh Infrastructure Development Fund (BIDF), saying that such use of official foreign reserves is inconsistent with lending practices.

The BIDF was formed to make lending from the reserves to development projects. The annual investment target from the fund would be no more than \$2.0 billion. The central bank has committed to financing the BIDF using the reserves for up to \$2.0 billion per annum for the next five years, on condition that the reserves cover import payments for at least six months, project earnings are in foreign currencies, and a sovereign guarantee is provided **r**

## Govt suspends funds for 'less important' projects in austerity drive

The government has reduced its allocation for the Annual Development Program and is no longer releasing funds for 'less important' projects as it expands austerity measures, bdnews24.com reports. The Ministry of Finance has categorized ongoing projects into three categories by importance. Projects in the third, or 'C' category, will not receive additional funding for the time being. The decision was announced in a circular issued by the budget branch of the ministry. A separate circular also suspended the purchase of new cars and an allowance for attending meetings for all types of government institutions.

The circular titled 'Prioritization and Sustainable Implementation of Annual Development Program Projects for the 2022–23 fiscal year' states that in the current global economic situation, projects have been categorized into A, B and C according to priority under the Annual Development Program to ensure proper utilization of limited resources. The 'A' category projects of ministries, departments and other institutions and their subordinate departments and agencies will continue to be implemented as usual. For the 'B' category, less than 75 per

cent of government funding will be released and less than 75 per cent can be spent.

"The release of funds for 'C' category projects will be suspended for now. However, the concerned ministries, departments and other institutions may, as required, reallocate the funds allocated for the 'C' category projects (with the prior approval of the Planning Commission and the Finance Department where applicable) to the 'A' category projects," the circular said. The ministry said the notice would take effect immediately with the approval of the relevant authorities **r**

## Inflation at 7.56pc in June, highest in nine years

Bangladesh witnessed a nine-year high of 7.56 per cent inflation rate in June, the last month of the 2022 fiscal year, as per state-owned BBS data. This important indicator of the economy rose by 7.42 per cent in May. In June, the index increased by another 0.14 per cent to 7.56 per cent. It means, in June 2021, a product or service that had to be spent was Tk 100, in June 2022, for similar product or service one had to spend Tk 107.56. The Bangladesh Bureau of Statistics data, revealed, showed that the average inflation



rate at the end of the 2022 fiscal year stood at 6.15 per cent, which is 85 per cent higher than the fiscal target.

The government was able to fix it at 5.30 per cent in the 2021 fiscal year. In June 2022, food inflation was 8.37 per cent. It was 8.30 per cent in May. Non-food inflation increased from 6.08 per cent to 6.33 per cent during this time.

According to BBS statistics, the overall average inflation rate in the 2012 fiscal year was 10.62 per cent. Food inflation was 10.47 per cent at that year and non-food inflation was 11.15 per cent. In the 2013 fiscal year, overall inflation came down to 7.70 per cent. Food inflation was 7.25 per cent in that year and non-food inflation was 8.43 per cent. In June prices of boro rice, flour, mugdal, molasses, rui fish, hilsa, catfish fish, meat, eggs and milk have gone up.

Soybean, dried chilli, onion, ginger, garlic, potato, green chilli, papaya, milk, cloth, melamine utensils are also expensive. Prices of cement, kerosene, coconut oil, cigarettes, and white pepper also went up

## Forex reserves slip below \$40b for first time in 2 years

Bangladesh's foreign exchange reserves on July 11 declined to \$39.77 billion, according to updated data from the central bank. This is the first time in two years that the reserve dropped below the \$40 billion mark. The drop has been attributed to Bangladesh Bank's import payments of \$1.99 billion last week to the Asian Clearing Union. Bangladesh, Bhutan, India, Iran, the Maldives, Myanmar, Nepal, Pakistan and Sri Lanka are members of ACU. The central banks of these countries have to make the payments every two months. The reserves have been under stress for the past couple of months due to a surge in the import bills and a drop

in the inward remittance.

Bangladesh's foreign exchange reserves soared to a record amount of \$46.15 billion in December 2021. Bangladesh's forex reserves witnessed a fall as import volume in the fiscal year 2021-22 increased to about \$78 billion, while foreign exchange gained from remittance and export stood at \$73 billion. The export earnings in the 2022 fiscal year amounted to 52.08 billion and inward remittances \$21.03 billion. The inward remittance shows a fall in the 2022 fiscal year to \$21.03 billion from \$24.77 billion in the 2021 fiscal year

## Bangladesh takes initiative to join RCEP

Bangladesh has taken up the initiative to join Regional Comprehensive Economic Partnership to retain duty benefits once it makes the United Nations status graduation from a least developed country to a developing one in 2026. An inter-ministerial meeting agreed that the county will join the RCEP, an agreement comprising the world's largest trade bloc led by China, if an opportunity is created after negotiations, said the commerce ministry. "So, we discussed different aspects of a study on joining to the RCEP conducted by the Bangladesh Trade and Tariff Commission," said

Tapan Kanti Ghosh, senior secretary to the commerce ministry. Seeking opinion from different ministries and departments concerned is the beginning of the process and the BTTC suggested joining the initiative, he said after the meeting held at the ministry.

Ghosh could not exactly state what trade benefit Bangladesh would gain joining the RCEP. The Daily Star is yet to obtain a copy of the BTTC study. So, in the near future, Bangladesh may send a formal letter expressing interest to join the trade bloc if there is political agreement within the country and if the RCEP's terms and conditions allow inclusion of a new member, said Ghosh.

In fact, it is important for Bangladesh to sign the agreement with the RCEP as the country also needs to join the global value chain to retain duty benefits after the LDC graduation, he said. Earlier, Bangladesh had not shown any interest in joining the RCEP to safeguard its revenue generation from duties on imports. On the other hand, none of the would-be RCEP signatories asked Bangladesh to join their ranks prior to its launch in November 2020. China initiated the RCEP as a free trade agreement among itself, the 10 Association of Southeast Asian Nations (Asean) states and Australia, India, Japan, South Korea and New Zealand



India later refused to join the RCEP. The negotiations were formally launched at an Asean summit in Cambodia in November 2020. In 2017, prospective RCEP member states accounted for a population of 3.4 billion or 45 per cent of the world's population and about 40 per cent of world trade. The total gross domestic product amounted to \$49.5 trillion, more than half of which is made up of that of China and India, surpassing the combined GDP of Trans-Pacific Partnership members in 2007.

On January 23, 2017, US President Donald Trump signed a memorandum that stated withdrawal of the country from the TPP, a move which is seen to improve the chances of success for the RCEP. According to estimates by the PricewaterhouseCoopers, the GDP of the RCEP member states is likely to amount to nearly \$250 trillion by 2050. Bangladesh has been lobbying with major trading partners and economic blocs for signing free trade agreements, comprehensive economic partnership agreements and preferential trade agreements. It has been focused on retaining duty benefits as the local exporters will face anything from 8 per cent to 12 per cent in duties after the status graduation. And the country may lose \$7 billion worth of exports in a year because of erosion of preferential duty benefits for the LDC graduation, according to different studies **r**

### **SME Foundation to disburse 400C more to SMEs**

The SME Foundation is set to disburse another Tk400 crore loan to small and medium entrepreneurs (SMEs) at 4 percent interest rate. In this regard, the foundation inked agreements with 18 banks and non-bank financial institutions on July 26. According to



the SME Foundation, entrepreneurs can take loans from Tk1lakh up to Tk30 lakh from this package, said the SME Foundation. Under the financial incentive package for accelerating the economic recovery of the country and improving the quality of life of marginalized people in rural areas in the post-pandemic situation, Tk300 crore was released in two phases previously.

The foundation has already distributed that amount at the entrepreneurial level. The SME Foundation has also formed a revolving fund with the repaid money and its own funds as per the advice of the Finance Department.

This money will be distributed as loans among the SME entrepreneurs, clusters, client groups, association and chamber members and women-entrepreneurs. The SME Foundation has already prepared policy guidelines for the management of the revolving fund under their credit wholesaling program. To disburse the loan, the SME Foundation has signed an agreement with 18 banks and financial institutions in the presence of chief executives of partner 15 banks and 3 financial institutions on July 26.

The partners banks and NBFIs are Basic Bank, Bangladesh Krishi Bank, BRAC Bank, Bank Asia, Bengal Commercial Bank, Dhaka Bank, Mercantile Bank,

Mutual Trust Bank, NRB Commercial Bank, One Bank, The Premier Bank, Shimanto Bank, Shahjalal Islami Bank, United Commercial Bank, The City Bank, IDLC Finance, IPDC Finance and Lankabangla Finance. In the agreement signing ceremony, Industries Minister Nurul Majid Mahmud Humayun was present as the chief guest while Sheikh Mohammad Salim Ullah, secretary of Financial Institutions Division was special guest **r**

### **Bangladesh seeks \$4.5b IMF budget support**

Bangladesh has officially sought \$4.5 billion from the International Monetary Fund to ride out the ongoing financial shock triggered and subsequently worsened by persisting energy and dollar crises. The government sent a letter in this regard to IMF Managing Director Kristalina Georgieva on July 24 through the organization's resident representative office in Bangladesh, according to people familiar with the matter. The request was made following a recent visit by IMF representatives to Bangladesh.

The letter, signed by Finance Division Secretary Fatima Yasmin, requested the IMF to begin negotiations for the loan to be used for Bangladesh's balance of payment and budgetary

needs for the next three years. Now the IMF headquarters will form a team to formally negotiate with Bangladesh, said finance ministry officials, adding that the process may take up to a year.



Bangladesh is experiencing growing economic pressure as its foreign exchange reserves continue to dwindle to cope with the impacts of global inflation resulting in hiked commodity prices following the Russian invasion of Ukraine. The local currency has slid significantly against a rising dollar while volatile energy prices have forced authorities to adopt drastic measures such as countrywide power rationing.

Bangladesh has also sought \$2 billion in support from the World Bank and the Asian Development Bank in a similar fashion to tackle the financial shock. Besides, talks are ongoing between the officials of the finance ministry and the China-led Asian Infrastructure Investment Bank for another \$400 million in budget support. In addition, an agreement is expected to be signed with the European Union for a \$99 million credit line.

According to government officials, efforts are being made to get as much budget support as possible from various organizations, including the IMF, considering the current global situation. So far, the government has secured \$1.86 billion of budget support in the running fiscal year.

Meanwhile, according to people familiar with the matter, initial discussions for a large amount of budget support from the IMF began a year ago. “The matter of getting the loan has been unofficially confirmed through informal discussions with the organization [IMF],” said an official on condition of anonymity. “It is difficult to say exactly when the negotiations will begin... There will be discussions about the terms of the loan. We have prepared for it. The discussion will begin as soon as the IMF forms their team,” the official added.

Finance ministry officials said the government began attempts to get budget support since the Covid pandemic began, resulting in ensuring \$7.7 billion in budget support from various agencies in the 2020–21 fiscal year. Of the loan, more than \$6 billion has been released as of last June keeping the foreign exchange reserves from falling to \$30–32 billion.

The rest of the loan will be released in the current fiscal year. Meanwhile, with its request for support from the IMF, Bangladesh has joined its South Asian neighbours Pakistan and Sri Lanka to cope with mounting pressure on their economies. The countries have been grappling to handle the galloping inflation triggered by global economic headwinds **r**

## D-8 businesses urged to raise intra-trade to \$1.3t

The entrepreneurs of the D-8 countries were urged to gear up efforts so that the intra-trade within the group can be raised to \$1.3 trillion. Presently, the intra-trade volume among the D-8 countries is \$129 billion. Addressing the meeting of the D-8 entrepreneurs dubbed as D-8 Business Forum and

Expo, Foreign Minister Dr AK Abdul Momen made the call saying that through collective and sincere efforts by all stakeholders, this target can be achieved.

He said the intra-trade among D-8 countries rose to \$129 billion from 14 billion in the last 25 years and he believes that it can be raised by 10 folds in the next 10 years. According to the minister, this can be done with or without FTA.

Momen also urged the entrepreneurs to invest in the southern zone of the country which offers huge investment opportunities following the recent opening of the Padma Bridge, which links the zone with the capital. Expansion of intra-trade, food security and the ongoing global energy crisis became the focal point of the two-day D-8 meeting of the Council of Ministers which started in the city on July 25.

Prime Minister Sheikh Hasina inaugurated the meeting. At the meeting, Commerce Minister Tipu Munshi urged the D-8 businesses to make joint efforts to address the challenges posed by the Ukraine war.

Prime Minister’s adviser on the private sector and industry affairs, Salman F Rahman said that present Bangladesh is a new Bangladesh, which offers tremendous opportunities for business and investments. Despite being a populous country, Bangladesh made unprecedented progress in all sectors and became self-reliant on food, he noted.

State Minister for Foreign Affairs Shahriar Alam said Bangladesh emerged as the role model of development in the world. In his opening remarks, D-8 CCI President Sheikh Fazle Fahim said, the expo would pave the path to expanding businesses among the member countries **r**

## India rupee tumbles to record low against dollar

India is trying to 'address volatility' in the Indian rupee that has tumbled to record lows against the dollar in recent weeks, a government official said on July 4, amid concerns of a widening trade deficit and sell-off of assets by foreign investors. The rupee has plunged 6 per cent against the dollar this year, weighed down by broad strength in the greenback and as investors retreated from the domestic share markets, reports Reuters.



Meanwhile, India's trade gap touched a monthly record of \$24.3 billion in May hurt by higher commodity prices. "When oil prices are this high, obviously CAD (current account deficit) will go up. Last several years India has been bridging CAD with capital flows. This year there is headwinds on capital flows,"

the official who did not want to be named, said.

As of 1013 GMT, the partially convertible rupee INR=IN was trading at 78.95/96 per dollar, close to the new record low it touched on July 1. The official, however, said India's macroeconomic

fundamentals remained strong and he was "fairly confident" that India would come out of "well" when the situation improved. The official also said the government would stick to the fiscal deficit target of 6.4 per cent of GDP for the 2022-23 fiscal year that started on April 1 **r**

## India to remain among fastest-growing economies

The International Monetary Fund on July 26 lowered India's economic growth forecast for the current fiscal to 7.4 percent from the 8.2 percent estimated in April, a report by Livemint said. In its latest World Economic Outlook update, the IMF also lowered the country's growth forecast for the 2023-24 fiscal year by 0.8 percentage points to 6.1 percent.

"Likewise, the outlook for India has been revised down by 0.8 percentage point, to 7.4 per cent. For India, the revision reflects mainly less favourable external conditions and more rapid policy tightening," the IMF said on July 26.

Despite the lowered forecast, India will remain one of the fastest growing

key economies globally in 2022-23 as well as 2023-24, the Livemint report added. Meanwhile, the IMF also cut the 2022 global domestic product estimate to 3.2 percent, four-tenths of a point lower than the April forecast, and about half the rate seen last year.

Last year's "tentative recovery" from the pandemic downturn "has been followed by increasingly gloomy developments in 2022 as risks began to materialize," the IMF's World Economic Outlook update said. "Several shocks have hit a world economy already weakened by the pandemic," including the war in Ukraine which has driven up global prices for food and energy, prompting central banks to raise interest rates sharply, the multilateral agency added.



“The outlook has darkened significantly since April,” said IMF chief economist Pierre-Olivier Gourinchas, news agency AFP reported. “The world may soon be teetering on the edge of a global recession, only two years after the last one,” Gourinchas added. “The world’s three largest economies, the United States, China and the euro area are stalling with important consequences for the global outlook,” he also said **r**

## Pakistan to get \$4b from friendly countries to shore up reserves

Pakistan is likely to get \$4 billion from friendly countries this month to bridge a gap in foreign reserves highlighted by the International Monetary Fund, the country’s finance minister said, two days after sealing a deal with the lender. The IMF has reached a staff level agreement with Pakistan that would pave the way for a disbursement of \$1.17 billion. The board is also considering adding \$1 billion to a \$6 billion program agreed in 2019.

