

Since 1981

February-March, 2020

DCCI REVIEW



**Covid 19-hit
World Economy**



**Monthly Bulletin of the
Dhaka Chamber of Commerce & Industry
(In-house Circulation Only)**

Vol. XXXIXI No. 40 (01 February-March 31, 2020)
Published on 06 July, 2020

**MEMBERS OF THE BOARD
OF DIRECTORS**

PRESIDENT

Mr. Shams Mahmud

SENIOR VICE PRESIDENT

Mr. N K A Mobin, FCA, FCS

VICE PRESIDENT

Mr. Mohammad Bashiruddin

DIRECTORS

Mr. Osama Taseer
Mr. Andaleeb Hasan
Mr. Arman Haque
Mr. Ashraf Ahmed
Alhaj Deen Mohammed
Mr. Enamul Haque Patwary
Engr. Md. Al Amin
Mr. Md. Rashedul Karim Munna
Mr. Md. Shahid Hossain
Mr. Md. Zia Uddin
Mr. Monowar Hossain
Mr. Nuher L. Khan
Engr. Shamsuzzoha Chowdhury
Mr. S.M. Zillur Rahman
Mr. Waqar Ahmad Choudhury

Editorial Note	01
BUSINESS KALEIDOSCOPE	02
Chamber News	04
Article	09
National Economy	11
SAARC News	17
Asia-Pacific News	21
Middle East News	24
International News	27
সংবাদ বিচ্ছিন্না	৩০
Trade Information	32
Currency/Share	33
Pictorial	34

REVIEW ADVISORY BOARD

Founder Chairman

Late Nuruddin Ahmed

Members

Mr. Sayed Kamaluddin
Mr. A. S. M. Quasem
Mr. M A Momen
Mr. Hossain Khaled

DCCI REVIEW

Published by :

Dhaka Chamber of Commerce & Industry (DCCI)

65-66 Motijheel Commercial Area

Dhaka-1000, Phone : 9552562 (Hunting)

Fax : 880-2-9560830

E-mail : info@dhakachamber.com

Website : http://www.dhakachamber.com

For online version: dhakachamber.com/publication/review

DCCI Gulshan Centre

Taj Casilina, Suite # 3C, Plot # SW(4)I

25 Gulshan Avenue, Gulshan-1

Dhaka- 1212, Tel: 88-02- 9852246

The COVID 19-hit world economy

THE novel coronavirus infection, the first case having been reported from Wuhan in the Hubei province of China in December 2019, soon became a pandemic, taking the global infected cases by March 2020 to about 0.78 million and with about 37,800 of them having died by then and more than 0.16 million of the cases having been announced closed. By the time, the new coronavirus infection reached Bangladesh, with 51 having already contracted the disease since its first detection on March 8, of whom five already died since the first death reported on March 18. The COVID-19 pandemic started leaving a great impact on the global as well as Bangladesh economy.


Big shifts started taking place in stock markets, with the FTSE, Dow Jones Industrial Average and the Nikkei seeing decline. The Dow and the FTSE experienced the biggest drops in the first quarter of 2020 since 1987. More people started seeking work as businesses around the world started closing. Millions became jobless because of the spread of the new coronavirus infection. Oil prices started falling as its demand declined with lockdowns keeping people indoors around the world. The price of crude oil had already been affected by a row between the group of oil producers, OPEC, and Russia; and COVID-19 drove it down further. The world was at risk of recession. The International Monetary Fund sounded a warning that the pandemic would push the global economy into the worst recession since the Great Depression of the 1930s and this would be far worse than what the Global Financial Crisis triggered in 2008–2009.

As governments urged people to stay indoors and work from home, the world increasingly turned to technology. This pushed up the demand for online shopping and entertainment, which helped a few companies having adequate delivery mechanism to fly. But travel restrictions that the countries imposed as a preventive measure against the spread of COVID-19, travel and tourism industry was hit hard. People started cancelling trips, airlines started cutting flights and tourism industry terminating job of employees. Industrial production was brought to a halt as governments started resorting to lockdown to slow down the spread of COVID-19 and to buy time for vaccines to

come up to the rescue. The effects of lockdown became visible, with millions around the world seeking food and cash aid.

With the pandemic having slowed down factories in China, many countries, especially in South Asia, faced problems in import of raw materials and ingredients for the apparel and the pharmaceutical sector, signalling a crisis in business of all sorts. As support for small and medium enterprises and larger business is crucial for maintaining employment and financial stability, governments found themselves in trouble to extend help for their citizens. The initial impact, which was primarily limited to health issues, started straining all other sectors. COVID-19 also threatened the livelihood of millions in Bangladesh because of the economic disruption caused by the disease. An estimated 50 million workers that work in the informal sector in Bangladesh started bearing the brunt as many of them could not be readily covered by food or cash aid of the government, pushing for the need for a large-scale cash-transfer programme. The situation forced the government to announce emergency stimulus packages.

Bangladesh was ready to celebrate the birth centenary of Bangabandhu Sheikh Mujibur Rahman on March 17. The government also declared Mujib Year to mark the contribution of the father of the nation to building Sonar Bangla. But when Bangladesh was poised to become a middle-income country, when the economy was pacing fast on a higher growth trajectory and when Bangladesh achieved a significant success in economic and social indexes, COVID-19 left Bangladesh into an economic turmoil. The COVID-19 outbreak badly hit the economy and public health when Bangladesh's journey to Sonar Bangla achieved its full pace.

The fight against the COVID-19 continues but it is not alone for the government to fight. It seems to warrant a public-private coordination at local and international levels. Bangladesh hopes to overcome all hurdles to achieve the target of Sonar Bangla that the father of the nation Bangabandhu Sheikh Mujibur Rahman dreamt of. And Bangladesh will win 

BUSINESS KALEIDOSCOPE



Economic Significance of Six-Point Movement and Present Economic Reality

The great leader of this continent Bangabandhu Sheikh Mujibur Rahman not only emancipated the innocent Bengalis from political exploitation but also from socioeconomic exploitation by West Pakistan. The long-held socioeconomic discrimination, suppression crippled the development dream and thought of mass people in the then East Pakistan. Centering the movement on eradicating discrimination, the much thought, deep-rooted, result-oriented and sustainable economic development sensation took a shape through declaration of six-point programme to establish socioeconomic parity for the underprivileged Bengalis.

Meanwhile, the business oligarchy led by Pakistani owned business people absorbed the business and industries in East Pakistan depriving local Bengali entrepreneurs. And, development of the East Pakistan was the least attended and prioritized. Hence, the significance of six points in political and economic freedom of Bangladesh is beyond the description as it was an agenda for renaissance of Bengalis.

The six point movement was an integrated approach of national freedom and contributed to bring a new thought and dimension in economic development. The six-point programme within a short while galvanised the people and turned into a Charter of freedom for Bengalis as a new and promising nation. This movement became widespread and endorsed by mass people. Six-point movement was the movement for disguised autonomy of Bangladesh.

The six points demanded a federal system of government. In the second article, the federal government should deal with only defense and foreign affairs, and all other economic and residual issues remain vested in federating states. With

this article, Bangabandhu desired the control over all the administrative power of East Pakistan by the Bengalis. The third article emphasised on economic emancipation and proposed to end the capital flight from East Pakistan to West Pakistan. Hence, freely convertible currencies for two wings or constitutional provisions for prohibiting capital flight were proposed. Introduction of a separate reserve bank for East Pakistan and to adopt a separate fiscal and monetary policy for East Pakistan was proposed so that the economic development and industrialisation gets established. He stressed that every province has right to become self-dependent for ensuring credit disbursement and development support for enhancing industrialization of East Pakistan.

This article emphasised industrialisation and securing export earnings from domestic sources for local reserve enrichment. In the article four, separate power of taxation and revenue collection was proposed in the federating units without any control of the federal center. The policy in turn prepares a background for adopting an investment-friendly-environment and revenue use for East Pakistan. In article five, introduction of two separate state accounts for the foreign exchange earnings was proposed to safeguard the export earnings of East Pakistan. And, foreign exchange requirement for Federal Government should be met and the ratio of the East and the West. For promoting domestic industrialisation, he proposed for free movement of the indigenous products between the two states. And, for having the right of import and export by the industrialist of East Pakistan, he stressed constitutional reform to empower the two units of Pakistan to establish trade links with foreign countries. The article six was about the separate defense system for East Pakistan.

