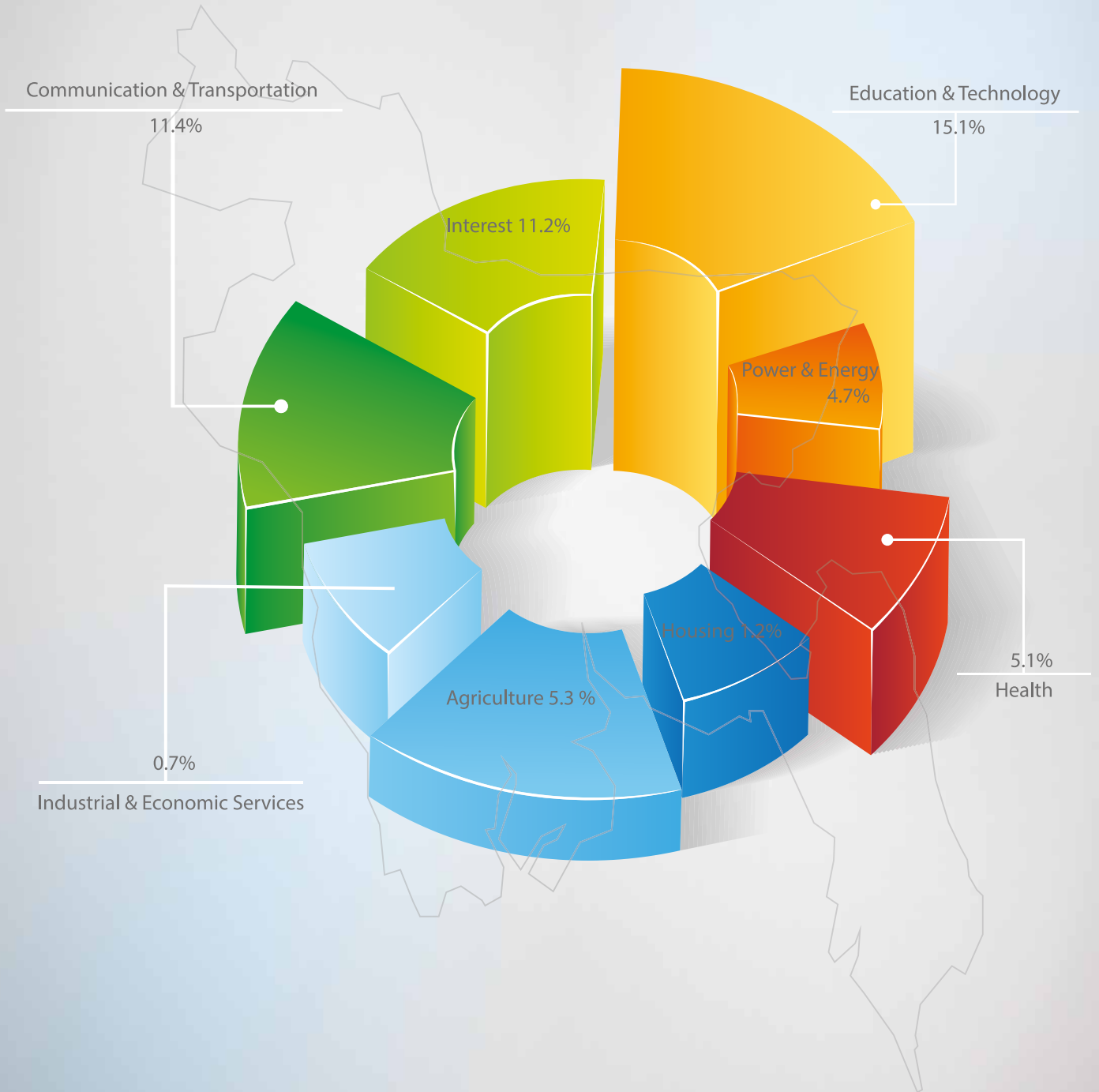


DCCI REVIEW



Balancing the economy and health



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Balancing the economy and health

The government ordered a general holiday, beginning on March 26, as a preventive measure against the spread of COVID-19 after the detection of first cases in Bangladesh on March 8 and the first death from the disease on March 18. The measure was meant to make people stay at home and maintain social distancing in cases they need to venture out. Educational institutions were closed, factories were shut and business was stalled, forcing people, especially the poor and low- and fixed-income people who drive the wheels of the economy, to go through hardship. The situation also left the government struggling to provide certain sections of people with aid, in cash and food, so that they could remain indoors. The schemes did not work as expected.

The government finally started easing the restrictions, beginning on May 31, allowing transports to run to half the capacity first and then to the full capacity. Educational institutions, closed on March 17, however, continued to remain closed. Industries were allowed to reopen with directives for adherence to health safety guidelines that could be employed in factories, market places, shopping malls and public transports so that the spread of the COVID-19 infection could be minimized.

The economy started getting off the ground again, but at a slow pace. The economic activities that slowed down because of the general holiday are, however, yet to pick up the normal pace while health safety protocols continued to be mostly breached because people, who initially became frightened, started coming to terms amidst the hardship that the outbreak of the disease inflicted on them.

Bangladesh entered the list of top 10 countries with the highest infection rate by July; it became the only South Asian country to make it. With fears for further infection, the situation left almost everything vulnerable, not only on the health front but also on the economic front. The disruption that COVID-19 caused threatened millions of livelihoods in Bangladesh, which has more than 50 million workers in the informal sector. Understandably, the impact of COVID-19, which still shows no sign of letting up, could be greater than what is imagined, leaving the national economy in a situation an effective graduation from where could be difficult unless the

government strikes a balance between the economy and health to ensure that economic activities continue with all health safety protocols being put in place.

While the government ordered the general holiday, basically lockdown, to minimize infection and, thus, lessen burden on public health, the disease has also locked down the economy so much so that it left a significant number of people having spent their savings and having their earning significantly reduced.

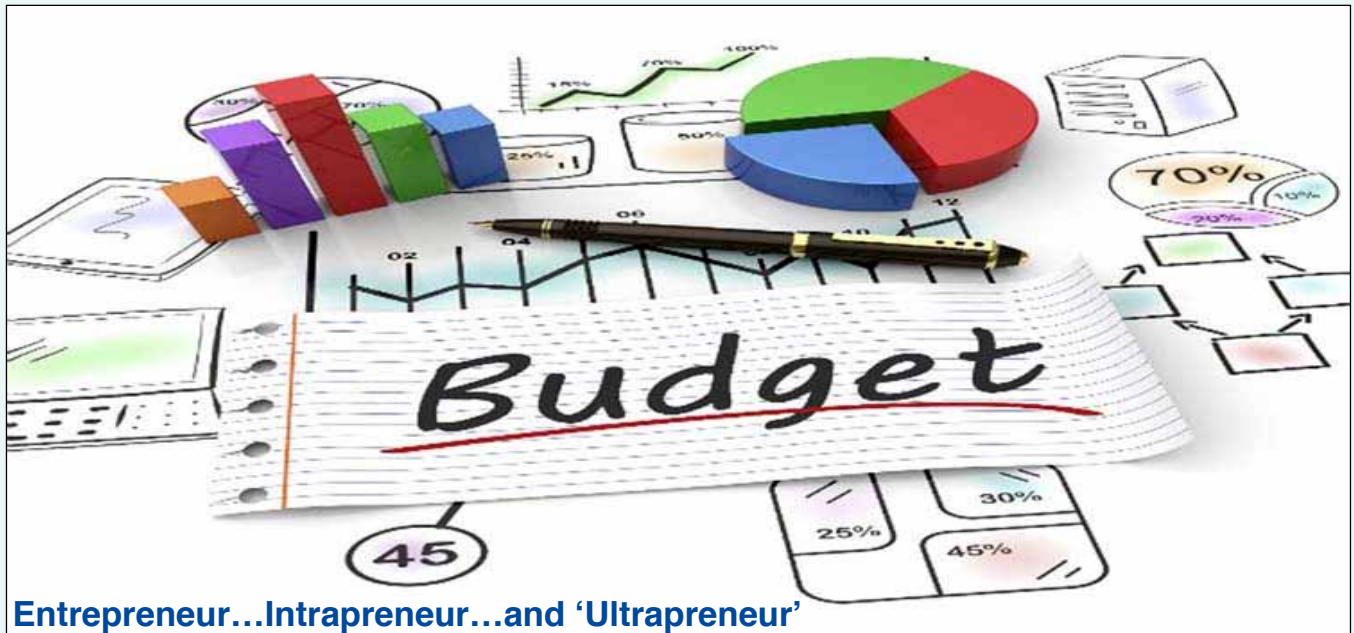
Although the government rolled out stimulus packages for many sectors to cope with the COVID-19 emergency, it appears that the government is not in a position to continue with the schemes, which should include an aggressive cash-transfer program. The government, therefore, needs to put in place some measures, especially at workplace, to ensure that health, which is critical to the overall well-being of individuals and to performance in productivity at farms and firms, is not affected while the wheel of the economy moves uninterrupted.

The government, with the help of businesses, need to enforce health safety measures, including the wearing of masks and, if possible, gloves, social distancing and sanitization, at work. While this should be a responsibility of the employers, the government should step in with the required support.

The employers may restructure the physical work environment, use signposts to create awareness, ensure adequate entry and exit points, regulate worker mobility and put physical barriers between stations to ensure distancing. The employers may also adopt a shifting rotation for workers so that distancing could be maintained in worker-heavy, space-constrained work places. Some employees or workers whose presence at work is not essential could be allowed to work remotely.

The measures should be put in place in all areas of work and business even if the repurposing of the existing facilities is needed. While some of the measures should be the employers' responsibility, with the government joining in, some other measures should be the responsibility of the government, if needed, through public-private partnership schemes **r**

BUSINESS KALEIDOSCOPE



Entrepreneur...Intrapreneur...and 'Ultrapreneur'

Business Friendly and Ambitious National Budget

Global economy has plunged into deep slump with the widespread COVID-19 outbreak. Having witnessed a series of blows on global trading and supply chain systems, IMF projected 3% global growth fall while World Bank predicted maximum 2.8% growth contraction in South Asian economies.

On the other hand, WTO forecast global trade flow is likely to shrink from 13% to 20% in 2020. Against bleak outlook for the global economy, economy of Bangladesh has secured 5.24% GDP growth in FY2019-20 leaving behind many heavyweight economies demonstrating its strong economic fundamental and resilience.

With the firm leadership, amid the COVID-19 induced economic and public health concerns, Government has announced the National Budget for FY2020-21 with an outlay of Tk.5,68,000 crore, 13.24% higher than the revised budget of FY2019-20. Government targets 8.2% GDP growth and focuses on prioritising public health spending, employment generation, mitigating pandemic adversity, safeguarding export-oriented sectors and CMSMEs, boosting domestic demand, investment, expanding the social safety net for vulnerable people in FY2020-21 for overall macroeconomic recovery.

In order to reduce tax burden for individuals and businesses, different reform and measures have been articulated in the budget. The budget has set minimum income tax slab at Tk. 3 lakh and minimum tax rate at 5%, easing the tax burden for the common people after five years. In addition, corporate tax for non-listed private companies has been reduced by 2.5%. Commendable initiatives have been addressed to popularize online tax payment as well as curb money laundering in International trade process.

Reduced CD for both capital machinery and raw materials for leather, textile, plastic, ceramic, ships, boats, light engineering, steel industries, chemical, dairy products will help to flourish our domestic industries. The move to decrease the amount of advance tax from 5% to 4% on the import of industrial raw materials by domestic industries is laudatory this year, reflecting government's effort to boost domestic demand.

The opportunity to invest undisclosed money in housing and capital markets on easy terms will help boosting investment in the economy during the pandemic time. However, undisclosed money in bank deposits, savings instruments and certificates may be considered for the time being to enhance the liquidity flow in banking sector.

BUSINESS KALEIDOSCOPE

VAT & SD Act 2012 has some positive aspects with definition of input tax, rebate on utility bill. Introduction of the measures like VAT imposition on value addition or profit ratio, reduce the VAT refund period from 9 months will facilitate to improve liquidity flow of businesses. Besides, there is a risk of harassment under the act, if the general revenue officer is authorised to inspect and audit the business premises, service center, document and accounts without the prior permission of the commissioner. However, the decision to treat electricity and gas bills as input cost and transport tax rebate up to 60% are commendable efforts. Similarly, measures including the extension of time limit for submission of VAT return, increasing the time limit for adjustment up to 4 tax periods and allowing 80% of the transportation cost for input tax credit will reduce the cost of doing business.

Some measures require second thought as the declared provisions in the national budget FY2020-21 may increase the cost of doing business of MSMEs. Businesses with minimum annual turnover Tk.3 crore need to pay 0.5% income tax while it was 0.3% in the previous year. Moreover, in the previous fiscal year, the number of allowable expense for any company traveling abroad, i.e. the income tax exempted expenses, was 1.25% but has been reduced to 0.5%, which will force export-oriented companies to reduce the cost of business promotion activities in abroad including communication and participation in fairs.

Government needs to reconsider the decreasing amount of allowable expenditure for travel expense and increase the compliance condition of travel expenses to exploit the benefits of policy support of government.

To leverage the benefit of fiscal space, Government targets to keep the budget deficit at 6% of GDP which is equivalent to Tk.1,90,000 crore. Apparently, this 6% deficit budget does not seem unusual considering the current contingency context of economy. Of the total budget deficit, 42% will be met from foreign sources and 57.89% will come from domestic sources.

Of the total domestic sources, 77.27% of deficit budget will source from the banking sector and 22.73% from saving certificates. It implies extreme dependence on banking sector for deficit financing and crowding out

effect for private sector credit contraction. This fiscal stance will create an imbalance with monetary policy which expects to increase the private sector credit inflow 17.6% in FY2020-21.

Despite various business friendly measures, implementation of National Budget FY2020-21 will be very challenging due to low revenue trend. NBR revenue collection targets Tk. 3,30,000 crore which is 9.82% higher than that of previous fiscal year. There is a fear of second wave of the pandemic.

On the other hand, local demand, trade, investment and economic activities are yet to recover and return in the pre COVID time. During the pandemic time, it is difficult to mobilize targeted domestic resources to finance the budget including ADP implementation amounting to Tk. 2,05,145 crore. Revenue collection target needs to be revisited considering the current economic context and slim revenue trend. Moreover, NBR needs to widen its tax net without creating a burden over existing taxpayers and put emphasis on pending tax collection and expanding tax administration reach out nationwide.

The proposed National budget is ambitious one but economic recovery friendly to large extent. However, pressure on economy will further mountain if pandemic effects are not restrained. Given the concern, additional sector specific incentives are needed to cease this unstable situation and turn the economy around.

The first phase of stimulus package will some extent help economic actors and private sector however need of comprehensive second phase stimulus is imminent to facilitate our macroeconomic targets in National budget. Government has prioritized health, education, agriculture and social safety as the timely moves but efficient and coordinated policy supports, resources and strategies are to be ensured to implement the national budget and steer our journey towards game-changing economic visions by 2041.



President's Pick of the Month

Budget focused on economic recovery: DCCI



DCCI President Shams Mahmud (center) briefing DCCI's initial reaction on National Budget 2020-21 on June 11. DCCI Senior Vice President N K A Mobin, FCA, FCS (left) and Vice President Mohammad Bashiruddin (right) are also seen in the picture.

The DCCI President Shams Mahmud in his initial budget reaction said that the budget has focused on the GDP growth of 8.2 percent and the inflation of 5.4 percent. He termed the budget progressive and high-growth targeted, which is appreciable. The DCCI also appreciates the initiative of increasing investment and employment. The budget is an inclusive one although it is a huge expenditure budget, which aims to increase investments, provide stimulus the entrepreneurs and ensure social safety net. But the implementation of this huge budget is a big challenge, for which, "we need to re-consider the revenue collection target."

The revenue collection target is 3 lakh 30 thousand crore taka which is 9.82 percent higher what it was in the previous financial year. To attain this high target, the National Board of Revenue will need to widen its tax net, complete the pending tax collection and strengthen manpower at the upazila level for more tax

collection. But more taxes should not burden the existing tax payers, Shams Mahmud said. The deficit in the budget is 1 lakh 90 thousand crore taka which is 6 percent of the GDP. To tackle the economic challenges, this deficit budget should be used for the basic needs of the people.

The government will borrow Tk 84,980 crore from banks which is 3.10 percent higher than what it was in the previous financial year. The allocation for the ADP is Tk 2,05,145 crore. Shams Mahmud recommended more allocation for the health sector under the ADP considering the COVID-19 situation. Individual income tax limit has been increased to Tk 3 lakh from the existing Tk 2.5 lakh. The DCCI appreciates the decision. The lowest limit of tax rate is 5 percent and the highest tax rate is 25 percent. It may ease burden on tax payers and more taxable people will be encouraged to pay taxes, he said.

Corporate tax has been slashed to 2.5 percent for non-listed companies in the private sector. But he suggested cutting corporate taxes a bit more so that entrepreneurs may sustain in the post-COVID-19 situation. He also thanked government for increasing the time limit of paying taxes and VAT without penalty. But 0.5 percent tax on the annual turnover of Tk 3 crore for an individual businessman will increase his cost of doing business, Shams Mahmud said.

Shams Mahmud said that VAT calculation should be based on the product's value addition or its profit. He also urged an automated VAT return system and the simplification of refund system. Shams Mahmud welcome the government for giving stimulus to the industries. But he requested advance income tax waiver and the waiver of advance tax in the apparel, leather, jute and jute goods and agro-processing sector. Because of lower export order, the DCCI President said that source tax

on apparel export from 0.25 percent to 0.5 percent will make the sector challenging. He urged reduction in source tax on RMG export. He also welcomed the decision of 1 percent cash incentive on RMG export.


He welcome the government in giving Tk 20,000 crore stimulus to the MSME sector. MSMEs should get easy access to loan under the stimulus, he said. He requested the imposition of 1 percent source tax, instead of 2 percent, on local LC used for importing essential commodities. Shams Mahmud urged the formation of form a high-powered advisory committee on the financial sector under the Bangladesh Bank that will guide the financial sector amid the COVID-19 outbreak. He urged a better private sector credit flow and

an easy access to loan under the stimulus.

The budget allows to invest undisclosed money in real estate, bank deposit, national savings tools and the stock market. It will help inject money through private investments in the economy especially in the COVID-19 situation, he added. The DCCI President urged more allocation for the health infrastructure under the ADP.

He also underscored a speedy implementation of fast-track mega projects. Subsidy in the agriculture sector has been increased to Tk 9,500 crore which is appreciable, he said. Tk 5000 crore has been allocated for agriculture re-financing scheme and it will boost the agriculture sector. But more storage capacity is needed, he said.

Skilled development and infrastructure are needed in the health sector to combat situation such as COVID-19. A sufficient allocation is necessary to combat any outbreak of disease in future. He proposed the introduction of health insurance and said that private hospitals also should come under proper monitoring.

He welcome the allocation of Tk 95,574 crore for social safety net !!br0ken!! Poverty increased because of COVID-19. The poor and ultra poor should come under this social safety net. He said that sustaining employment is more challenging than creating new employment now. The budget should have an allocation for up-skilling and re-skilling of the young generation 


DCCI opens SME Development Department

The Dhaka Chamber of Commerce and Industry, the largest SME representative trade organization that has worked for the development of cottage, micro, small and medium enterprises for more than six decades, as part of its initiative, opened a SME Development Department on June 1, 2020 to facilitate its members involved in the cottage, micro, small and medium enterprises sector.