“As per the IMF, there is a \$4 billion gap,” the minister, Miftah Ismail, said in a news conference in Islamabad, referring to the shortfall in foreign reserves. “We will, God willing, fill this gap in the month of July,” he said. “We think that we will get \$1.2 billion in deferred oil payment from a friendly country. We think that a foreign country will invest between \$1.5 to \$2 billion in stocks on a G2G (government-to-government) basis, and another friendly country will perhaps give us gas on deferred payment and another friendly country will make some deposits.”

Depleting reserves, a widening current account deficit and the

depreciation of the Pakistani rupee against the US dollar have left the South Asian nation facing a balance of payment crisis. Without the IMF deal, which should open up other avenues for external finance, Ismail said the country could have headed towards default. He said the country will also get around \$6 billion from the World Bank and the Asian Development Bank in the 2022–2023 fiscal year. Pakistan secured a \$6 billion IMF program in 2019, but less than half of that amount has been disbursed to date. Pakistan’s central bank has hiked its key interest rate to 15 per cent to curb inflation, which hit 21.3 per cent **r**

## Lanka admits to bankruptcy, crisis to drag through 2023

Sri Lanka on July 5 admitted bankruptcy, proving earlier warnings by leading economists to be true. Declaring bankruptcy, Prime Minister Ranil Wickremesinghe said in the parliament that the acute pain of the unprecedented economic crisis will linger at least until the end of next year, BSS reports, quoting AFP. Wickremesinghe said the once-prosperous country will go into deep recession this year and acute shortages of food, fuel and medicine will continue.

“We will have to face difficulties in 2023 as well,” the premier said. “This is the truth. This is the reality.”

After Sri Lanka ran out of foreign currency to import vital goods, the country’s 22 million were hit by record inflation and seemingly never-ending power cuts. The South Asian island’s hopes of an International Monetary Fund may also be dashed. Wickremesinghe told lawmakers that recent discussions with a visiting IMF mission were fruitful but not as straightforward as in the past as it was now a bankrupt nation. “Our country has held talks with the IMF on many occasions before.

But this time the situation is different from all those previous occasions. In the past, we have held discussions as a developing country,” Wickremesinghe said, different news outlets reported. “But now the situation is different. We are now participating in the negotiations as a bankrupt country. Therefore, we have to face a more difficult and complicated situation,” he said in explaining a roadmap for an economic recovery.

The IMF last week said more work was needed to set the nation’s finances right and repair its runaway fiscal deficit before a deal could be struck on a funding arrangement



to address its balance of payments crisis. In another blow, Japanese Ambassador in Colombo Mizukoshi Hideaki reportedly said that there is a risk of financial assistance to Sri Lanka being mismanaged and hence Japan will not support the country at this point, Daily Mirror Online reported.

Direction Sri Lanka, consisting of Sri Lankan professionals declared that the resignation of President Gotabaya Rajapaksa and Prime Minister Ranil Wickremesinghe is a prerequisite for the resolution of the current political-economic-social crisis, The Island Online reported.

Sri Lanka is currently almost completely without petrol with LITRO Gas Lanka Limited announcing that the 3,724 metric tonnes shipment of gas scheduled to reach the country will be delayed due to inclement weather conditions. The government has also shut down non-essential public services in an effort to conserve fuel.

The Bar Association of Sri Lanka has called upon President Gotabaya Rajapaksa to instruct the Defence Secretary, the Commanders of the Tri Forces and the Inspector General of Police to ensure that there is an immediate de-escalation of tensions in different parts of the country especially at fuel stations understanding the difficulties faced by the public."

"Whilst keeping in mind that the police and armed forces are acting under very trying circumstances, nevertheless it is necessary to give strict instructions to the police and the forces to desist from violence in dealing with the public and to act with utmost restraint", the BASL has said in a media statement **r**

## Import explosion, trade deficit push Nepal into crisis

An import explosion in the past few months has drained foreign exchange reserves to dangerously low levels, threatening to precipitate an economic disaster with most indicators showing warning signs. Experts have described Nepal's current economic situation as the "Dutch disease" because feverish consumption has been a bonanza for the trading sector, but brought disaster to manufacturing and agriculture.

They say that a huge amount of money is being invested in the unproductive sector, resulting in a trading boom and a gaping trade deficit. According to a research report entitled "Remittances, Banking Credit to Private Sector, and Nepal's Trade Deficits" unveiled by the Confederation of Banks and Financial Institutions, Nepal, 20 percent of the loans issued by banks have gone to fund trading, which particularly represents wholesale and retail services.

Loans to the agriculture sector stood at 7.8 percent. Around 15 percent of the credit issue has gone into production. Credit mobilization in production has been declining every year, which, experts say, is a cause for

concern. "Remittance is good, but it is hurting the country's competitiveness as all skilled and semi-skilled people are going abroad," the report said. "The money they send back to the country is not utilized in the productive sector either."

An example of runaway imports is provided by the ever increasing shipments of edible oils entering the country. Imports of edible oils (soybean, palm and sunflower) soared to Rs113.87 billion in the first 11 months of the current fiscal year ending mid-July. Edible oil imports in the whole of the fiscal year 2018–19 were valued at Rs37.12 billion. Experts say that importing and re-exporting edible oil under zero tariff privilege gives Nepali traders a profit of almost 45 percent, an advantage Nepal receives under the South Asian Free Trade Area.

Countries outside South Asia are slapped with tariffs of 54 percent on palm oil and 45 percent on soybean oil. According to the Nepal Development Update of the World Bank in December 2019, Nepal capitalized on this arbitrage opportunity and significantly increased exports of the two products—palm oil and soybean oil.

The report has recommended appropriate policies to ensure that



remittances are properly channelled into the economically productive sector or enhance exports by developing compulsory savings and investment provisions. As per Customs Department statistics, Nepal's total import bill ballooned to Rs1.76 trillion in the first 11 months of the current fiscal year.

The figure represents a staggering year-on-year jump of 27.5 percent. Remittance earnings in the first 10 months of the current fiscal year stood at Rs811.79 billion, according to Nepal Rastra Bank.

The report said that remittance, bank credit to the trading sector and the trade deficit had increased from 1996 to 2019 before the Covid pandemic briefly slowed things down. The growth trend, particularly imports, maintained its momentum in the current fiscal year, which, experts say, is a full-blown emergency for the country's ailing economy.

Remittance inflows have risen sharply since 2001, growing by 2 percent to 11 percent annually with political instability playing a major role in driving youths to go abroad to work for lack of jobs in the country.

There is a mismatch between remittance and job creation indicating that most of the money is going into consumption rather than production or employment creation. Ramesh Paudel, associate professor at the Central Department of Economics, said that when loans are mobilized in trading, this will support consumption, thereby promoting imports. "It is important that banks and financial institutions focus on increasing their loan issue to the productive sector," he said

## Bhutan's trade deficit reaches almost Nu 21.2b

Bhutan's trade deficit in the second quarter between April to June this year, including trade in electricity, is estimated at around Ngultrum (Nu) 21.2b, of which the balance of trade with India alone accounts for more than Nu 12b in the red. The country experienced a trade deficit of Nu 13b in the first quarter of the year and trade with India accounts for Nu 9.2b of the total trade deficit. This takes the country's total trade deficit to almost Nu 21.2b within the first six months of 2022.

A country experiences a trade deficit or negative trade balance if its import bill is more than its earnings from export. According to the provisional trade statistics for the second quarter of this year, Bhutan imported commodities worth more than Nu 35.8b, which is an increase from Nu 13b in the first quarter.

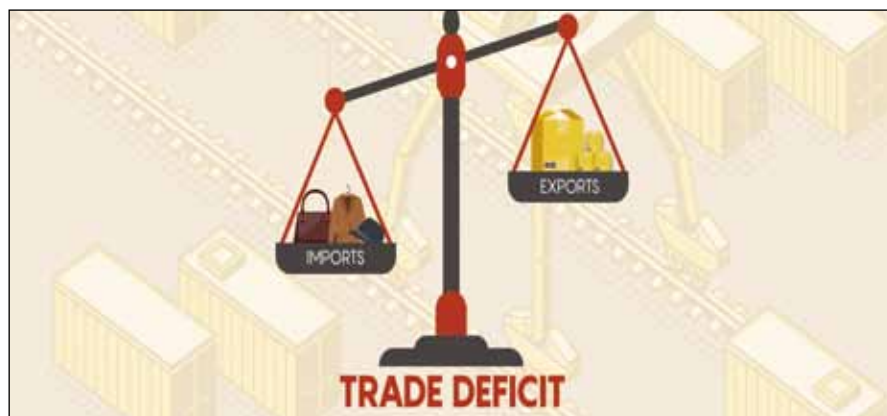
The country's export value (including electricity) also experienced an increase from around Nu 9.7b in the first quarter to Nu 13.6b in the second quarter. Import, however, hovered around more than Nu 13.2b in both quarters, meaning that the country imported goods worth more than Nu 35.8b until June this year. The deficit is narrowed due to electricity export. Had it not been

for the electricity export, the country could have experienced a trade deficit of another Nu 27.2b in the second quarter alone.

Although the exact import and export figures will be released at the end of the year, electricity generation during the second quarter of the year was recorded at Nu 6b. In the first quarter, which is usually a low generation season (January-March), earning from electricity was only Nu 721m. The country also imported fuel worth more than Nu 1.9b in the first quarter, putting diesel and petrol as the two top most imported commodities. In the second quarter, the country imported fuel worth more than Nu 2.5b.

Processing units form a huge component of import making it to the top 10 list with more than Nu 2.5b in the first three months of the year. This too increased to Nu 5.2b in the second quarter, forming a Nu 2.7b increase compared to the first quarter this year. Bhutan's top exports include silicon, which earned the country Nu 4.8b in the first quarter and another Nu 4.3b in the second quarter. Figures, however, show that the country's trade balance began deteriorating since 2013.

The country experienced a trade deficit of Nu 29.1b in 2019 against Nu 32b in 2021. This shows that the trade deficit widens by Nu 2b every year



## China economy contracts in second quarter

China's economy contracted sharply in the second quarter while annual growth also slowed significantly, highlighting the colossal toll on activity from widespread Covid lockdowns, which jolted industrial production and consumer spending. Gross domestic product fell 2.6 percent in the second quarter from the previous quarter, official data showed on July 15, compared with expectations for a 1.5 percent decline and a revised 1.4 percent gain in the previous quarter.

On a year-on-year basis, GDP in the April-June quarter grew a tepid 0.4 percent, missing forecast of a 1.0 percent gain, according to a Reuters poll of analysts, a sharp slowdown from 4.8 percent in the first quarter. For the first half of the year, GDP grew 2.5 percent. Full or partial lockdowns were imposed in major centres across the country in March and April, including the commercial capital Shanghai.

While many of those curbs have since been lifted, and June data offered signs of improvement, analysts do not expect a rapid economic recovery. China is sticking to its tough zero-Covid policy amid fresh flare-ups, the country's property market is in a deep slump and the global outlook is darkening. The imposition of new lockdowns in some cities and the arrival of the highly-contagious BA.5 variant have heightened concerns among businesses and consumers about a prolonged period of uncertainty.

China has been ramping up policy support for the economy, although analysts say the official growth target of around 5.5 percent for this year will be hard to achieve without doing away with its strict zero-Covid strategy.



### June Data Shows Some Bounce

Data on June activity showed that China's industrial output grew 3.9 percent in June from a year earlier, quickening from a 0.7 percent rise in May, although it was weaker than a 4.1 percent increase that analysts had forecast in a Reuters poll. Retail sales, on the other hand, rose 3.1 percent from a year ago in June and marked the quickest growth in 4 months, after authorities lifted a two-month lockdown in Shanghai.

Analysts had expected a 0 percent increase after May's 6.7 percent drop. Fixed asset-investment grew 6.1 percent in the first six months of the year from the same period a year earlier, versus a forecast 6.0 percent rise and down from a 6.2 percent jump in January-May.

The employment situation improved, with the nationwide survey-based jobless rate falling to 5.5 percent in June from 5.9 percent in May as the economy rebounded. A nascent recovery in China's capital-starved property sector is being overshadowed by a growing number of homebuyers across the country halting mortgage payments until developers resume construction of pre-sold homes.

Data on July 15 showed that home prices fell 0.5 percent from a year

ago, worsening from a 0.1 percent dip in the previous month, while growth on a monthly basis also failed to pick up. [read more](#)

China's property investment also fell 5.4 percent year-on-year in the first half of the year, after a 4.0 percent decline in the first five months. The central bank on July 13 pledged to keep liquidity reasonably ample and lower funding costs, foreseeing a temporary rise in the overall level of debt amid efforts to revive the economy. It also rolled over maturing medium-term policy loans while keeping interest rate unchanged for a sixth straight month.

Analysts believe room for the central bank to ease policy further could be limited by worries about capital outflows, as the US Federal Reserve aggressively raises interest rates to fight soaring inflation. China's rising consumer prices, while not as hot as elsewhere, also may add to constraints on monetary policy easing. Many analysts expect consumer inflation to pick up and surpass 3 percent in the coming months, but the whole year average level will still be within the annual target of around 3 percent. A Reuters poll forecast China's growth to slow to 4.0 percent in 2022, far below the official growth target of around 5.5 percent **r**

## China said to plan \$75b infrastructure fund

China will set up a state infrastructure investment fund worth 500 billion yuan (\$74.69 billion) to spur infrastructure spending and revive a flagging economy, two people



with knowledge of the matter said on July 5. China's economy has started a slow recovery from the supply shocks caused by extensive lockdowns since the second quarter, although headwinds to growth persist, including from a still subdued property market, soft consumer spending and fear of any recurring waves of infections. The fund is expected to be set up in the third quarter, the sources said.

China has unveiled a raft of economic support measures in recent weeks, although analysts say the official gross domestic product target of around 5.5 percent for this year will be hard to achieve without doing away with its strict zero-Covid strategy. Much of the economic support has come from fiscal stimulus to counter the impact from Covid-19 this year, with the central bank steadily easing liquidity conditions to lower financing costs.

Authorities are doubling down on an infrastructure push, dusting off an old playbook to revive the economy, pledging 800 billion yuan in new

credit quota and 300 billion yuan in financial bonds for policy banks to support big projects. Sources said that China will issue 2023 advance quota for local government special bonds in the fourth quarter, with the new quota likely bigger than 1.46 trillion yuan for 2022.

The Ministry of Finance and the National Development and Reform Commission did not immediately respond to Reuters' requests for comment. The Cabinet has told local governments to ensure 3.45 trillion yuan in special bond issuance for infrastructure part of the 2022 special bond quota of 3.65 trillion yuan is completed by the end of June **r**

## Japan downgrades GDP growth forecast to 2.0pc

The government has slashed its economic growth forecast for this fiscal year largely due to slowing overseas demand, highlighting the impact of Russia's war in Ukraine, China's strict Covid lockdowns and a weakening global economy. The forecast, which serves as a basis for compiling the state budget and the government's fiscal policy, included much higher wholesale and consumer inflation estimates as surging energy and food costs and a weak yen push up prices.

The world's third-biggest economy is now expected to expand about 2.0 percent in price-adjusted real terms in the fiscal year ending in March 2023, according to the Cabinet Office's projections, which were presented at the Council on Economic and Fiscal Policy the government's top economic panel.