BUSINESS KALEIDOSCOPE

Later the partition of India and Pakistan, the inhabitants of East Pakistan earned the majority of export earning with jute export but deprived of substantial share of economic benefit. Though 63% of population lived in East Pakistan of total population of Pakistan, the majority of budgetary allocation went to West Pakistan for their regional development during 1950 to 1970. The statistics refers how the population of East Pakistan were exploited.

During 1965 to 1970, 11334 crore rupee was spent for West Pakistan whereas 4,593 crore rupee which is 28.84% of the total national budget was spent during the same period. National resource allocation of total budget for East Pakistan never exceeded 29% since 1955 which evidenced gross injustice and disparity against East Pakistan. The leading business community of Dhaka and East Pakistan also realised its inevitability, far-reaching implication and termed it essential for trade and industrial growth of this region and the old and renowned business community voice, DCCI supported the six-point programme in a historic event in Dhaka in 1971. The mass upsurge for six points ended up as great liberation war and independence of Bangladesh in 1971.

Being subjected and discriminated on fiscal resource and development work allocation, East Pakistan was facing a critical economic stagnation, the living standard and poverty of people in this region were not improving significantly since the partition of India and Pakistan. Therefore, the economists, academicians, students the politicians and mass people of East Pakistan vehemently raised voice against this inequality and supported the historic six-point movement. Upholding the spirit of endorsed and mandated six points' articles, Bangabandhu prepared a medium and long-term plan to create a congenial environment for the private sector industrial development accordingly denationalisation, disinvestment policy, industrial investment policy and industry policy were promoted after independence.

Sector specific sector corporation and BSCIC were founded to cater micro, small and medium and large sized local industrial development to scale up employment opportunities. The economy went through a massive transformation rehabilitating the war ravaged economy led by Bangabandhu later independence. Hence, the first Five-year plan emphasised GDP & Per-Capita Income growth, poverty reduction, accelerate human development, technology-driven industrial and agricultural production and war-ravaged infrastructure development while the plan also addressed the necessity for a diversified economy and employment generative private investment.

The significance of six points persists in the journey of becoming self-reliant, economic freedom of Bangladesh and making Sonar Bangla into reality. Accordingly, the journey towards Sonar Bangla continues with a greater pace under the sagacious leadership of Her Excellency Sheikh Hasina, Honourable Prime Minister of Government of Bangladesh, who follows

the supreme legacy of the Bangabandhu. With the consistent manufacturing industry-driven economic growth, Bangladesh demonstrated itself as a development role model though it was termed as the bottomless basket in 1972.

Today, Bangladesh surpassed Pakistan in almost all economic and human development indicators in terms of per capita income, GDP growth, poverty reduction, industrialisation, foreign trade, private sector development, human rights establishment, literacy rate, life expectancy and establishing democracy. Bangladesh has become an illustrious learning case of economic emergence for many LDCs in recent years. The remarkable socioeconomic growth of Bangladesh is remarkable as people mostly upholds the supreme ideals and philosophy of the Bangabandhu in building economy. The far-sighted and cherished dream of Sonar Bangla of father of the nation has translated into a reality to the large extent through our economic advancement.

Today, private sector investment contributes 23% to GDP, Per-Capita income stands \$1909, foreign exchange reserve increases to \$34 billion while GDP reached \$327 billion. Compared to 1972, our GDP had grown by 4817% and we emerged as Lower Middle Income country and on the way of graduating into a Developing country as per the benchmark of UN. Recognising this achievement, World Bank forecast Bangladesh be the 4th largest growth performer in 2020 while HSBC forecasts Bangladesh to be the 26th largest economy by 2030. Meanwhile, CEBR, UK, forecast Bangladesh be the 30th largest economy by 2024 and PWC reported Bangladesh be the 23rd largest economy by 2050.

After five decades, we witness the implementation of six points that means the six points signified and justified an independent country. With the spirit of building Sonar Bangla- an inclusive and equal socioeconomic development philosophy, we are working with firm mindset, pragmatic and focused course of actions under the veteran leadership of the Honourable Prime Minister who paves the way of Bangladesh to graduate into a developed economy by 2041. The remaining journey of developed economy trajectory will be steered by the innovative and thoughtful private sector driven actions following the ideals of Bangabandhu. In the month of birth centenary of Bangabandhu, we, private sector, wholeheartedly reaffirm our commitment in this regard.

All great tributes are due to father of the nation as he solidified the foundation of our economic emancipation charter with six-point movement which led and ensured the brave and sovereign economic existence of Bangladesh today.



President's Pick of the Month

Others should get facilities that RMG sector does: Salman F Rahman



DCCI President Shams Mahmud (eighth from left) presenting a memento to Adviser to the Prime Minister on Private Industry and Investment Salman F Rahman, MP (ninth from left) on February 4. DCCI Senior Vice President NKA Mobin, FCA, FCS (eighth from right), Vice President Mohammad Bashiruddin (seventh from left) and Members of the Board of Directors are seen in the picture.

The board of directors of the Dhaka Chamber of Commerce and Industry led by its president Shams Mahmud called on adviser to the prime minister on private industry and investment Salman F Rahman, MP on February 4.

The DCCI president Shams Mahmud said that Bangladesh is now in the 168th position in the Ease of Doing Business Index. He thanked the adviser for his concerted efforts to push Bangladesh's position up in this index. He also said in the 2018-19 financial year, foreign investment in Bangladesh reached \$3.89 billion at a growth of 51 percent despite lagging far behind Vietnam and India.

He also urged reformation of the Company Act incorporating liquidation, merger and acquisition, alternative dispute resolution, technology like e-voting, video-conferencing, etc. Shams Mahmud

emphasised the replication of RMG success model in other sectors such as leather and leather products, ship-building, jute and Jute products, agro-processing and light engineering.

To facilitate export, he urged strengthening economic diplomacy with the Southeast Asian and African countries. He said by 2030, Bangladesh needs \$320 billion alone in the infrastructure sector and he suggested the inclusion of green-field projects in the stock market. Under the initiative of the DCCI, a Research and Innovation Platform is going to be established and for this and Shams Mahmud sought government cooperation in the efforts.

Salman F Rahman said that government has taken various timely initiatives to better Bangladesh's position in the ease of doing business index. But only reforms in policy measures are not adequate.

If the business community gets real benefits of the reforms, it would better Bangladesh's position in the index, he said.

He also echoed chamber leaders in the reduction of corporate tax rate to increase investment. He said that all the facilities that the RMG sector now enjoys such as back-to-back letter of credit and bonded warehouse should also be given to other potential sectors such as agriculture, leather, ICT, pharmaceuticals, etc for more growth. He appreciated the initiative of DCCI of establishing the research platform to do market-oriented research and assured all possible government support.

DCCI senior vice-president NKA Mobin, FCA, FCS, vice-president Mohammad Bashiruddin and members on the board of directors attended **r**

DBI holds public procurement, e-GP tender procedure workshop

The DCCI Business Institute organised a workshop on “Public Procurement and e-GP Tender Procedure” in February 7–8 on its premises. Thirty business professionals nominated by different organizations participated in the workshop.

Mohammad Mizanur Rahman, assistant registrar, procurement, Chittagong University of Engineering and Technology, conducted the workshop as a resource person. The participant said that the workshop broadened their mental horizon and made them conversant with important issues of public procurement and e-GP tender procedure.

The closing and certificate awarding ceremony was held on February 8 on the DBI premises. Mohammad Bashiruddin, vice-president, Dhaka Chamber of Commerce & Industry, graced the programme as chief guest. He said that e-GP tendering system is the most important part of digital Bangladesh. It is carrying out procurement activities by the public agencies, procuring agencies and procuring entities. Every person who



DCCI Vice President Mohammad Bashiruddin (seated, second from right), Secretary, DCCI Md. Joynal Abdin (seated, right), Resource Persons and participants are seen at the closing ceremony of a workshop titled “Public Procurement and e-GP Tender Procedure” held during February 7–8.

wants to participate in government tendering needs to know public procurement and e-GP system.

He hoped that the workshop provided for a comprehensive understanding of the public procurement process and approval procedure in line with the Public Procurement Rules 2008 and the Public Procurement Act 2006. He also advised the participants to implement their knowledge at respective business organisations.

Md Joynal Abdin, secretary, DCCI and executive director of the DCCI Business Institute, offered the vote of thanks. He advised the participants to practise and share their knowledge with their fellows. He thanked respective authorities for nominating officials to the training.