The contribution of cottage, micro, small and medium enterprises, or

CMSMEs, to the overall economy is undeniable. Amid the COVID-19 outbreak, the government has already announced stimulus packages for the affected CMSMEs. But there may be a few affected small entrepreneurs who might be deprived of this stimulus fund for not being able to complete documentation processes. In view of the issue, the DCCI will guide its CMSME members through this department by providing necessary information for the documentation

processes needed for the stimulus fund.

To strengthen the economy and help it recover from the COVID-19 crisis, “We need to give special consideration to the CMSME sector. The DCCI takes the initiative to facilitate its CMSME members so that they can avail of the stimulus that the government has allocated and can contribute to the sustainable economic resilience” 

Resurgent Bangladesh prepares COVID-19 strategy framework

Resurgent Bangladesh, a platform to help Bangladesh devise strategies and polices for COVID-19 economic recovery, presented a model Lockdown Exit Strategy Framework for the consideration of the government

and other stakeholders at its first dialogue on June 4, 2020. Resurgent Bangladesh is a joint initiative of the Metropolitan Chamber of Commerce and Industry, the Dhaka Chamber of Commerce and Industry, the

Chittagong Stock Exchange, BUILD and Policy Exchange.

The strategy highlighted that the post-COVID-19 reopening and economic revival that needs a careful

planning. The key objective of the framework is to resume and revive economic activity and daily life without exacerbating the COVID-19 risks. It recommended phased re-opening of economic activities only after ensuring that virus spread risk has been brought under control. It emphasizes centralized assessment and monitoring mechanisms, preparedness assessment, vulnerability mapping like zoning, economic/social sector specific considerations for phased strategy, health and non-health related objectives.

The MCCI President Nihad Kabir gave the introductory remarks while Dr. Masrur Reaz, Chairman of Policy Exchange, made the keynote presentation on the Exit Strategy framework and on key activities/objectives of the Resurgent Bangladesh initiative. The BUILD Chairman Abul Kasem Khan provided remarks from private-sector perspectives and the DCCI President Shams Mahmud made the closing remarks along with a summary of key issues covered.

High Commissioner of Bangladesh to Sri Lanka Riaz Hamidullah, former BASIS President Habibullah N. Karim, former Law Secretary Mohammad Shahid, former Principal Secretary to Prime Minister Abdul Karim, PRI Executive Director Ahsan H Mansur, former NBR Chairman Md. Mosharraf Hossain Bhuiyan, Distinguished Fellow of the CPD Professor Mustafizur Rahman, Oxford University NHS Trust Doctor Shakil Farid, Executive Adviser of Deloitte Sharif Islam, General Secretary of the Economic Reporters Forum Rashedul Islam, PWC Director Pranshu Jain, Professor of Monash University Asad Islam and Associate Professor of University of Dhaka Rashedur Rahman took part in the open

discussion. Asif Ibrahim, Chairman, Chittagong Stock Exchange Ltd., moderated the open discussion session.

The MCCI President Nihad Kabir said, "We are not in a position to think about the growth now. Our priority is to ease lockdown ensuring the highest public health safety." In case of increasing COVID-19 outbreak, she suggested the imposition of a hard lockdown for a short period to get a better result for future economic activities. "If we sustain the normal demand and supply chain, economy will get back to its normal mode again."

The Policy Exchange Chairman Dr. Masrur Reaz said that because of COVID-19 pandemic, the global growth may fall down to 3 percent in 2020. The global trade also may fall down to 13–30 percent this year. Asia's export would come down to 36 percent and globally about 195 million people may lose job. "But we need accurate data and information to survey the impact assessment analysis," he said.

The BUILD Chairman Abul Kasem Khan said that that the COVID-19 impact was yet to be stabilized despite a few economic activities taking place on a smaller scale. The post-lockdown strategy needs dynamic implementation of policies and guidelines. "For that, we need accurate, reliable informative data for impact assessment." He also suggested a phased re-opening.

The DCCI President Shams Mahmud said, "We need to safeguard our cottage, micro, small and medium enterprises. Job creation is the need of the hour." He stressed on a better coordination and a speedy implementation of government directives.

The Bangladesh High Commissioner to Sri Lanka Riaz Hamidullah underscored the importance of concerted efforts and smooth coordination among government agencies and coordination between the government and the private sector. He also suggested the use of modern technology in this regard.

Former Law Secretary Mohammad Shahidul Haque also echoed an effective coordination between the public and the private sector. He said, "For a comprehensive lockdown strategy, reliable data are necessary." He said that the government has many laws, but an effective implementation is more important.

Former Principal Secretary Abdul Karim said that the lockdown exist strategy is the need of the life and need for livelihood. But to formulate a strategic way out, "We can use information technology, big data intelligence and block chain." He also said that government and non-government coordination is a must for a comprehensive exit plan. Agriculture should get the highest priority, he said.

The PRI Executive Director Ahsan H. Mansur said that if the pandemic prolongs further, a 'harsh' lockdown for a short span of time may be considered for a better result in future. To grab the post-COVID-19 business opportunity and create confidence among trading partners, "we have to improve the situation."

Former NBR Chairman Md. Mosharraf Hossain Bhuiyan suggested that private sector should maintain a close liaison with the government in chalking up a plan for post-lockdown economic development activities. He said that the government had taken admirable initiatives in the primary health sector but there is a room

for more improvement at the tertiary level.

CPD Distinguished Fellow Professor Mostafizur Rahman said that the country was going through a crisis. "There should not be any weaknesses in the reforms." Concentration should be given so that inequality in society may not increase, he said.

Deloitte Executive Advisor Sharif Islam said that the proper distribution of government's stimulus would ease

liquidity crisis; it should, therefore, go through the right channel.

Consultant of Manor Hospital, Oxford Shakil Farid said that government might think of a strong lockdown based on zoning method for a short time. He also suggested framing a lockdown exit plan considering Bangladesh's perspective.

Associate Professor of University of Dhaka Rashedur Rahman said, "We could engage our young people in

data collection."

Asad Islam from Monash University, Australia stressed the need for more COVID-19 testing to identify the infected. He also said that an effective implementation of stimulus would ensure food security in this pandemic.

Resurgent Bangladesh will organize several economic theme-specific dialogues in the coming months **r**

Recovery strategy key to SME growth

Resurgent Bangladesh holds SME dialogue

Experts opined that addressing challenges related to economic impact on Bangladeshi SMEs because of the COVID-19 outbreak would require an innovative and holistic approach that tackles regulatory issues, enables easier access to finance and recognizes the challenges of the 21st century business landscape. These, among many other conclusions, were drawn at the dialogue on COVID-19 Economic Crisis and SMEs of Bangladesh held on June 23, 2020 on the Zoom platform.

Speaking as the Guest of Honor, Industries Minister Nurul Majid Mahmud Humayun, MP urged a comprehensive database for the CMSME sector. He said that a complete database would help a smooth distribution of credit to all affected CMSMEs under the stimulus package. He also said that under Ministry of Industries and with the assistance of SME Foundation, a CMSME database can be prepared. Saying that SME is the lifeline of economy, the minister emphasized coordinated efforts in framing a long-term planning, new employment generation, SME product

diversification, strong monitoring on loan disbursement, health safety and tackling job loss amid the COVID-19 outbreak.

Welcoming participants, the BUILD Chairperson Abul Kasem Khan said that in the private sector, SMEs are the worst victims of the COVID-19 outbreak. He feared that unemployment may rise and economic dynamism might be stymied unless the current SME situation improves. He urged that the government should come up with insights and guidance for small businesses searching for ways to cope with the operational stress caused by COVID-19. Refinancing scheme can be a useful tool to improve access to finance for the SMEs. He also highlighted concessional loans, tax exemption and digital transformation as possible ways to improve SME situation.

BUILD CEO Ferdaus Ara Begum presented the keynote presentation on 'COVID-19 Economic Crisis and SMEs of Bangladesh'. She highlighted the ongoing global economic crisis caused by the COVID-19 pandemic. She said that the CMSMEs were

facing severe crises such as shutting down of business units, problems in access to finance, cancellation of export orders, massive downturn in sales, unemployment, etc. She emphasized the need for a SME database to identify sufferers and requested clear-cut policies for the micro and cottage sector.

The session was moderated by Dr. M. Masrur Reaz, Chairman, Policy Exchange, where a number of SME entrepreneurs, policy experts and practitioners spoke. Dr. Monzur Hossain, Senior Research Fellow, BIDS, said that it should be recognized that while MSMEs are the main drivers of the economy of Bangladesh, they have received the hardest punch because of the COVID-19 outbreak. The stimulus package announced by the government for CMSMEs is undoubtedly a praiseworthy initiative, but the implementation process of this package needs to be more effective to reach the beneficiaries who may find it difficult to avail bank credit.

SME Foundation Managing Director Safiqul Islam said that COVID-19 outbreak hit at the time when

business expansion in Bangladesh was taking place very swiftly. Now, the expansion of business, as a whole, and SMEs, in particular, has stopped due to the disruption in production because of the prolonged lockdown. This crisis can cause layoff in the SME sector which can create a huge threat for the economy. The proper allocation of the stimulus package can be ensured by using the Credit Wholesaling Program of the SMEF.

Chittagong Stock Exchange Ltd. Chairman Asif Ibrahim said that the government set a good example of stimulus package disbursement to RMG workers through mobile banking accounts and similar efforts should be undertaken for disbursing SME credit.

The MCCI President Barrister Nihad Kabir said that small and medium sectors are often lumped under the same category without taking into account the wide gulf of difference in size between the two sectors. Small borrowers are unable to follow the

regulations followed by the medium or large borrowers. Only Tk 30 crore was disbursed in the stimulus package of the working capital for SMEs.

The DCCI President Shams Mahmud said that new opportunities have to be explored for solving the crises faced by SMEs, e.g. there should be a drive for attracting more FDIs in the coming days and integrating SMEs into the value chain through an SME linkage policy. Taxation and VAT-related facilities can be given to all RMG and non-RMG sectors in a level playing field to improve the competitiveness and product quality.


The Creation Ltd. Managing Director Rashedul Karim Munna mentioned that it will be a serious challenge for the government to include the informal SME sector into the formal and traditional financial channel. An SME database should be formulated to identify informal SMEs.

The Tranago CEO Kohinoor Yeasmin

suggested that development partners should be engaged in a common platform to develop a grant for SME supports. The government should take initiatives to introduce and engage SME entrepreneurs in digital marketing platform.

Abdul Karim, former Principal Secretary and former head of PKSF, said that for a proper use of government packages, relevant recommendations from BSCIC submitted to the Bangladesh Bank via MOI should be implemented soon.

Dr. Nasiruddin Ahmed said that corporate and turnover taxes should be decreased for SMEs as it is comparatively higher. Bank loan interest rate should also be decreased. The credit wholesaling program of the SME Foundation should be accelerated.

Speakers welcomed the organization for the timely dialogues to revive the economy through identifying and addressing critical challenges 

Demand-based modern curriculum for industry urged

The Dhaka Chamber of Commerce and Industry organized a webinar on “post-COVID-19 Bangladesh industry readiness: investment and skills” on Zoom platform. Deputy Minister, Ministry of Education Mohibul Hassan Chowdhury, MP joined the meeting as chief guest. Executive Chairman of BIDA Md. Sirazul Islam also joined as special guest.

The DCCI President Shams Mahmud in his welcome address said that due to COVID-19 outbreak, “we have experienced a slower growth of export, especially in the RMG sector. Due to lack of working capital and squeezed international export

market, we have seen job losses both in the SME and informal sectors. Industry relocation from China opens up a greater opportunity for Bangladesh.”

Moreover, Bangladesh has the competitive advantage with a demographic dividend of 63.5 million in the work force, he added. “Twenty percent of our total workforce is engaged in manufacturing industry although we need a lot of skilled workforce. But in the post-COVID-19 period, sustaining existing employment and creating more employment will be a big challenge,” he said. Shams Mahmud recommended modernized

curriculum, up-skilling and re-skilling of workers using the 4IR, the creation of an Inclusive Digital Infrastructure and infrastructure development to grab the opportunity of industry relocation and easier loan access for SMEs.

Mohibul Hassan Chowdhury, MP, Deputy Minister, Ministry of Education, said that considering the return of migrant workers, the government has decided to withdraw age barrier for getting technical education in Bangladesh. “Our universities should focus on creating demand-based skilled graduates. About 2.8 million students are enrolled in our colleges under the



Participants are seen at the webinar on post-Covid 19 Bangladesh Industry Readiness: Investment & Skills held on July 4.

National University. But we need to modernize our curriculum as per the requirements of industry. Re-skilling and up-skilling of our workers as well as returnee migrants will be vital," he said. To meet the skills deficit, the National Skill Development Authority is doing skill mapping to identify skills gaps. He also emphasized quality technical education, structural change of education system and maximum use of the ICT and the 4IR.

Guest of Honor Dr. Engineer Md. Sakawat Ali, Director (Training), Bureau of Manpower, Employment and Training, said that through the 70 BMET training institutes, training will be provided to the returnee skilled migrants to help them become entrepreneurs. Based on their occupational capability, a database will be made, he said. Those who are less skilled will also be given training so that they can find suitable jobs again on the international market.

Shaquib Quoreshi, Enterser, Business Intelligence Limited,

presented the keynote paper. He highlighted that amid COVID-19 pandemic, business closure in the Middle East, Western Europe and ASEAN region will result in a sudden increase in the number of returning migrant workers. "Our labor market information system is still under developed," he said. Creating sufficient employment opportunities will be a big challenge for us. Moreover, we need to think that to attract relocated industries to Bangladesh, "we have to compete with other countries as well. Now is the time to emphasize technical and vocational education system."

Panel discussant Engineer Akber Hakim, President, BPCCI and Founder, Centre for Leadership, said, "Compared with our total population, low-skilled manpower in our country is quite high. For industry readiness, our national effort to making Digital Bangladesh needs to be implemented first." He also stressed on strengthening social safety net as a priority.

Panel Discussant Kh. Atique-e-Rabbani, FCA, Managing Director, The Computers Limited, said, "We need to change our strategy." He said. "The COVID-19 crisis has created such an environment for us to be digitized and less people-centric. Job loss in this crisis will push many of the unemployed to become one-man-entrepreneur and we need to be prepared to facilitate them with proper training and credit support."

Panel discussant Md. Abdur Razzaque, Member (Joint Secretary), National Skill Development Authority, said, "We will have many threats in the post-COVID-19 situation. Although a few sectors are declining now in terms of doing business because of COVID-19 pandemic, the ICT is one of the booming sectors in this situation with a growth of about 50 percent, he said.

It is a fact that Bangladesh has limitations in quality research for industry readiness. He said that the NSDA was working on skills mapping to identify skills deficit.

Panel discussant Mohammad Bashiruddin, Vice President, DCCI said that through the DCCI Business Institute, the DCCI was trying to skill up professionals in corporate houses offering different need-based training.

Additional Secretary, Md. Shahidul Alam, NDC, Ministry of Expatriates' Welfare and Overseas Employment, said that about 2.2 million people are added to the mainstream workforce every year. Of them, about 0.8 million people go abroad on work.

But because of the COVID-19 pandemic, "a few of our expatriate workers may lose job and may come back to Bangladesh although, on the whole, it will not be an alarming for us," he said. For returning migrants, the government has allocated a revolving fund of Tk 700 core to facilitate their rehabilitation. Operating demand-driven training for skills development will play a key role in rehabilitating jobless workers, he said. He also emphasized an industry-academia collaboration for creating demand-driven skilled manpower.


Md. Sirazul Islam, Executive Chairman, BIDA, said, "For our industry readiness, we have shortage of managerial skills in our graduates. Our Industry is expanding at a faster pace, but in line with that, the development of soft managerial skills is not quite visible at all." Research and Innovation initiative of the DCCI will be a game changer, he said.

Mentioning the need for skills, he said that BIDA gives work permit to foreign workers every year on local industry requirements. To come out of this skills gap, "we need to give emphasis on communications, technical and language skills of our workers."

Amid the COVID-19 outbreak, "it is an opportunity for us to adopt the 4th industrial revolution." He underscored the importance of links between the private and the public sector for industry need and readiness.

To attract the opportunity of industry relocation to Bangladesh, "we have to compete with other countries like Vietnam, Indonesia, India and Japan. But to attract industry relocation,

it is important to facilitate them, maintaining a good communication and improving in ease of doing business." He said that the private sector wants faster, transparent, cheaper and speedy services from the government. In order to ensure this, BIDA started its one-stop service center. Now, 18 services coordinated with 6 organizations are provided from the OSS and BIDA soon is going to coordinate with 10 more organizations with a view to providing a total of 52 services.

In the open discussion, Asif Ibrahim, Chairman, Chittagong Stock Exchange Limited and former President, DCCI, Khairul Majid Mahmud, former Director, DCCI, Humayun Rashid, former Senior Vice President, DCCI, Alhaj Abdus Salam, Former Senior Vice President, DCCI, Data Magfur, former Director, DCCI, Mohammad Sharfuddin, former Director, DCCI and Kh. Shahidul Islam, former Vice President, DCCI spoke on the occasion. Speakers also urged skills development keeping to global standards, the use of technology and an industry-academia collaboration 

DCCI holds webinar current Bangladesh economy outlook

The DCCI President Shams Mahmud said that more focus needs to be given on sourcing funds from external sources reducing dependency on bank borrowing to mitigate the deficit budget. He also suggested a reduction in source tax for export oriented sectors to 0.25 percent.

Agriculture and agro-processing industry needs to be supported so that it can remain functional with a strong local-supply chain system to ensure low-cost food security, he said.

Due to COVID-19 impact, private investments are projected to go down to 12.72 percent in FY2019-20 compared with 23.54 percent in FY2018-19. FDI inflow in Bangladesh fell to \$2.87 billion in 2019 compared with \$3.6 billion in 2018.

In that context, to seize the opportunity of investments relocation from China, Bangladesh needs to frame sector-specific investment roadmap with strategic action plans and corporate tax needs to be rationalized.

Due to COVID-19 outbreak, the demand and supply side shocks weakened the international trade of Bangladesh. In FY2019-20, the total export was \$33.67 billion which is 25.99 percent less than the export target and 16.93 percent less than what it was in FY2018-19.

In order to boost international trade, he emphasized restoring GSP facility in the United States, eliminating non-tariff barriers with partners through strong diplomatic initiatives, FTA and PTA with potential partners.



Participants are seen at the webinar on Current State & Future Outlook of Bangladesh Economy held on July 7.

According to different international organizations, around 15-20 million people are at risk of being unemployed because of the COVID-19 pandemic. Thousands of migrants may lose job and will return to Bangladesh. In this situation, the DCCI President emphasized ensuring stimulus packages to labor-intensive industries and the informal sector. Moreover, through re-skilling and up-skilling, unemployed migrants can be employed in the agriculture and other local industries.

Due to COVID-19, international buyers canceled work order worth \$3.18 billion from Bangladesh. The total export of RMG declined by 18.12 percent to \$27.95 billion in FY2019-20 which was \$34.13 billion in FY2018-19. On this ground, he recommended a reduction in source taxes from 0.5 percent to 0.25 percent as the world export market is shrinking. Besides, cash incentives need to be rationalized and given in terms of value addition.