That marked a sharp downgrade from the government's previous forecast of 3.2 percent growth, released in January. The cut largely stemmed from weaker exports, which the government now expects to expand 2.5 percent compared to 5.5 percent in the previous assessment. The government projected 1.1 percent growth for the following fiscal year, starting April 2023. "Rising prices are a risk to the economy recovering from the coronavirus pandemic," Prime Minister Fumio Kishida said at the panel's meeting.

In the meeting, private-sector council members, including Masakazu Tokura, chief of Japan's largest business lobby Japan Business Federation, called on the government to take measures to encourage companies to raise wages to mitigate the impact of rising prices. Wage growth in Japan remains sluggish, compared to other countries, with a 1.86 percent hike among major companies in 2021, according to data from the Japan Institute for Labor Policy and Training.

Steps to spur aggressive investment in human resources will also be vital to put the Japanese economy back on a sustainable growth track, the private-sector members said.

Kishida said the government will seek to boost the momentum of wage increases to ensure that it becomes a more solid and sustainable trend. To prevent consumption from sliding amid surging prices of essential items, the government has pledged to take



the necessary steps, including giving out reward points to households that reduce electricity consumption and aiding farmers grappling with high fertilizer costs.

The government plans to spend a total of about ¥260 billion (\$1.9 billion) on the countermeasures by tapping into a reserve fund. The government released its projections days after the Bank of Japan downgraded expectations for growth for this fiscal year, running to March 2023, to 2.4 percent from 2.9 percent three months ago, and underscored the central bank's stance to maintain massive stimulus even as several other economies hike rates to curb inflation.

The government forecast overseas demand to subtract real gross domestic product by 0.3 percentage point for the current fiscal year, compared to an expected 0.2 percentage point boost seen previously. It projected overall consumer inflation, which includes volatile fresh food and energy costs, at 2.6 percent for this fiscal year compared to 0.9 percent expected in the previous assessment in January. Wholesale inflation was estimated at 9.8 percent for this fiscal year, much higher than the 2.0 percent projected in January, as higher oil and food prices and a weaker yen push up raw material costs.

The higher consumer inflation was not expected to weigh greatly on private consumption as stronger spending on services such as travel was seen boosting this fiscal year's economic growth, a Cabinet Office official said. For fiscal 2022 and fiscal 2023, the Cabinet Office forecast nominal economic growth of 2.1 percent and 2.2 percent, respectively. Higher nominal growth estimates point to government expectations for greater tax revenue **r**

## South Korea's June inflation hits 24-year high

South Korea's June inflation accelerated to the fastest pace since the Asian financial crisis, fanning expectations the central bank could deliver a 50 basis point hike for the first time next week to cool prices and curb capital outflows. The consumer price index rose 6.0 percent in June from a year earlier, government data showed on July 5, the fastest since November 1998 and exceeding the central bank's 2 percent target for the 15th consecutive month. The CPI also sped up from a 5.4 percent rise in the previous month and exceeded the 5.9 percent tipped in a Reuters poll.

Data comes after Bank of Korea Governor Rhee Chang-yong said he will keep the door open for a


possible 50 basis point hike as he monitors key economic data before the bank's next rate decision on July 13. A half-percentage-point interest rate increase, if delivered, will be the first-time in the central bank's history. In a meeting held after inflation data release, BOK deputy governor Lee Hwan-seok said the bank "needs to be particularly vigilant against further strengthening of inflationary expectations," adding current inflation trends will continue for the time being.

September futures on three-year treasury bonds rose 0.15 points, while those on 10-year bonds gained 0.09 points. The Kospi was up 1.77 percent at 2,341.08 and the won edged up. The BOK has delivered five 25-basis-point interest rate hikes since last August to 1.75 percent, the highest since mid-2019, joining a global wave of policy tightening as central banks grapple with price spikes not seen in decades. Chances of a 50 basis point hike have been growing after the US Federal Reserve in June raised its rate by 75 basis points.

Many market watchers speculate the BOK would want to keep the rate spread between South Korea and the United States in check to slow any capital outflows. "This data raises possibility of a big step hike in July," said Ahn Jae-kyun, an analyst at Shinhan Financial Investment. "Inflation expectations are also at a high level, so even if the headline inflation didn't hit 6 percent, the BOK now has all the right reasons go for a big step."

The BOK sees the inflation trajectory higher than projected earlier and said it would closely assess debt repayment burdens to determine whether a half-percentage point hike would be appropriate. Even so, analysts have been warning that

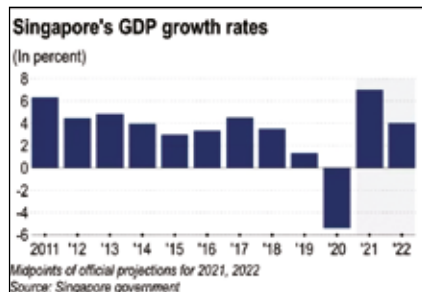
household debt at a record level and slowing exports growth mean the BOK shouldn't rush rate hikes. Overseas sales of South Korean goods logged their slowest growth in 19 months in June, fueling concerns about the health of the economy.


"Policymaking will become all the more difficult as they have a mix of upside inflation risks and downside economic growth risks continuing for the time being," said Park Seok-gil, an analyst at JPMorgan Chase Bank. "We expect a 50 bp rate increase in July by the BOK and three 25-bp increases for the rest of this year." The core CPI, which excludes volatile food and energy prices, rose 3.9 percent from a year ago, the fastest pace since February 2009. The June CPI rose 0.6 percent on a monthly basis, also exceeding a 0.5 percent rise seen in the survey 

## Singapore's economy grows 4.8pc in second quarter

Singapore's economy grew slower than expected in the second quarter, preliminary data showed. The Asian financial hub's economy grew 4.8 percent in April-July, according to advance estimates from the Ministry of Trade and Industry, faster than the 4.0 percent revised growth figure seen in the first quarter, but missing forecasts.

Economists polled by Reuters had expected an increase of 5.2 percent year-on-year for the second quarter. On a quarter-on-quarter seasonally adjusted basis, GDP was unchanged from the 0.9 percent expansion posted in the first quarter. The Monetary Authority of Singapore surprised markets with an out-of-cycle policy tightening move aimed at tackling rising inflation. A senior official at the MTI said in parliament last week



though the risks in global economy remain significant, Singapore does "not see or expect a recession or stagflation in 2023." Singapore has eased most of its Covid local and travel restrictions since early April this year, supporting the city-state's economic recovery 


## Optimistic forecast for Vietnam's economy in 2022

Vietnam's economic growth this year can reach up to 6.9 percent in the best-case scenario, the Central Institute for Economic Management announced during a recent Hanoi workshop to launch a report on Vietnam's economy in the first half of 2022. It is close to the government's projected GDP growth of 7 percent for 2022.

In the best-case scenario, CIEM economists forecast the country's inflation will average 3.7 percent, exports grow 16.3 percent and trade surplus stands around \$2.7 billion, the report said. The base scenario anticipates the economy to

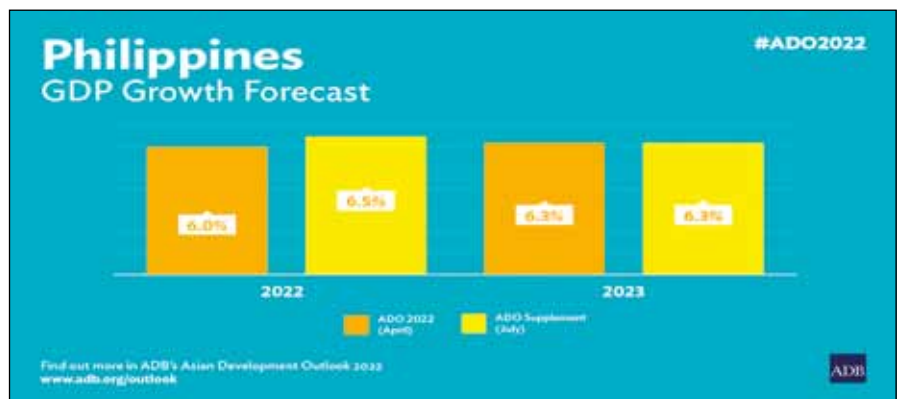
expand 6.7 percent and inflation to hit the expected level of 4 percent. Additionally, exports will be likely to rise 15.8 percent and trade surplus to total \$1.2 billion.

The CIEM also outlined several factors affecting Vietnam's economic outlook in the second half of the year, which include the ability to stem the spread of new Covid variants and other diseases, the fulfillment of tasks of the national program on socio-economic recovery and development, and macro-economic stability.

Other factors, such as the ability to diversify export markets, capitalize on opportunities from free trade agreements Vietnam is signatory to, and handle risks associated with trade and technology confrontation between the world's superpowers, are also critical to the country's growth prospect, according to the CIEM 

## ADB raises 2022 growth forecast for Philippines

The Philippine economy is forecast to grow faster than initially expected in 2022, following the relaxation of Covid mobility restrictions in the country, the expansion of the Covid vaccination program, and a rebound in investment and household consumption, according to a report released by the Asian Development Bank.



The Asian Development Outlook 2022 Supplement says the Philippine economy will grow at least 6.5 percent in 2022, up from the bank's April forecast of 6.0 percent. The growth projection for 2023 remains at 6.3 percent. Downside risks to growth in the second half of 2022 may come from sharper-than-expected slowdowns in major industrial economies, possible sustained elevated global commodity prices, and tighter financial conditions.

"The Philippine economy's growth momentum has accelerated close to its ideal growth path," said ADB Philippines Country Director Kelly Bird. "Strong domestic demand supported by a pick-up in employment and remittance inflows, private investment expansion, and large public infrastructure projects will underpin the country's recovery from the economic impact of the pandemic."

Wider Covid vaccination coverage, with adolescents among those getting inoculated, and relatively mild health impacts from the Omicron variant have allowed the government to relax restrictions starting in the first quarter of the year. This in turn spurred a resumption in expanded operations for most private businesses, with the unemployment rate falling to near pre-pandemic levels. The unemployment rate was at 6.0 percent in May 2022, down from 7.7 percent a year earlier.

Inflation is forecast to quicken to 4.9 percent and 4.3 percent in 2022 and 2023, respectively, on the back of higher global commodity prices. These are up from ADB's April forecast of 4.2 percent in 2022 and 3.5 percent for 2023. The government is expected to sustain public spending on priority infrastructure projects under the "Build Build Build" program. Among these priority projects receiving ADB financing are the Malolos

Clark Railway Project and South Commuter Railway Project, both part of the North-South Commuter Railway System that will provide safe, fast, and efficient transportation to link Metro Manila to northern and southern Luzon provinces.

ADB is also financing the EDSA Greenways Project, which aims to improve the pedestrian experience along the main EDSA thoroughfare in the capital and the Metro Manila Bridges Project, which seeks to help solve traffic congestion in the metropolis. ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 68 members 49 from the region **r**

## Taiwan economy stable despite global risks

Despite raised raw material prices and global inflation risks, Taiwan's economy remains stable, according to the National Development Council. On July 6, the NDC wrote in a press release that Taiwan has continued to do well in terms of investments, exports, and consumption. It added that the government will continue to implement relevant policies to ensure the economy's stability.

The council expects Taiwan's investment rate to reach 26.82 percent in 2022, which would mark the second consecutive year it has surpassed 26 percent. Last year, the investment rate was the highest in 21 years. In terms of exports, between January and May this year, the annual growth rate of Taiwan's export orders was 3.9 percent, and for overseas orders, 4.3 percent. In both respects, the accumulated figures reached historic heights, specifically, Taiwan's exports to the US, Europe, and the Association of Southeast Asian Nations grew by more than 20 percent.

Meanwhile, the revenue of Taiwan's retail and food industries grew by 3.9 percent and 4.3 percent respectively between January and May, also new highs for the same period. As Taiwan reopens and resumes a normal lifestyle after the Covid pandemic, the momentum for consumption will also begin to rise again. The NDC added that the driving force behind Taiwan's economic growth has shown systemic changes in recent years. This is demonstrated by Taiwan's performance during the pandemic and the latest International Institute for Management Development World Competitiveness Ranking, in which Taiwan moved up the list for the fourth consecutive year and ranked seventh **r**



## Saudi King allocates \$5.3b in aid to tackle rising prices

Saudi King Salman bin Abdulaziz Al Saud has issued a royal decree ordering the allocation of SR20 billion (\$5.33 billion) as a financial support to tackle the effects of the rising global prices. Of this half of the allocated money will go to social insurance beneficiaries and for the Citizen Account Program, reported SPA.

The amount is being approved as financial support to social insurance beneficiaries for helping them confront the repercussions of rising prices globally, it stated.

This comes on the basis of recommendations from HRH Prince Mohammed bin Salman bin Abdulaziz, Crown Prince, Deputy Prime Minister and Chairman of the Council of Economic and Development Affairs, following a study conducted by the Council



of Economic Affairs under his chairmanship.

As per the royal decree, SR10.4 billion will be distributed as direct cash transfers to support social security beneficiaries, the Citizen Account Program, and the Small Livestock Breeders Support Program, while the rest will be set aside to increase

strategic stocks of basic commodities and ensure their abundance, stated the report.

The government has also set aside SR8 billion as additional financial support to the beneficiaries of the Citizen Account Program till the end of the current fiscal year, it added

## UAE to subsidize petrol for low-income citizens

The UAE is subsidizing part of petrol prices for low-income citizens, as it introduces an “inflation allowance” amid rising costs of basic goods and services in the country. The new allowance will provide a monthly subsidy of 85 percent of the fuel price increase over AED 2.1 per liter, state news agency WAM has reported.

The move is part of the UAE president’s directive to restructure its social welfare program for low-income Emiratis, effectively doubling its size to AED 28 billion. According to the new fuel subsidy scheme, the head of a family will receive a monthly subsidy of 300 liters, while

working wives will receive a subsidy of 200 liters. Petrol and fuel prices in the UAE have increased over the last few months, jumping by over 74 percent since the start of the year. In January, rates were at AED 2.65 per liter for Super 98 petrol. In July, it costs AED 4.63 per liter. The inflation allowance will also provide food, electricity, and water subsidies, the report showed. The government will bear 75 percent of food price inflation for eligible Emirati families, and will provide a monthly subsidy of 50 percent for specific electricity and water consumption quotas.

### **Education, housing, and unemployment allowances**

The reformed social welfare program now has a provision of AED 5 billion



for annual social support allocation, compared to the previous AED 2.7 billion, according to the new directive. Other types of allowances will be introduced as well including housing (up to AED 2,500) and university (up to AED 3,200) stipends, as well as allowances to unemployed citizens both job seekers (up to AED 5,000 for six months) and those over the age of 45 (up to AED 5,000).

In the previous program, there were three allowances allocated to Emirati families – for the head of the family, the wife, and the children. The reform is set to increase these allowances, where a family member could get up to AED 13,000 per month **r**

## Dubai reveals priorities in efforts to be global business hub

Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai, recently launched “Dubai Global”, an initiative to establish 50 integrated commercial representative offices for Dubai in five continents across the world during the next few years, as part of Dubai’s goal to position itself as one of the best business hubs in the world.

The UAE also rolled out incentives to attract 300 digital companies in a new FDI program as part of the country’s wider campaign to position itself as a global hub for business. Sheikh Hamdan said: “Our goal is to globalize our national companies, attract global investments and add new markets to our global business lines.

“We will double our economy over the next few years, establish the best business environment in the world

and be number one in quality of life,” he added. The UAE also rose to the top of global rankings in terms of overall business skills proficiency, according to Coursera’s Global Skills Report released in June 2022. In last year’s report, the country ranked second in the world and led the Middle East and North Africa region.