All participants, Tamanna Sultana, joint secretary (training), and the course coordinator Abul Bashar, assistant secretary (DBI), attended **r**

DCCI, PRI sign memo to facilitate research



DCCI President Shams Mahmud (third from left) and Chairman of PRI Dr. Zaidi Sattar (second from right) seen exchanging a Memorandum of Understanding (MoU) signed on February 23. Executive Director, PRI Dr. Ahsan H Mansur (right), DCCI Senior Vice President NKA Mobin FCA, FCS (second from left) were also present.

The Dhaka Chamber of Commerce and Industry and the Policy Research Institute of Bangladesh signed a memorandum of understanding on February 23 to establish a formal professional network, enable exchange of information, strengthen cooperation and conduct research.

The DCCI and the PRI will also facilitate research led by the industry and academia on the development of trade and industry in Bangladesh through innovation.

Dr Zaidi Sattar, chairman, PRI, and Shams Mahmud, president, DCCI, signed the memorandum on behalf of their respective organisations on the

PRI premises. Dr Ahsan H Mansur, executive director, PRI, Dr GM Khurshid Alam, operations director, PRI, Dr Ashikur Rahman, senior

economist, PRI, and NKA Mobin FCA, FCS, senior vice-president, DCCI, also attended **r**

DCCI urges bond market for long-term infrastructure financing

DCCI board meets planning minister



DCCI President Shams Mahmud (seventh from left) presenting a memento to Planning Minister MA Mannan, MP (seventh from right) on March 2. DCCI Senior Vice President NKA Mobin, FCA, FCS (sixth from left), Vice President Mohammad Bashiruddin (sixth from right) and members of the Board of Directors are seen in the picture.

Shams Mahmud, President of the Dhaka Chamber of Commerce and Industry and members on the board of directors called on the planning minister MA Mannan, MP on March 2 at the planning ministry.

Shams Mahmud at the programme said as per the Global Infrastructure Hub report, Bangladesh needs to invest \$608 billion till 2040 in water, energy, telecoms, port, airport, railway and road infrastructure.

Bangladesh needs alternative funding sources to secure infrastructure development and reduce dependence on public fund,

development partners and banking sector. The development of bond market can be a sustainable solution for infrastructure development and reducing long-term financing need. Liquefied natural gas is a short-term solution to the energy need, he said.

For long-term energy security and fuel accelerated economic growth, he urged for diverse fuel mix and local coal exploration to ensure next 50 years' need. Development of Payra sea-port will create second maritime lifeline of Bangladesh connecting sub-regional economies and will reduce maritime transportation

cost. Moreover, modernization and capacity building of land ports will ease trade with regional economies, he mentioned.

He also requested to include investment for skill development, blue economy, investment in innovation and research for climate change, sustainable urbanization, 4IR technology adoption and investment and financing sources for large infrastructure development in the 8th Five Year Plan.

He also said market driven national skills mapping and development scheme needs to be designed to

keep pace with the 4th Industrial Revolution.

The planning minister MA Mannan said that the government had already enhanced the capacity of Mongla Sea Port and he urged the business community to use the port efficiently. He said that the government is more focused on ADP implementation in an efficient manner and in this regard, he requested the business community to work with the government.

In order to popularise PPP model, he invited private-sector entrepreneurs to invest in large infrastructure projects under the PPP scheme.

The minister said that recently Bangla Bond has been floated in the London Stock Exchange meant to mitigate long-term financing gap by opening up opportunities both for local and foreign investors. He said that the initiative can help large infrastructure projects to get adequate funding as

an alternative source of traditional banking sector.

DCCI senior vice-president NKA Mobin, FCA, FCS, vice-president Mohammad Bashiruddin, directors Waqar Ahmad Choudhury, Arman Haque, Alhaj Deen Mohammad, Enamul Haque Patwary, Engineer Md Al Amin, Md Shahid Hossain, Md Zia Uddin, Monowar Hossain, Nuher L Khan and SM Zillur Rahman attended **r**

DBI holds training in new business establishment

The DCCI Business Institute organised training on “How to Establish a New Business” on its premises in March 13-14. Sixteen business professionals were participated in the training.

Dr Md Mohan Uddin, professor of finance, United International University, and Mohammad Zahid Hossain, chief financial officer, Rahimafrooz Bangladesh Limited, conducted the training as resource persons.

According to the participants, the training has broadened their mental horizon and made them conversant with important issues of establishing a new business. The closing and certificate award ceremony was held on the DBI premises on March 14. Mohammad Bashiruddin, vice-president, DCCI, graced the programme as chief guest

He said that most entrepreneurs are not adequately prepared to go into business. While they have the motivation, desire and talent, they may not have properly investigated and conducted research on the business of their choice.

Kazi Harun Or Rashid, former chairman, Islami Bank Bangladesh Ltd and adviser, Dhaka Business Club, and Mohammad Luthfur Rahman, president, Dhaka Business Club, graced the programme as special guest and guest of honour.

They said that those already in business as small entrepreneurs should be able to identify and do what is needed to optimise gains. Md Solaiman Kabir Masum, secretary, human resources, Dhaka Business Club, also attended.

Md Joynal Abdin, secretary, DCCI and executive director of the DCCI Business Institute, offered the vote of thanks.

He also advised the participants to practise and share their knowledge among their fellows. He thanked respective authorities for nominating officials to the training. All participants, Tamanna Sultana, joint secretary (training), also attended **r**



DCCI Vice President Mohammad Bashiruddin (seated third from left), Secretary, DCCI Md. Joynal Abdin (seated, second from right), Resource Person and participants are seen at the closing ceremony of training course titled “How to Establish a New Business” held on March 14.

DCCI places its budget proposals to NBR

Shams Mahmud, President of Dhaka Chamber of Commerce & Industry (DCCI) placed Chamber's budget proposals/recommendations for the year 2020-21 to the National Board of Revenue today on 25th of March, 2020. Member (Tax Policy), NBR, Md. Alamgir Hossain received these proposals on behalf of NBR Chairman. DCCI Senior Vice President N.K.A. Mobin, FCA, FCS was also present during that time.

DCCI President Shams Mahmud recommended to slash Corporate Tax from 2020-21, 2021-22 and 2022-23 at a progressive rate of 5%, 7% and 10% respectively. He also requested to cut tax rate on income of corporate dividend from 20% to 10%. Shams Mahmud also requested to increase the limit of income tax return for individual from existing taka 2,50,000 to taka 3,00,000 and to reduce least tax return rate to 5% which is now 10%. Besides, the DCCI President recommended to implement fully

automated and digitized online based tax return submission system to attract more tax payers.

At present those who pay VAT return at a rate of 15% can enjoy tax rebate. But he requested to allow the same facility to them who pay VAT return at a rate of 5%, 7.5% and 10% as well.

He said there is no specific definition of 'Material' both in the VAT Act 2012 and VAT Law 2016. He thus requested to include the definition of Material in these Act and Policy.

He also requested to withdraw all Advance Tax imposed on raw materials and machineries used in the manufacturing-led industries in order to encourage export oriented manufacturing and export diversification.

He also requested to increase the turnover limit for SME entrepreneurs from existing taka 3 crore to taka 4 crore. Rebate less VAT implementation

may fuel the inflation, Shams Mahmud said. One of the basic rules of VAT calculation is to fix the VAT rate as per the ratio of value addition of the product, he added.

Private sector should get the chance to participate in the transmission and distribution of power across the country, He said. He also requested to allow special tax exemption facility on local manufacturing of sub-station machineries and other related accessories in order to facilitate import substitute backward linkage industry in the power sector.

Shams Mahmud finally requested NBR to formulate the upcoming budget in consideration with the present Corona Virus pandemic over the world so that government, mass people, private sector and all key stakeholders can get the best of instrumental policies and revenue management of the government for an inclusive growth **r**



DCCI President Shams Mahmud (second from right) seen presenting Chamber's budget proposals to Member (Tax Policy), National Board of Revenue Md. Alamgir Hossain (right) on March 25. DCCI Senior Vice President N.K.A. Mobin, FCA, FCS (third from right) and high officials of NBR were also present during that time.

Incoterm 2020 changes the transfer of risk of goods

M S Siddiqui

Legal Economist

e-mail: mssiddiqui2035@gmail.com

There are always different interpretation of different termination of in international trade. The international Chamber of Commerce (ICC) developed some of rules and terminology including the term Carriage Paid To (CPT). CPT should be complete by adding name of the port of destination, for example: CPT, Chattogram. It means seller will pay the freight upto destination port, although risk will transfer to buyer after delivery of consignment to carrier at port of shipment.