In FY2019-20, the total export of leather and leather products decreased by 21.79 percent compared with the same period the previous year. Terming the leather sector booming, Shams Mahmud strongly recommended the establishment of the CETP, ensure low-cost loan for tanners and a reduction in duty on the import of chemicals.

The Micro, Small and Medium enterprises sector is hard hit due to COVID-19 outbreak. Banks are also reluctant to disburse loan under the stimulus package to MSMEs. For MSME recovery from the COVID-19 crisis, special re-financing scheme needs to be introduced with low-cost foreign funds and access with a minimum two-year grace period with 1-2 percent interest rate. He also urged flexible, hassle-free and collateral-free loan disbursement system under stimulus packages. He urged credit guarantee in order to allow access to stimulus packages for MSMEs.

Health safety is the most important issue now. An increased budget has been allocated but the budget and investment in the healthcare sector needs to be 4-5 percent of the GDP as per the LMIC standards. Moreover, adequate infrastructure, medical equipment and human resource need to be maintained.

Tertiary health sector functioning needs to be increased, he added. Safety net scheme should be gradually shifted towards employment generation through small-scale credit and training

“Our Informal sector accounts for 43 percent of the GDP. The pandemic caused unemployment of around 39 percent workers in the informal sector. The government needs to create a flexible regulation to bring the informal businesses into the mainstream.”

Chairman, Policy Exchange Dr. M. Masrur Reaz emphasized survival,

resilience and revival for economic recovery. The global demand and supply have declined due to COVID-19. He suggested short- and mid-term strategy to bring economy back from the COVID-19 situation.

He also urged a reduction in corporate taxes, turn-over taxes, the modernization of the Companies Act, policy considering the COVID-19 crisis, and a vibrant bond market for long-term financing.

Hossain Khaled, Managing Director, Anwar Group of Industries and former President, DCCI, said that the government's high bank borrowing may slow down credit flow to the private sector. Industries are trying hard to keep existing employment safe.

In that case, banks and industries should run hand in hand. He also said, "We should take more green projects. We have surplus electricity now. Introducing electric vehicles may reduce extensive fuel dependency."

Abul Kasem Khan, Chairman, BUILD and former President, DCCI, said that a full pace of the economy should be the main focus now. He said, "People going abroad with false COVID-19 report will hamper our positive image."

He also urged a regionally competitive tax structure for a better performance of businesses. He emphasized stimulating the informal sector as well MSMEs by ensuring stimulus packages. We need to be connected with ASEAN and the FTAs should be effective," he added.

Investment in research and development in industries should be tax free, he said.

Asif Ibrahim, Chairman, Chittagong Stock Exchange Ltd. and former President, DCCI, said, "In Bangladesh, the GDP-market capitalization is mere 11.1 percent which is not up to the expected level whereas it is quite high in our neighboring countries. For long term project financing, an effective bond market will be a key player."

He also requested all commercial banks to inject at least Tk 200 crore into the stock market complying with the directives of Bangladesh Bank. "But we have a shortage of good IPOs on the market," he added. The BSEC, the DSE and the CSE should strengthen their monitoring, he said.

In the open discussion, the DCCI's former President RM Khan said that leather sector was a promising sector; "so, we should promote it."

MH Rahman, former President, DCCI said that because of COVID-10, unemployment will affect the economy and hamper demand trend.

Aftab-ul Islam, former President, DCCI, stressed the need for a widening tax net rather than increasing tax burden, and introducing a bond market.

Benajir Ahmed, former President, DCCI, said that the services sector and MSMEs are largely affected by COVID-19. Fifteen million people will lose job. He strongly recommended the automation of licensing renewal system.

In this crisis moment, "we should point focus on reducing cost

of doing business for our own competitiveness."

Sayeeful Islam, former President, DCCI, said, "We should get the geopolitical advantages. We need to emphasize re-skilling and up-skilling of returnee migrants."

Sabur Khan, former President, DCCI, said, "The COVID-19 pandemic has given us an opportunity to do better in technological advancement."

MA Mannan, MP, Planning Minister, said, that all the sectors should be compliant as the RMG sector is. Good governance is a fruit of long-term output, he added.

Emphasizing policy reforms, the minister stressed the "look east policy" for better regional gains. But in terms of business, every door should be opened, he said.

He said that the government was giving priority to the agriculture sector. To get observer status, in ASEAN, the government is working, he said.

In line with RMG and textile, a new avenue called medical textile has emerged worldwide. He called on the private sector to grab this opportunities.

For infrastructure development, he also invited the private sector to come forward and the government will facilitate the private sector in this regard.

DCCI Senior Vice President NKA Mobin FCA, FCS and Vice President Mohammad Bashirduddin were also present **r**

DCCI seeks govt support for printing and publishing sector survival



Participants are seen at the webinar on Covid -19 Outbreak & Bangladesh's Publishing Industry: Crisis & Way Forward held on July 16.

The Dhaka Chamber of Commerce and Industry organized a webinar on “COVID-19 Outbreak and Bangladesh's Publishing Industry: Crisis and Way Forward” on July 16, 2020. Stakeholders in this sector participated in the discussion. The DCCI President Shams Mahmud moderated the discussion. M. A. Momen, former President, DCCI joined the webinar as guest of honor.

Shams Mahmud, President, DCCI, said that cash flow in businesses is a big problem now. “We need to identify different sub-sectoral losses caused by the COVID-19 pandemic,” he said. He also said that government had done a great job by announcing a stimulus package of Tk 20 thousand crore for SMEs. But the MSMEs that have no regular dealings with the banks are deprived of that loan facility under the package.

“We need to figure it out the bottleneck and how MSMEs can be benefited by this package. At this stage, disbursement from Tk 20 crore stimulus package has not reached the expected level,” he said. Regarding the printing and publishing industry, he suggested an updated policy framework, reforming duty structure, technology adaptation, enhancing training facility and easy access to finance.

M.A. Momen, former President, DCCI, said that printing and publishing was a challenging business. Bangladesh's capacity in printing and publishing is increasing day by day, he said. But the sector is seriously affected by the COVID-19 pandemic. Tk 12 thousand crore turnover in this sector is now in dire straits, he said. The main challenge is now to survive and he urged government measures

to safeguard the import of substitute manufacturers.

In the world of virtual books, interests in print books are not going to perish soon, he said. He also called for a maximum use of the announced stimulus as well as change in banks' mindset. If the sector gets at least six months of breathing space, it will recover again, he said.

Mohammad Bashiruddin, Vice President, DCCI, said that due to the closure of educational institutions, the normal demand of printing materials has declined drastically. In this situation, incentives are needed for the survival of micro entrepreneurs. He also urged reforms in duty structure, removing complexity of duty draw-back system and emphasized planning for creating skilled manpower in this sector.

Farid Ahmed, President, Academic and Creative Publishers Association of Bangladesh, said that to bring the printing and publishing sector out of the COVID-19 crisis, “we need to conduct a comprehensive research to find out the actual loss in this sector caused by COVID-19. Moreover a long-term policy framework is needed to make the sector sustainable.”

Shahid Serniabad, President of the Printing Industries Association of Bangladesh, said that about 35 crore academic books published by the local printers were delivered to students by early January. But the printing sector of Bangladesh is capable of printing 100 crores of academic books a year.

About 5 lakh people are directly dependent on this sector for their livelihood, he said. Due to the COVID-19 crisis, this sector lost businesses of about Tk 4 thousand crore out of the total Tk 12 thousand crore. He sought government support so that micro entrepreneurs in this sector can easily avail loan under the stimulus package.

Md. Shafiqul Islam Bhorosha, President, Bangladesh Paper Importers Association, also talked about a rational distribution of stimulus package. He said that the market demand has declined and

about 70 percent sales fell because of the COVID-19 situation.

Rafiqul Islam Azad, President, Dhaka Reporters Unity, said that 86 newspapers out of total 254 are now in operation. The printing and publishing sector alone accounts for a business of Tk 3000 crore in Dhaka. About 200 journalists lost job amid the COVID-19 outbreak and many are at risks of losing job. He also urged the government to declare printing and publishing sector as an industry.

Mohammad Abdul Kader Khan, President of the Bangladesh Garments Accessories and Packaging Manufacturers and Exporters Association, said that a very few of MSMEs in the sectors got loan from the package. He also urged the government to slash duty on the import of raw materials of printing and publishing items.

Shamol Paul, President of the Bangladesh Pustak Prakashak O Bikreta Samity, said that about 2 million people are dependent on this sector. Replying to a question of the DCCI president, he said that even if e-learning system comes into place, the demand for hard-copy books will not decline. Entrepreneurs do not get adequate support from banks in getting easy loans.

Bashar Patwary, President, Bangladesh Local Carton Manufacturers Association, said that the printing and publishing sector is hit hard by the COVID-19. The business community of all sectors needs to sit together and find a way out of this crisis. Thousands of workers in this sector are at risk of losing job.

Mohammad Belal, Secretary General of Chaottogram Paper and Cellophane Association, said, “We need policy measures to keep this sector breathing.” He also urged for ethical and fair competition in the market.

N. K. A. Mobin FCA, FCS, Senior Vice President, DCCI, made the concluding remarks and gave the vote of thanks.

MS Shekil Chowdhury, former Senior Vice President, Deen Mohammad, Director, Md. Shahid Hossain, Director, MS Siddiqui, Member, Md. Abdul Hamid, Convenor of DCCI also spoke on the occasion. They sought bank cooperation and support for finance under the stimulus package as well as government support to save this big industry **r**

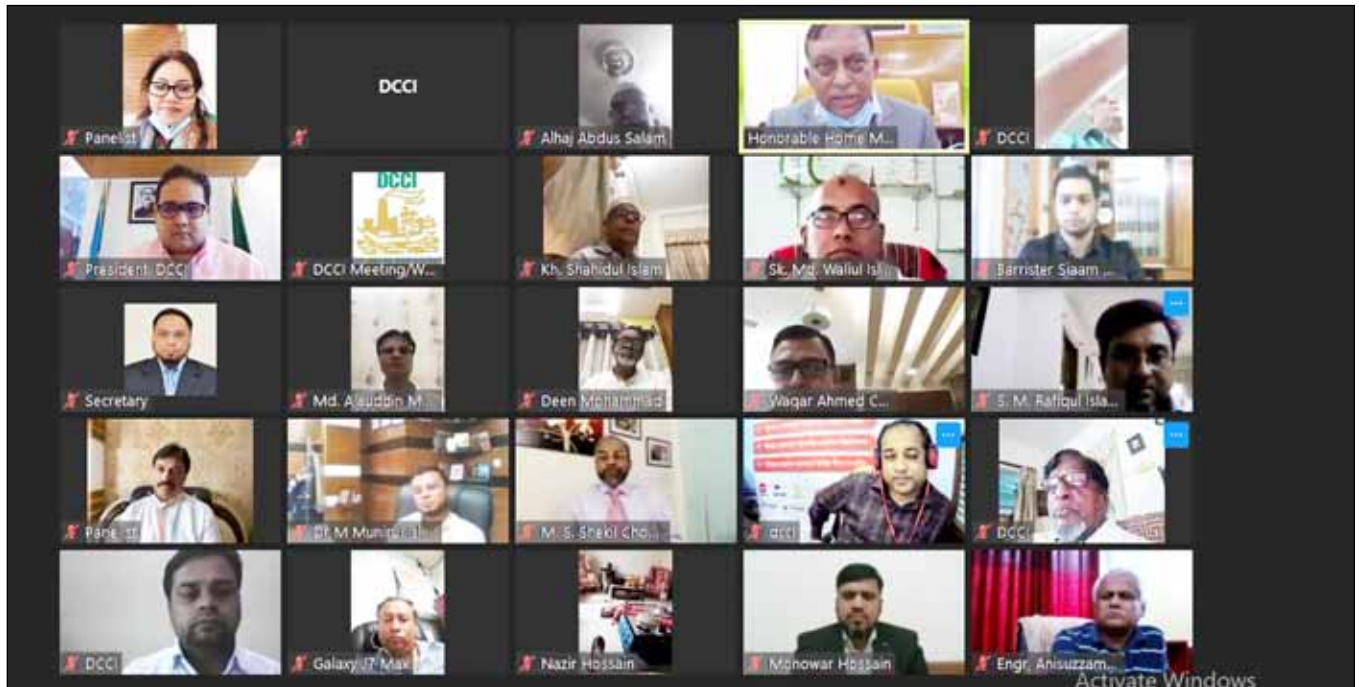
DCCI urges cattle market health safety monitoring

The Dhaka Chamber of Commerce and Industry arranged a webinar on the “current law and order situation in the country and health safety issues in the Qurbani haat during upcoming Eid-ul Adha” on July 19, 2020. The Home Minister Asaduzzaman Khan, MP joined the webinar as chief guest.

The DCCI President Shams Mahmud moderated the meeting.

The DCCI President Shams Mahmud said, “We are going through a tough time because of the COVID-19 pandemic. During this challenging moment, maintaining the wheel of

life keeping health safe is one of the hardest tasks of the time. We are in such a crisis that if we allow cattle markets in the country, it may spread COVID-19 and if we do not allow cattle market, it may cause a huge loss to animal farmers. So we need to balance this situation.”



Participants are seen at the webinar on Law and Order situation ahead of Eid-ul-Azha and managing cattle market during Covid time held on July 19.

In that case, 'Digital Haat' or digital cattle market would be a better option, he said. But in the case of limited cattle market, organizers should be more cautious about health safety issues. Thanking the law enforcement agencies, Shams Mahmud said that they did a great humanitarian job especially in the lockdown situation.

Over and above, the law enforcement agencies need to be more active to maintain law and order situation during Eid time.

The Home Minister Asaduzzaman Khan, MP said that maintaining law and order is always a challenging task. The government is always committed to control law and order situation with a strong hand. "Our police department is hard working. Police personnel have discharged their duties continuously during the lockdown time.

This year the challenge is new to us but we are ready to strongly monitor

the cattle market but awareness among mass people will be much effective."

Dr. Zia Rahman, Professor and Founding Chairman, Criminology Department, University presented the keynote paper. He highlighted that in the wake of globalization, the economy of Bangladesh is hit hard. "We cannot avoid health risks in the upcoming Qurbani cattle market, but we might be able to minimize the risks as best as we can by abiding by health safety measures."

In his regard, the law enforcement agencies should stand strong against all health related irregularities. He also said that online market platforms need to be explored for a safe celebration of Eid-ul-Adha.

"We, therefore, need a long-term planning. For a safe Eid-ul Adha celebration, the government should give clear guidelines for farmers, transporters and buyers."

Md. Shaheen Ahamed, Chairman, Bangladesh Tanners Association, said that in 2029, the market of leather, raw hide and sacrificial animals was of about Tk 40 thousand crore. But this year, due to COVID-19 pandemic, the market transaction volume might come down.

Although it is hard to maintain health safety in the cattle market, "we have no other option but to be aware." He also suggested the imposition of penalty if anyone does not wear mask.

Md. Helal Uddin, former Vice President, FBCCI and President, Bangladesh Dokan Malik Samity, suggested that all should take several masks with them while buying animals from the cattle market. He thanked the government that prices of essential commodities were under control during the lockdown. Small traders were badly hit in this crisis, "so we have to facilitate them to sustain."

Shomi Kaiser, President, e-CAB and Director, FBCCI, said that e-commerce business has emerged in Bangladesh in a big way during the lockdown. Before the COVID-19 outbreak, 22 percent of people under the internet penetration bought goods using e-commerce which has doubled during the pandemic time. The growth of e-commerce business has got its pace over four to five years. She also admitted that there have been some fraudulence by a

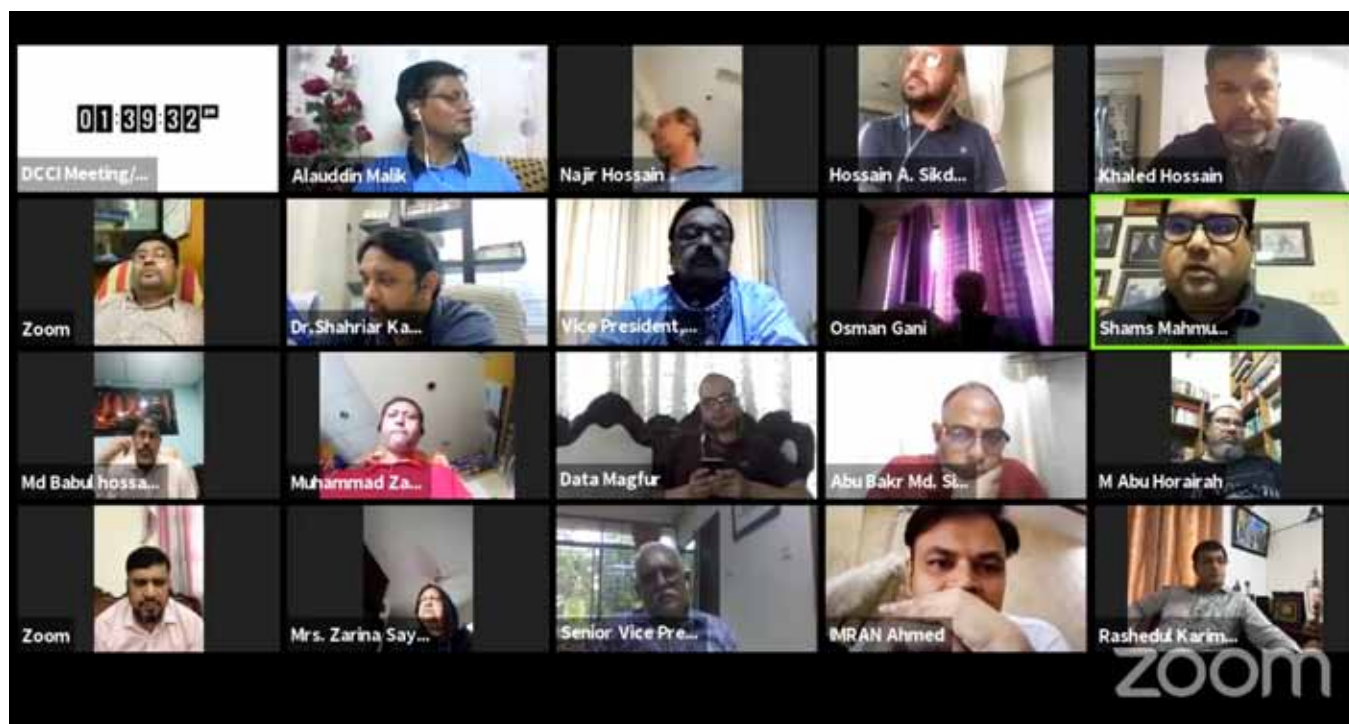
few unethical e-commerce business houses but stern action should be taken against them with the help of Ministry of Commerce and Competition Council. But for a very few fraudulence, the sector should not be blamed.

Mohammad Bashiruddin, Vice President DCCI, gave the vote of thanks.

In the open discussion, Director and former Senior Vice President Waqar

Ahmad Choudhury, Directors Engr. Md. Al Amin, Md. Shahid Hossain, Enamul Haque Patwary, Deen Mohammed, Monowar Hossain, former Senior Vice Presidents Alhaj Abdus Salam, former Vice Presidents M Abu Horairah, Md. Alauddin Malik, Kh. Shahidul Islam, Md. Riyadh Hossain, former Directors Khair M Khan, Syed Habibur Rahman, Nazir Hossain, Data Magfur, Convenor, Barrister Siam Al Deen Malik also spoke on the occasion **r**

DCCI urges SME linkage policy, early stimulus distribution for MSMEs



Participants are seen at the Zoom discussion meeting with the stakeholders of Old Dhaka-based specialized business associations on July 22.