Learners in the UAE were placed in the top 100 percentile, compared to their peers globally, in several areas of business skills, such as leadership and management, strategy and operations, communication, human resources, and entrepreneurship **r**

## Qatar’s Islamic finance sector set for growth

The year 2022 is positioned for growth for Qatar’s Islamic finance institutions as the economy expands in the run-up to the FIFA World Cup 2022. Qatar’s Islamic finance sector is well placed to overcome any lingering challenges according to Oxford Business Group report. “Looking ahead, the eyes of the world are on Qatar as it gears up for the 2022 FIFA World Cup late in the year, and many businesses and individuals are exploring opportunities in the market.

Qatar’s Islamic banks, takaful (Islamic insurance) providers, sukuk (Islamic bond) issuers and sharia-compliant asset managers are confident that the year will see robust growth as economic recovery gathers pace,” the report said.

It further added that the year looks poised for further growth and development for Qatar’s Islamic finance institutions as the economy expands in the run-up to the 2022 FIFA World Cup, which was a major driver of financing and insurance over the last decade. While an ongoing concern is the economic fallout from pandemic-related limitations on business, with strong financials and a supportive government, Qatar’s Islamic finance sector should be well placed to overcome any lingering challenges. Innovations in financial technology (fintech) will help in this regard by cutting costs and boosting efficiencies.

Qatar has been praised for having one of the world’s best ecosystems for Islamic fintech: the ‘Global Islamic Fintech Report’ for 2021 showed Qatar ranking 10th out of 64 Islamic fintech markets in 2020, and the local market is expected to grow from a value of \$849m in 2020 to \$2.1b in 2025 **r**



## WB projects Jordan economy to grow by 2.1pc in 2022

Jordan's economy is projected to grow by 2.1 percent this year, with rising commodity prices, supply bottlenecks and impact of the war in the Ukraine posing major downside risks, the World Bank said on July 18. The bank said in a new study that the kingdom's economic recovery was projected to remain steady this year but that unemployment remained at "alarming levels and reforms were needed to spur investments" to create jobs.



"Despite Jordan's economic rebound, pressing socio-economic challenges, such as high unemployment, especially among the youth and women, remain entrenched," Saroj Kumar Jha, World Bank Mashreq Regional Director, said in the report. "Going forward, accelerating implementation of investment-enabling reforms will be critical to inject dynamism in the economy and activate the private sector as an engine of job creation," the official added.

The World Bank growth estimates are slightly lower than the IMF's latest economic growth forecast of 2.4 percent for 2022 which was downgraded from an earlier 2.7 percent.

Higher growth is seen as key to easing the country's high unemployment, which stands at around 23 percent.

The IMF had recently said the oil importing country had partially mitigated the impact of higher fuel and commodities prices with long-term energy deals and a healthy stockpile of wheat purchased before the Ukraine crisis. Both a rebound in tourism, remittances and higher exports of fertilizer have also helped cushion the economy **r**

## Oman's crude oil production rises 9.7pc to 190m barrels in H1

Oman's crude oil and condensate production reached 189.6 million barrels during the first half of 2022, recording a 9.7 percent growth over the same period last year, according to data released by the Ministry of Energy and Minerals.

This comes as the Sultanate's exports of liquefied natural gas climbed to around 5.9 million tonnes in the first six months of the year, registering an 8 percent increase over the same period in 2021, Oman News Agency reported.

During the first three months of 2022, Oman's LNG export was around 3 million, however, the figure declined a bit in the second quarter as it exported about 2.9 million tonnes.



The oil prices continued to rise throughout June trading, reaching \$112.9 per barrel as a consequence of global economic conditions and political escalations around the world, the ministry added **r**

## Iran, Belarus agree to boost commercial, economic cooperation

Iran's Minister of Industry, Mines, and Trade, Reza Fatemi Amin, has signed agreements with Belarusian officials to further develop the commercial and economic cooperation between the two countries. Fatemi Amin was on a visit to Minsk to attend the 15th Iran-Belarus Joint Trade Commission on July 28-29. The newly-signed Memorandums of Understanding (MoU) focused on commercial and industrial cooperation, agriculture and fish farming, investment, geology and water resources, transport and others.

Following the meeting, Iran's high-ranking official unveiled his country's plans to increase production in the mining industry and to purchase Belarusian heavy vehicles for this purpose. "For the past ten years, BelAZ equipment has been in great demand in the Iranian market. It is reliable and has shown itself only on the good side. Since our plans are to increase production in the mining industry, we would like to receive about 800 mining dump trucks. For this purpose, we have chosen BelAZ," he added.

BelAZ is a Belarusian automobile plant and one of the world's largest manufacturers of large and especially large dump trucks, as well as other heavy transport equipment for the mining and construction industries. In September 2013, BelAZ presented the first sample of mining dump truck BelAZ-75710, the world largest dump truck with 450 tonnes load capacity. In his turn, Belarusian Industry Minister Piotr Parkhomchik said Iran and Belarus are showing interest in boosting cooperation in the industrial sector and in increasing mutual trade **r**

## US GDP shrinks 0.9pc in Q2 in second straight drop

The US economy shrank from April through June for a second straight quarter, contracting at a 0.9 percent annual pace and raising fears that the nation may be approaching a recession. The decline that the Commerce Department reported in the gross domestic product the broadest gauge of the economy followed a 1.6 percent annual drop from January through March.

Consecutive quarters of falling GDP constitute one informal, though not definitive, indicator of a recession. The report comes at a critical time. Consumers and businesses have been struggling under the weight of punishing inflation and higher borrowing costs.

The Federal Reserve raised its benchmark interest rate by a sizable three-quarters of a point for a second straight time in its push to conquer the worst inflation outbreak in four decades. The Fed is hoping to achieve a notoriously difficult “soft landing”: An economic slowdown that manages to rein in rocketing prices without triggering a recession. Fed Chair Jerome Powell and many economists have said that while the economy is showing some weakening, they doubt it’s in recession.

Many of them point, in particular, to a still-robust labor market, with 11 million job openings and an uncommonly low 3.6 percent unemployment rate, to suggest that a recession, if one does occur, is still a ways off. After going backward from January through March, the US economy probably didn’t do much better in the spring. The government will reveal just how weak economic growth was in the April–June quarter and perhaps offer clues about whether the United States may be approaching a recession.



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Forecasters surveyed by the data firm FactSet have estimated that the nation’s gross domestic product the broadest measure of economic output eked out a tepid annual gain of 0.8 percent last quarter. Modest as it would be, that would amount to a sharp improvement over the economy’s 1.6 percent contraction in the January–March quarter. Still, quarterly growth that sluggish would represent a drastic weakening from the 5.7 percent growth the economy achieved last year.

That was the fastest calendar-year expansion since 1984, reflecting how vigorously the economy roared back from the brief but brutal pandemic recession of 2020. Some economists fear that GDP actually shrank again from April through June, delivering the back-to-back negative quarters that constitute an informal definition

of recession. The Federal Reserve Bank of Atlanta’s running estimate of GDP growth, based on available economic data, is signalling a 1.2 percent second quarter decline.

Most economists, though, point, in particular, to a still-robust labor market, with 11 million job openings and an uncommonly low 3.6 percent unemployment rate, to suggest that a recession, if one does occur, is still a ways off. For one thing, the first-quarter economic contraction wasn’t as alarming as it looked. It was caused mainly by factors that don’t reflect the economy’s underlying health: A wider trade deficit, a consequence of Americans’ keen appetite for foreign-made goods, slashed 3.2 percentage points from first-quarter growth. And a post-holiday-season drop in company inventories lopped off an additional 0.4 percentage point **r**

### IMF cuts 2022 global growth forecast to 3.2pc

The International Monetary Fund cut global growth forecasts again, warning that downside risks from high inflation and the Ukraine war were materializing and could push the world economy to the brink of recession if left unchecked. Global real GDP growth will slow to 3.2 per

cent in 2022 from a forecast of 3.6 per cent issued in April, the IMF said in an update of its World Economic Outlook. It added that world GDP actually contracted in the second quarter due to downturns in China and Russia, reports Reuters. The Fund cut its 2023 growth forecast to 2.9 per cent from the April estimate of 3.6 per cent, citing the impact of tighter monetary policy.

World growth had rebounded in 2021 to 6.1 per cent after the Covid pandemic crushed global output in 2020 with a 3.1 per cent contraction. "The outlook has darkened significantly since April. The world may soon be teetering on the edge of a global recession, only two years after the last one," IMF Chief Economist Pierre-Olivier Gourinchas said in a statement.

### Russian gas embargo

The Fund said its latest forecasts were "extraordinarily uncertain" and subject to downside risks from Russia's war in Ukraine spiking energy and food prices higher. This would exacerbate inflation and embed longer-term inflationary expectations that would prompt further monetary policy tightening.

Under a "plausible" alternative scenario that includes a complete cut-off of Russian gas supplies to Europe

by year-end and a further 30 per cent drop in Russian oil exports, the IMF said global growth would slow to 2.6 per cent in 2022 and 2 per cent in 2023, with growth virtually zero in Europe and the United States next year. Global growth has fallen below 2 per cent only five times since 1970, the IMF said, including the 2020 Covid recession.

The IMF said it now expects the 2022 inflation rate in advanced economies to reach 6.6 per cent, up from 5.7 per cent in the April forecasts, adding that it would remain elevated for longer than previously anticipated. Inflation in emerging market and developing countries is now expected to reach 9.5 per cent in 2022, up from 8.7 per cent in April.

"Inflation at current levels represents a clear risk for current and future macroeconomic stability and bringing it back to central bank targets should be the top priority for policymakers," Gourinchas said. Monetary policy tightening will "bite" next year, slowing growth and pressuring emerging market countries, but delaying this process "will only exacerbate the hardship," he said, adding that central banks "should stay the course until inflation is tamed."

### US, China downgrades

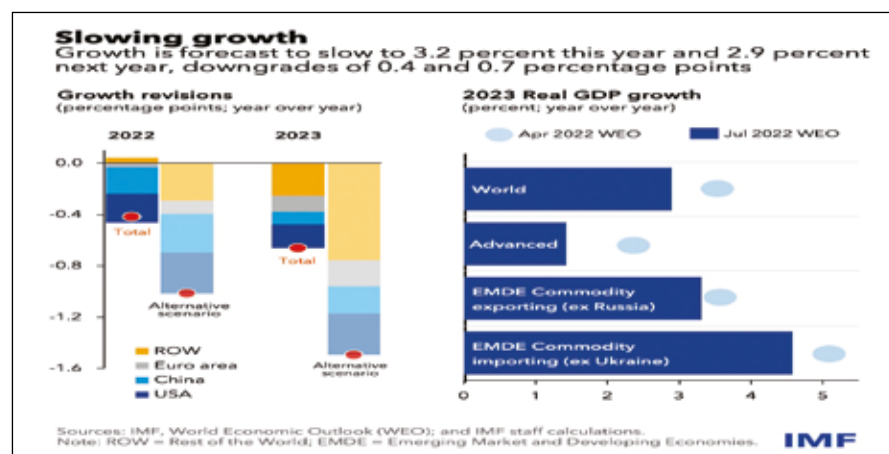
For the United States, the IMF confirmed its July 12 forecasts of 2.3 per cent growth in 2022 and an anemic 1.0 per cent for 2023, which it previously cut twice since April on slowing demand. The Fund deeply cut China's 2022 GDP growth forecast to 3.3 per cent from 4.4 per cent in April, citing Covid outbreaks and widespread lockdowns in major cities that have curtailed production and worsened global supply chain disruptions.

The IMF also said the worsening crisis in China's property sector was dragging down sales and investment in real estate. It said additional fiscal support from Beijing could improve the growth outlook, but a sustained slowdown in China driven by larger-scale virus outbreaks and lockdowns would have strong spillovers.

The IMF cut its eurozone growth outlook for 2022 to 2.6 per cent from 2.8 per cent in April, reflecting inflationary spillovers from the war in Ukraine. But forecasts were cut more deeply for some countries with more exposure to the war, including Germany, which saw its 2022 growth outlook cut to 1.2 per cent from 2.1 per cent in April.

Italy, meanwhile saw an upgrade in its 2022 growth outlook due to improved prospects for tourism and industrial activity. But the IMF said last week that Italy could suffer a deep recession under a Russian gas embargo. Russia's economy is expected to contract by 6.0 per cent in 2022 due to tightening Western financial and energy sanctions, and decline a further 3.5 per cent in 2023, the IMF said.

It estimated that Ukraine's economy will shrink by some 45 per cent due to the war, but the estimate comes with extreme uncertainty **r**



## Britain to have glut of cheap power

The giant high-tech turbines that will be installed at Dogger Bank, where the wind is excellent, have nothing to do with the low-tech low-power gnomes of yesteryear. The “power factor” is approaching 60 percent, which completely changes the energy equation.

There will be further growth in onshore wind and solar power, not to mention nuclear expansion. The scale is breathtaking. So what to do at night or on weekends when renewable energy production makes up 200 percent or more of UK demand?

Much could be exported to the Continent via interconnection lines to increase the flow of income, which would help cover the UK’s trade deficit and help save Germany from the twin madness of nuclear closure and Putin’s pact. But there are limitations as weather patterns in the UK and NW Europe overlap.

Some of the energy can be turned into green hydrogen, either to replace fossil fuel-based “grey” hydrogen in fertilizers, chemicals and refineries, or to make steel. It can also be used for storage in salt caverns as an alternative to natural gas, or to be converted to green ammonia for

fuel, trains and shipping. But this will not be competitive until the cost of electrolysis is brought down (around 2030).

Most of the energy must be stored for days or weeks. Lithium batteries are not up to the task: their optimal time is two hours, and they are expensive. You need “long-term storage” storage at a price that should eventually fall below \$100 (£82) per megawatt hour, the global benchmark for commercial viability. Now it is clear that one of the world leaders is a British startup. Highview Power has perfected a very simple technology using liquid air stored in insulated steel towers at low pressure.

This cryogenic process cools the air to minus 196 degrees with a standard LNG kit. It compresses the volume by 700 times. The liquid re-expands with explosive force when heated and drives the turbine, providing controlled power via the flywheel. New reservoirs can be added to store energy for days or even weeks. The efficiency loss or “boil off” rate from storage tanks is 0.1 percent per day and most of this is returned to the closed system.

“Think of us as a pumping station in a box. We can store for a very long time and discharge for a long time,” said Rupert Pierce, chief executive of Highview and former head of satellite

company Inmarsat. “We can take power when the grid can’t handle it and fill our reservoirs with wasted wind (reduction). The grid currently has to pay companies £1b a year for something they don’t produce, which is grotesque.”

Highview is well beyond the pilot phase and is building its first major UK power plant at Humberside, which is Britain’s main center for North Sea wind power. It will offer 2.5 GW for over 12 hours or 0.5 GW for over 60 hours and so on, and should be up and running by the end of 2024. Further projects will be built at a breakneck pace of two to three per year during the 2020s, with the goal of creating 20 sites capable of providing nearly 6 GW of standby electricity for four days at a time, or any optimal time-to-power mix **1**

## German economy stagnates as recession fears mount

Germany saw zero growth in the second quarter of the year, according to figures released by the German Federal Statistic Agency, Destatis. The agency said the stagnation was due to difficult framework conditions in the global economy, including the Covid pandemic, interruptions in supply chains, and the war in Ukraine.