As per newly released Incoterms 2020, the international traders are reviewing current trading term and negotiating with buyers /sellers to new rule CPT instead of cost and freight (CFR) for shipment of containerized cargo applied to all transport pattern, while CFR is only appropriate for conventional sea freight. In Incoterms 2020 CPT, two locations are important: the place or point at which the goods are deliver for the transfer of risk and the place or point agreed as the destination of the goods (as the point to which the seller promises to contract for carriage. In certain cases, this happens and the parties do not agree on a specific place or point of delivery, the default position is that risk transfer when the goods would be delivered to the first carrier.

CPT can be used in any transport mode (sea, air, road and rail), and the risk transfers from the seller to the buyer as soon as the goods reach the nominated destination and the carrier takes charge of consignments. The parties should decide the place to transfer at a sea or river port or at an airport, or indeed an earlier one e.g. an inland point some way away from a sea or river port etc. They need to specify this in their contract of sale and to think carefully of the consequences of so doing in case the goods are lost or damaged. The identifying the place or point of delivery as precisely as possible is important to cater to a situation where several carries are engaged due to multi-mode transport or trans-shipment, each for different legs of the transit from delivery to destination.

Once the goods have been delivered to the buyer in this way, the responsibility of seller is over and the seller does not guarantee that the goods will reach the place of destination in sound condition, in the stated quantity, or indeed at all. This is because risk transfers from seller to buyer when the goods are deliver to the buyer by handing them over to the carrier.

The rule gives no definition of where a “place” of delivery might be, it will depend entirely on what the seller and buyer have agreed in the sales contract. For a shipment by road it could be the buyer’s premises, by rail it could be the nearest rail terminal or station to the buyer. For air delivery, it could be either the airline’s terminal or the forwarder’s terminal at or near the destination airport, and for sea by containers as a full container load (FCL) it will usually be the carrier’s terminal yard. In rare cases, the destination for air and sea in containers could even be the buyer’s premises too, but this is unusual and involves the seller’s carrier taking hold of the goods again after they have been import-cleared and then delivering them beyond where they sat while being import-cleared.

CPT requires the seller to clear the goods for export, where applicable. However, the seller has no obligation to clear the goods for import or for transit through third countries, or to pay any import duty or to carry out any import customs formalities.

The buyer must pay the price for the goods as stated in the contract of sale. CPT do not refer to when the payment is to be made (before shipment, immediately after shipment, thirty days after shipment, half now half later, or whatever) or how it is to be paid (prepayment, against an email of copy documents, on presentation of documents to a bank under a letter of credit, or other arrangement). The buyer not only must take delivery when they have been handed to the seller’s carrier, but also physically receive them at the named place, or point within that place, of destination.

The seller delivers the goods by handing them over to its contracted carrier, on the agreed date or within the agreed

period. The carrier means the first carrier in case of more than one carrier and different mode of transport for combined transport. Most importantly, delivery occurs when the seller passes the goods to their carrier to transport them, not when the goods reach the destination. The seller must provide the buyer with the usual transport documents for the transport contracted, if it is customary or the buyer requested it, and at the seller's cost.

The transport document must cover movement of the contracted goods within the agreed period for shipment. If it is agreed then this document must enable the buyer to claim the goods from the carrier at the named place of destination, and in a string sale (re-export) enable the buyer to sell the goods in transit to a subsequent buyer by transferring that document. This would usually be in the form of a negotiable bill of lading. The buyer must accept the transport document provided by the seller so long as it is in conformity with the contract.

The Incoterms 2020 rules also provide that any document can be in paper or electronic form as agreed to in the contract, or if the contract makes no mention of this then as is customary. The rules do not define what "electronic form" is, it can be anything from a pdf file to blockchain or some format yet to be developed in the future. The rule is in line with Trade Facilitation agreement of WTO.

The Incoterms rules do not deal with the following issues, such as, whether there is a contract of sale at all; the specifications of the goods sold; the time, place, method, or currency of payment of the price; the remedies which can be sought for breach of the contract of sale; the consequences of delay and other breaches in the performance of contractual obligations; the effect of sanctions; the imposition of tariffs; export or import prohibitions; force majeure or hardship; The method, venue, or law of dispute resolution in case of such breach. Most importantly, it must be emphasized that the Incoterms rules do not deal with the transfer of property/title/ownership of the goods sold.

In recent years, transport security requirements have become more prevalent in international trade, and Incoterms 2020 reflects such a change by detailing security



requirements for each Incoterms rule. CPT includes a specific requirement that the seller must comply with any security-related requirements for transport to the destination. These security requirements bring cost and risk delay if not fulfilled by the parties. These securities are: Food security: Ensure food is available and safe for consumption Bio security: Prevent harmful diseases and substances from threatening and restrictions: The sensitive or dangerous goods and technologies are only traded and handled within pre-specified criteria and only by licensed operators, traders and individuals. There are fiscal security and anti-smuggling: Collect revenues; prevent and stop smuggling Money Laundering: Identify illegal financial transaction Immigration Control: Identify people Pre-notifications and summary declarations: Collecting regulatory information in advance of subsequent declarations.

Each contract is governed by the version of Incoterms rules that was referred to in that contract with year (Incoterms 1980, and 2010). If the contract referred only to Incoterms rules but not to a specific year, then the Incoterms rules version 2020 in force at that time of contracting would most likely be applied in the event of a dispute. Best practice is always to refer to the most recent revision, e.g. Incoterms 2020.

Global traders have started negotiating the contract is based on Incoterms 2020 and particularly Carriage paid to (CPT). The international traders of Bangladesh should go through the details of privileges, liabilities and responsibilities before agreed to the CPT term for import and export.

Policy reforms needed for full financial inclusion

Policies and regulations for both banks and non-banks need to be improved to accelerate financial inclusion as it will lead to private sector investment in the industry and enhance the credit worthiness of small businesses, according to experts.

“We are emphasising on the development of small businesses as part of our plans for full financial inclusion. Our economy is moving very fast and that is why we should address some of the problems faced by small businesses,” said Md Ashadul Islam, senior secretary of the finance division.

Islam made the comments during the keynote session of the “Action-framing conference: transforming financial market for small businesses”. The event, held at the Radisson Blu Water Garden hotel in Dhaka, was organised as part of the Business Finance for the Poor in Bangladesh programme.

The BFP-B, a financial sector reform programme funded by the UKAid and managed by Nathan Associates London Ltd, aims to create Economic opportunities for small businesses in Bangladesh. Nathan Associates previously worked with the government, regulators, commercial



financial institutions, and technology companies on a number of occasions in Bangladesh.


Small-scale entrepreneurs do not know how to manage their finances despite having a good scope to expand businesses, said Islam. During his presentation, BFP-B team leader Feisal Hussain said that the programme plays a vital role in assisting policy and regulation reforms.

It also triggers investments to finance micro, small and medium businesses, he added.

According to Hussain, about 75 percent of small businesses in Bangladesh are yet to enjoy services from the formal financial sector. However, financial institutions have little incentives to serve small

businesses as capital constraints, conservative boards and a harsh regulatory environment discourage investment in the high-risk sector.

The BFP-B invested 25 million pounds in Bangladesh throughout the last seven years to create economic opportunities for small businesses by changing the behaviour of market influencers in the financial sector, said Eamon Cassidy, managing director of Nathan Associates.

The total number of small to medium enterprises is estimated to be about eight million. SMEs account for 25 percent of Bangladesh's GDP and employ over 50 percent of the working population, said Ahmed Jamal, a deputy governor of the Bangladesh Bank .

Robust exchange rate critical for sustained growth

Poorly managed exchange rate, ad hoc incentive and existing domestic protection levels will not make Bangladesh's exports competitive and help diversify both products and destinations, according to a new plan of the government.

“Poorly managed exchange rate can be disastrous for economic growth,” said the Perspective Plan

of Bangladesh for 2021 to 2041. The National Economic Council at its meeting at Sher-e-Bangla Nagar approved the plan. Prime minister Sheikh Hasina, chairman of the NEC, presided over the meeting.

“For a long-term plan, an ambitious target is required first. Long-term and far-reaching political and economic steps are needed to advance the

plan,” said Shamsul Alam, a member of the General Economics Division, while presenting the summary of the plan.

In the plan, export diversification and competitiveness in the global market have been identified as the major challenges facing Bangladesh.

The plan called for export diversification as over-reliance on

a single export commodity makes the economy vulnerable to external shocks. Garment accounts for more than 80 percent of the national exports while the European Union, the United States and Japan are the major export destinations.

According to the plan, researches showed that avoiding significant overvaluation of the currency is one of the most robust imperatives that can be gleaned from diverse experience with economic growth around the world and one that appears to be strongly supported by cross-country statistical evidence.