The Dhaka Chamber of Commerce and Industry arranged a discussion meeting on Zoom with the stakeholders of Old Dhaka-based specialized business associations to hear their concerns in getting bank loans from the stimulus packages and the downward trend of businesses

during the COVID-19 crisis. The meeting organized on July 22, 2020.

Businesses in COVID-19 time are experiencing the worst scenario ever but the SME entrepreneurs are not enjoying adequate loan facilities from the stimulus packages.

Stakeholders in the MSME sector of Old Dhaka-based specialized associations, therefore, urged a speedy disbursement of package and systems so that they could pay VAT, taxes and all utility bills in equal installments in six months for the sustainability of their businesses.

Moderating the meeting, the DCCI President Shams Mahmud said that 13 million MSMEs are contributing 25 percent to the GDP and 35.5 percent of the total employment. MSMEs' contribution to the export earnings ranges from 75 percent to 80 percent. But the sector is hit hard by the COVID-19 pandemic.

Besides, banks are reluctant to disburse loan from the stimulus package to MSMEs. MSMEs sometimes face challenges in access to finance, market linkage, product standardization, modern technology, access to training and lack of skilled manpower.

He said that small entrepreneurs still want to pay VAT and taxes but they want facility to pay in installments to cover up the losses. "Moreover, we need to find out alternative sources of financing besides banks," he iterated. He also said that DCCI was planning to sit with the banks and would try to figure out the procedures the SMEs need to comply with to get bank loans from the stimulus package.

He also urged the government to announce 2021 as the year of the CMSME sector. "We want to come out of this situation. We need SME-linked FDI policies to make CMSME sector grow further," he added.

The programme's Guest of Honour Hossain Khaled, Managing Director, Anwar Group of Industries and former President, DCCI, said that small enterprises altogether create a big conglomerate and large businesses are mostly dependent on SMEs.

"We have to create employment opportunities as it is the main concern now in a country like Bangladesh.

Due to the COVID-19 pandemic, our sales have come down to 35 percent which would have many negative effects."

Unbanked SMEs may not be benefited by the stimulus packages, which he said was a challenge. "We need to bring unbanked entrepreneurs in the banking channel." Terming Old Dhaka as the center of business, he said that a reduction in the cost of doing business is necessary for survival now.

Twenty-five percent of the government's e-procurement should be mandatory from CMSMEs, he said. "Our manufacturing sector is by and large import based." He underscored the need of easing the complex procedures of import.

During the crisis, the SME Foundation should now be more active. He said that the Bangladesh Bank can introduce a re-financing scheme of 1.5 percent to 2 percent interest rate for the SME sector.

Md. Alauddin Malik, President of Local Garments Manufacturers' Association, said, "We did not able to sell any products during this pandemic. This sector is hit hard. We are also not getting adequate support from banks to get loan from stimulus. But dying and embroidery traders are linked with this sector so they need financial aid.

Due to unbearable traffic congestion, Old Dhaka is losing customers day by day, he added. He requested that shops should be allowed to remain open till 8:00 pm instead of 7:00 pm.

Hossain A Sikder, President, Dhaka Shilpa Malik Samity, said that 120

industries are there in the Keraniganj BSCIC industrial area.

Many employees went home due to the closure and most them are yet to return. He said that 80 percent of the export-oriented industries in the BSCIC area are closed due to lack of demand. "Moreover, returnee immigrants will put a pressure on our existing unemployed workforce. At this time, financial support from the banks will help ease the crisis."

Md. Abdur Razzaque, President, Bangladesh Engineering Industry Owners' Association, requested the government for the deferral of VAT and electricity bill payment by a year. This sector represents 40,000 members.

He also urges the waiver of VAT on locally made capital machinery and repairing business. Besides fiscal support, a few non-fiscal assistance will also help SMEs.

Mohammad Jalal Uddin, President, Bangladesh Bread Biscuit and Confectionery Makers' Association, said most of MSMEs in Old Dhaka do not have bank accounts. He said that 95 percent of SMEs are good borrowers and successfully repaid their loans.

He called on the banks to give loans to those MSMEs who have no bank accounts on recommendations by respective business bodies.

There are 5 thousand bakeries in Bangladesh out of which only 270 bakeries are in operation. Without fiscal assistance, small industries in Old Dhaka will face a big problem. He said that 2 lakh employments have been created from 1000 bakeries in Dhaka. The main problem

in Old Dhaka is traffic congestion, he added. He also requested that MSMEs should be allowed to pay all utility bills in equal installments in next six months.


Alhaj Md. Golam Mawla, President, Bangladesh Edible Oil Wholesalers Association, said that most of MSMEs are unable to fulfill all requirements of banks. He also said that entrepreneurs of this sector are yet to get fiscal support from banks. Entrepreneurs engaged in consumer items need large investments and

they need financial support this time. Water stagnation and traffic congestion in Old Dhaka are the main bottlenecks.

Vice President of DCCI Mohammad Bashiruddin, Director and former Senior Vice President, DCCI Waqar Ahmad Choudhury, Directors Alhaj Deen Mohammad, Md. Shahid Hossain, Monowar Hossain, former Vice Presidents M Abu Horairah, Kh. Shahidul Islam, Riyadh Hossain, Imran Ahmed, DCCI Member Md. Zamsher Ahmed and Zarina Sayed,

Chairman, Karika also spoke on the occasion. Speakers said that an access to finance is very critical now.

They also urged one-year deferral of the payment of taxes, VAT and utility bills. They called on the government to give focus on duty structure, transport sector, ports, employment and alternative financing mechanism, non-fiscal support to the SMEs.

Senior Vice President, DCCI N. K. A. Mobin, FCA, FCS gave the concluding remarks 

Comprehensive export, investment trade policy reforms urged

Resurgent Bangladesh holds dialogue Trade in COVID-19 times

Resurgent Bangladesh, an economic recovery initiative put together by the MCCI, the DCCI, Chittagong Stock Exchange Ltd., BUILD, and Policy Exchange held its 5th Dialogue on “International Trade in COVID-19 Times: Impact and Way Forward for Bangladesh” on July 25, 2020. Tofail Ahmed, MP, Chairman, Parliamentary Standing Committee on the Ministry of Commerce joined as chief guest.

Abul Kasem Khan, Chairperson, BUILD, in his welcome remarks said that the worldwide impact of COVID-19 is severe. According to an estimate of UNCTAD, international trade may experience a loss of about \$2.6 to 6 trillion. And in Bangladesh, trade loss may reach from \$9–21 billion. Due to the COVID-19 situation, the window of opportunity will be opened for Bangladesh, “but we need to be competitive in terms of trade especially in the ease of doing business index. If we fail to be competitive, the window of opportunity will not be open for a long time for us,” he said.

He also emphasized strengthening the backward linkage industries. He urged establishing a global bonded warehouse system. He said that considering the COVID-19 crisis, Bangladesh needs to reform its export, import, industrial, foreign exchange, investment, taxation, FDI policies. He also urged the government to initiate economic diplomacy with enter the ASEAN region. He also called on the government to announce warehouse and logistic a thrust sector.

Shams Mahmud, President, DCCI, presented the keynote paper. He highlighted that IMF projects global economy would contract by 3 percent in 2020 while the World Bank projects decline by 2.1 percent-3.9 percent. The ADB derives that the global economy could lose between \$5.8 trillion and \$8.8 trillion of the global GDP. The WTO estimated that world merchandise trade may fall between 13 percent and 32 percent this year and whereas UNCTAD estimated it at 20 percent.

In Bangladesh, the total export was \$33.67 billion which is 25.99 percent less than the target and 16.93 percent less than it was in FY2018–19. Import in July-May of FY2019–20 fell by 10.81 percent. The WB projects the GDP growth of Bangladesh to be reduced to 2–3 percent.

In future, for LDCs GSP and DFQF, facility in developed countries may be limited. Moreover, trade diversification may be limited, trade contribution to the GDP may be lower, tariff barriers may be imposed by the importing countries to limit the import and trade imbalance may grow larger.

Many global retailers want to shift their orders and investments from China which is a big opportunity for Bangladesh. He suggested negotiation with export destinations to avoid restrictions on export goods. Port infrastructure like container terminals and Bay terminal needs to be expedited. Stimulus package



Participants are seen at the 5th Dialogue of Resurgent Bangladesh held on July 25.

needs to be increased and disbursed on flexible terms and conditions. To do better in international trade, he suggested expediting economic diplomacy and a focus on FTA, PTA, TICFA implementation.

He urged the government to accelerate the procedure of getting the observer status of ASEAN. He called for addressing issues of para-tariff and non-tariff barriers with India and other SAARC countries.

Tofail Ahmed, Chairman, Parliamentary Standing Committee on the Ministry of Commerce, said that the export target was hit hard by the COVID-19 pandemic. Export earning was \$45 billion in the last fiscal year and this year, the export target is fixed at \$63 billion, including in the services sector, he informed.

He also said that 8256 products got duty-free access to the Chinese market and "it will give us \$2.5 billion more export earnings."

At present the poverty level increased due to COVID-19, he informed, but with the help of a vibrant private sector, "we will be able to recover the condition soon. In the last budget, we

projected 8.2 percent GDP growth. We gave cash incentives to IT sector and other service sector as well."

Professor Dr. Mustafizur Rahman, Distinguished Fellow, CPD said, that after LDC graduation, Bangladesh would have to export its products giving 12 percent duty whereas Vietnam will enjoy a zero tariff. Vietnam exported \$262 billion last year whereas Bangladesh's export earning was only \$40 billion.

"We need to turn comparative advantage into competitive advantage." He urged a coordination between industrial strategy and trade strategy. Emphasizing export diversification, he stressed the need for grabbing regional market, effective implementation of the BBIN and the One Belt, One Road initiative. We need to transform multimodal transport corridor into an economic corridor."

Bangladesh should focus on bilateral FTAs but in the form of economic partnership agreement. Regarding Bangladesh's LDC graduation, he said that the government may think of the issue seriously. He said that the

government may think of deferring the graduation or seeking international support measures for 3-4 years after the graduation.

Syed Nasim Manzur, Managing Director, Apex Footwear Ltd., said that in Bangladesh, the services sector contributes 52 percent of the economy, "so we cannot ignore this sector." He said, "Our export was not so good before the COVID-19 crisis as well."

He underscored the importance of reducing export time and cost of doing business for competitiveness. He also said that the value of export is more important rather than the quantity of export. In terms of getting advantage in international trade, he urged a strong economic diplomacy. He also said that "our payment rules are outdated." Export credit guaranty is needed, he added. He suggested the establishment of "Free Trade Warehousing Zone".

Wahidur Rahman Sharif, Managing Director, Digicon Technologies Ltd. and President, BACCO, said that in the IT and ITES sector, 80 to 90 percent of businesses internationally

have come down and locally it is hovering between 50 percent and 60 percent. Due to the COVID-19 situation e-commerce sees a remarkable growth recently.

“But we feel a mid-level management crisis and lack of skilled resource, research and development, technology and innovation. We need to nurture the startups and policy support will facilitate their financial need as well.” He said that 175 IT and ITES companies out of 800 are in operation now which is not a good sign. He also urged the resolution of the problems of access to finance.

Humayun Rashid, Managing Director, Energypac Group, said that employment generation and skill development will create opportunity. He called for the implementation of need-based education system. The surplus of power will attract FDIs, he said. “But we need to build up capacity.” He urged a faster implementation of One Stop Service of BIDA. He also stressed the need for policy reforms, access to fund and capital market development.

Nayeemur Rahman, Head of Business Planning, Uttara Motors Ltd., said that congestion in the port

is a concern and it increases the cost of doing business. He said that a third of sales in the automobile sector has declined in the COVID-19 time. He said, “We have shortage of skilled manpower in the light engineering sector.” He urged a relaxed tariff structure.

Dr. M. Masrur Reaz, Chairman, Policy Exchange, said that first of all, “We need to identify the risk factors. Bangladesh has to exploit of global demand in a post-COVID-19 time.” Comprehensive trade and investment policies will play a key role in attracting foreign direct investments, he added. A bonded warehouse facility to non-RMG sector will help other sectors to be more competitive in terms of export, he said. He also said that technology adaptation and upgrade strategy need to be streamlined.

Barrister Nihad Kabir, President, MCCI, said if the Prime Minister along with stakeholders from business community and the ministers concerned sit regularly every two or three months, it will help to streamline necessary measures and solve all problems faced by the businesses.

Asif Ibrahim, Chairman, CSE, urged diversification of Bangladesh’s

export destinations. Regarding hard infrastructure, he suggested the completion of the projects soon. He said that bureaucratic tangles should be removed for a faster implementation. He also urged an emphasis on “Look East Policy.”

He further stressed the need for branding the country. “Our foreign missions should work to promote our export items. Although we have improved in the ease of doing business index, we need to work hard to improve more,” he said.

Dr. Zaidi Sattar, Chairman, PRI, said that Bangladesh’s growth is export-led. He said that post-COVID-19 policy formulation or reforms need to be synchronized. He said that the RMG success model needs to be replicated in non-RMG sectors as well. Each year, “several products are added to our export basket, but we need to incentivize the products to make those sustainable.”

N. K. A. Mobin, FCA, FCS, Senior Vice President, DCCI, Waqar Ahmad Choudhury, Director and Former Senior Vice President, DCCI and former Director, DCCI Barrister Sameer Sattar also spoke on the occasion **R**

Speakers urge simpler process for early CMSME stimulus

Most of cottage, micro, small and medium entrepreneurs are yet to get the benefit of the stimulus package. The existing complex documentation process and lengthy procedures are some of the reasons for this slow disbursement. Moreover, the BSCIC, the SME Foundation, the PKSF, etc. may be used to reach the stimulus to rural part, speakers said in a webinar that the DCCI organised on July

29, 2020 on “CMSME’s Access to Finance and the Way forward.” Abu Farah Md. Naser, Executive Director, Bangladesh Bank, joined the webinar as chief guest.

The DCCI President Shams Mahmud in his welcome remarks said that the Cottage, Micro, Small and Medium Enterprises sector represents 13 million business entities in Bangladesh which account for about

35.49 percent employment. But the prevailing COVID-19-led crisis has affected the sector adversely. For a revival of this sector, the government announced a stimulus package of Tk 20 thousand crore.

But many entrepreneurs were facing challenges in getting loans from the package due to various difficulties. He also said that non-banking channel could be useful for disbursing loans



Participants are seen at the webinar on CMSME's Access to Finance held on July 29.

to CMSMEs. Moreover, the definition of SMEs needs to be unified in all policies.

N. K. A. Mobin, FCA, FCS, Senior Vice President, DCCI, presented a Power Point presentation on SME Development Department of the DCCI. He said that the CMSME sector was contributing 25 percent to the GDP and 35.5 percent to the total employment. CMSME contribution to export earnings ranges from 75 percent to 80 percent, he said.

But due to COVID-19 pandemic, sales in this sector came down to 35 percent. About 62.4 percent of CMSMEs have become unable to pay wages, taxes and VAT now. Most of the entrepreneurs faced challenges in fulfilling all requirements of banks and 59 percent CMSMEs found the loan disbursement process complex.

He recommended a speedy disbursement of loan and bringing unbanked entrepreneurs in the banking channel. The government

may introduce alternative sources of financing besides banks with a focus on lessening the cost of doing business, he said. He urged more credit facilities for backward linkage industries. He also proposed the formulation of an action plan to bring rural CMSMEs into export-oriented market.

Abu Farah Md. Naser, Executive Director, Bangladesh Bank, said that Tk 20 thousand crore stimulus is for three years so that the source of fund can run smoothly. If the stimulus rolls out for three years, its effective amount will be Tk 60 thousand.

He said that in terms of handling small entrepreneurs, risks of loan classification is very low. He said that credit guaranty schemes will ease access to finance, especially for CMSMEs.

He termed it as a primary initiative. He suggested that entrepreneurs should keep their marketing chain active. He

said that the Bangladesh Bank would consider whether lending as working capital can be treated as term loans. He also said that other non-banking institutions may be included in stimulus disbursement.

Answering a question of the DCCI President, he said that the Bangladesh Bank eased capital requirements for startups so that they could get loan easily.

Akhil Ranjan Tarafder, General Manager, BSCIC, said that CMSMEs sometimes struggle to get loans. Only 28 percent of the CMSMEs have access to finance whereas 44 percent large enterprises have access to finance.

A proper documentation process, collateral, lengthy process and banks unwillingness are some of the problems of slow disbursement, he said.

He said that non-financial services should be is not sufficient; the sector

needs more money to bring more CMSMEs under this umbrella. He said that 50 industrial estates on 20 thousand hectares of land area will be established by the BSCIC.

Nazeem Sattar, General Manager, SME Foundation, urged the framing of a guideline for small entrepreneurs. The SME Foundation made such guidelines and submitted them to the Ministry of industries for approval. He also urged creating an alternative financing model.

He said, "We need to come out of conventional system and be flexible to provide loans for small businessmen." He said that the Bangladesh Bank also allows some institutions like the SME Foundation, BSCIC, PKSF etc. to disburse loan to SMEs.

Ferdousi Begum, Joint Secretary, Ministry of Industries, said that banks' willingness is necessary to successfully disbursement of stimulus.

Syed Abdul Momen, Head of SME, BRAC Bank Ltd., urged more trading-based entrepreneurs to access the

stimulus. He requested a slashing down in the cap of interest rate from 9 percent.

Sanjib Kumar Dey, Head of SME from Mutual Trust Bank, said that the package is not fully explored. Mutual Trust Bank has a target of disbursing Tk 301 crore out of which 40 percent will be fulfilled by August and by December they will be successful to meet the target.

Anwar Faruque Talukder, EVP, Dutch Bangla Bank Ltd., said that the demand and supply side constraint is the bottleneck for the market's revival. They have a Tk 340 crore disbursement target but he suggested an increase in repayment tenure.

Sk. Moyeen Uddin, Additional DMD, EXIM Bank, said, "We have many unbanked SME entrepreneurs. We need to bring them into the banking channel." He also stressed the need for financial literacy of CMSMEs.

Md. Afzal Karim, DMD, Bangladesh Krishi Bank, said that they achieved 29 percent of their target and 945 people


got loans from Bangladesh Krishi Bank. Many small entrepreneurs are deprived of getting required loans due to collateral problem, he told.

Syed M. Omar Tayub, Head of MSME, Prime Bank, said that to expedite loan disbursement, the Bangladesh Bank may allow the banks to give loan from stimulus based on and considering their relationship with CMSME customers.

He also suggested an increase in the amount of stimulus so that the trading sector can get the maximum advantage.

Mohammad Emtiaz Uddin, EVP, Premier Bank, said, "We need to reach the rural areas. We get approval of Tk 120 crore for disbursement."

Kamrul Hasan, Head of SME, One Bank, requested the Bangladesh Bank to consider an increased weight for the trading sector.

DCCI Vice President Mohammad Bashiruddin gave the concluding remarks 

Resurgent dialogue on private investment, policy implications

Bangladesh needs to quickly design and roll out policy actions and reforms on long-standing issues that hold back private investments to effectively address the unfolding impact of the COVID-19-led economic shocks.