### **What does the data say?**

Gross domestic product in the second quarter of 2022 was unchanged compared with the first quarter of 2022, after seasonal adjustment. Destatis said the economy was supported mainly by household and government spending, whereas weaker exports had a downward effect on growth. However, growth was up by 1.5 percent compared with the second quarter of 2021, when the German economy was strongly affected by the consequences of the third wave of the Covid pandemic.





Meanwhile, growth in the first quarter was revised upwards to 0.8 percent from an initial estimate of 0.2 percent. The numbers come at the same time as figures for the wider eurozone of which Germany is the traditional economic powerhouse showed that growth was actually up.

### **World in reverse gear**

Ahead of the data, Germany's LBBW bank had already lowered its expectations, saying that it saw Germany and the wider world slipping into recession as 2022 progressed. "The whole world is in reverse gear, including the major economies like the USA," said the bank's chief economist Moritz Kraemer.

For the year as a whole, Kraemer said he expected economic growth in Germany to be in negative figures for 2023. The figures would be markedly worse, he said, if Russian President Vladimir Putin turns off the gas supply to Europe completely in response to Western sanctions over the war in Ukraine.

"The recession will be relatively mild unless Putin turns off the gas supply," says Kraemer. "If that happens, a very severe recession is inevitable. Economists speak of a recession when an economy shrinks for two consecutive quarters" **r**

### **Russia cuts more gas flows as Europe makes savings plea**

Russia delivered less gas to Europe in a further escalation of an energy stand-off between Moscow and the European Union that will make it harder, and costlier, for the bloc to fill up storage ahead of the winter heating season, reports Reuters. The cut in supplies, flagged by Gazprom earlier this week, has reduced the capacity of Nord Stream 1 pipeline the major delivery route to Europe for Russian gas to a mere fifth of its total capacity.

On July 26, EU countries approved a weakened emergency plan to curb gas demand after striking compromise deals to limit cuts for some countries, hoping lower consumption will ease the impact in case Moscow

stops supplies altogether. The plan highlights fears that countries will be unable to meet goals to refill storage and keep their citizens warm during the winter months and that Europe's fragile economic growth may take another hit if gas will have to be rationed.

Royal Bank of Canada analysts said the plan could help Europe get through the winter provided gas flows from Russia are at 20–50 per cent capacity, but warned against "complacency in the market European politicians have now solved the issue of Russian gas dependence." While Moscow has blamed various technical issues for the supply cuts, Brussels has accused Russia of using energy as a weapon to blackmail the bloc and retaliate for Western sanctions over its invasion of Ukraine. Kremlin spokesman Dmitry Peskov said Gazprom was supplying as much gas to Europe as possible, adding that sanctions-driven technical issues with equipment were preventing it from exporting more.

On July 27, physical flows via Nord Stream 1 tumbled to 14.4 million kilowatt hours per hour in 0900–1100 GMT from around 28 million kWh/h a day earlier, already just 40 per cent of normal capacity. The drop comes less than a week after the pipeline restarted following a scheduled 10-day maintenance period **r**



## কর-জিডিপি হার ১৫ শতাংশে উন্নীতের তাগিদ আইএমএফের

বাংলাদেশে বর্তমানে মোট দেশজ উৎপাদনের (জিডিপি) তুলনায় করহার মাত্র ১০ দশমিক ৩০ শতাংশ। এ হার প্রতিবেশী দেশ নেপালের অর্ধেকের চেয়েও কম। এমনকি পাকিস্তান, ভূটানের অবস্থাও এক্ষেত্রে বাংলাদেশের চেয়ে ভালো। দক্ষিণ এশিয়ায় তো বটেই, গোটা বিশ্বেই বাংলাদেশের কর-জিডিপি হার নিম্নতম পর্যায়ের। দেশের এ করহার বাড়িয়ে কমপক্ষে ১৫ শতাংশে উন্নীত করার তাগিদ দিয়েছে আন্তর্জাতিক মুদ্রা তহবিল (আইএমএফ)। সম্প্রতি অর্থ মন্ত্রণালয়ের অর্থ বিভাগ ও জাতীয় রাজস্ব বোর্ডের (এনবিআর) কর্মকর্তাদের সঙ্গে আলাদা বৈঠকে এ তাগিদ দেয় আইএমএফ প্রতিনিধি দল। সরকারের ঋণ ব্যবস্থাপনা নিয়েও বৈঠকে আলোচনা হয়েছে। প্রতিনিধি দলের সদস্যরা বলেন, বাংলাদেশে ঋণের পরিমাণ জিডিপির তুলনায় নিরাপদ ও সন্তোষজনক অবস্থানে রয়েছে।

বাংলাদেশের অর্থনীতির চলমান পরিস্থিতি পর্যালোচনা করতে সম্প্রতি এশিয়া প্রশান্ত মহাসাগরীয় অঞ্চলের আইএমএফের প্রধান রাহুল আনন্দের নেতৃত্বে একটি প্রতিনিধি দল ঢাকা সফর করেছে। স্টাফ মিশনের মূল্যায়নের

ওপর ভিত্তি করে আগামীতে আইএমএফের কাছ থেকে বড় অংকের ঋণ মিলবে। আইএমএফ প্রতিনিধি দল অর্থ মন্ত্রণালয়ের অর্থ বিভাগ এবং জাতীয় রাজস্ব বোর্ড (এনবিআর)-এর সাথে বৈঠক করে। এনবিআরের সঙ্গে অনুষ্ঠিত বৈঠকে রাজস্ব আহরণ বাড়াতে ভবিষ্যৎ অ্যাকশন প্ল্যান বা কর্মপরিকল্পনা সম্পর্কে জানতে চেয়েছে আইএমএফ। পাশাপাশি কর-জিডিপি অনুপাত বাড়াতে অব্যাহতি সুবিধা আরো কমাতে বলেছে সংস্থাটি। বর্তমানে বাংলাদেশে জিডিপির তুলনায় কর অনুপাত মাত্র ১০ দশমিক ৩০ শতাংশ, যা বিশ্বের মধ্যে সবচেয়ে কম। আইএমএফ এটাকে কমপক্ষে ১৫ শতাংশে উন্নীত করার তাগিদ দিয়েছে।



উল্লেখ্য, সদ্যবিদায়ী ২০২১-২২ অর্থবছরে আমদানি শুল্ক, মূল্যসংযোজন কর-ভ্যাট ও

আয়কর মিলে ২ লাখ ৯৬ হাজার কোটি টাকার রাজস্ব আহরণ করেছে এনবিআর। এ সময়ে প্রবৃদ্ধির হার দাঁড়িয়েছে ১৪ শতাংশ। প্রবৃদ্ধির এ হার আগের বছরের চেয়ে কম। আগের ২০২০-২১ অর্থবছর রাজস্ব প্রবৃদ্ধি হয়েছিল ২০ শতাংশ। আদায় হয়েছিল ২ লাখ ৬০ হাজার কোটি টাকা। বিদায়ী বছরে এনবিআরের মাধ্যমে রাজস্বের মোট লক্ষ্যমাত্রা ধরা হয়েছে ৩ লাখ ৩০ হাজার কোটি টাকা। সে হিসাবে লক্ষ্যমাত্রার চেয়ে প্রায় ৩৪ হাজার কোটি টাকার বেশি ঘাটতি হতে পারে। বাংলাদেশে ঋণের পরিমাণ জিডিপির তুলনায় নিরাপদ ও সন্তোষজনক অবস্থানে রয়েছে বলে জানিয়েছে আইএমএফ।

আইএমএফ বলেছে, পাশের অনেক দেশের তুলনায় বাংলাদেশের ঋণের পরিমাণ জিডিপির চেয়ে অনেক কম। ফলে বাংলাদেশ এক্ষেত্রে নিরাপদেই রয়েছে। রিজার্ভও মোটামুটি ভালো অবস্থানে। অর্থনৈতিক সম্পর্ক বিভাগের তথ্য মতে, সরকারের ঋণের পরিমাণ (দেশী-বিদেশী মিলে) এখন জিডিপির ৪১ শতাংশ। এর মধ্যে বিদেশী ঋণের অংশ ১৭ শতাংশ। বাকি অংশ দেশী ঋণ।

### ২০২২-২৩ অর্থবছরে রফতানি লক্ষ্যমাত্রা ৬ হাজার ৭০০ কোটি ডলার

চলতি অর্থবছরের জন্য পণ্য ও সেবা খাতে রফতানির লক্ষ্যমাত্রা নির্ধারণ করা হয়েছে ৬৭ বিলিয়ন বা ৬ হাজার ৭০০ কোটি ডলার। সদ্য বিদায়ী অর্থবছরের তুলনায় যা ৭০০ কোটি ডলার বেশি। বিদায়ী অর্থবছরে রফতানি আয় হয়েছে প্রায় ৬ হাজার কোটি ডলার। মোট লক্ষ্যমাত্রার মধ্যে পণ্য খাতের জন্য লক্ষ্যমাত্রা ধরা হয়েছে ৫ হাজার ৮০০ কোটি ডলার, আর সেবা রফতানির লক্ষ্যমাত্রা ৭০০ কোটি ডলার। বাণিজ্যমন্ত্রী টিপু মুনশি সম্প্রতি রফতানি আয়ের এ লক্ষ্যমাত্রা ঘোষণা করেন। রাশিয়া-ইউক্রেন যুদ্ধের জেরে বিশ্ববাজারে অস্থিরতার মধ্যেই চলতি অর্থবছর রফতানি গত অর্থবছরের তুলনায় ১০ দশমিক ১০ শতাংশ বাড়ানোর লক্ষ্য স্থির করেছে সরকার। এতে সাহস জোগাচ্ছে গত অর্থবছরের রেকর্ড পরিমাণ রফতানি। মহামারীর মধ্যে আগের অর্থবছরে ৫১ বিলিয়ন ডলারের লক্ষ্যমাত্রা নির্ধারণ করা হলেও প্রকৃত রফতানি ৬০ বিলিয়নের বেশি হয়েছে বলে জানিয়েছেন বাণিজ্যমন্ত্রী।

২০২১-২২ অর্থবছরে বাংলাদেশ থেকে ৫ হাজার ২০৮ কোটি ২৬ লাখ ডলারের পণ্য রফতানি

হয়, যা ছিল লক্ষ্যমাত্রার চেয়ে ১৯ দশমিক ৭৩ শতাংশ বেশি এবং আগের অর্থবছরের চেয়ে ৩৪ দশমিক ৩৮ শতাংশ বেশি। আর সেবা খাতে গত অর্থবছরে ৮ বিলিয়ন ডলারের রফতানি করেছে বাংলাদেশ, যা লক্ষ্যমাত্রার চেয়ে ৬ দশমিক ৬৭ শতাংশ বেশি। পণ্য ও সেবা খাত মিলিয়ে ৫১ বিলিয়ন ডলার লক্ষ্যমাত্রার বিপরীতে রফতানি হয় মোট ৬০ দশমিক শূন্য ৮ বিলিয়ন ডলার, যা ছিল লক্ষ্যমাত্রার তুলনায় ১৭ দশমিক

৮০ শতাংশ বেশি এবং ২০২১-২২ অর্থবছরের রফতানির তুলনায় ৩৪ দশমিক ৩৮ শতাংশে বেশি। বাংলাদেশের রফতানির ইতিহাসে এটাই সর্বোচ্চ।

কোভিড মহামারীর কারণে প্রায় দুই বছর অর্থনৈতিক সংকোচন চলে বিশ্বজুড়ে। সে অবস্থা থেকে উত্তরণের ফলে ক্রেতা দেশগুলোয় এখন ক্রয়ক্ষমতা বেড়েছে। সে কারণেই রফতানিতে



অভূতপূর্ব প্রবৃদ্ধি এসেছে বলে মনে করেন টিপু মুন্শি। তবে নতুন লক্ষ্যমাত্রা নির্ধারণের ক্ষেত্রে করোনায় প্রকোপ আবারো বৃদ্ধি, ইউরোপে চলমান দাবদাহ, রাশিয়া-ইউক্রেন যুদ্ধের কারণে সৃষ্ট অস্থিতিশীল পরিস্থিতি, মূল্যস্ফীতিসহ অন্য চ্যালেঞ্জগুলোও বিবেচনায় নেয়ার কথা জানিয়েছেন তিনি। মন্ত্রী বলেন, এসব প্রতিকূল পরিবেশের কারণে রফতানিতে ঋণাত্মক প্রভাব পড়তে পারে। তার পরও আমরা আমাদের ক্যাপাসিটি, এফোর্ট, শ্রমিক, উদ্যোক্তা সবকিছু বিবেচনায় নিয়ে রফতানির লক্ষ্যমাত্রা ঠিক করেছে। রফতানি আয়ের লক্ষ্যমাত্রা অর্জন হবে বলে আমরা আশাবাদী। বাণিজ্যমন্ত্রী বলেন, আমাদের কয়েকটা সেক্টর ভালো করছে। আইসিটির ক্ষেত্রে আমরা আশাবাদী। চামড়া পণ্যও ভালো করতে শুরু করেছে। হোম টেক্সটাইলেও ভালো করছি। ইউক্রেন-রাশিয়া যুদ্ধ থাকার পরও সবকিছু মিলিয়ে আমরা আমাদের যে লক্ষ্যমাত্রা, তা অর্জন করতে পারব বলেও আশাবাদী।

এছাড়া দেশের কৃষি খাত, চামড়া খাত, পাট খাত, হোম টেক্সটাইল খাতের রফতানি এরই মধ্যে খাত প্রতি ১ বিলিয়ন ডলারের বেশি হয়েছে। আইসিটি, লাইট ইঞ্জিনিয়ারিংসহ প্রায় ৮-১০টি খাতের রফতানি বিলিয়ন ডলার ছাড়িয়ে যাবে। মন্ত্রী বলেন, আইসিটিকে এবার বর্ষ পণ্য করা হয়েছে। এ সেক্টর নিয়ে আমরা ভীষণ আশাবাদী। প্রধানমন্ত্রী আশা করেছেন, ২০২৫ সালের মধ্যে ৫ বিলিয়ন ডলার আয় হবে আইসিটি থেকে। আমরা যদি সেখানে যেতে পারি, তাহলে ২০২৫ সালে আমরা ৮০ বিলিয়ন ডলার রফতানির যে কথা বলেছি সেটা সম্ভব।

## মূল্যস্ফীতি ও টাকার মান ধরে রাখার চ্যালেঞ্জে জয়ী হতে চায় কেন্দ্রীয় ব্যাংক

উর্ধ্বমুখী মূল্যস্ফীতি আর ডলারের বিপরীতে টাকার মান ধরে রাখার চাপে আছে বাংলাদেশ ব্যাংক। চলতি বছরের শুরু থেকেই বাজারে নিত্যব্যবহার্য প্রায় সব পণ্যেরই দাম বেড়েছে। ফলে মে মাসে দেশের মূল্যস্ফীতির হার ঠেকেছে ৭ দশমিক ৪২ শতাংশে। অন্যদিকে রেকর্ড আমদানি দায় পরিশোধে হিমশিম খাচ্ছে দেশের ব্যাংক খাত। ফলে প্রতিনিয়ত ডলারের বিপরীতে মান হারাচ্ছে বাংলাদেশী মুদ্রা। ২০২১ সালের জুনে প্রতি ডলারের বিনিময় মূল্য ছিল ৮৪ টাকা ৮১ পয়সা। চলতি বছরের জুনে এসে প্রতি ডলারের মূল্য ৯৩ টাকা ৪৫ পয়সা ছুঁয়েছে। যদিও খুচরা বাজারে প্রতি ডলার বিক্রি হচ্ছে ১০০ টাকারও বেশি দরে। এ পরিস্থিতিতেই