Overvalued currencies are associated with foreign currency shortages, rent-seeking and corruption, unsustainably large current account deficits, balance of payment crisis and stop-and-go macroeconomic cycles, all of which are damaging to economic growth.

As a long-term strategy for export expansion, the appropriate exchange rate management would be to avoid rigidity or real appreciation of the real effective exchange rate.


A moderately depreciating REER would work better to sustain the competitiveness of exports, particularly non-garment exports. About the trade policy stance, the plan said perhaps the single most important determinant of export competitiveness is the incentive regime emerging from trade policy.

To continue on a path of sustainable export growth with a diversified basket of goods, Bangladesh faces an immediate challenge to restructure its tariff regime in order to gradually phase out effective protection levels and anti-export bias, it said.

The plan suggested four steps to diversify exports.

Import regime must be made seamless to facilitate duty-free imported input into exports. The incentive structure for export must be set right by ensuring that relative incentives for export and import substitute production are about the same.

Lowering the cost of trade-related services like transport, logistics and energy infrastructure is important, it said. Proactive policies, such as helping exporters upgrade existing products, break into geographic markets, and launch and consolidate new line of business abroad, might be important in respect of the limited capacity of the government.

The government has taken a positive fiscal stance to promote exports. The garment sector is the highest beneficiary of the various fiscal concessions 

Japanese firms to invest \$6.4b


Major Japanese large firms are to invest about \$6.4 billion to implement six infrastructure projects in Bangladesh under the public-private partnership model. The implementation timeline for the projects to be implemented by groups such as Kajima, Sojitz and

Marubeni will be set at the fourth Bangladesh-Japan Joint PPP Platform meeting in Dhaka.

The feasibility study, the construction period and other issues will also be fixed at the meeting, said officials of the Prime Minister's Office and the planning ministry. The government had submitted a list of 18 projects to the Japanese government in December 2017. But Shinzo Abe's administration picked the six projects from the list that it deemed suitable for investment through Japanese private investors.

The ministry of land, infrastructure, transport and tourism of Japan has selected a consortium of private investors for each project to be led by a major company. The consortium is known as the sub working group.

The Japanese companies, which have set up their offices in Dhaka to start the construction of the projects, will invest under the government-to-government system without participating in any bidding.

At the meeting, Dhaka will seek investment for four more projects, which include the Bhola-Barishal bridge and the deep water container terminal at the Payra port 

Japan-Bangladesh PPP projects at a glance		
PROJECTS	LEAD COMPANY	AMOUNT
 Multimodal hub at Kamalapur Railway Station	Kajima Corp.	\$310m
 Multimodal hub at Airport Railway Station	Sojitz Corp.	\$200m
 Inland Container Depot in Dhirasram	Sojitz Corp.	\$500m
 Improvement of Ctg-Cox's Bazar Highway	Marubeni Corp.	\$1.7b
 Outer Ring Road Dhaka	Marubeni Corp.	\$273m
 Metro Rail Line-II	Marubeni Corp.	\$3.5b

BIDA serious to improve ease of doing business

Massive reforms in regulations are highly necessary to rapidly improve the ease of doing business, said Md Sirazul Islam, executive chairman of the Bangladesh Investment Development Authority.

“BIDA is creating an enabling environment for foreign and domestic investors to boost investment in the country,” he said while addressing a discussion themed, “Ease of doing business: is Bangladesh ideal for investments, especially FDIs”, organised by the France-Bangladesh Chamber of Commerce and Industry at the Westin Dhaka.

Bangladesh ranked 168 out of 190 countries in the World Bank’s Doing Business 2020 index. Just the year earlier, Bangladesh stood at 176, making this the biggest climb for the country in recent years.

“We have to ensure massive reforms to our existing laws and enact new laws to take the flow of FDIs to the level of our expectations.” Certain bottlenecks that prevent investors from quickly receiving services still exist. This includes bringing change to regulations, which is a lengthy process.

With these issues in mind, the BIDA prioritised having a unified system in place, from where investors would be able to avail whatever service they require. In line with their intention to expedite reforms, BIDA spoke with eight ministers and secretaries in the last three months, according to Islam.

Speaking about why the implementation of reforms has been delayed, he said that ministers and



secretaries are positive of ensuring quick service delivery. However, desk officials are not interested and that makes the issue challenging.

In 2019, Bangladesh was the world’s third biggest supplier of garments and footwear, said Jean-Marin Schuh, ambassador of France to Bangladesh. The country accounts for 7.2 percent of global import of the products, with the other two big suppliers being China and Italy.

France ranks just 29th on the list of countries that provide FDIs to Bangladesh and seventh among European Union member states. French stock value stands at about \$40 million, less than 0.4 percent of the total FDI stock value of Bangladesh, according to the ambassador.

Bilateral trade with Bangladesh reached record €3.24 billion in 2019, according to Schuh. This was the highest amount over the past ten years. However, France’s trade deficit rose to €2.71 billion at the same time.

French exports to Bangladesh, which amount to €263 million, have decreased 21 percent, while Bangladesh’s exports to the European nation show a 14 percent increase and account for €2.98 billion, he added.

A total of 180 French companies have invested in the country, said Maruf Alam, president of the France-Bangladesh Chamber of Commerce and Industry **r**

LDC graduation to boost Bangladesh creditworthiness

Graduation into the developing country bracket in 2024 is likely to increase foreign assistance flows as it would enhance Bangladesh’s creditworthiness, said the Economic Relations Division.

Bangladesh will enjoy various benefits, including an immense enhancement of the country’s image before the global community, said Kazi Shafiqul Islam, former ERD secretary. The private sector’s contribution to the economy was almost 80 percent and they would be able to avail market loans at cheaper interest rates for higher credit ratings.

Side by side foreign direct investment will also increase, he said at a workshop, “Effective Partnership with Media for Sustainable Development”, organised by the ERD on its Sher-e-Bangla Nagar premises in Dhaka.

However, Bangladesh will face three problems: a reduction of scholarships, concessional loans and trade benefits. Disbursement of foreign assistance would increase to

around \$15-16 billion within the next 10 years. External debt repayment will reach \$2.5 to \$3 billion in fiscal 2024-25, when some big foreign loans are scheduled to mature. Last fiscal year Bangladesh's debt service, meaning principal plus interest, was \$1.56 billion, up from \$1.40 billion a year earlier.

"Bangladesh will not fall in any problem regarding debt servicing within the next 10 years although the amount of repayments will be double in fiscal 2024-25," said Kazi Shafiqul Islam.

The country is at a comfortable level as the debt-GDP ratio is still at only 14 percent and it would reach 20 percent once the big foreign loans mature within the next 10 years.

The international standard is 40 percent, so Bangladesh has a huge scope to take more foreign loans, he said.

On rising interest rates, there is no direct connection of it with LDC graduation. Rather, the lenders were increasing the rate for the increase in per capita income. Besides, the GDP and per capita income of Bangladesh will also increase, so there is no reason to be worried about debt burden, he said.

ERD secretary Monwar Ahmed said the Committee for Development Policy, a subsidiary of the Economic and Social Council, would announce eligibility of graduation from LDC status in September 2021.

It will then observe the country for the next three years before coming up with the final graduation declaration, he said. But Bangladesh requested the United Nations to complete the final review for the graduation before March 17 next year, the birth anniversary of Bangabandhu Sheikh Mujibur Rahman, he added.

Regarding reduction of LDC benefits, the ERD secretary said all of the benefits would not instantly be annulled after the graduation for Bangladesh. The country would continue to enjoy at least some of the benefits for the next three years. According to him, Bangladesh would obviously face some challenges but those should be turned into opportunities **r**

Forex reserves headed towards choppy waters

The country's foreign exchange regime is cruising towards headwinds due to the dwindling exports and remittances because of the global economic slowdown brought on by the novel coronavirus pandemic.

"Banks have already started to feel the pinch," said Syed Mahbubur Rahman, managing director of Mutual Trust Bank. Many lenders had faced foreign exchange shortage just before the central bank asked banks to shutter their major operations for ten days. The problem will come back with vengeance once normal service resumes, he said.

The balance of payment has not faced a crisis in recent period due to the upward trend of remittance, which increased 20.05 percent year-on-year to \$12.49 billion in the first eight months of fiscal 2019-20. The 2 percent cash subsidy for remitters from this fiscal year has been the main driver behind the spike.

But the subsidy is not working at the moment as the global economy is now facing a recession, which has forced many Bangladeshi expatriates to return home, Rahman said.