The identification of new opportunities that COVID-19 presents, aligning critical reforms with country's formal development strategies, actively exploring new investment sources such as from those in Europe and South Asia, aligning the vision of

the top policy makers with the actions at the implementation level, addressing tax and foreign exchange constraints were highlighted as some of immediate priorities to boost the investment climate in the country to help stimulate the recovery of investment dynamism in a post-COVID-19 world.

The insights and views were shared at the third Resurgent Dialogue on "Private Investment in Uncertain Times: COVID-19 Impact and Policy Implications for Bangladesh" that

Resurgent Bangladesh, an economic recovery initiative put together by the MCCI, the DCCI, Chittagong Stock Exchange, BUILD, and Policy Exchange, organized.

The session, moderated by the MCCI President Barrister Nihad Kabir, was attended by members of parliament, Executive Chairman of BIDA, Executive Chairman BEPZA, serving and former top civil servants, leading foreign and local investors, economists, and development partners.



Participants are seen at the Resurgent Dialogue on “Private Investment in Uncertain Times: COVID-19 Impact and Policy Implications for Bangladesh” held on July 12.

Asif Ibrahim, Chairman of Chittagong Stock Exchange and member of Resurgent Bangladesh steering committee, made the welcome remarks where he emphasized the importance for enhancing private investments and improving business climate to help Bangladesh meet development needs and to devise effective revival from COVID-19 shocks.

The Policy Exchange Chairman Dr. Masrur Reaz made the keynote presentation where he stressed the need for identifying the evolving shifts in global production systems, investor priorities and how they shape future investment outlook, opportunities, and associated policy framework amid COVID-19-led economic challenges.

Dr. Reaz also laid out possible strategic opportunities to leverage, and a five-pronged approach to revive the lagging pace of private and foreign investment in Bangladesh.

Syed Nasim Manzur, Managing Director of Apex Footwear, suggested that weaknesses in customs and logistics and foreign exchange regime create colossal burden on both local and foreign private investors and requires an immediate overhaul.

Kedar Lele, Managing Director and CEO of Unilever Bangladesh, emphasized opportunities to tap South Asia intra-regional trade and investment prospects. Grameen Phone CEO Yaser Azman opined that the reform in the overall regulatory framework followed by tax policy consistency will help significantly improve the business climate.

Former Industries Secretary and National Board of Revenue Chairman Mosharraf Hossain Bhuiyan called for stepping up regular and structured dialogues between regulators such as the NBR and business community. Another former NBR Chairman, Dr. Nasiruddin Ahmed, stressed the need for the modernization of the revenue board and tax systems keeping to long-term development strategies such as the 8th Five Year Plan.

Chairman of BUILD Abul Kasem Khan suggested that Bangladesh should better exploit the huge market of China and India. President of the Spanish Chamber and member of European Union Business Council Nuria Lopez, Foreign Chamber Executive Director Nurul Kabir, Secretary General of Economic Reporters Forum Rashidul Islam also spoke among others.

In his summary of the discussion, the Dhaka Chamber President Shams Mahmud shared difficult experiences of Italian investors in Bangladesh and how regulatory service-delivery agencies in government create hurdles for investors.

Member of Parliament Nahim Razzak, a member of Parliamentary Standing Committee on the Foreign Affairs Ministry, hinted that the Ministry of Foreign Affairs has recently formed a dedicated unit to support trade and investment initiatives. He voiced his support for quick reforms in

addressing long-standing tax issues.

Waseqa Ayesha Khan MP, Finance and Planning Secretary of the Awami's League central committee, talked about a multi-pronged government strategy to deal with economic impact of COVID-19 and agreed to need for early reforms to improve the doing business ranking and Bangladesh's branding.

Executive Chairman of BEZA Major General Salahuddin Islam hinted that the bold stimulus and the labor cost advantage will help Bangladesh tap greater private investments.

He also stressed the need for addressing inefficiencies at the level of service delivery to the investors.

BIDA Executive Chairman Sirazul Islam said that the government was moving ahead with reforms in the bankruptcy and customs act.

He highlighted that line agencies providing last-mile services for investors need to quickly complete their IT readiness for the One-Stop-Shop to be completed fast **r**

DCCI condoles death of Syed Jamaluddin Haider



Shams Mahmud, President and the members of the Board of Directors of the Dhaka Chamber of Commerce and Industry, expressed their deep condolences on the demise of the DCCI's former Senior Vice President Syed

Jamaluddin Haider (79).

He breathed his last on July 2, 2020 at 7:45pm. Jamaluddin Haider had been Senior Vice President of the DCCI for 1993–1994.

He was the Managing Director of Broadways Chapmen Ltd. and Founder President of the Bangladesh-German Chamber of Commerce and Industry. He was also Secretary General of the JCI Bangladesh and Global Vice President of the Junior Chamber International in the early 1980s. Jamaluddin Haider engaged himself in various social activities and was also a trustee of Feni University.

DCCI condoles death of Latifur Rahman



The Dhaka Chamber of Commerce and Industry President Shams Mahmud expressed his deep condolence on the death of one of the leading industrialists of Bangladesh Latifur Rahman, Chairman

and CEO of the Transcom Group, who died on July 1 at the age of 75.

Shams Mahmud said that Latifur Rahman was such a personality who made an outstanding contribution to the development of business, industry and investment as well as creating employment generation in the private sector with his hard work, dedication and integrity throughout his entire life. His unexpected demise is not only a shock to his family but also a great loss for the nation, he said.

Bangladesh-USA relationship during Biden Administration

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Bangladesh is currently the 46th largest goods trading partner of the USA with \$9.0 billion in total goods trade during 2019. Goods import in to Bangladesh was \$2.3 billion; goods export to USA was \$6.7 billion against \$5.06 billion in 2017. The U.S. goods trade deficit with Bangladesh was \$4.3 billion in 2019.

USA has many reservations about tariff and non-tariff barrier on their exports. US firms exporting medical devices to Bangladesh face registration challenges with recent implementation of the Drug Control Act of 1940, most notably the treatment of medical devices as pharmaceuticals. BTMA data show, Bangladesh in 2018 imported 8.2 million bales of cotton, of which some 37.06 per cent cotton was imported from Africa, 26.12 per cent from India, 11.35 per cent from the Commonwealth of Independent States (CIS) countries, 11.14 per cent from the US, 4.65 per cent from Australia, and the rest, 9.65 per cent, from other countries. Bangladesh requires fumigation of imported U.S. cotton at the port of entry, allegedly to protect locally grown cotton from possible boll weevil infestation. In 1966, the then Pakistan government had prepared the 'Destructive insects and plants' rules that asked for quarantine certificate from Quarantine Department before release of US-origin cotton. This measure had been taken to protect cotton produced in West Pakistan from competing with the US cotton and Bangladesh continued to follow the same rule.

In order to resolve the confusion, a technical expert's team from the US Department of Agriculture Animal and Plant Health Inspection Service (APHIS), along with their Bangladeshi counterparts, visited the Chittagong port in September 2018 to inspect imported US cotton and demonstrated that there was no presence of boll weevil. The US government continues to press the government of Bangladesh to eliminate the unnecessary fumigation requirement for U.S. cotton.

Bangladesh still could not establish a comprehensive legal framework to adequately and effectively protect and enforce IPR. The government enacted the Copyright

Law in July 2000 (amended in 2005), the Trademarks Act in 2009, and the Geographical Indication of Goods (Registration and Protection) Act in 2013. The Department of Patents, Designs and Trademarks (DPDT) drafted a new Patent Act in 2014, which remains under review by the Ministry of Industries.

The Patents and Designs Act, 1911, is still the applicable law in Bangladesh. Additionally, the DPDT has drafted an "Innovation & IP Policy Strategy." But unfortunately Bangladesh yet to complete the process of upgrading the IPR regime a member of TRIP agreement. Counterfeit and pirated goods sold in the market.

A number of US firms, including pharmaceutical companies, manufacturers of consumer goods, and software firms have reported violations of their IPR. Investors noted that the police are willing to investigate counterfeit goods distributors when informed but are unlikely to initiate independent investigations.

After the Rana Plaza building collapse that killed more than 1100 people, mostly garment workers. USA suspended the GSP (generalised system of preference) facility for Bangladeshi products including tobacco, sporting equipment, porcelain china, plastic products and a small amount of textile products etc citing 'serious shortcomings' in safety and labour standards. However, Bangladesh's exports to the US market has not been hampered due to the suspension of GSP facility, as less than 1.0 per cent of the exportable items got that facility.

The suspension was on the ground of insufficient progress by the Government of Bangladesh in affording Bangladeshi workers internationally recognized worker rights. In July



2013, USTR provided Bangladesh with an Action Plan on worker rights and safety that, if implemented, could provide a basis for the than President to consider the reinstatement of GSP trade benefits. In the bilateral meeting following the TICFA signing, the Government of Bangladesh shared its progress to-date on addressing the various elements of the Action Plan.

USA also expressed reservation about Bangladesh's rice export subsidy, its policy about a cap on foreign direct investment (FDI) in the insurance sector, digital trade, investment climate and intellectual property rights. The US administration did not give a clear pledge for restoring the suspended GSP facility. They have also expressed satisfaction over the progress of implementing working plan for regaining GSP facilities. Their main issue of concern remains the condition of labourers in the garment industries.

The strict restriction on immigration of Trump administration has hampered immigration of Bangladesh national to USA. Bangladesh nationals are going to USA through legal and illegal process. The remittance from expatriates are one of the 3 major propellers of economy. Bangladesh will enjoy benefit from any soft law of immigration and naturalization of illegal immigrants from new President of USA.

Bangladesh is asking for assistance for technical support for Trade Facilitation Agreement, support for its graduation. There were 119 developing countries including 44 LDCs that enjoyed the benefit. Around 3,500 products are generally eligible for duty-free treatment from all GSP beneficiaries. In addition, some 1,500 articles of LDCs are eligible for tariff-free market access.

The average tariff on Bangladeshi imports is 15.40 per cent. In 2019, US customs collected \$1.03 billion in customs duties against import of Bangladeshi goods worth \$6.68 billion. US trade policy in Trump's regime clearly side-lined the multilateral trade negotiation process and called for bilateral arrangement.

USA were trying for bilateral agreement for economic co-operation. Bangladesh has signed TICFA agreement on 25th November, 2013 after one decade of negotiation upon a US proposal of Trade and Investment Framework Agreement (TIFA) with Bangladesh in 2001. TIFA has received a new name Trade and Investment Cooperation

Forum Agreement (TICFA) with a modification for the words cooperation and forum.

USA believe that with TIFCA agreement, the U.S. and Bangladesh will more regularly work together to address issues of concern in our trade and investment relationship. They are also interested to track and discuss Bangladeshi efforts to improve worker safety and worker rights. This is an important priority for the USA as Bangladesh seeks to prevent more tragedies in its ready-made garment sector. The out of negotiation under TIFCA is not very encouraging for both the countries.

The last meeting in September 2020 between official of two countries on economic co-operation, USA retreated the same opinion of FTA in the only option for preferential treatment in the US market or joining any multilateral FTA wherein USA is a member country. In this age of globalization and free market economy countries are signing bilateral, regional even multilateral trade agreements including goods, services, free movement of people, trade, investment, services to share each party's strengths with the counterpart for best utilization of possible opportunities. Bangladesh has trade surplus against USA and there is no possible "tax loss" for Bangladesh.

There is no reason for change of US policy under President Joe Biden regarding economic relationship between Bangladesh and USA unless it address the US concerns. Bangladesh must take steps for enforcement and protection of IPR, non-tariff barrier such as registration of medical equipment under drug, stop of additional fermentation test of raw cotton, restriction on FDI in service sector etc. as well as concern about human and labour rights in Bangladesh.

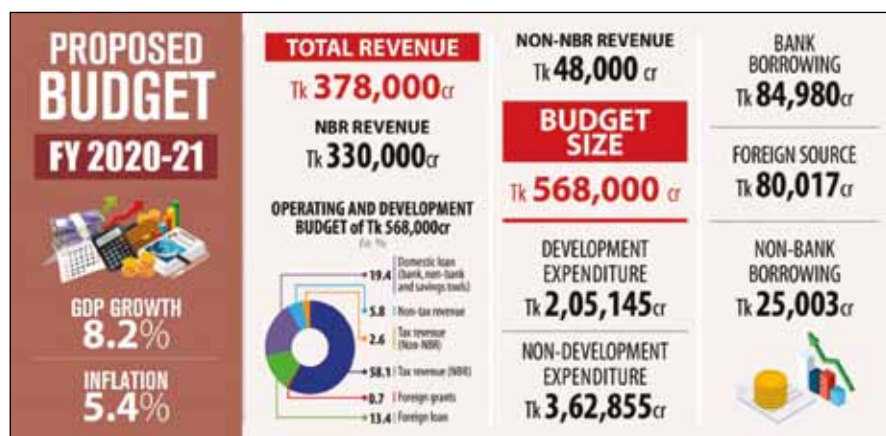
Budget of Tk. 5,68,000 Cr. announced for FY 2020-21

Finance Minister AHM Mustafa Kamal tabled the budget proposals for the financial year (FY) 2020-21 in parliament as the Covid pandemic continued to wreak havoc on life and economy. His budget presentation coincided with some key economic figures such as revenue earnings, export receipts and remittance inflow taking an ugly look. The projection about global economy plunging into severe recession has only intensified worries.

The ongoing situation is an unusual one and it necessitates unusual measures, but the finance minister barring certain deviations has stuck to the old way of presenting a budget that many may find highly ambitious under the prevailing circumstances. Taxpayers, both individual and corporate, will certainly cheer the tax relief offered in the budget, but prospect of achieving the tax revenue target set in the next year's budget remains very much clouded.

The shortfall in tax revenue receipt during the outgoing fiscal has been substantial. Achieving a tax target of Tk. 3.30 trillion during the next fiscal, by all counts, seems impossible because of the uncertainty triggered by the pandemic. However, a major improvement in tax revenue collection is possible only if the tax administration implements on an urgent basis some reforms that have been pending for long. But that would be too much to expect right at this moment.

The size of the proposed budget is bigger by Tk. 660 billion from the revised one for the outgoing fiscal and the deficit has been estimated at 6.0 per cent of the gross domestic product (GDP). Most part of the deficit will be met through borrowing from foreign sources and domestic banks. The plan to borrow nearly Tk. 850



billion would put additional pressure on banks that are already burdened with the a number of relief packages announced for various sectors of the economy.

However, the finance minister has set a few priorities right. Fighting Covid is, obviously, one that deserves the top most priority. The government, according to Mr. Kamal, has prepared a comprehensive plan that includes four main strategies. The first strategy relates to cutting of luxury expenditures and prioritizes government spending that creates jobs. The government should have slashed allocations in the budget for large infrastructural projects that usually make little contribution to the job creation. Funds could have been diverted to labour-intensive projects in both rural and urban areas in the short-term.

The government, as expected, has rightly expanded the safety net programmes. This was necessary to reverse the poverty reduction trend triggered by the pandemic. The gain that the country achieved in poverty reduction during the last three decades is about to be erased because of the pandemic. But what remains a major challenge is taking the benefits of safety net programme to the target group of population.

There was a general expectation that the health sector would get a substantial volume of allocation in the proposed budget. The government has raised allocation, but not up to the expectation of most people. It is now widely believed that coronavirus will be staying with us for some more time. So, to deal with it, the government has deployed a substantial volume of resources to create more facilities for treatment of Covid patients and conduct research activities.

The finance minister has proposed a block allocation of Tk.100 billion to meet Covid-related emergencies. Besides, the government has taken up two projects at a cost of Tk 25 billion. The World Bank and the Asian Development Bank are providing funds for the projects. Another notable aspect of the proposed budget is the opportunity offered to legalise undisclosed money and house property. The finance minister backed this move by saying, 'extraordinary time demand extraordinary measures'.

There has not been much uproar over the issue of legalising undisclosed money this time. Similar opportunity offered in the past budgets, however, did not bring much fiscal benefits for the government. The budget

offers tax benefits to the export-oriented industries, but it runs short of providing a guideline for those on how to survive the onslaught if the pandemic prolongs. The situation demands that the economy be made inward-looking for some time as a means to survive the pandemic.

The decline in remittance inflow has

already created a negative effect on the demand situation in the economy. The proposed budget should have measures, fiscal or otherwise, to generate sufficient demand in the economy. However, it all depends on how long the pandemic rules over lives and livelihoods. The economy is unlikely to be on full gear with the pandemic remaining in place.

In such a fluid situation expecting the GDP to grow at a rate of 8.2 per cent in the next fiscal sounds unrealistic. The economy will surely rebound if the pandemic could be brought under control or stopped. But it all depends on successful development of a vaccine and its availability in Bangladesh. In fact, none is certain about it at this moment **r**

BB relaxes rules of stimulus loans for large borrowers

The central bank relaxed the rules of the Tk 30,000 crore stimulus package for large corporate entities in the industrial and service sectors as it allowed banks to disburse loans to the pandemic-hit borrowers in phases.

On April 12, the Bangladesh Bank had said that a large borrower of the two sectors would avail a maximum of 30 per cent of their outstanding working capital as of December 2019.

It had set the repayment tenure of the loan at the highest one year and made available the financing for just once for a borrower. But the banking watchdog said lenders would be allowed to disburse loans in phases in the second and third year during the tenure of the package. The duration of the stimulus package has remained the same at three years.

The latest instruction would help banks lend to many borrowers in the first year of the package, according to a central bank notice. Under the stimulus package, banks will get an interest subsidy of 4.50 per cent on disbursed loans, which the end-users will avail at 9 per cent.

As of June 18, 75 companies, which include Bangladesh Steel Re-Rolling Mills, the largest steel-maker in the country, GPH Ispat, another steel-maker, Runner Automobiles and Shanta Holdings, secured approval

from the BB to borrow nearly Tk 2,080 crore combined.

“The economic fallout has kicked up a storm in the financial sector. But it is hoped that there would be a gradual recovery out of the crisis from the second half this year. So, the decision will yield good results for the industrial and service sectors,” said a central bank official.

In addition, banks would get a room to judge the behavior of the borrowers before extending any further credit facility to them. The banking regulator has formed a refinance scheme of Tk 15,000 crore for the implementation of the stimulus package smoothly, giving a huge relief to the cash-strapped banking sector.

Under the refinance scheme, lenders will get funds in the form of working capital at 4 per cent interest from the BB. In order to receive funds from the refinance scheme, banks will have to give at least 50 per cent of each loan from their own coffer **r**

NBR relaxes certificates of origin rules

The customs authority has relaxed its rules in regards to the submission of Certificates of Origin, a declaration of the place of manufacture for any product, for goods imported under the South Asian Free Trade Area trade pact in the SAARC bloc.

The authority said it would accept electronic copies of CoOs for

products imported under the SAFTA deal in absence of paper-based CoOs, it said in a notice issued on July 29.

The benefit will remain effective until 31 December, said the National Board of Revenue in the notice. This announcement comes at a time when normalcy has not yet returned to international trade due to the coronavirus's ongoing rampage across the globe.

Officials said that the customs authority started accepting electronically issued CoOs from May in a bid to enable importers to avail the duty-benefits on certain goods under the SAFTA. The privilege for temporarily accepted CoOs was given for the period until June 30.

Since the coronavirus pandemic continues to infect an increasing number of people and subsequently disrupt normal life, the commerce ministry recently requested the revenue administration to extend its deadline for accepting CoOs online for assessment on duties for products imported under the SAFTA, an agreement on tariff benefits for importers and exporters in the eight SAARC member states.