২০২২-২৩ অর্থবছরের জন্য মুদ্রানীতি ঘোষণা করেছে বাংলাদেশ ব্যাংক।

কেন্দ্রীয় ব্যাংক বলছে, ২০২২-২৩ অর্থবছরে টাকার অভ্যন্তরীণ ও বাহ্যিক মান অর্থাৎ মূল্যস্ফীতি ও বিনিময় হারকে স্থিতিশীল রাখাই হবে মুদ্রানীতির মূল চ্যালেঞ্জ। আর এ চ্যালেঞ্জে জয়ী হতে ঘোষণা করা হয়েছে সংকোচনমুখী মুদ্রানীতি। ঘোষিত মুদ্রানীতিতে মূল্যস্ফীতির লাগাম টানতে বাজারে টাকার সরবরাহ হ্রাসের উদ্যোগ নেয়া হয়েছে। এজন্য বাড়ানো হয়েছে নীতিহার হিসেবে বিবেচিত রেপোর সুদহার। দশমিক ৫০ শতাংশ বাড়িয়ে রেপোর সুদহার ৫ দশমিক ৫০ শতাংশ নির্ধারণ করা হয়েছে। জোর দেয়া হয়েছে আমদানি বিকল্প পণ্যের উৎপাদন বাড়ানোয়। এজন্য নতুন নতুন পুনঃঅর্থায়ন তহবিল গঠনের ঘোষণা দেয়া হয়েছে। বিলাসপণ্য, বিদেশী ফল ও অপ্রয়োজনীয় পণ্য আমদানির লাগাম টানতে এলসি মার্জিন বাড়ানোর কথা বলা হয়েছে মুদ্রানীতিতে। মূল্যস্ফীতি ও টাকার মান ধরে রাখতে এসব কর্মসূচি ভূমিকা রাখবে বলে মনে করছে বাংলাদেশ ব্যাংক। কেন্দ্রীয় ব্যাংকে আয়োজিত সংবাদ সম্মেলনের মাধ্যমে ২০২২-২৩ অর্থবছরের মুদ্রানীতি ঘোষণা করা হয়।

আগামী অর্থবছরের জন্য ঘোষিত মুদ্রানীতিতে বেসরকারি খাতে ঋণ প্রবৃদ্ধির লক্ষ্য ধরা হয়েছে ১৪ দশমিক ১ শতাংশ। ২০২১-২২ অর্থবছরে বেসরকারি খাতে ঋণ প্রবৃদ্ধি ১৩ দশমিক ১ শতাংশ অর্জিত হয়েছে। যদিও গত দুই অর্থবছরেই এ খাতে ঋণ প্রবৃদ্ধি ১০ শতাংশের নিচে ছিল। বেসরকারি খাতে ঋণ প্রবৃদ্ধির লক্ষ্য নির্ধারণের ক্ষেত্রে রক্ষণশীল ভূমিকায় থাকলেও সরকারি খাতে ঋণপ্রবাহে উদার দৃষ্টিভঙ্গি দেখিয়েছে বাংলাদেশ ব্যাংক। ২০২২-২৩ অর্থবছরে সরকারি খাতে ঋণ প্রবৃদ্ধির লক্ষ্য ধরা হয়েছে ৩৬ দশমিক ৩ শতাংশ। ২০২১-২২ অর্থবছরের শেষ মাস তথা জুন পর্যন্ত সরকারি খাতে ঋণ প্রবৃদ্ধি প্রাক্কলিত হয়েছে ২৭ দশমিক ৯ শতাংশ।

মুদ্রানীতি ঘোষণা অনুষ্ঠানে গভর্নর ফজলে কবির বলেন, কোভিড-১৯-এর অনাকাঙ্ক্ষিত অভিঘাত ও ভূরাজনৈতিক সংকটে বর্তমান বিশ্ব এক ক্রান্তিকাল অতিক্রম করেছে। সফলভাবে কোভিডের টিকাদান থেকে শুরু করে অন্যান্য কর্মসূচির কারণে যখন বাংলাদেশের অর্থনীতি ঘুরে দাঁড়াতে শুরু করেছিল, ঠিক তখন রাশিয়া-ইউক্রেন যুদ্ধে অনিশ্চয়তা তৈরি হয়েছে। ২০২১ সালের শুরু থেকেই বিশ্ববাজারে জ্বালানি তেলসহ সব ধরনের পণ্যের দাম বাড়ছে। চলমান রাশিয়া-ইউক্রেন যুদ্ধের কারণে বৈশ্বিক পণ্যবাজার

আরো বেশি অস্থিতিশীল হয়ে ওঠে। আন্তর্জাতিক মুদ্রা তহবিলের সর্বশেষ প্রক্ষেপণ অনুযায়ী, ২০২২ সালে উন্নত দেশগুলোর মূল্যস্ফীতি হবে ৫ দশমিক ৭ শতাংশ। উন্নয়নশীল দেশগুলোর ক্ষেত্রে মূল্যস্ফীতির হার ৮ দশমিক ৭ শতাংশ হবে বলে পূর্বাভাস দেয়া হয়েছে। এ পরিস্থিতিতে মূল্যস্ফীতির চাপ কমানোর জন্য যুক্তরাষ্ট্র, যুক্তরাজ্য, ইউরো অঞ্চল ও ভারতের মতো অনেক উন্নত ও উন্নয়নশীল দেশের কেন্দ্রীয় ব্যাংক নীতি সুদহার বাড়ানোর মাধ্যমে সংকোচনমূলক মুদ্রানীতির পথ অনুসরণ করেছে।

## রফতানিকারকদের ইআরকিউর ৫০% নগদায়নের নির্দেশ

রফতানিকারকের রিটেনশন কোটা (ইআরকিউ) হিসাবে জমাকৃত বৈদেশিক মুদ্রার ৫০ শতাংশ নগদায়নের নির্দেশ দিয়েছে বাংলাদেশ ব্যাংক। অনতিবিলম্বে এ নির্দেশনা বাস্তবায়নে সব অনুমোদিত ডিলার (এডি) ব্যাংকগুলোকে নির্দেশনা দিয়ে পরিপত্র জারি করা হয়। সম্প্রতি বাংলাদেশ ব্যাংকের বৈদেশিক মুদ্রা ও নীতি বিভাগ এ-সংক্রান্ত নির্দেশনা জারি করেছে। বৈদেশিক মুদ্রার রিজার্ভের ওপর চাপ কমাতে ইআরকিউ ছাড়াও আরো দুটি বিষয়ে নির্দেশনা জারি করেছে বাংলাদেশ ব্যাংক। এর মধ্যে একটি নির্দেশনায় ব্যাংকগুলোকে আমদানির ব্যয় মেটাতে অফশোর ব্যাংকিং কার্যক্রম থেকে ঋণ নেয়ার সুযোগ দেয়া হয়েছে। এছাড়া আমদানি ঋণপত্র বা এলসি খোলার ২৪ ঘণ্টা আগে কেন্দ্রীয় ব্যাংককে জানানোর বাধ্যবাধকতা দিয়ে আরেকটি নির্দেশনা জারি করেছে বাংলাদেশ ব্যাংক।

প্রত্যাবাসিত রফতানি আয়ের নির্দিষ্ট অংশ ইআরকিউ হিসাবে জমা রাখার সুযোগ ছিল। রিটেনশন কোটার হার স্থানীয় মূল্য সংযোজনের মাত্রা অনুযায়ী ১৫ শতাংশ অথবা ৬০ শতাংশ হতে পারে। আর তথ্যপ্রযুক্তি খাতে এ হার ৭০ শতাংশ। পরিপত্রে রিটেনশন কোটা হিসাবে বৈদেশিক মুদ্রা জমার মাত্রা ৫০ শতাংশ কমানো হয়। ফলে ১৫ শতাংশের ক্ষেত্রে ৭ দশমিক ৫ শতাংশ, ৬০ শতাংশের ক্ষেত্রে ৩০ শতাংশ এবং ৭০ শতাংশের ক্ষেত্রে ৩৫ শতাংশ করা হয়। এ নির্দেশনা আগামী ৩১ ডিসেম্বর পর্যন্ত কার্যকর থাকবে। দেখা গেছে, রফতানিকারকরা ইআরকিউ অ্যাকাউন্টে বৈদেশিক মুদ্রা দীর্ঘদিন জমা রাখেন। এতে মুদ্রা অলস অবস্থায় পড়ে থাকে। বর্তমান পরিস্থিতিতে এর সঠিক ব্যবহার নিশ্চিত করতে এ সিদ্ধান্ত নেয়া হয়েছে। দেশে বৈদেশিক

মুদ্রার রিজার্ভ ৪০ বিলিয়ন ডলারের নিচে নামার পর বিভিন্ন পদক্ষেপ নিচ্ছে বাংলাদেশ ব্যাংক। তারই অংশ হিসেবে এ সিদ্ধান্ত নেয়া হয়।

ফরেন এক্সচেঞ্জ ইনভেস্টমেন্ট ডিপার্টমেন্ট থেকে অফশোর ব্যাংকিং বিষয়ে জারি করা প্রজ্ঞাপনে বলা হয়েছে, আন্তর্জাতিক বাণিজ্য সহজ করতে বিদেশী মুদ্রা লেনদেনকারী স্থানীয় ব্যাংকগুলো ছয় মাস মেয়াদের জন্য অফশোর ব্যাংকিংয়ের মোট মূলধনের ২৫ শতাংশ ঋণ নিতে পারবে। তবে এ অর্থ ব্যয় করতে হবে শিল্প স্থাপনের জন্য প্রয়োজনীয় মূলধনি যন্ত্রপাতি ও শিল্পের কাঁচামাল এবং সরকারের আমদানি বিল পরিশোধে। চলতি বছরের ৩১ ডিসেম্বর পর্যন্ত এ সিদ্ধান্ত কার্যকর থাকবে। আমদানি ঋণপত্র খোলা-সংক্রান্ত কেন্দ্রীয় ব্যাংকের প্রজ্ঞাপনে বলা হয়েছে, বিদেশী মুদ্রা লেনদেনকারী ব্যাংকগুলোকে এলসি খোলার ২৪ ঘণ্টা আগে কেন্দ্রীয় ব্যাংকের ওয়েব পোর্টালে রিপোর্ট করতে হবে। সরকারি আমদানি ছাড়া অন্য যেকোনো আমদানি ৫০ লাখ ডলারের বেশি হলেই তা জানানোর এ বাধ্যবাধকতা দেয়া হয়েছে।

রফতানি ও রেমিট্যান্স প্রবাহের তুলনায় আমদানি ব্যয় বেড়ে যাওয়ায় কয়েক মাস ধরে কেন্দ্রীয় ব্যাংকের রিজার্ভ কমছে। যদিও এর আগে রিজার্ভের পরিমাণ ধারাবাহিকভাবে উর্ধ্বমুখী ছিল। বাংলাদেশ ব্যাংকের তথ্য অনুযায়ী, ২০১৩ সালের জুন শেষে বৈদেশিক মুদ্রার রিজার্ভ ছিল ১৫ দশমিক ৩২ বিলিয়ন ডলার। ধারাবাহিকভাবে বাড়তে থাকা রিজার্ভ গত বছরের আগস্টে প্রথমবারের মতো ৪৮ দশমিক শূন্য ৬ বিলিয়ন ডলার ছাড়াই। চলতি বছরের শুরুতে রিজার্ভের পরিমাণ দাঁড়ায় ৪৬ দশমিক ১৫ বিলিয়ন ডলারে। সদ্যসমাপ্ত ২০২১-২২ অর্থবছরের শেষ দিন রিজার্ভের পরিমাণ ছিল ৪১ দশমিক ৮৬ বিলিয়ন ডলার।

## ঋণ পুনঃতফসিলের সুযোগ বাড়াল কেন্দ্রীয় ব্যাংক

দুই বছর ধরে ঋণ পরিশোধে অব্যাহতি ছাড় পেয়ে এসেছেন গ্রাহকরা। ফলে এ সময়ে নিয়ন্ত্রিত ছিল খেলাপি ঋণ। ঋণ পরিশোধে নীতিছাড়ের মেয়াদ শেষ হতেই খেলাপি ঋণে উল্লেখ্য শুরু হয়েছে। এ অবস্থায় ঋণ পুনঃতফসিলের শর্তে শিথিলতা এনেছে কেন্দ্রীয় ব্যাংক। সম্প্রতি ব্যাংকিং প্রবিধি ও নীতি বিভাগ থেকে জারি করা এক প্রজ্ঞাপনের মাধ্যমে ঋণ পুনঃতফসিল ও পূর্ণগঠনের নতুন রীতিনীতি ঘোষণা করা হয়েছে। কেন্দ্রীয় ব্যাংক বলেছে, খেলাপি ঋণ নিয়মিত করতে এখন

আড়াই থেকে সাড়ে ৪ শতাংশ অর্থ জমা দিলেই চলবে। আগে ঋণ নিয়মিতকরণের জন্য দিতে হতো ১০ থেকে ৩০ শতাংশ অর্থ। এ ধরনের ঋণ পরিশোধে আগে সর্বোচ্চ দুই বছর সময় দেয়া হলেও এখন তা বাড়িয়ে পাঁচ থেকে আট বছর নির্ধারণ করা হয়েছে। এ সময়ের মধ্যে নতুন ঋণও দেয়া যাবে বলে উল্লেখ করেছে বাংলাদেশ ব্যাংক।

খেলাপি ঋণে কী সুবিধা দেয়া হবে তা নির্ধারণ করার ক্ষমতা ব্যাংকের পরিচালনা পর্ষদকে দেয়া হয়েছে জারি করা প্রজ্ঞাপনে। এতে ঋণখেলাপীদের সুবিধার বিষয়গুলো ব্যাংকমালিকরা ঠিক করতে পারবেন। আগে বিশেষ সুবিধায় ঋণ নিয়মিত করতে কেন্দ্রীয় ব্যাংকের অনুমোদন লাগত। তবে জাল-জালিয়াতি ও অনিয়ম-প্রতারণার ঋণ নতুন নীতিমালার আওতায় নিয়মিত করা যাবে না। কেন্দ্রীয় ব্যাংক বলেছে, খেলাপি হওয়া কোনো ঋণ সর্বোচ্চ তিনবার পুনঃতফসিল করা যাবে। তবে খেলাপি ঋণ আদায়ের স্বার্থে বিশেষ বিবেচনায় চতুর্থবার পুনঃতফসিলের সুযোগও রাখা হয়েছে। প্রজ্ঞাপনে বাংলাদেশ ব্যাংক বলেছে, আর্থিক খাতে স্থিতিশীলতা বজায় রাখা এবং শ্রেণীকৃত ঋণের সুষ্ঠু ব্যবস্থাপনার স্বার্থে খেলাপি ঋণ পুনঃতফসিলের সুযোগ বাড়ানো হয়েছে। এক্ষেত্রে কোভিড-১৯-এর দীর্ঘমেয়াদি নেতিবাচক প্রভাব, বহির্বিপ্লবী সাম্প্রতিক প্রলম্বিত যুদ্ধাবস্থায় বৈশ্বিক অর্থনৈতিক অস্থিতিশীলতা ও নতুনভাবে কোভিড-১৯-এর সংক্রমণ বৃদ্ধি এ তিন বিষয় উল্লেখ করা হয়েছে।