The inflow of remittance has almost stopped and a severe crisis will be created if the lockdown in the migrant workers' host countries continues for long, said M Kamal Hossain,

managing director of Southeast Bank.

"We are now unable to give prediction as to how long the crisis will prolong," said Faruq Mainuddin Ahmed, managing director of Trust Bank.

If it prolongs, the state of affairs of the external sector will get worse, Rahman said, while urging both the central bank and the government to take prompt measures to tackle the impending crisis. The country's foreign exchange reserve stood at \$32.56 billion on March 24, up 2.83 percent from a year earlier.

The reserve is sufficient to settle import payments for at least five months, which is better than the global standard of three months. But a good number of buyers have already cancelled their work orders, which is set to have a negative impact on the foreign exchange reserves, said Emranul Huq, managing director of Dhaka Bank.

The balance of payment is not facing any problem right now as import has already declined significantly in recent months, said Ahsan H Mansur, executive director of the Policy Research Institute.

Between the months of July last year and February this year, trade deficit, which occurs when imports outweigh exports, stood at \$9.4 billion, down 2.32 percent year-on-year.

In the first seven months of the fiscal year, imports decreased 4.43 percent year-on-year to \$32 billion.

"Imports will go down more in the days ahead as demand will reduce because of the ongoing fallout," said Mansur, also a former official of the International Monetary Fund.

The foreign exchange crisis will be felt when the economy gets back to normal post COVID019 outbreak **r**

SMEs need urgent help

The central bank should form financial package immediately for small and medium enterprises to tide them over during this period of economic upheaval brought on by the coronavirus outbreak, according to experts.

“The SMEs represent 70 percent of the whole economy — GDP growth will nosedive, otherwise,” said Arif Khan, managing director of IDLC Finance, adding that central banks from all around the globe have already announced packages for their SMEs.

One way would be to by way of refinance scheme, from which the SME sector can get their desired funds to save their businesses.

The Bangladesh Bank should cut the bank rate by at least 2.50 percentage points from the existing 5 percent for its refinance schemes, experts said. The bank rate is the rate at which the central bank gives funds to banks from its refinance scheme for disbursing to end users.

Under the ongoing refinance schemes for different sectors, the central bank usually lends money at 5 percent interest rate to banks, which then disburse the funds to businesses at 9 percent interest rate. There are about 10 refinance schemes operated by the BB for businesses, of which six

are dedicated to the SME sector. The six schemes’ outstanding loans stood at Tk 1,429 crore at the end of last year.

Although the central bank’s monetary policy committee cut the policy rate and reduced the cash reserve ratio on March 23 to tackle the ongoing financial crisis stemming from the coronavirus pandemic, it had not reached a consensus on the bank rate.

“There is no scope to provide financial support to the SMEs without cutting the bank rate,” Khan said, while calling for a fresh refinance scheme worth Tk 50,000 crore for the sector.

The scheme should be formed within the lockdown period such that financial institutions can start giving out the funds once regular activities resumes on April 4, he added. Banks are facing liquidity crunch as clients are withdrawing a good amount of money to make ends meet during the existing crisis period, said Syed Mahbubur Rahman, managing director of Mutual Trust Bank, echoed the same.

Against the backdrop, the central bank should complete the preparation of rolling out fresh refinance schemes, said Rahman, also an immediate

past chairman of the Association of the Bankers, Bangladesh, a forum of banks’ managing directors. Lenders will be able to give out loans at the rate of 7-8 percent if the central bank cuts the bank rate **r**

Govt seeks \$1b from IMF, WB

Bangladesh sought \$1 billion in support from the International Monetary Fund and the World Bank as the country looks to support its people, businesses and industries reeling from the coronavirus pandemic.

The government also requested the global multilateral lenders to stand by Bangladesh so that it can tackle coronavirus, which is progressively getting worse in the country. “A single country cannot tackle this type of disastrous situation by itself. We would like to earnestly request the World Bank and the IMF that they would ensure greater cooperation taking into account the risky situation facing Bangladesh,” finance minister AHM Mustafa Kamal told the global lenders in a video conference.

The government expects to receive \$750 million from the IMF and \$200 million from the WB. The coronavirus stands to wipe out 1.1 percent of Bangladesh’s GDP as per a projection of the Asian Development Bank, the minister said.

“It came at a time when Bangladesh is targeting to achieve the Sustainable Development Goals and become a higher middle-income country by 2030,” said a statement from the finance ministry quoting him. If the pandemic prolongs, the global economic growth may fall to 1.5 percent.

Bangladesh has already started to feel the heat of the coronavirus. “We



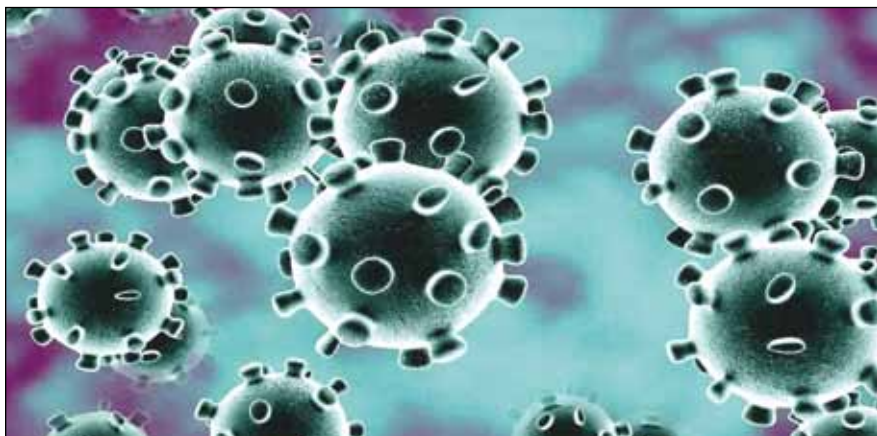
are worried that the COVID-19 crisis may deal multi-faced blows to our economy," Kamal said.

Garment shipments, Bangladesh's main export earner, are being affected following the fall in demand for apparel items owing to lockdown in the US and Europe. The country's infrastructure projects are set to face delays. Remittance sent by migrant workers have kept the economy dynamic to some extent so far, but the flow would see negative impact soon as a significant number of migrant workers returned to Bangladesh because of outbreak of the virus, the minister said **r**

COVID-19 puts economy under threat: ICCB

The International Chamber of Commerce Bangladesh urged policymakers to take the lead in bringing both public and private sector leadership together to tackle the spreading coronavirus.

The ICC Bangladesh said it believes that the country is in danger of not responding promptly and robustly enough to the impending challenges. "Therefore, there is a pressing need for our government and businesses to agree on an overarching policy framework in the face of growing uncertainty and volatility," said Mahbubur Rahman, president of the ICCB, in a statement.



"Bangladesh in the past has demonstrated its ability and resilience in combating the aftermath of a natural calamity and we hope, we shall be able to overcome this impending danger together with courage and fortitude."

It is still too early to properly assess what damage the virus will have on the economy since the situation is evolving every day. Economic estimates can only provide a magnitude of the impact, the statement added.

The actual ramification will depend on the extent of the spread and length of the duration of the outbreak and how quickly policymakers can take action to mitigate the health and economic damage.

"We are resolute in our belief that only coordinated action will be effective in tackling a threat that, by its very nature, knows no borders," Rahman said, adding that economists are grappling and trying to predict the aftermath of this massive disaster. "No one knows exactly what will come tomorrow and thereafter and how society, government, healthcare and the economy will change."

It is obvious that the marginal and growing economies will be severely affected. Therefore, it is of great concern for Bangladesh as more than 70 percent of its total export

destinations are the United States, the United Kingdom, Canada and EU countries.

Bangladesh's export earnings fell by 4.8 percent in the first eight months of the current fiscal year to \$26.24 billion from \$27.56 billion in the same period of the prior fiscal year. This downward trend might exacerbate in the coming months in the face of wholesale cancellation of export orders **r**

Govt approves revised ADP

The government approved a planning ministry proposal to slash this fiscal year's development budget by 4.8 percent from the original outlay mainly due to slow implementation of projects funded by foreign assistance.

Use of foreign assistance in projects under the annual development programme has been trimmed down to Tk 62,000 crore from Tk 71,800 crore. Implementing agencies show more interest in spending government allocations rather than foreign assistance for the accountability and transparency conditions attached with the latter, say planning ministry officials.

The government portion for the projects is staying the same at Tk 130,921 crore. The revised allocation for the 2019-20 financial year ADP is now Tk 192,921 crore, which was Tk 202,721 crore in the original budget.