In its latest notice, the NBR asked customs stations to examine the electronic copies of CoO applications from the websites of their respective countries and match the signature for duty assessment under SAFTA **r**

Google to invest \$10b in India

Google said it will invest \$10 billion in India over the next five to seven years as it battles rivals like Facebook and Amazon in the vast market of 1.3 billion consumers.

Chief Executive Sunder Pichai told a virtual Google in India event that its fund would help “accelerate India’s digital economy” and will include investing in local firms and infrastructure in areas like digital payments, education and health.

“There’s no question we are facing a difficult moment today, in India and around the world. The dual challenges to our health and to our economies have forced us to rethink how we work and how we live,” Pichai said.

“But times of challenge can lead to incredible moments of innovation,” Indian-born Pichai said according to a transcript of his remarks released by the US search engine giant.



Foreign firms have spent tens of billions of dollars in India in recent years as they fight for a piece of the Asian giant’s burgeoning digital economy.

This has included only this year around \$16 billion in investments from Facebook, Intel and others in stakes in the digital services unit of Jio, controlled by Asia’s richest man Mukesh Ambani.

Pichai briefed Prime Minister Narendra Modi on his plans, but a government statement suggested that Modi also expressed concerns about data security and privacy.

Modi “said that tech companies need to put in efforts to bridge the trust deficit”, the statement said **r**

India can be among top-5 agri goods exporters: report

The report comes at a time when the government has announced some reforms in the farm sector by allowing farmers to sell produce outside the regulated APMC markets, and relaxing the Essential Commodities Act, among others, which can help boost exports. By shifting its focus on cultivation and effectively handholding farmers, the country can be among the top-five exporters of agro commodities, according to a report by the World Trade Centre.

The report comes at a time when the government has announced some reforms in the farm sector by allowing farmers to sell produce outside the regulated APMC markets, and relaxing the Essential Commodities Act, among others, which can help boost exports.

With an annual agro exports of \$39 billion in 2019, the country is ranked eighth, after the EU (\$181 billion), the US (\$172 billion), Brazil (\$93 billion), China (\$83 billion), Canada (\$69 billion), Indonesia (\$46 billion) and Thailand (\$44 billion), the WTC report said quoting the 2019 WTO data.

“Through focused intervention in capacity-building, we can enhance our agro exports to surpass Thailand and Indonesia, and become the fifth-largest exporter in the world,” according to the report.

To attain this, as a first step, the study said, the government should re-orient the role of its extension centres — the 715 krishi vigyan kendras across the country — to handhold farmers in growing those varieties of crops that have demand in the global markets.

Many a time, Indian consignments are rejected because of the presence of pesticides above the prescribed maximum residual limits, the study noted and said “krishi vigyan kendras should guide farmers on prudent use of pesticides and other chemicals so that they conform to the global quality standards”.


Having attained self-sufficiency in agriculture, we need to re-orient our extension services system, which was developed in the days of the green revolution that focused on attaining self-sufficiency in farm production,” the report said.

The report added that it is time we move towards growing quality food for the global markets rather than quantity.

One key focus area could be cultivating horticulture crops that conform to the quality, colour, shape and chemical contents acceptable in foreign countries or which are fit for further processing.

Despite being the second-largest producer of fruits and vegetables, India's share in global exports is under 1.8 per cent. In spite of being the largest producer of papayas, lemons and limes, we meet hardly 3.2 per cent of the world papaya demand, 0.5 per cent for lemons and limes, according to data from the Food and Agriculture Organization.

In the past decade, India made remarkable progress in exports of niche items like capsicum chilly, castor oil, tobacco extracts and sweet biscuits, apart from basmati rice, meat and marine products.

"These success stories should be and can be replicated in other potential food items," the report concluded 


India's forex reserves reach new peak at \$518b

Forex reserves continued to hit record high levels as they rose by \$1.275 billion for the week ended July 17 to \$517.63 billion, according to the latest data put out by the Reserve Bank of India (RBI).

Foreign currency assets (FCA), which form a key component of reserves, rose by \$1.245 billion to \$476.88 billion. FCAs are maintained in major currencies like the US dollar, euro, pound sterling and Japanese yen. Any movement in the FCA occurs mainly on account of purchase or sale of foreign exchange by the RBI, income arising out of the deployment of foreign exchange reserves, external aid receipts of the government and revaluation of assets.

Gold, another component of the reserves, rose by \$13 million to \$34.743 billion.

Special drawing rights (SDR) from the IMF increased by \$2 million to \$1.455 billion while reserve position with the IMF increased by \$15 million to \$4.56 billion.

A BofA Securities report dated July 21 said Indian markets will likely see greater portfolio inflows going ahead as adequate forex reserves cut rupee risks. 'Finally, Indian corporates should be able to raise money abroad cheaper. On balance, we continue to expect the RBI to continue its asymmetrical forex policy of buying forex when dollar weakens and allowing depreciation if it strengthens. Our BoP estimates place FY21 RBI forex intervention at \$45 billion. The RBI will likely be able to sell \$50 billion to ward off any speculative attack on the rupee,' the report said 

Railway to connect Iran, Afghanistan in months

Iranian minister of road Mohammad Eslami announced that Iran and Afghanistan are to get connected through railway within the next few months.


The minister described that the Khaf-Herat railway project will connect the railways of Iran and Afghanistan together.

Completing this section is aimed at accelerating the development of economic relations between the two countries, he added.

Iranian Energy Minister Reza Ardakanian previously informed that the third section of the Khaf-Herat railway project which connects the rail networks of Iran and Afghanistan will come on stream in the third

quarter of the current Iranian calendar year (September 22-December 20).


Khaf-Herat is part of the Iran-Afghanistan rail corridor. The project started in the fiscal year of 2007-2008, connects Iran's eastern city of Khaf to Afghanistan's western city of Ghoryan.

The 132-km project is divided into three major sections, 77 kilometers of which is inside Iranian territory and 62 kilometers is in Afghanistan territory 

COVID-19 and Afghanistan economic recovery prospects

The COVID-19 pandemic has plunged the Afghan economy into a deep recession. The economy is projected to contract by 8.2 percent in 2020, with the rate of poverty increasing from 55 percent in 2017 to around 72 percent in 2020, according to the press release issued by the University of Central Asia.

Revenue collection is severely affected by the economic slowdown, worsening the prospects for medium-term fiscal sustainability. Furthermore, the on-going 'peace' process and the upcoming donor pledging conference in November 2020 in Geneva add to the growing complexities for economic management during the crisis.

The University of Central Asia's Institute of Public Policy and Administration (IPPA) in partnership with the Biruni Institute, a Kabul-based economic policy think tank, organized a webinar on August 10 on: "COVID-19: Outlook and Prospects for Economic Recovery in Afghanistan" to discuss key issues and findings from the latest 'Afghanistan Economic Outlook', a document outlining the state of the economy and prospects for recovery 

Cambodia garment exports valued at \$3.7b

Cambodia has exported garment products – clothes, footwear, and travel goods – with a total value of \$3.7 billion in the first semester of this year, down 5 percent compared to the same period last year.

The figure was shared by H.E. Heng Sour, Spokesperson of the Ministry of Labor and Vocational Training in a press conference held here recently.

In the function, he explained that the decrease in garment exports was due to the order suspension from the targeted markets caused by the COVID-19 pandemic.

“The main reason of the decline is the impact of COVID-19. Purchasing o dropped globally. The decrease is not only in Cambodia, but also in other garment-producing nations such as Bangladesh and Vietnam,” H.E. Heng Sour said.

Due to COVID-19 pandemic, 450 factories suspended production in the garment, footwear and travel goods



sector, and 83 factories were formally closed. Anyway, H.E. Vongsey Vissoth, Permanent Secretary of State at the Ministry of Economy and Finance claimed that Cambodia’s exports to the international market remained positive.

In the first five months of this year, Cambodia saw growth in the export of non-garment products, he said, stressing that it is a resilient economy.

“Our garment exports, especially to the EU market, dropped but when we

look at the total exported products from Cambodia to international markets, we see growth in such as bikes, rice, electronic components and some agricultural raw materials,” H.E. Vongsey Vissoth said.

Cambodia exported \$9.3 billion worth of garment products, footwear and travel goods in 2019, a year-on-year increase of 11 percent, according to a report from the Ministry of Industry, Science, Technology, and Innovation **r**

COVID-19 resurgence endangers Japan’s economic recovery

The recent surge in new COVID-19 cases in Japan’s major prefectures is roiling the outlook for the world’s third-largest economy after it had seemingly passed through the worst of the pandemic.

Authorities fearful of the economic fallout are expected to be cautious about again requesting business suspensions, but the wider spread of infections could leave consumers in the mood for self-restraint, economists point out.

They warn that some business operators would not be able to sweat out another consumption downturn and they may well be prompted

into cutting employees’ salaries or slashing jobs.

“We have seen a spike of infection cases mainly in Tokyo. I’m concerned this will impact people’s consumption to a certain level,” said Shinichiro Kobayashi, economist at Mitsubishi UFJ Research and Consulting Co.

The state of emergency imposed from early April to late May ravaged the domestic economy. In those two months, spending by households with at least two people fell by 11.1 percent and 16.2 percent year on year, respectively, both record highs.

However, many economists forecast that the Japanese economy would

pick up after the full lifting of the state of emergency, assuming that the pandemic would calm down at least partially.

Some recent economic surveys have also shown positive signs. The “economy watcher” survey that gauges business sentiment among people on the front line of the economy conducted in June showed a record increase from the previous month as the number of coronavirus infections slowed down. The survey covers workers in businesses quickly susceptible to economic shifts, such as taxi drivers and retail store and restaurant employees.

Kobayashi said the basic scenario is still unchanged but warns that the recent spike in confirmed infections poses risks to recovery.

If new cases continue to rise, “it could slowly aggravate consumer sentiment. They would be more worried about catching the virus or passing it on others. Then they would voluntarily refrain from going out and spending money,” he said.

Driving these concerns is the increase in COVID-19 cases. Toward the end of the state of emergency in late May, Tokyo’s infections fell into single-digit territory on some days, but the figures began rising again around late June. They have stayed at more than 100 since July 9.

Tokyo Gov. Yuriko Koike eventually asked residents to stay home as much as possible during this past four-day weekend.

Elsewhere, Osaka Prefecture has recently been reporting more than 100 new cases a day while Aichi and Fukuoka are facing upticks of their own.

“It’s very plausible that the pace of economic recovery will be slower than expected,” said Takuto Murase, senior economist at the Japan Research Institute.

He added that the decrease in consumption probably won’t be as bad as it was in April and May. Given that the state of emergency was a huge blow to the economy, the government will be hesitant to declare another one.

Prime Minister Shinzo Abe said the government needs to closely monitor the recent surge but is not considering issuing a state of emergency at this point, saying it will work with prefectural governments to conduct more tests for early direction and treatment.

Still, if consumers choose on their own to stay home, it would still bite into demand, especially at retail stores, restaurants and hotels **r**

Singapore’s financial system resilient despite worst downturn

Singapore’s financial system remains robust and resilient even as the economy suffers its most severe downturn due to the coronavirus pandemic, Central Bank Chief Ravi Menon said.

The trade-reliant economy plunged into recession in the second quarter after contracting by a record 41.2 per cent, data showed this week.

There was substantial uncertainty over the global economic outlook, the Monetary Authority of Singapore’s managing director told a news conference after the central bank’s annual report was released.

“The economic situation remains dire. The recovery is likely to be slow and uneven, weighed down by renewed outbreaks of infection here or abroad,” he said.

The MAS maintained its GDP forecast in the range of -4pc to -7pc for 2020, keeping Singapore on track for its biggest slump, reports Reuters.

Menon said roughly 12pc of Singapore’s economy — including construction and travel-related sectors - was at the “epicenter” of the impact of COVID-19.

The MAS eased monetary policy in March, while the government has pumped in nearly S\$100 billion (\$72 billion) worth of stimulus and emergency relief measures to blunt the impact of the pandemic, reports Reuters.

Menon said the MAS was in active discussions with Singapore banks

over their capital management measures, which would include whether or not to restrict dividend payments.

He also said the MAS hoped to make an announcement around October about gradual repayment of relief measures by businesses and individuals. “We want to avoid cliff effects” from a sudden withdrawal of that support.

Singapore has rolled out measures such as deferment of loan repayments and insurance premiums for firms and individuals.

Responding to a question on whether Singapore was seeing asset inflows due to the political uncertainty in Hong Kong, Menon reiterated this was not significant **r**

‘Malaysian businesses agile, geared up for recovery’

Malaysian businesses have shown signs of resilience despite the negative impact of the COVID-19 pandemic, according to Grant Thornton’s latest International Business Report data.

Grant Thornton Malaysia PLT Country Managing Partner Datuk Narendra K. Jasani said the research, conducted in May and June, found that only one per cent of respondents in Malaysia said they expected to cease trading as a result of the crisis.

“(A total of) 86 per cent of businesses expect to continue trading based on their existing financial situation, while 56 per cent said they can continue to trade using existing funds but would need to cut costs and/or restructure,” he said in a statement.

Meanwhile, eight per cent said they would need to supplement cost-cutting and restructuring with access to new funding from lenders, investors or government grants, he said **r**

Bahrain's FDI inflows up 6per cent to \$1.5b

The Kingdom of Bahrain has attracted \$1.5b foreign direct investments in 2018, attributed largely to the manufacturing sector, says the UNCTAD report.

The United Nations Conference on Trade and Development report attributed continued growth in FDIs to increased interest in manufacturing sector of Bahrain.

"The UN report is yet another affirmation of Bahrain's growing attractiveness to investors from around the world," His Excellency, Khalid Al-Rumaihi, Chief Executive of the EDB told the Press conference during the UNCTAD report launch ceremony held at the EDB Headquarters.

"We are increasingly becoming an attractive investment destination in the Middle East, thanks to our ability to offer a flexible, agile and highly competitive economy, that is not only diversified, but also sustainable in the long-term."

"As overseas investment into Bahrain continues to grow, we must remain focused on what is attracting investors to the Kingdom. Our ability to work collaboratively across the public and private sectors to build a business-friendly environment is the foundation to our economic success,



and will continue to be the number one draw for entrepreneurs, startups and multinationals alike."

The UNCTAD has published its annual World Investment Report (WIR), which found that foreign direct investment (FDI) into Bahrain rose to \$1.5 billion in 2018. This year the Bahrain Economic Development Board (EDB) hosted the launch of the report, which charts global investment flows, analyses trade trends and examines government policies that seek to expand world trade.

The \$1.5 billion – representing a 6 per cent rise from last year – is mainly due to growing interest in the manufacturing sector. In 2018 both Mondelez International

(United States) and Ariston Thermo Group (Italy) set up manufacturing facilities in Bahrain International Investment Park, a Special Economic Zone (SEZ). The two companies were among 32 new or expanding businesses choosing Bahrain for their Manufacturing, Transport or Logistics hub that year. Bahrain is continuously developing the air, sea, and road networks to facilitate the entry of imports to Bahrain, as well as reducing complexity of procedures, and the speed of the customs process means businesses can clear their goods in less than 24 hours. The Kingdom's rich heritage as a trading nation, superior infrastructure connectivity and de facto status as the gateway into MENA are all qualities highly prized by overseas investors 

Egypt's private economic activity hits 1-year high

A contraction in Egypt's non-oil private sector slowed to its lowest rate in a year in July as parts of the economy opened from a months-long coronavirus shutdown, with output and new orders expanding, a survey showed.

IHS Markit's Purchasing Managers' Index came in at 49.6, up from 44.6 in June and only a sliver below the 50.0 threshold that separates growth from contraction.

The government suspended international flights on March 19, all but shutting down Egyptian tourism, which it says directly accounts for about five percent of the economy.

Private non-oil activity, which has weakened every month since July 2019, showed its worst ever reading in April, at 29.7, after the pandemic hit in full force in mid-March. The government restarted flights and reopened major tourist attractions

on July 1. Restaurants and cafes have also been allowed to reopen.

"Several companies raised activity as tourist numbers increased and export demand also ticked up," IHS Markit said.

"That said... nearly as many companies continued to lower activity due to ongoing structural weakness from COVID-19." Output strengthened to 50.9, its highest reading in a year, while new orders

came in at 51.4, the highest since November 2017.

The PMI reading for the employment sub-index strengthened only marginally to 46.1 from 44. “Panelists noted that this was mostly driven by companies not replacing voluntary leavers,” IHS Markit said **r**

Iran extending reach of technology ecosystem

Iran’s startup ecosystem is expanding in new fields such as aviation and publication in order to upgrade the sectors technologically and gradually transform its traditional economy into a knowledge-based one.

Payam Special Economic Zone and Payam International Airport in Karaj, the central city of Alborz Province, are starting to incorporate modern technology in their operation.

Nader Sanagou, the head of Payam SEZ, says efforts are being made to house and support startups and knowledge-based companies active in the aviation industries, information and communication technologies and transit in the zone, the zone’s Public Relations Office reported.

“The SEZ has absorbed over 10 trillion rials [\$42.5 million] of domestic and foreign investments in the last Iranian year [ended March 19, 2020], which is a driving force for realizing the goal,” he said.

The head of Payam SEZ said short-term plans envisage launching 12 tech firms in the zone’s fourth phase.

“We expect the development of the fourth phase to create over 2,000 jobs by the Iranian year-end [March 2021],” he said, adding that the figure is expected to reach 10,000 within a five-year framework.

Sanagou noted that in addition to attracting more tech units and startups, the establishment of Iran’s first ICT town, data centers and

permanent ICT exhibitions is planned in the fourth phase of SEZ.

The zone’s fourth phase is the newest and largest segment of the zone, covering 165 hectares of area. Phases one to three, which respectively span over 40, 56 and 18 hectares, are mostly specialized in industrial and ICT operations.

As the closest special economic zone to Iran’s capital city Tehran, Payam SEZ plays an important role in the country’s production cycle and job creation. The zone has attracted many companies and investments in ICT and knowledge-based fields **r**

Algeria to cut dependence oil in new economic plan

OPEC member Algeria, facing financial pressure after a fall in energy revenue, will launch a new economic plan to reduce reliance on oil and gas and give the private sector a greater role, the government said. President Abdelmadjid Tebboune, who was elected in December, has repeatedly vowed to reform the oil-reliant economy by developing the non-energy sector and seeking new funding sources.

A further drop in oil and gas earnings during the coronavirus pandemic forced the government to cut public spending and delay planned investment projects in sectors including energy. The new “economic and social revival plan” was discussed at a meeting chaired by Tebboune and attended by the prime minister as well as energy, finance, mines, agriculture and trade ministers, the presidency said in a statement.

“Building a new real economy requires launching initiatives and liberating them from bureaucracy and reviewing existing legal texts,” the statement quoted Tebboune as saying at the meeting. “No distinction must be made between the public

and private sectors in creating wealth and jobs,” he added. The new plan will keep unchanged the country’s subsidy policy. The government subsidizes almost everything from basic foodstuffs to housing, medicine and fuel.

“This plan must preserve the social nature of the state and protect the purchasing power of citizens, especially the fragile class,” Tebboune said. The authorities will unveil more details of the plan after final government approval in the coming days before being submitted to businessmen for debate, the statement said. The plan comes amid preparations for a referendum later this year on amendments to the constitution to boost freedoms and give parliament more powers as part of political reforms **r**

Saudi downturn batters Yemen’s economy

On top of war and the coronavirus pandemic, Yemen faces looming economic disaster as a crisis gripping its main benefactor Saudi Arabia dents remittances and leaves state coffers running dry.