প্রজ্ঞাপনে বলা হয়, এ নীতিমালা ঋণ পুনঃতফসিলীকরণ ও পুনর্গঠনের ন্যূনতম মানদণ্ড হিসেবে বিবেচিত হবে এবং এর সঙ্গে সামঞ্জস্য রেখে ব্যাংকগুলো ঋণ পুনঃতফসিল ও পূর্ণগঠন-সংক্রান্ত নিজস্ব নীতিমালা প্রণয়ন করবে, যা তাদের পরিচালনা পর্ষদ কর্তৃক অনুমোদিত হতে হবে। ব্যাংকের নীতিমালায় প্রজ্ঞাপনে দেয়া শর্তের চেয়ে নমনীয় কোনো শর্ত যুক্ত করা যাবে না। নীতিমালায় অনুৎপাদনশীল খাতের ব্যবসা প্রতিষ্ঠান অথবা উৎপাদনশীল খাতের অলাভজনক ব্যবসা প্রতিষ্ঠানের ঋণ পুনঃতফসিলীকরণের ক্ষেত্রে কঠোর বিধিনিষেধ থাকতে হবে। কোনো ঋণগ্রহীতা প্রয়োজনীয় ডাউন পেইন্ট দিয়ে ঋণ পুনঃতফসিলীকরণের আবেদন করলে ব্যাংক আবশ্যিকভাবে আবেদনপত্র গ্রহণের তিন মাস সময়ের মধ্যে তা নিষ্পত্তির ব্যবস্থা নিতে হবে। এছাড়া ঋণ পুনঃতফসিল-সংক্রান্ত সিদ্ধান্ত নেয়ার আগে অন্যান্য ব্যাংক ও আর্থিক প্রতিষ্ঠানে গ্রাহকের দায় বিবেচনায় নিয়ে গ্রাহকের সামগ্রিক ঋণ পরিশোধ ক্ষমতা যাচাই করতে হবে।

নীতিমালা অনুযায়ী, ঋণ পুনঃতফসিলের ক্ষেত্রে মেয়াদি ঋণ ১০০ কোটি টাকার কম হলে সর্বোচ্চ সময়সীমা হবে ছয় বছর। এক্ষেত্রে ন্যূনতম ডাউন পেইন্টের হার হবে মোট বকেয়া ঋণের সাড়ে ৪ এবং মেয়াদোত্তীর্ণ কিস্তির ৭ শতাংশ। ঋণ ১০০ থেকে ৫০০ কোটি টাকার মধ্যে হলে সর্বোচ্চ সময়সীমা হবে সাত বছর এবং ডাউন পেইন্টের হার হবে সাড়ে ৩ থেকে ৬ শতাংশ। ৫০০ কোটি টাকার ওপরে হলে সর্বোচ্চ সময়সীমা হবে আট বছর এবং ডাউন পেইন্টের হার হবে আড়াই থেকে ৫ শতাংশ। তলবি ঋণ ৫০ কোটি টাকার কম হলে সর্বোচ্চ সময়সীমা হবে পাঁচ বছর এবং ন্যূনতম ডাউন পেইন্টের হার হবে ৪ শতাংশ।

৫০ থেকে ৩০০ কোটি টাকার কম হলে সর্বোচ্চ সময়সীমা ছয় বছর। ডাউন পেইন্টের হার হবে ৩ শতাংশ। ৩০০ কোটি টাকার ওপরে হলে সময়সীমা হবে সর্বোচ্চ সাত বছর। ডাউন পেইন্টের হার হবে আড়াই শতাংশ। এক্ষেত্রে কোনো গ্রাহকের ঋণ হিসাব দ্বিতীয়বার পুনঃতফসিলীকরণের ক্ষেত্রে সর্বোচ্চ মেয়াদ সাত বছর হলে তৃতীয়বার পুনঃতফসিলীকরণের ক্ষেত্রে সর্বোচ্চ মেয়াদ হবে ছয় বছর। চতুর্থবার পুনঃতফসিলীকরণের ক্ষেত্রে সর্বোচ্চ মেয়াদ হবে পাঁচ বছর। এছাড়া কৃষি ও ক্ষুদ্র ঋণ প্রথমবার পুনঃতফসিলের ক্ষেত্রে মেয়াদ হবে সর্বোচ্চ তিন বছর। দ্বিতীয় ও তৎপরবর্তী প্রতিবার পুনঃতফসিলের ক্ষেত্রে সর্বোচ্চ মেয়াদ হবে আড়াই বছর।

ঋণের পরিমাণ বিবেচনায় ব্যাংকার-গ্রাহক সম্পর্কের ভিত্তিতে গ্রেস পিরিয়ড ছয় মাস হবে। তবে গ্রাহকের ক্ষতির পরিমাণ বিবেচনায় ওই গ্রেস পিরিয়ডের মেয়াদ সর্বোচ্চ এক বছর নির্ধারণ করা যাবে। নীতিমালার আওতায় ঋণ পুনঃতফসিলীকরণের পর পুনঃতফসিলকৃত ঋণ স্থিতির ন্যূনতম ৩ শতাংশ (রফতানিকারক ঋণগ্রহীতার ক্ষেত্রে ২ শতাংশ) নগদে আদায় সাপেক্ষে ঋণগ্রহীতাকে নতুন ঋণ সুবিধা দেয়া যাবে। ঋণগ্রহীতার বিদ্যমান ঋণসীমাও বাড়ানো যাবে। নতুন ঋণ মঞ্জুরি বা ঋণসীমা বাড়ানোর আগে গ্রাহক প্রকৃতই ক্ষতিগ্রস্ত হয়েছিল বলে ব্যাংকের মাধ্যমে নিশ্চিত হতে হবে।

এছাড়া দীর্ঘদিনের পুরনো খেলাপি ঋণগ্রহীতাদের নতুন ঋণ প্রদানে ব্যাংক কর্তৃক সর্বোচ্চ সতর্কতা অবলম্বন করতে হবে। নিয়মিত মেয়াদি ঋণ পুনর্গঠনের ক্ষেত্রে সার্কুলারে বলা হয়েছে, নিয়মিত (অশ্রেণীকৃত স্ট্যান্ডার্ড বা এসএমএ) মেয়াদি ঋণের বিদ্যমান অবশিষ্ট মেয়াদের সর্বোচ্চ ৫০ শতাংশ পর্যন্ত মেয়াদ বাড়িয়ে ঋণ পুনর্গঠন করা যাবে।

## ১২ মাসে ৫২ বিলিয়ন ডলারের বেশি পণ্য রফতানি

বিশ্ববাজারে বাংলাদেশের পণ্য রফতানির পরিমাণ বাড়ছে। বিদায়ী ২০২১-২২ অর্থবছরের ১২ মাসে অর্থাৎ জুলাই-জুনের মধ্যে বিশ্বের বিভিন্ন দেশে ৫২ বিলিয়নের বেশি বা ৫ হাজার ২০৮ কোটি ২৬ লাখ ৬০ হাজার ডলারের পণ্য রফতানি করেছে বাংলাদেশ। এর আগের অর্থবছরের একই সময়ের সঙ্গে তুলনা করলে রফতানি বেড়েছে বা প্রবৃদ্ধি হয়েছে ৩৪ দশমিক ৩৮ শতাংশ। কেবল জুনেই পণ্য রফতানিতে প্রবৃদ্ধি হয়েছে ৩৭ দশমিক ১৯ শতাংশ।

রপ্তানি উন্নয়ন ব্যুরোর (ইপিবি) হালনাগাদ পরিসংখ্যানে এ তথ্য উঠে এসেছে। অর্থমূল্য বিবেচনায় বাংলাদেশ থেকে রফতানি হওয়া শীর্ষ পাঁচ পণ্য হলো পোশাক, হোমটেক্সটাইল, চামড়া ও চামড়াজাত পণ্য, পাট ও পাটজাত পণ্য এবং কৃষিপণ্য। পরিসংখ্যান বলছে, ২০২১-২২ অর্থবছরে দেশের মোট রফতানির ৯১ দশমিক ৭১ শতাংশ জুড়েই ছিল এ পাঁচ পণ্য।

২০২০-২১ অর্থবছরের তুলনায় গত অর্থবছর শেষে পোশাকের রফতানি বেড়েছে ৩৫ দশমিক ৪৭ শতাংশ, হোমটেক্সটাইল রফতানি বেড়েছে ৪৩ দশমিক ২৮ শতাংশ। এছাড়া চামড়া ও চামড়াজাত পণ্য রফতানি বেড়েছে ৩২ দশমিক ২৩ শতাংশ এবং কৃষিপণ্য রফতানি বেড়েছে ১৩ দশমিক শূন্য ৪ শতাংশ। তবে পাট ও পাটজাত পণ্যের রফতানি কমেছে ২ দশমিক ৯১ শতাংশ। বাণিজ্য মন্ত্রণালয়ের অধীন সংস্থা ইপিবি প্রকাশিত সর্বশেষ সংস্করণে দেখা যায়, সদ্যসমাপ্ত অর্থবছরে মোট রফতানির ৮১ দশমিক ৮১ শতাংশই ছিল তৈরি পোশাক।

এ ১২ মাসে পোশাক রফতানির অর্থমূল্য ছিল ৪ হাজার ২৬১ কোটি ৩১ লাখ ৫০ হাজার ডলার। এর আগের অর্থবছরে রফতানি হয় ৩ হাজার ১৪৫ কোটি ৬৭ লাখ ৩০ হাজার ডলারের পোশাক পণ্য। এ হিসেবে এক অর্থবছরের ব্যবধানে রফতানি বেড়েছে ৩৫ দশমিক ৪৭ শতাংশ। ২০২১-২২ অর্থবছরের হোমটেক্সটাইল পণ্য রফতানি হয়েছে ১৬২ কোটি ১৯ লাখ ৩০ হাজার ডলারের। ২০২০-২১ অর্থবছরে তা ছিল ১১৩ কোটি ২০ লাখ ৩০ হাজার ডলারের। এ হিসেবে হোমটেক্সটাইল পণ্যের রফতানি বেড়েছে ৪৩ দশমিক ২৮ শতাংশ।

চামড়া ও চামড়াজাত পণ্য রফতানি বিদায়ী অর্থবছরের ১২ মাসে হয়েছে ১২৪ কোটি

৫১ লাখ ৮০ হাজার ডলারের। এর আগের অর্থবছরে রফতানি হয়েছিল ৯৪ কোটি ১৬ লাখ ৭০ হাজার ডলারের। এ হিসেবে চামড়া ও চামড়াজাত পণ্যের রফতানি বেড়েছে ৩২ দশমিক ২৩ শতাংশ। কৃষিপণ্যের রফতানি ২০২০-২১ অর্থবছরে হয়েছিল ১০২ কোটি ৮১ লাখ ৪০ হাজার ডলারের। ২০২১-২২ অর্থবছরে এসে তা দাঁড়িয়েছে ১১৬ কোটি ২২ লাখ ৫০ হাজার ডলারে। অর্থাৎ এ খাতে কৃষিপণ্য রফতানি বেড়েছে ১৩ দশমিক শূন্য ৪ শতাংশ। এদিকে পোশাক, হোমটেক্সটাইল, চামড়া ও চামড়াজাত এবং কৃষিপণ্যের রফতানি বাড়লেও কমেছে বাংলাদেশের সোনালি আঁশখ্যাত পাট ও পাটজাত পণ্যের রফতানি। এ পণ্যের রফতানি গত অর্থবছরের জুলাই থেকে জুনে ছিল ১১২ কোটি ৭৬ লাখ ৩০ হাজার ডলারের। এর আগের অর্থবছরে রফতানি হয়েছিল ১১৬ কোটি ১৪ লাখ ৮০ হাজার ডলারের পণ্য। সে হিসেবে পণ্যটি রফতানিতে ঋণাত্মক প্রবৃদ্ধি হয়েছে বা কমেছে ২ দশমিক ৯১ শতাংশ।

## সাড়ে ৭ শতাংশ ছাড়াল মূল্যস্ফীতির হার

সরকারের নানা উদ্যোগে ও বাজারদরের উর্ধ্বগতি নিয়ন্ত্রণে রাখা যাচ্ছে না। করোনা মহামারীর পর রাশিয়া-ইউক্রেন যুদ্ধের ধাক্কায় অস্থিরতা বিশ্ববাজারে। এরই জের ধরে গত মাসে দেশে মূল্যস্ফীতির হার সাড়ে ৭ শতাংশ ছাড়িয়েছে। সম্প্রতি বাংলাদেশ পরিসংখ্যান ব্যুরোর (বিবিএস) প্রকাশিত হালনাগাদ প্রতিবেদনে বলা হয়েছে, পয়েন্ট টু পয়েন্ট ভিত্তিতে গত মাসে দেশে সার্বিক মূল্যস্ফীতির হার দাঁড়িয়েছে ৭ দশমিক ৫৬ শতাংশে, যা নয় বছরে সর্বোচ্চে। বিশেষ করে খাদ্য মূল্যস্ফীতির হার এক্ষেত্রে বড় ভূমিকা রেখেছে বলে প্রতিবেদনে উঠে এসেছে। এর আগে মে মাসে ৭ দশমিক ৪২ শতাংশে উঠেছিল অর্থনীতির গুরুত্বপূর্ণ ও স্পর্শকাতর এ সূচক।

জুনে তা আরো দশমিক ১৪ শতাংশ পয়েন্ট বেড়ে ৭ দশমিক ৫৬ শতাংশে উঠেছে। অর্থাৎ গত বছরের জুনে দেশের মানুষ যে পণ্য বা সেবা ১০০ টাকায় পেয়েছিল, এ বছরের একই সময়ে তা কিনতে খরচ করতে হয়েছে ১০৭ টাকা ৫৬ পয়সা। বিবিএসের তথ্য বলছে, সর্বশেষ ২০১৩ সালের জুলাইয়ে মূল্যস্ফীতির হার ৭ দশমিক ৮৫ শতাংশে উঠেছিল। এর পরের সময়টায় তা সাড়ে ৭ শতাংশের মধ্যেই সীমাবদ্ধ ছিল।

বিবিএসের প্রতিবেদনে দেখা গিয়েছে, গত ৩০ জুন শেষ হওয়া বিদায়ী ২০২১-২২ অর্থবছর শেষে গড় মূল্যস্ফীতির হার দাঁড়িয়েছে ৬ দশমিক ১৫ শতাংশ, যা লক্ষ্যের চেয়ে দশমিক ৮৫ শতাংশীয় পয়েন্ট বেশি। এর আগে ২০২০-২১ অর্থবছরেও মূল্যস্ফীতির হার লক্ষ্যমাত্রায় আটকে রাখা যায়নি। ওই সময় এ লক্ষ্য ধরা হয়েছিল ৫ দশমিক ৪ শতাংশ। কিন্তু অর্থবছর শেষ হয়েছে ৫ দশমিক ৫৬ শতাংশ মূল্যস্ফীতি নিয়ে। সে অনুযায়ী, গত দুই অর্থবছরেই মূল্যস্ফীতিকে লক্ষ্যমাত্রার মধ্যে আটকে রাখা যায়নি।

২০২২-২৩ অর্থবছরের নতুন বাজেটে গড় মূল্যস্ফীতি ৫ দশমিক ৬ শতাংশে আটকে রাখার লক্ষ্য ধরেছে সরকার। মূলত চাল, ডাল, ভোজ্যতেল, শাকসবজি থেকে শুরু করে মাছ-মুরগিসহ সব ধরনের প্রয়োজনীয় খাদ্যের মূল্যবৃদ্ধির কারণে জুনে মূল্যস্ফীতি নয় বছরের সর্বোচ্চে পৌঁছেছে বলে জানিয়েছে বিবিএস। গত মাসে দেশে খাদ্য মূল্যস্ফীতি হয়েছে ৮ দশমিক ৩৭ শতাংশ। আগের মাসে তা ছিল ৮ দশমিক ৩০ শতাংশ। এ সময় খাদ্যবহির্ভূত মূল্যস্ফীতি ৬ দশমিক শূন্য ৮ শতাংশ থেকে বেড়ে ৬ দশমিক ৩৩ শতাংশ হয়েছে।