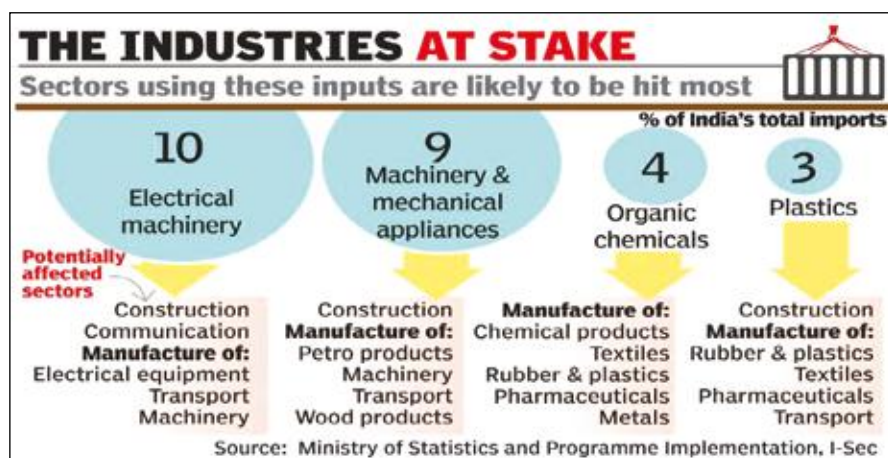
Already Tk 79,785.86 crore or 37.09 percent of the original allocation has been spent during the July-February period of the fiscal year. The revision was endorsed at a meeting of the National Economic Council presided over by prime minister Sheikh Hasina at the NEC office at Sher-e-Bangla Nagar in the capital **r**

India may lose exports to China as COVID-19 headwinds continue

With the Chinese economy facing headwinds of coronavirus scare, India stands to lose billions of dollars in exports to the dragon nation. India is staring at a major fall in exports if China's economy remains shut down for a year. "Considering that total exports in FY20 remain at the same level as FY19 and based on our earlier stated assumption of 80 percent loss in Indian exports to China, the total export loss would be around \$13.4 billion," a CARE Ratings report said.

India is not only a major importer of Chinese goods but also sends its own goods to the country. India exported goods worth \$16.7 billion to China in the 2019 financial year 2019. China exports from India witnessed a CAGR growth of about 28 percent between 2017 financial year and 2019 financial year.

The overall trade impact to India will be considerable due to coronavirus as the country also imports key raw



materials for major industries and some other finished goods as well. The imports have been on a standstill as China faced the coronavirus outbreak and the same had rung alarm bells as the production could also come to a halt as supplies are drying up. Earlier, trade body CAIT had also raised concerns about the same. "All exports have been completely stopped and it is apprehended that it may cause substantial disruption in the supply

chain of the country," it said last week.

While finding an alternative to China supplies might appear a good solution, there are certain industries such as pharma and electronics where alternates are minimum. Other sectors such as tourism and software are also facing heat. Meanwhile, India witnessed a bloodbath as Sensex was down by over 1,100 points **r**

Pakistan releases Rs 456.37b for development projects

The federal government has so far authorized release of Rs 456.37 billion for various ongoing and new social sector uplift projects under its Public Sector Development Programme 2019-20, as against the total allocation of Rs 701 billion.

Under its development programme, the government has authorized release of an amount of Rs 191.26 billion for federal ministries, Rs 151.8 billion for corporations and Rs 33.6 billion for special areas, according to a latest data released by Ministry of Planning, Development and Reform.

Out of these allocations, the government authorized release

of Rs 38.45 billion for security enhancement in the country for which the government had allocated Rs 38.45 billion during the year 2019-20. An amount of Rs 77.655 billion has also been authorized for the blocks managed by Finance Division under the government's 10 years development programme.

Similarly for Higher education Commission, the government authorized an amount of Rs 22.7 billion out of its total allocation of Rs 29 billion while Rs 229.47 million were released for Pakistan Nuclear Energy Authority for which the government had allocated Rs 301.48 million in the development budget.

For the National Highway Authority, the government authorized release of Rs 140.4 billion against its allocations of Rs 154.96 billion. Under annual development agenda, the government also released Rs 10.14 billion for Railways Division out of total allocation of Rs 16 billion, Rs 6.07 billion for Interior Division, and Rs 7.13 billion for National Health Services, Regulations, and Coordination Division.

The Revenue Division received Rs 4.24 billion whereas the Cabinet Division also received Rs 30.1 billion for which an amount of Rs 39.986 billion has been allocated for the



year 2019-20. The government also released Rs 20.75 billion for Azad Jammu and Kashmir block and other projects out of its allocations of Rs 27.26 billion and Rs 12.8 billion for Gilgit Baltistan **r**

Lanka economy on mend in 2020

A revival in economic activity can be expected in 2020 with the support of better fiscal and monetary measures with Sri Lanka also looking at a fresh deal with the IMF, a senior official said. Speaking at the Ceylon Chamber of Commerce's Economic Outlook launch for 2020 the Central Bank Governor Professor W D Lakshman says low inflation, lending rates together with exchange rate stability, improved consumer and investor sentiment will keep the island's economy in check in the medium-term.

Sri Lanka's foreign capital flows, portfolio, and direct investment are expected to grow while workers' remittances are expected to remain more or less stable without making significant gains, he said.

"The major ongoing policy reform in my view is the dependence placed on a coalition of three known

forms of capital formation in growth which include domestic private capital, domestic state capital and foreign private capital." Answering questions regarding the IMF stimulus programmes the governor noted that Sri Lanka has not ruled out any further discussions.

IMF staff concluding a visit to Sri Lanka in February said that the country's primary deficit could widen further to 1.9 percent of GDP in 2020, due to newly implemented tax cuts and exemptions, clearance of domestic arrears, and backloaded capital spending from 2019.

The mission reminded that fiscal prudence remains critical to support macro-economic stability and market confidence, amid high levels of debt and refinancing needs **r**

Afghanistan launches national trade policy

The Afghan government has launched the Afghanistan National Trade Policy, a new initiative to spur growth and create jobs by boosting the export capacities of the country's private sector, to trade with regional and global markets.

Afghanistan's Minister of Industry and Commerce Ajmal Ahmady said: "This

national trade policy takes center stage in transforming the direction of the economy's productive sectors toward producing and exporting high value-added products so that the country's full export potential can be realized. The policy document outlines the key principles and strategies that will guide the Afghanistan's strategic integration into global markets."

The Government anticipates that the ANTP will support the Afghanistan National Peace and Development Framework, the country's overarching policy strategy, and implementation of its WTO commitments, National Export Strategy, National Priority Program on Private Sector Development, and national export targets. The event followed a cabinet meeting chaired by President Ashraf Ghani at which the Government formally endorsed the ANTP.

"The ANTP comes at an opportune time as Afghanistan seeks to boost economic growth and strengthen the productive base of its economy. Improving the country's trade performance will be crucial to driving wider and more sustainable economic growth. The EU, which opens its single market of 500 million consumers to Afghan products on a 'duty free and quota free' basis, is proud to be associated to this initiative," said European Union ambassador Pierre Mayaudon.

Meanwhile, the acting Executive Director for the International Trade Center, Dorothy Tembo said called the national trade policy an essential tool for developing Afghanistan's trade activities and fostering an environment where entrepreneurship can thrive.

The Afghanistan Chamber of Commerce and Investment believe the ANTP will boost Afghanistan's exports and addresses some of the key issues that Afghan traders are currently facing.

The EU-funded Advancing Afghan Trade project is implemented by ITC under the leadership of the Ministry of Commerce and Industries. It is a response to the Afghan government's ongoing efforts to use trade as a driver of economic growth, regional cooperation and stability.

Afghanistan acceded to the World Trade Organization in July 2016, after which it immediately moved to ratify the global trade body's Trade Facilitation Agreement **r**

Nepal gets Rs 304b remittance in FY20 July-Oct

According to the Nepal Rastra Bank's data, Nepal received a total of Nepali Rs 304.97 billion in remittance in the first four months of the 2020 financial year. The NRB report shows that the Gulf countries are the main source of remittance to Nepal, accounting to over 50 percent of the total remittances.

India, Malaysia, the USA, Japan and South Korea are the other

major remittance sending nations. However, remittance from Malaysia has decreased in the review period as the Nepali nationals were not allowed to fly to Malaysia during the 2019 financial year.