Saudi Arabia has poured in tens of billions of dollars to prop up the Arab world’s poorest country in the form of humanitarian aid, fuel subsidies and cash to its ailing central bank.

But as the double whammy of low oil prices and virus shutdowns triggers deep austerity measures at home, observers say Saudi Arabia no longer appears willing—or able—to offer Yemen the same level of support even as the kingdom’s military spending remains robust.

Saudi Arabia may also be reassessing its role as what observers call a “regional ATM” after its expensive intervention in Yemen produced few tangible gains, while a bitter power struggle between its anti-Houthi allies complicates its efforts to exit the conflict **r**

French economy to rebound to pre-crisis levels by 2022: Maire

The French economy is on course to rebound by 8 percent next year and should return to pre-crisis levels by 2022, French Finance Minister Bruno Le Maire said. Le Maire told the National Assembly recent economic data had been “satisfying but too fragile” for now to change forecasts for an economic contraction this year of 11 percent, the worst since modern records began.

“I won’t resign myself to a -11 percent recession. If we step up the measures that we have already decided and make sure they are implemented well, we can do better than -11 percent in 2020,” Le Maire said to open a debate on the public finances. The government has committed more than 460 billion euros (\$533 billion) in public funds to supporting the economy. Most will come in the form of state-guaranteed loans and tax breaks to help companies cope with a slump in business.

Le Maire is drafting a recovery plan worth more than 100 billion euros



to be presented on August 24, aimed at bringing the euro zone’s second-biggest economy back to pre-crisis levels. Le Maire said that while he forecast a rebound in growth of 8 percent next year, the outlook was particularly difficult to project and depended in part on the depth of the recession this year.

“My objective is that we are able from 2022 to return to a level of growth and national wealth comparable to that before the crisis,” Le Maire told lawmakers. The government

put France under one of the strictest lockdowns in Europe in mid-March, shutting down vast swathes of the economy.

Activity has steadily picked up since lockdown restrictions began to be lifted on May 11, although businesses such as hotels relying on foreign tourists continue to suffer. The INSEE official statistics agency said business confidence gained further ground in July, though it remains far from pre-crisis levels **r**

UK sees ‘room for compromise’ with US over WTO

A Briton seeking to lead the World Trade Organization voiced confidence that a compromise could be reached with Washington to revive the organization’s crippled appeals panel.

Britain’s first post-Brexit international trade secretary Liam Fox, one of eight candidates vying to become the WTO’s next director-general, insisted the dispute settlement system could be fixed. “I believe from my discussions with my American colleagues that they do wish to see that resolution mechanism in place and I think there is room for compromise,” he told media after meeting representatives from the WTO’s 164 member states.

The appellate branch of the WTO’s Dispute Settlement Body, sometimes called the supreme court of world trade, stopped functioning in December after years of relentless US opposition. Washington accuses the court of major overreach and has blocked appointments of new judges, leaving it without a quorum of three needed to hear cases.

Fox said the US position was “not something that I’m unsympathetic to”, suggesting that curbing the panel’s mandate might be a way forward. But he emphasized the importance of a functioning dispute settlement system with the possibility to appeal decisions, warning that

without it, the WTO system faced an “existential” threat.

Fox, who was the last candidate to be grilled by member states, dismissed questions about whether Brexit might weaken support for him among European countries. “Not everyone in the world sees every issue through the Brexit prism,” he said, adding “I hope the EU will choose a candidate who is most in line with the values and the aspirations for global trade that the EU has.”

The WTO is moving swiftly to replace director-general Roberto Azevedo. In a surprise move, the Brazilian diplomat announced in mid-May

that he would end his second term 12 months early for personal reasons. The contest comes as the global trade body faces an existential crisis in the midst of the coronavirus pandemic and resulting global economic crisis.

Candidate's countries and regions of origin have become a focus during the selection process **r**

IMF: Economy 'not out of the woods yet'

Despite some signs of recovery, the global economy faces continued challenges, including the possibility of a second wave of COVID-19, and governments should keep their support programs in place, IMF chief Kristalina Georgieva said. Activity "has started to gradually strengthen... But we are not out of the woods yet," Georgieva said in a message to G20 finance ministers ahead of their weekend meeting in Saudi Arabia.

The Washington-based crisis lender late last month downgraded its growth forecasts, and now expects global GDP to fall by 4.9 percent this year due to the deeper contraction during lockdowns than previously anticipated, and only a "tepid recovery is expected for next year."

The \$11 trillion in stimulus provided by the G20 nations helped to prevent a worse outcome, but "these safety nets must be maintained as needed and, in some cases, expanded," Georgieva urged in a blog post. She highlighted measures including paid sick leave for low-income families and access to health care and unemployment insurance. But the recovery faces risks, she said, including the possibility of "a second major global wave of the disease could lead to further disruptions."

While she acknowledged that the "substantial and rising debt levels are

a serious concern," Georgieva said, "At this stage in the crisis, however, the costs of premature withdrawal are greater than continued support where it is needed." Many countries have moved to reopen, so, "Clearly, we have entered a new phase of the crisis," she said in a blog post, adding it will require "further policy agility and action to secure a durable and shared recovery."

Many jobs that have been lost amid the pandemic may never come back, so workers will need support and training to move into new sectors. "The bottom line is that the pandemic is likely to increase poverty and inequality," she said but noted that policymakers have "a once-in-a-century shot" at building a better, greener and more equitable world **r**

Virus bringing \$1t of global corporate debt in 2020

Companies around the world will take on as much as \$1 trillion of new debt in 2020, as they try to shore up their finances against the coronavirus, a new study of 900 top firms has estimated. The unprecedented increase will see total global corporate debt jump by 12 percent to around \$9.3 trillion, adding to years of accumulation that has left the world's most indebted firms owing as much as many medium-sized countries. Last year also saw a sharp 8 percent rise, driven by mergers and acquisitions, and by firms borrowing to fund share buybacks and dividends. But this year's jump will be for an entirely different reason – preservation as the virus saps profits.

"COVID-19 has changed everything," said Seth Meyer, a portfolio manager at Janus Henderson, the firm that compiled the analysis for a new

corporate debt index. "Now it is about conserving capital and building a fortified balance sheet". Companies tapped bond markets for \$384 billion between January and May, and Meyer estimates that recent weeks have set a new record for debt issuance from riskier "high yield" firms with lower credit ratings.

Lending markets had slammed shut for all but the most trusted firms in March, but have been opened up wide again by emergency corporate debt buying programs from central banks like the US Federal Reserve, the European Central Bank and Bank of Japan.

Companies included in the new debt index already owe almost 40 percent more than they did in 2014, and growth in debt has comfortably outstripped growth in profits.

Pre-tax profits for the same group of 900 companies have risen a collective 9.1 percent to \$2.3 trillion. Gearing, a measure of debt relative to shareholder finance, hit a record 59 percent in 2019, while the proportion of profit devoted to servicing interest payments also rose to a new high.

US companies owe almost half of the world's corporate debt at \$3.9 trillion and have seen the fastest increase in the last five years of any major economy with the exception of Switzerland where there has been a wave of major M&A deals. Germany comes in at number two at \$762 billion.

It also has three of the world's most indebted firms including the most indebted, Volkswagen, which with \$192 billion of debt is not far behind countries like South Africa or Hungary, though it is inflated by its car finance arm **r**

২০২০-২১ অর্থবছরের বাজেট ঘোষণা

কোভিড-১৯ মহামারী চলাকালীন সময়ের মধ্যেই ২০২০-২১ অর্থবছরের জন্য জাতীয় সংসদে নিজের দ্বিতীয় বাজেট উত্থাপন করলেন অর্থমন্ত্রী আ হ ম মুস্তফা কামাল। ২০২০-২১ 'অর্থনৈতিক উত্তরণ ও ভবিষ্যৎ পথপরিক্রমা' শিরোনামের এবারের বাজেটে মোট দেশজ উৎপাদনে (জিডিপি) প্রবৃদ্ধির লক্ষ্য নির্ধারণ করা হয়েছে ৮ দশমিক ২ শতাংশ। বাড়ানো হয়েছে রাজস্ব আহরণ লক্ষ্যমাত্রাও, প্রায় ৮ দশমিক ৬০ শতাংশ।

বাজেট প্রস্তাব অনুযায়ী, ২০১৯-২০ সালের জন্য জিডিপির লক্ষ্য নির্ধারণ করা হয়েছিল ২৮ লাখ ৮৫ হাজার ৮৭২ কোটি টাকা। পরে তা সংশোধন করে আনা হয় ২৮ লাখ ৫ হাজার ৭০০ কোটি টাকায়। আগামী অর্থবছরে (২০২০-২১) এর পরিমাণ নির্ধারণ করা হয়েছে ৩১ লাখ ৭১ হাজার ৮০০ কোটি টাকা।

উত্থাপিত বাজেটে অর্থমন্ত্রী মোট ব্যয়ের প্রস্তাব করেছেন ৫ লাখ ৬৮ হাজার কোটি টাকা, যা চলতি অর্থবছরের প্রস্তাবিত বাজেটের চেয়ে ৪৪ হাজার ৮১০ কোটি টাকা বা প্রায় ৮ দশমিক ৫৭ শতাংশ বেশি। অন্যদিকে সংশোধিত বাজেট থেকে এটি প্রায় ৬৬ হাজার ৪২৩ কোটি টাকা বা প্রায় ১৩ দশমিক ২৪ শতাংশ বেশি।

বাজেটে অর্থমন্ত্রীর দেয়া ব্যয় পরিকল্পনা বাস্তবায়নের জন্য প্রয়োজন রাজস্ব আহরণ। এজন্য আগামী অর্থবছরের রাজস্ব আহরণ লক্ষ্যমাত্রা চলতি অর্থবছরের সংশোধিত লক্ষ্যমাত্রার চেয়ে প্রায় ৩০ হাজার কোটি টাকা বাড়িয়ে নির্ধারণ করা হয়েছে ৩ লাখ ৭৮ হাজার ৩ কোটি টাকা।

চলতি ২০১৯-২০ অর্থবছরে সংশোধিত বাজেটে রাজস্ব আদায়ের লক্ষ্যমাত্রা নির্ধারণ করা হয়েছে ৩ লাখ ৪৮ হাজার ৬৯ কোটি টাকা। প্রস্তাবিত বাজেটে এর পরিমাণ ছিল ৩ লাখ ৭৭ হাজার ৮১০ কোটি টাকা। সংশোধিত বাজেটের লক্ষ্যমাত্রা অর্জন নিয়েও রয়েছে সংশয়।

এদিকে আয়ের চেয়ে ব্যয় বেশি হওয়ার কারণে এবার ঘাটতি বেড়েছে বাজেটে। চলতি অর্থবছরে সংশোধিত বাজেটে ঘাটতির পরিমাণ (অনুদান ব্যতীত) ছিল ১ লাখ ৫৩ হাজার ৫০৮ কোটি বা জিডিপির প্রায় সাড়ে ৫ শতাংশ। কিন্তু আগামী অর্থবছরের জন্য ঘাটতি ধরা হয়েছে প্রায় ১ লাখ ৯০ হাজার কোটি টাকা, যা মোট জিডিপির প্রায় ৬ শতাংশ। অনুদান বাদ দিলে এ ঘাটতির হার দাঁড়ায় ৫ দশমিক ৮ শতাংশ।

বাজেটের এ ঘাটতি মেটানোর নির্ভর করতে হবে ব্যাংকিং খাতের ওপর। ঘাটতি পূরণে দেশের ব্যাংকিং ব্যবস্থা থেকে নেয়া হবে প্রায় ৮৪ হাজার ৯৮০ কোটি টাকা, যা চলতি অর্থবছরের প্রস্তাবিত বাজেট থেকে প্রায় ৩৭ হাজার ৬১৬ কোটি টাকা বেশি। আবার অর্থায়নের ক্ষেত্রে বিদেশী ঋণনির্ভরতাও বাড়ানো হচ্ছে।

চলতি অর্থবছরের সংশোধিত বাজেটে বৈদেশিক ঋণের পরিমাণ নির্ধারণ করা হয়েছিল ৬৩ হাজার ৬৫৯ কোটি টাকা। আগামী অর্থবছরের জন্য উত্থাপিত বাজেটে তা উন্নীত করা হচ্ছে ৮৮ হাজার ৮২৪ কোটি টাকায়। বাড়তি এ ঋণের কারণে আগামী অর্থবছরে সরকারের সুদ পরিশোধ বাবদ প্রায় ৬৪ হাজার কোটি টাকা বরাদ্দের প্রস্তাব করা হয়েছে। এছাড়া ভর্তুকি বাবদ ব্যয় হবে ৪৭ হাজার ৭৫০ কোটি টাকা।

এদিকে জমি-ফ্ল্যাট কিনে এবং শর্তসাপেক্ষে পুঁজিবাজারে বিনিয়োগ করে অপ্রদর্শিত অর্থ বৈধ করার সুযোগ রাখা হয়েছে এবারের বাজেটে। এক্ষেত্রে ১০ শতাংশ কর পরিশোধ করলেই বৈধতা দেয়া হবে। এভাবে অপ্রদর্শিত অর্থ বৈধ করার সুযোগ দুর্বৃত্তায়নকে আরো উৎসাহিত করবে বলে মনে করছেন সংশ্লিষ্টরা।

দেশ থেকে আন্ডার ইনভয়েসিং, ওভার ইনভয়েসিং এবং ভুয়া বিনিয়োগের মাধ্যমে অর্থ পাচার ও কর ফাঁকির অভিযোগ দীর্ঘদিনের। এবারের বাজেট বক্তৃতায় অর্থ পাচারকারীদের বিরুদ্ধে কঠোর হওয়ার বার্তা দিয়েছেন অর্থমন্ত্রী। আন্ডার ইনভয়েসিং, ওভার ইনভয়েসিংয়ের মাধ্যমে যে পরিমাণ অর্থ পাচার করা হয়েছে এবং যে পরিমাণ প্রদর্শিত বিনিয়োগ ভুয়া হিসেবে প্রমাণিত হবে তার ওপর ৫০ শতাংশ হারে কর আরোপের ঘোষণা দিয়েছেন তিনি।

বাজেটে সাধারণ করদাতাদের জন্য করমুক্ত আয়ের সীমা ৩ লাখ টাকা করা হয়েছে। নারী ও ৬৫ বছরের বেশি বয়সী করদাতাদের করমুক্ত আয়সীমা ধরা হয়েছে ৩ লাখ ৫০ হাজার টাকা। বাজেটে করপোরেট করহার কমছে। বাড়ছে তৈরি পোশাক শিল্পে করছাড়ের মেয়াদও। পুঁজিবাজারে তালিকাভুক্ত নয় এমন কোম্পানির করহার আড়াই শতাংশ কমানোর প্রস্তাব করা হয়েছে।

অবশ্য অর্থমন্ত্রী তার বক্তৃতায় বাজেট কর্মপরিকল্পনায় চারটি কৌশলগত দিকে নজর দেয়ার ওপর জোর দিয়েছেন। প্রথম কৌশলটি

হলো সরকারি ব্যয়ের ক্ষেত্রে কর্মসৃজনকে প্রাধান্য দেয়া এবং বিলাসী ব্যয়কে নিরুৎসাহিত করা। ব্যাংক ব্যবস্থার মাধ্যমে স্বল্প সুদে কতিপয় ঋণ সুবিধা প্রবর্তন করে অর্থনৈতিক কর্মকাণ্ড পুনরুজ্জীবিত করা এবং দেশ-বিদেশে উদ্যোক্তাদের প্রতিযোগিতায় সক্ষম করে তোলার বিষয়টিকে দ্বিতীয় কৌশল হিসেবে উত্থাপন করেছেন অর্থমন্ত্রী।

তৃতীয় কৌশলটি হলো হতদরিদ্র ও কর্মহীন হয়ে পড়া নিম্ন আয়ের জনগোষ্ঠী এবং অপ্রাতিষ্ঠানিক কর্মকাণ্ডে নিয়োজিত জনগণকে সুরক্ষা দিতে সরকারের সামাজিক সুরক্ষা কার্যক্রমের আওতা বাড়ানো। অর্থমন্ত্রীর শেষ কৌশলটি হলো বাজারে মুদ্রা সরবরাহ বৃদ্ধি করা। তবে মূল্যস্ফীতির ওপর নেতিবাচক প্রভাব এড়াতে বেশ সতর্কতার সঙ্গে এ কৌশলটি বাস্তবায়ন করা হচ্ছে বলে জানিয়েছেন অর্থমন্ত্রী।

বাজেট বক্তৃতায় গত এক দশকে সুশৃঙ্খল মুদ্রা ও রাজস্ব নীতির কারণে আমাদের ঋণস্থিতি-জিডিপি অনুপাত অত্যন্ত কম বলে উল্লেখ করেছেন অর্থমন্ত্রী। এ অনুপাত ৩৪ শতাংশ হওয়ায় করোনা প্রাদুর্ভাবে সরকারি ব্যয় বাড়লেও তা সামষ্টিক অর্থনীতির ওপর নেতিবাচক প্রভাব ফেলবে না বলে বিশ্বাস অর্থমন্ত্রীর।

বাজেট ঘোষণা অনুযায়ী, আগামী অর্থবছরে ৫০ লাখ দরিদ্র কর্মজীবী মানুষকে নগদ অর্থসহায়তা দেয়া হবে। সামাজিক নিরাপত্তা বলয়ে নতুন করে যুক্ত হচ্ছে প্রায় ১১ লাখ ৫ হাজার সুবিধাভোগী। এ খাতে বাজেটের প্রায় ১৭ শতাংশ বরাদ্দ রাখা হচ্ছে।

আগামী অর্থবছরে কভিড-১৯ মোকাবেলায় যেকোনো জরুরি চাহিদা মেটানোর জন্য ১০ হাজার কোটি টাকা থোক বরাদ্দের প্রস্তাব করা হয়েছে প্রস্তাবিত বাজেটে। এছাড়া স্বাস্থ্য-শিক্ষা ও বিজ্ঞান-প্রযুক্তি খাতের গবেষণার উন্নয়নে ১০০ কোটি টাকার একটি 'সমন্বিত স্বাস্থ্য-বিজ্ঞান গবেষণা ও উন্নয়ন তহবিল' গঠনেরও প্রস্তাব করেছেন অর্থমন্ত্রী।

দেশীয় শিল্পের বিকাশে বিশেষ সুবিধা দেয়ার ঘোষণা রয়েছে বাজেট প্রস্তাবে। আগামী অর্থবছরও সেলফোন সেবায় সম্পূরক শুল্ক ৫ শতাংশ বাড়ানোর প্রস্তাব করা হয়েছে। বৈধ পথে স্বর্ণ আমদানি উৎসাহিত করতে আমদানির ওপর বিদ্যমান ১৫ শতাংশ ভ্যাট প্রত্যাহারের প্রস্তাব করা হয়েছে। নভেল করোনাভাইরাসের সংক্রমণ

মোকাবেলায় নমুনা পরীক্ষার কিট, ব্যক্তিগত সুরক্ষাসামগ্রী এবং কভিড-১৯ নিরোধক গুণে আমদানি, উৎপাদন ও ব্যবসায়ী পর্যায়ে মুসক অব্যাহতির প্রস্তাব দেয়া হয়েছে।