পরিসংখ্যানে দেখা যায়, নয় বছর আগে ২০১১-১২ অর্থবছর শেষে সার্বিক গড় মূল্যস্ফীতির হার ছিল ৮ দশমিক ৬৯ শতাংশ। ওই বছরে খাদ্য মূল্যস্ফীতি হয়েছিল ৭ দশমিক ৭৩ শতাংশ। আর খাদ্যবহির্ভূত মূল্যস্ফীতি ছিল ১০ দশমিক ২১ শতাংশ। ২০১২-১৩ অর্থবছরে সার্বিক মূল্যস্ফীতি কমে ৬ দশমিক ৭৮ শতাংশে নেমে আসে। ওই বছরে খাদ্য মূল্যস্ফীতি হয় ৫ দশমিক ২২ শতাংশ। আর খাদ্যবহির্ভূত মূল্যস্ফীতি হয়েছিল ৯ দশমিক ১৭ শতাংশ। এর পর থেকে মূল্যস্ফীতির হার নিম্নমুখীই ছিল।

২০২১-২২ অর্থবছরে টানা ছয় মাস বাড়ার পর জানুয়ারিতে এ সূচক কিছুটা কমেছিল। ফেব্রুয়ারি থেকে তা আবার বাড়ছে। বিবিএসের তথ্যে দেখা যায়, দেড় বছর পর গত বছরের ডিসেম্বরে মূল্যস্ফীতি ৬ শতাংশের ঘর অতিক্রম করে ৬ দশমিক শূন্য ৫ শতাংশে ওঠে। তবে চলতি বছরের জানুয়ারিতে তা আবার কমে ৫ দশমিক ৮৬ শতাংশে নেমে আসে। এর পর থেকে প্রতি মাসেই তা ক্রমাগত বেড়েছে। ২০২১ সালের জুনে মূল্যস্ফীতির হার ছিল ৫ দশমিক ৬৪ শতাংশ। এর পর থেকে গত বছরের নভেম্বর পর্যন্ত মূল্যস্ফীতি ৬ শতাংশের নিচেই অবস্থান করছিল।

## TRADE INFORMATION

July 2022

The following **Trade Inquiries** have been received and collected from different sources abroad. Interested member-firms may like to contact them directly without any obligation on the part of DCCI.

### FAIRS & EXHIBITIONS

#### Vietnam Trade Promotion Agency

Date: 16 Nov - 19 Nov, 2022  
 Venue: Saigon Exhibition & Convention Center (SECC), Ho Chi Minh, Vietnam  
 Organizer: Professional Beauty Group  
 Contact Person: Ms. Bui Thu Thuy  
 Tel: (+84-24) 39364792  
 E-mail: foodexpo@viettrade.gov.vn  
 Website: www.foodexpo.vn

#### Automechanika Dubai

Date: 22 Nov - 24 Nov, 2022  
 Venue: Dubai World Trade Centre, Dubai, UAE  
 Organizer: Messe Frankfurt Middle East GmbH  
 Contact Person: Mr. Aly Hefny, Project Manager  
 Tel: +971 4 3894 589  
 E-mail: aly.hefny@uae.messefrankfurt.com  
 Website: www.automechanika-dubai.ae.messefrankfurt.com

#### International Apparel & Textile Fair

Date: 28 Nov - 30 Nov, 2022  
 Venue: Dubai World Trade Centre, Dubai, UAE  
 Organizer: Nihalani Events  
 Tel: +971 55 884 6186  
 E-mail: bhavna@internationaltextilefair.com  
 Website: www.internationalappareltextilefair.com

#### The Boundary and Interior Layers Conference

Date: 28 Nov - 02 Dec, 2022  
 Venue: Faculty of Exact and Natural Sciences - UBA, Vicente López, Argentina  
 Organizer: Departamento de Matematica  
 E-mail: bail2022@dm.uba.ar  
 Website: www.mate.dm.uba.ar

#### Automechanika Shanghai

Date: 01 Dec - 04 Dec, 2022  
 Venue: National Convention & Exhibition Center, Shanghai, China  
 Organizer: Messe Frankfurt (Shanghai) Co. Limited  
 Contact Person: Ms Maggie Ngan  
 Mob: +852 2238 9974  
 E-mail: maggie.ngan@hongkong.messefrankfurt.com  
 Website: www.automechanika-shanghai.hk.messefrankfurt.com

#### LEATHERTECH BANGLADESH

Date: 08 Dec - 10 Dec, 2022  
 Venue: International Convention City Bashundhara (ICCB), Dhaka, Bangladesh  
 Organizer: Ask Trade & Exhibitions Private Limited  
 Mob: + 88 01711340056, 01711532312  
 E-mail: info@asktradex.com  
 Website: www.leathertechbangladesh.com

#### Vietbuild International Exhibition

Date: 14 Dec - 10 Dec, 2022  
 Venue: Trung Tâm Trien Lãm Hoi Nghj VIECC - EXPO, Ho Chi Minh, Vietnam  
 Organizer: Vietbuild Group  
 Tel: (+8428) 39974999, +84967 747 713  
 E-mail: pkdvietbuild@gmail.com  
 Website: www.vietbuildafc.com.vn

#### Hong Kong Toys & Games Fair

Date: 09 Jan - 12 Jan, 2023  
 Venue: Hong Kong Convention and Exhibition Centre, Hong Kong & Virtual  
 Organizer: Hong Kong Trade Development Council (HKTDC)  
 Contact Person: Ms. Shirley Chiu  
 Tel: (852) 2240 4620  
 E-mail: exhibitions@hktcdc.org  
 Website: www.event.hktcdc.com

#### Intersec

Date: 17 Jan - 19 Jan, 2023  
 Venue: Dubai World Trade Centre, Dubai, UAE  
 Organizer: Messe Frankfurt Middle East GmbH  
 Contact Person: Ms. Khyati Mishra, Senior Marketing Manager  
 Tel: +971 4 389 4500  
 E-mail: khyati.mishra@uae.messefrankfurt.com  
 Website: www.event.hktcdc.com

#### International Production & Processing Expo

Date: 24 Jan - 26 Jan, 2023  
 Venue: Georgia World Congress Center, Atlanta, USA  
 Organizer: U.S. Poultry & Egg Association  
 Contact Person: Ms. Anne Sculthorpe, CEM, Senior Exhibit Manager  
 Tel: +1 678 514 1976  
 E-mail: asculthorpe@ippexpo.org  
 Website: www.ippexpo.org

#### Texworld Evolution Paris

Date: 06 Feb - 08 Feb, 2023  
 Venue: Paris Le Bourget Exhibition Centre, Paris, France  
 Organizer: Messe Frankfurt France S.A.S.  
 Tel: 00 33 144 89 67 70  
 E-mail: info@france.messefrankfurt.com  
 Website: www.messefrankfurt.fr

#### Pure London

Date: 12 Feb - 14 Feb, 2023  
 Venue: Olympia London, London, UK  
 Organizer: Hyve Group Plc  
 Tel: +44 203 033 2015  
 E-mail: pure@hyve.group  
 Website: www.purelondon.com

**Note:** Information about trade fairs and events may change. To get more information, please contact the organizers.

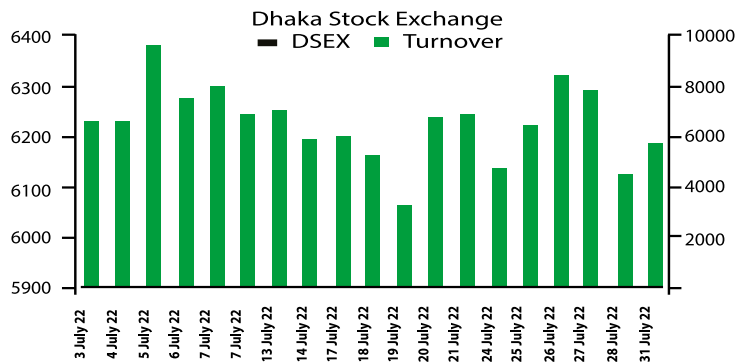
## Share Market (As of July 30, 2022)

### Top Gainers Dhaka Stock Exchange

Company	Closing Price	% Change	Turnover (BDT mn)
UNIONINS	36.10	11.8	31.67
REPUBLIC	40.00	11.7	2.34
CRYSTALINS	38.60	11.2	7.34
SONARGAON	53.60	11.2	48.73
ORIONFU	116.30	11.1	179.94
EASTERNINS	56.50	11.0	19.76
RELIANCEINS	60.80	10.9	2.14
TAKAFULINS	51.70	10.9	4.64
AGRANINS	42.20	10.8	5.29
SKICL	50.70	10.7	19.74

### Market Capitalization by Sector Dhaka Stock Exchange

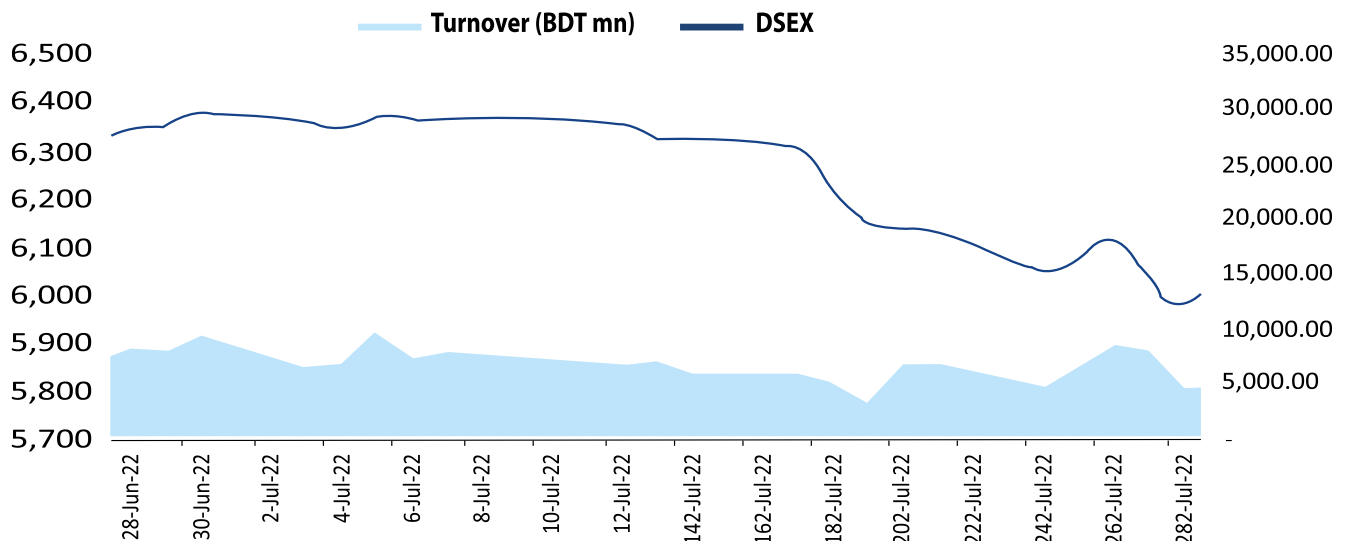
Telecommunication	14%	ICT	1%
Textile & Clothing	4%	Leading Finance	4%
Bank	15%	Leather & Footwear	1%
Cement	2%	Life Ins.	2%
Ceramic	1%	Miscellaneous	11%
Corporate Bond	0%	Mutual Fund	1%
Energy	11%	Papers & Printing	1%
Eng. & Electrical	12%	Mutual Fund	1%
Foods & Allied	1%	Pharma & Chemical	15%
General Insurance	2%	Service & Property	1%



### Currency Exchange Rate (Source- Bangladesh Bank)

Currency	BUY	SELL
EUR	94.63	94.66
GBP	111.59	111.63
AUD	65.45	65.47
JPY	0.69	0.69
CAD	72.86	72.89
SEK	8.89	8.91
SGD	68.12	68.17
CNH	13.77	13.77
INR	1.18	1.18
LKR	3.75	3.8

## Movement of DSEX & Turnover (30 Trading Days)





*DCCI President Rizwan Rahman (center) is presiding over the 7<sup>th</sup> Board Meeting of Dhaka Chamber held on July 23. DCCI Vice President Monowar Hossain (seventh from left) and members of the Board of Directors were present during the meeting.*



*DCCI Coordinating Director M. A. Rashid Shah Shamrat (fifth from left), Convenor Ismat Jerin Khan (fourth from left), Joint Convenor Md. Salauddin Yousuf (third from left) and members of the SME Development Standing Committee were present during the 3<sup>rd</sup> meeting of the committee held on July 27.*

## Short Training Courses and Workshops of DBI for the month of September 2022

1	In-person Training on 'Managerial Competency Master Class'	3,000/-	9 September 2022 10:00 AM – 5:30 PM
2	In-person Workshop on 'Finance for Non-Finance Managers'	3,000/-	9 September 2022 10:00 AM – 5:30 PM
3	In-person Training on 'How to Prepare a Bankable Project Proposal for Availing Loan'	3,000/-	16 September 2022 10:00 AM – 5:30 PM
4	In-person Workshop on 'How to Start Your Own Export Business: A to Z Export Guideline'	3,000/-	16 September 2022 10:00 AM – 5:30 PM
5	In-person Workshop on 'KPI based Performance Appraisal and Reporting Techniques'	3,000/-	16 September 2022 10:00 AM – 5:30 PM
6	In-person Training on 'Development of Employee Efficiency & Productivity'	3,000/-	17 September 2022 10:00 AM – 5:30 PM
7	In-person Training on 'Professionalism in Business Communication & E-mail Writing'	3,000/-	23 September 2022 10:00 AM – 5:30 PM
8	In-person Workshop on 'Managing Banks, C&F, Customs, Freight Forwarding & Shipping Agents for Export & Import'	6,000/-	23-24 September 2022 10:00 AM – 5:30 PM
9	In-person Training on 'HR Operations Management Linking Organizational Strategy'	3,000/-	30 September 2022 10:00 AM – 5:30 PM
10	In-person Workshop on 'Managing Logistics and Transportation'	3,000/-	30 September 2022 10:00 AM – 5:30 PM

**Registration Deadline : at least 1 day before starting date**

**Contact :**

DCCI Business Institute (DBI)  
 Dhaka Chamber Building (11<sup>th</sup> floor)  
 65-66 Motijheel C/A, Dhaka-1000, Bangladesh  
 Cell : 01913 745 062, 01766 018 659  
 Phone : +88 02 47122986 (Hunting) Ext. 124 & 281  
 E-mail : dbi@dhakachamber.com | Website : www.dcci-dbi.edu.bd

*\* Seats are Limited*  
*\* Certificates Awarded*  
*\* Tailor-made Courses /Workshops Arranged*



ঢাকা চেম্বার অব কমার্স অ্যান্ড ইন্ডাস্ট্রি  
Dhaka Chamber of Commerce & Industry

## MOHAMMADPUR SERVICE ZONE

75C Asad Avenue, Mohammadpur, Dhaka 1207



### SERVICES

NEW MEMBERSHIP

MEMBERSHIP INFO UPDATE

ATTESTATION

ONLINE / OFFLINE FORM FILL UP

MEMBERSHIP RENEWAL

CERTIFICATION

CERTIFICATE AND PASSBOOK  
ISSUE /RE-ISSUE

CERTIFICATE OF ORIGIN (CO)

For more information  
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+88-09-666-319655 (Direct Line)

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[info@dhakachamber.com](mailto:info@dhakachamber.com)