বাজেট বক্তব্য উপস্থাপনকালে অর্থমন্ত্রী বলেন, চলতি অর্থবছরে আমরা সবাই পুরোপুরি আত্মপ্রত্যয়ী ছিলাম এ বছর আমরা আমাদের অর্থনীতিতে দেশের সেরা প্রবৃদ্ধি জাতিকে উপহার দেব। কিন্তু দুঃখের বিষয় করোনা পরিস্থিতি সারা বিশ্বের অর্থনীতির হিসাবনিকাশকে সম্পূর্ণ গুলটপালট করে দিয়েছে।

বাংলাদেশের প্রবৃদ্ধি হবে ১.৬ শতাংশ : বিশ্বব্যাংকের প্রতিবেদন

চলতি অর্থবছরে (২০১৯-২০) দেশে জিডিপি প্রবৃদ্ধি ১ দশমিক ৬ শতাংশ দাঁড়াতে পারে বলে মনে করছে বিশ্বব্যাংক। একই সঙ্গে রফতানি বাণিজ্য, কর্মসংস্থান, রেমিট্যান্স, বেসরকারি ভোগ ও ঋণপ্রবাহ এবং শহর থেকে গ্রামে অভ্যন্তরীণ স্থানান্তরে বড় ধরনের পরিবর্তনের পূর্বাভাস দিয়েছে সংস্থাটি। অন্যদিকে বৈশ্বিক অর্থনীতি নিয়ে সংস্থাটির প্রক্ষেপণ বলছে, চলতি বছর বৈশ্বিক অর্থনীতি সংকুচিত হতে পারে ৫ দশমিক ২ শতাংশ।

বিশ্বব্যাংকের গ্লোবাল ইকোনমিক প্রসপেক্টস ২০২০ প্রতিবেদনে এসব পূর্বাভাস দেয়া হয়। প্রতিবেদনে চলতি অর্থবছরের পাশাপাশি আগামী অর্থবছরেও দেশে (২০২০-২১) অর্থনীতি আরো শ্লথ হয়ে আসবে বলে পূর্বাভাস দেয়া হয়েছে। সেক্ষেত্রে আগামী অর্থবছরের জিডিপি প্রবৃদ্ধির হার দাঁড়াতে পারে ১ শতাংশ।

নতুন এ প্রতিবেদনে চলতি বছরের জানুয়ারিতে প্রকাশিত পূর্বাভাসে সংশোধন এনেছে বিশ্বব্যাংক। সর্বশেষ প্রক্ষেপণে চলতি অর্থবছরে দেশের সম্ভাব্য জিডিপি প্রবৃদ্ধির হার কমানো হয়েছে জানুয়ারিতে প্রকাশিতটির তুলনায় ৫ দশমিক ৬ শতাংশীয় পয়েন্ট।

অর্থাৎ জানুয়ারিতে চলতি বছর বাংলাদেশের ৭ দশমিক ২ শতাংশ প্রবৃদ্ধির পূর্বাভাস দিয়েছিল বিশ্বব্যাংক। অন্যদিকে জানুয়ারির প্রক্ষেপণের তুলনায় সর্বশেষটিতে আগামী বছরের সম্ভাব্য প্রবৃদ্ধির হার কমানো হয়েছে ৬ দশমিক ৩ শতাংশীয় পয়েন্ট।

বৈশ্বিক জিডিপি কমার পাশাপাশি চলতি বছরে উদীয়মান অর্থনীতির দেশগুলোর মাথাপিছু আয় কমার পূর্বাভাস দিয়েছে বিশ্বব্যাংক। সে হিসেবে সামনের দিনগুলোয় বৈশ্বিক দারিদ্র্য আরো বাড়বে বলে মনে করছে সংস্থাটি। এক্ষেত্রে সংস্থাটি মনে

করছে, ভবিষ্যতে এ সংকট মোকাবেলায় চরম দারিদ্র্য হ্রাসের ওপর জোর দেয়া প্রয়োজন। অন্যথায় টেকসই উন্নয়ন লক্ষ্যমাত্রায় বড় ধরনের ধাক্কা আসতে পারে।

বিশ্বব্যাংকের প্রতিবেদনে বাংলাদেশের বর্তমান পরিস্থিতি নিয়ে বেশকিছু মূল্যায়ন দেয়া হয়। প্রতিবেদনে বলা হয়, দেশের ট্রেডভিত্তিক ব্যবসায় বড় ধরনের পতন হয়েছে। বেসরকারি ভোগের পরিমাণ হ্রাস পাচ্ছে। পাশাপাশি বেসরকারি খাতের ঋণপ্রবাহও কমছে।

২০১৮ সালের মার্চ থেকে চলতি বছরের মার্চ পর্যন্ত বেসরকারি ঋণপ্রবাহ ধারাবাহিকভাবেই কমছে। তবে স্বস্তির বিষয় হলো মূল্যক্ষীতি একটি নির্দিষ্ট পর্যায়ে স্থিতিশীল রয়েছে। সামনের দিনগুলোয় জ্বালানি তেলের দাম হ্রাস পাওয়ার কারণে মূল্যক্ষীতি আরো কমে যেতে পারে। এছাড়া দেশের শিল্প উৎপাদনও বড় ধরনের বিপর্যয় আসতে পারে। রফতানি আয় এবং রেমিট্যান্স কমেতে পারে।

তবে এর মধ্যেও আশার আলো হতে পারে দেশের গুণবৃত্তি এবং আরএমজি খাত। তৈরি পোশাক খাতের বিকল্প পণ্যসামগ্রী সারা বিশ্বে বিশেষ অবস্থান নিতে পারে। এছাড়া দেশে শহর থেকে গ্রামে যাওয়ার প্রবণতা বেড়েছে। ফলে গ্রামে এসব মানুষের বিকল্প কর্মসংস্থানের প্রয়োজন হতে পারে।

বিশ্বব্যাংকের প্রতিবেদনের তথ্যমতে, ২০২০ সালে বৈশ্বিক জিডিপিতে সংকোচন হতে পারে ৫ দশমিক ২ শতাংশ। তবে পূর্ব এশিয়া এবং প্রশান্ত মহাসাগরীয় অঞ্চলে সামান্য প্রবৃদ্ধি হতে পারে, যার সম্ভাব্য হার দশমিক ৫ শতাংশ। অন্যদিকে দক্ষিণ এশিয়ায় ২ দশমিক ৭ শতাংশ, সাব-সাহারান আফ্রিকায় ২ দশমিক ৮, মধ্যপ্রাচ্য ও উত্তর আফ্রিকায় ৪ দশমিক ২, ইউরোপ ও মধ্য এশিয়ায় ৪ দশমিক ৭ এবং লাতিন আমেরিকায় ২ দশমিক ২ শতাংশ হারে অর্থনীতি সংকুচিত হতে পারে।

এতে আরো বলা হয়, চলমান অর্থনৈতিক মন্দা লাখ লাখ লোককে চরম দারিদ্র্যের দিকে ফিরিয়ে নিয়ে যাবে। এছাড়া টেকসই উন্নয়ন লক্ষ্য অর্জনেও বড় ধরনের বাধা পড়তে পারে। দুর্বল স্বাস্থ্যসেবা ব্যবস্থার কারণে বাণিজ্য ও পর্যটন হ্রাস, রেমিট্যান্স হ্রাস, মূলধন প্রবাহ কমে যাওয়া এবং ক্রমবর্ধমান ঋণ ব্যবস্থাপনায় দুর্বলতা আরো বাড়বে। এছাড়া বিভিন্ন দেশের পণ্য সরবরাহ ব্যবস্থা ব্যাপকভাবে বিঘ্নিত হয়েছে। একই সঙ্গে ব্যাহত হয়েছে অভ্যন্তরীণ যোগাযোগ ব্যবস্থা এবং শিল্প খাতের মধ্যবর্তী পণ্য পরিবহনও।

কোভিড-১৯ সংকটের দীর্ঘস্থায়ী পুনরুদ্ধারে জরুরি পদক্ষেপ প্রয়োজন; আইসিসিবি

বিশ্বব্যাপী মহামারী আকারে ছড়িয়ে পড়া নভেল করোনাভাইরাসে (কভিড-১৯) সৃষ্ট স্বাস্থ্য ও অর্থনৈতিক সংকট, অরক্ষিত জনগোষ্ঠীকে রক্ষা করা এবং দীর্ঘস্থায়ী পুনরুদ্ধারের মঞ্চ নির্ধারণের জন্য জরুরি পদক্ষেপ নেয়া প্রয়োজন বলে মনে করে ইন্টারন্যাশনাল চেম্বার্স অব কমার্স-বাংলাদেশ (আইসিসিবি)। সংগঠনটির ত্রৈমাসিক বুলেটিন সম্পাদকীয়তে এমন মতামত তুলে ধরা হয়েছে। বিশ্বজুড়ে কোভিড-১৯-এর প্রভাব বিশ্লেষণ করতে গিয়ে আইসিসিবি বলছে, গত ডিসেম্বরে চীনের উহান প্রদেশে উদ্ভিত কোভিড-১৯ বিশ্বব্যাপী মহামারীর কারণে বিশ্ব মারাত্মক এবং তীব্র জনস্বাস্থ্য ও অর্থনৈতিক হুমকির মুখোমুখি হয়েছে।

মরণঘাতী ভাইরাসটি মোকাবেলায় বিশ্বব্যাপী নেয়া পদক্ষেপের বিষয় উল্লেখ করে সম্পাদকীয়তে বলা হয়েছে, স্বল্পমেয়াদে বাংলাদেশসহ বিশ্বের বিভিন্ন দেশ তরঙ্গের মতো চলমান মহামারীটিকে মোকাবেলার জন্য রোগীদের পরীক্ষা-নিরীক্ষা ও চিকিৎসা, লকডাউন, যোগাযোগের সীমাবদ্ধতা, ভ্রমণকে সীমাবদ্ধকরণ, নাগরিকদের বিচ্ছিন্নকরণ এবং বৃহত্তর জমায়েত বাতিল করে ভাইরাসের বিস্তারকে কমিয়ে আনার চেষ্টা চালিয়ে যাচ্ছে।

মহামারী-পরবর্তী পৃথিবীর জন্য কী ধরনের পদক্ষেপ নেয়া প্রয়োজন সেটিও উঠে এসেছে আইসিসিবির সম্পাদকীয়তে। সেখানে বলা হয়েছে, কোভিড-১৯-পরবর্তী স্বাস্থ্য সংকট অবসান হওয়ার পর উদীয়মান বাজার এবং উন্নয়নশীল দেশগুলোর জন্য জনস্বাস্থ্য ব্যবস্থা শক্তিশালী করা, অনানুষ্ঠানিকতার দ্বারা সৃষ্ট চ্যালেঞ্জ মোকাবেলা করা এবং শক্তিশালী ও টেকসই বৃদ্ধিকে সমর্থন করবে এমন সংস্কার বাস্তবায়ন করা জরুরি। আর ভাইরাস-পরবর্তী একটি নতুন বিশ্ব দেখব, যা আমাদের থেকে অনেক আলাদা এবং অজানা। যেখানে বিশ্বনেতাদের মানবতাকে বাঁচাতে একত্র হতে হবে। ভবিষ্যতে এ মহামারী মোকাবেলার জন্য স্বাস্থ্যসেবার উন্নয়ন ও গুণবৃত্তির বিকাশের জন্য আরো বেশি অর্থ বরাদ্দের ওপর গুরুত্ব দিতে হবে।

অন্যদিকে চলমান মহামারী দীর্ঘস্থায়ী হলে তার কী প্রভাব পড়বে সেটিও এ বিশ্লেষণে উঠে এসেছে। আইসিসিবি বলছে, এ মহামারীর মেয়াদ দীর্ঘায়িত হলে ব্যাপক বেকারত্বের সৃষ্টি হতে পারে ও ব্যবসা-বাণিজ্যে ব্যর্থতা দেখা দিতে পারে।

TRADE INFORMATION

June-July 2020

The following **Trade Inquiries** have been received in the Chamber from different sources abroad. Interested member-firms may like to contact them directly without any obligation on the part of DCCI. Due to COVID-19 Pandemic, date may be changed.

FAIRS & EXHIBITIONS

Arab Health

Date: 01 February-04 February, 2021
Venue: Dubai World Trade Centre, Dubai, UAE
Organizer: Informa Connect
Contact Person: Mr. Ali Alidina, Marketing Manager
E-mail: ali.Alidina@informa.com
Website: www.arabhealthonline.com

Hostech by Tusid Expo

Date: 09 February-13 February, 2021
Venue: CNR Expo, Bakırköy, Turkey
Organizer: CNR HOLDING
Tel: +90 549 746 55 42 (M)
E-mail: kamile.gulen@cnr.net
Website: www.hostechbytusid.com

Gulfood

Date: 21 February-25 February, 2021
Venue: Dubai World Trade Centre, Dubai, UAE
Organizer: Dubai World Trade Centre
Contact Person: Mr. Gulsum Kayis Arslan, Marketing Manager
E-mail: gulsum.arslan@dwtc.com
Website: www.gulfood.com

Taipei International Furniture Show

Date: 26 February-01 March, 2021
Venue: Taipei World Trade Center Hall 3, Taipei, Taiwan
Organizer: Tüyap Fairs and Exhibitions Organization Inc.
Contact Person: Ms. Laura Chang
E-mail: mslaurachang@gmail.com
Website: www.tfma.org.tw

AAHAR - International Food & Hospitality Fair

Date: 03 March-07 March, 2021
Venue: Pragati Maidan, New Delhi, India
Organizer: India Trade Promotion Organization
Contact Person: Ms. Renu Choudhary
E-mail: renuchoudhary@itpo.gov.in
Website: www.indiatrdefair.com

China International Beauty Expo

Date: 10 March-12 March, 2021
Venue: China Import and Export Fair(Canton Fair Complex), Guangzhou, China
Organizer: GUANGZHOU JIAMEI EXHIBITION CO.,LTD.
Contact Person: Mr. Huang
E-mail: info@chinainternationalbeauty.com
Website: www.pc.chinainternationalbeauty.com

Vietnam International Furniture & Home Accessories Fair

Date: 10 March-13 March, 2021
Venue: Saigon Exhibition and Convention Center, Ho Chi Minh, Vietnam
Organizer: HAWA CORPORATION
Contact Person: Mr. Ngo Minh Nhat, Project Director
Mob: +84 79 915 3873
E-mail: nhat@hawacorp.com.vn
Website: www.vifafair.com

ITB Berlin

Date: 10 March-14 March, 2021
Venue: Messe Berlin, Berlin, Germany
Organizer: Messe Berlin, Berlin, Germany
E-mail: itb@messe-berlin.de
Website: www.itb-berlin.com

Food Ingredients China

Date: 16 March-18 February, 2021
Venue: National Convention & Exhibition Center, Shanghai, China
Organizer: CCPIT Sub-Council of Light Industry
Contact Person: Ms. Xu
E-mail: xuyan@ccpitsli.org
Website: www.cfaa.cn

Korea International Medical & Hospital Equipment Show

Date: 18 March-21 March, 2021
Venue: COEX Mall, Seoul, South Korea
Organizer: Korea E & Ex Inc.
E-mail: kimes@kimes.kr
Website: www.kimes.kr

Cosmoprof Worldwide Bologna

Date: 18 March-22 March, 2021
Venue: Bologna fieri, Bologna, Italy
Organizer: Bologna fieri, Bologna, Italy
Contact Person: Mr. Francesca Maturi
E-mail: visitors@cosmoprof.it
Website: www.cosmoprof.com

Toronto Gift + Home Market

Date: 18 April-21 April, 2021
Venue: The Toronto Congress Centre, Toronto, Canada
Organizer: Canadian Gift Association
Contact Person: Ms. Kate Easther Magsino
E-mail: info@internationalcentre.com
Website: www.cangift.org

Note: In the prevailing situation of corona pandemic, information about trade fairs and events may change.

Share Market (as on July 30, 2020)

Top 5 Turnover Leaders

Dhaka Stock Exchange				Chittagong Stock Exchange			
Company	Close Price	% Ø Price	Turnover (BDT mn)	Company	Close Price	% Ø Price	Turnover (BDT mn)
BATBC	915.40	-5.39	582.37	ORIONPHARM	34.80	-9.61	69.28
SQURPHARMA	173.30	-7.03	161.68	BEXIMCO	13.50	-7.53	69.00
GP	250.10	-5.87	138.59	KPCL	43.50	-9.75	68.22
LHBL	36.30	-9.48	127.58	BEACONPHAR	57.60	-10.00	66.44
SEAPEARL	72.90	-0.82	105.44	KPPL	18.80	-9.62	61.69

Top 5 Market Capitals

Dhaka Stock Exchange				Chittagong Stock Exchange			
Company	Close Price	% Ø Price	Turnover (BDT mn)	Company	Close Price	% Ø Price	Turnover (BDT mn)
GP	250.10	-5.87	337,710	GP	252.60	-3.99	341,086
BATBC	915.40	-5.39	164,772	BATBC	910.70	-6.04	163,926
SQURPHARMA	173.30	-7.03	146,307	SQURPHARMA	174.70	-5.47	147,489
UPGDCL	226.30	-5.40	119,206	UPGDCL	221.80	-7.20	116,888
RENATA	1021.30	-3.87	90,476	BERGERPBL	1,311.70	-3.32	60,834

Currency Valuation (as on July 30, 2020)

Currency	Buying	Selling
US\$	86.20	87.00
EUR	94.20	97.00
GBP	110.20	113.60
AUD	59.00	61.00
YEN	0.75	0.77
Saudi Riyal	22.50	23.20
S'pore\$	62.65	64.00

Source : The Financial Express & The New Age

Online Training Courses and Workshops of DBI for the month of January 2021

1	How to Prepare a Bankable Project Proposal for Availing Loan	1,525/-	1-2 January 2021 3.00 pm - 5.00 pm
2	Costs & Risks Mitigation Process in Import Business	1,525/-	1-2 January 2021 7.00 pm -9.00 pm
3	Human Resources Management Transformational Skills	1,525/-	8-9 January 2021 3.00 pm - 5.00 pm
4	Management of Health, Safety & Environment (HSE)	1,525/-	8-9 January 2021 7.00 pm -9.00 pm
5	Logistics and Transportation in Supply Chain Management	1,525/-	15-16 January 2021 3.00 pm - 5.00 pm
6	Excel Training : Beginners to Advance	1,525/-	15-16 January 2021 7.00 pm -9.00 pm
7	Customer Behaviour and Excellent Customer Services	1,525/-	22-23 January 2021 3.00 pm - 5.00 pm
8	Management Skill for HR & Administrative Professionals	1,525/-	22-23 January 2021 7.00 pm -9.00 pm
9	Essential Skills for Negotiation Towards Win-Win Deal	1,525/-	29-30 January 2021 3.00 pm - 5.00 pm
10	Understanding L/C Procedures for Export & Import Operation	1,525/-	29-30 January 2021 7.00 pm -9.00 pm

Registration Deadline : at least 1 day before starting date

Contact : DBI, 65-66 Motijheel C/A, (11th fl), Dhaka-1000
Cell : 01718-972656, 01913-756587 & 01913-745062
Phone : 9552562 Ext. 281, 124 &137
E-mail : dbi@dhakachamber.com
Website : www.dcci-dbi.edu.bd

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