According to the report, the remittance was sent by all levels of Nepali workers in around 172 countries across the world. Nepal has signed a bilateral labor agreement with eight countries including Qatar, UAE, Japan, South Korea, Bahrain, Israel, Jordan and Malaysia **r**

Bhutan's law change could impact economic self-reliance

The National Council recommended that Income Tax (Amendment) Bill 2020 could seriously impact the national goal of economic self-reliance and create more deficits at this time. In this context, the NC's Economic Affairs Committee proposed two options to the house, either not to pass the Bill in its entirety or to pass with amendments in the clauses.

The majority of the NC members supported the second option since as per the provisions of law NC cannot revoke a money bill. The NC adopted each recommendation proposed by

the committee on the sections of the Income Tax (Amendment) Bill, 2020 with 17 'yes' votes, five 'abstain' and one 'no' vote on February 5.

The bill would be forwarded to the National Assembly for re-deliberation. The house recommended the commencement date of the Bill in line with Section 46B of Public Finance (Amendment) Act of Bhutan 2012.

The Section 46B states, "The imposition or increase of any tax or abolition, reduction or remission of any existing tax once passed as law by Parliament, shall be applied retroactively from the date it was initially tabled in the National Assembly."

The house adopted to have 30 percent of the net profit and not 25 percent as adopted by National Assembly as an income tax for companies other than state enterprise under full tax liability. Similarly, NC adopted to retain the original clause of Income Tax Act, 2001 to tax 30 percent of the net profit for permanent establishment from the NA's 25 percent.

The NC adopted Nu 200,000 per annum of net taxable amount from taxation as a basic exemption from NA's Nu 300,000.

Additionally, NC adopted to exempt Nu 10,000 a year from Personal Income Tax as total dividend income from Bhutanese companies rather than Nu 30,000 as adopted by NA. Moreover, the allowable deductions for education expenses for students increased to Nu 350,000 from NA's Nu 250,000.

However, the upper house adopted the NA's recommendation on the



publicity and advertisement expenses which allows deductions on actual expenses incurred or 5 percent of assessed gross income, whichever is lower.

As per the house's EAC, Nu 633.620m per annum would be foregone from the Income Tax (Amendment) Bill 2020 and overall estimated revenue of Nu 826.03m per annum from the tax revisions proposed by the government.

The committee recommended that the estimated revenue losses are expected to be recovered from imposition of sustainable development fee on regional tourists of Nu 933.560m, tax on lottery winning and surcharge on the PIT.

However, SDF revenue generation is subject to change as there is no assurance whether there would be a sustained number of regional tourists with the introduction of SDF fee of Nu 1,200 per person per day and tourism industry sensitiveness towards global economic situation and epidemics like the recent outbreak of Novel Corona virus **r**

India's huge outsourcing industry struggles

As the coronavirus pandemic pushes India into a lockdown, the call centers and IT services firms that function as the world's back office are struggling to piece together work-from-home solutions and other business-continuity plans.

Prime minister Narendra Modi ordered 1.3 billion Indians to stay at home for 21 days to stem the spread of SARS-CoV-2, following earlier lock-down orders in many Indian cities and states. India had reported over 500 cases of the virus and nine deaths.

Many of the companies that provide business services such as call centers, information technology services and business process automation were not prepared for work-from-home arrangements, according to interviews with more than a dozen employees of several companies.

That raises questions about whether one of India's showpiece industries can function smoothly amid the coronavirus crisis. "The industry has been scrambling to set up its own business continuity plan," said R Chandrashekhar, a retired federal government official and a former president of India's IT services lobby group, NASSCOM.

In the southern tech hub of Bengaluru, an employee working at a JPMorgan call center said that her managers had repeatedly declined staffers' pleas to work from home.

"Even if I am infected with the virus, I know the death rate for young people isn't very high, but I am very scared that I might transfer it to family," she said on condition of anonymity, as she is not authorized to speak to the media.

After a state government order, JPMorgan asked its Bengaluru staff to "stay at home until further notice," according to a message to

employees. In some cases, companies must seek client permission before allowing employees to work on sensitive projects outside the office, a senior human resources executive at a top Indian IT firm said of working remotely.

"These days the challenge is not really the technology, the challenge is the regulations, and, in case something goes wrong, who's going to take the responsibility," the person said on condition of anonymity. Indian software services firms, led by Tata Consultancy Services and Infosys gained prominence by giving Western clients low-cost solutions to routine computer problems. Over time, they assumed a major role at many global companies.

Three employees of mid-sized IT services firm Mphasis, in the western Indian city of Pune, said they were all being asked to come to the office, even as some expressed concerns about working in close proximity with roughly 90 other people.

Maharashtra state, where Pune is located, had imposed restrictions on private company employees going to offices in an effort to curb the spread of the virus. But it made exemptions for essential services including some IT companies **r**



Most small China firms yet to reopen after virus outbreak

Most small businesses in China have yet to reopen and are struggling with supply chain obstructions after the new coronavirus epidemic triggered a national shutdown, officials said. Authorities extended January's Lunar New Year holiday and ordered the closure of schools, factories and railways to try and halt the spread of the outbreak, which has killed more than 2,500 people.

Some industries have since resumed operations but only around three in 10 small and medium-sized enterprises were back to work, industry ministry spokesman Tian Yulong said. Ongoing transport disruptions make it hard for workers to travel and has prevented the shipment of raw materials, he added.

Officials pledged finance and aid for smaller enterprises, including preferential tax treatment for



transport, catering and tourism businesses. Key industries dominated by larger firms appeared to be in stronger shape.

Cong Liang, an official at China's top economic planning agency, said the steel industry was operating at nearly 70 percent capacity while rail freight had almost returned to normal. Small and medium-sized businesses account for around 60 percent of

China's economy, and the crucial sector is reeling from the impact of the global public health crisis.

At least six in 10 small firms risked running out of cash to cover regular payments in the next two months, the Economic Daily state media outlet reported last week, citing a survey by a national representative body for small business **r**

Southeast Asian startup funding down 30pc

The flow of funds to startups in Southeast Asia is slowing as global investors take a harder look at new companies and their prospects for growth. Investment in startups in the region by venture capitalists and others totalled \$9.5 billion in 2019, down about 30 percent from the previous year, according to data from DealStreetAsia, a Singaporean financial news site. The data includes investment by private equity funds and corporations.

The number of startups raising more than \$1 billion dropped to two from five last year.

The findings suggest that the profitability of high-profile startups

is under close investor scrutiny as they reassess unicorns — privately held startups valued at more than \$1 billion.

Grab, a Singapore-based ridesharing service, raised a total of \$2.1 billion last year, the largest amount among Southeast Asian startups. That included an additional cash injection from SoftBank Group's Vision Fund. No. 2 on the list was Grab's Indonesian rival Gojek, which raised \$1.6 billion from Google and others. Grab and Gojek together accounted for nearly 40 percent of all funds raised by startups in the region. The rest brought in less than \$5 billion.

The cooling off of fundraising by

Southeast Asian startups in 2019 stood in marked contrast from the previous year when the top five companies, including Indonesian and Singaporean e-commerce companies Tokopedia and Lazada, raised nearly \$9 billion in all.

Fundraising trend in the first half of 2019 was stronger than during the same period in 2018, but lost momentum in the second half because major startups came under the microscope after IPO flops at high-profile startups in the US such as Uber Technologies.

Share prices for market debutantes dropped in the US, upsetting some startups' listing plans. In China,

fundraising by new companies plunged as investors became more selective there as well.

While investment in large startups in Southeast Asia declined in value terms in 2019, investments rose by 32 percent from the previous year to 503. And one country bucked the downtrend: In Indonesia, investment climbed 10 percent in value to \$3.4 billion and 68 percent in number to 140 **r**

Indonesia wants to merge BRI with two state firms

Indonesia's state-owned enterprises minister said the government is looking to merge state-controlled Bank Rakyat Indonesia with two state financial firms in June, but the bank's CEO said a final decision on that was still pending.

BRI, the country's largest lender by assets, will be merged with pawnshop chain Pegadaian and Permodalan Nasional Madani, a financing firm focusing on micro businesses, SOE Minister Erick Thohir told an economic forum hosted by CNBC Indonesia.

"We had a meeting with BRI and I want to make sure in June there will be an extraordinary merger between BRI, PNM and Pegadaian," he said. "This is so that there is no overlapping and BRI will be an extraordinary bank. Go buy its shares," he said.

BRI chief executive Sunarso, speaking on the sidelines of the forum, however, said the structure of any combination was not decided yet.

"We're tasked to synergise our works, but we're still discussing in what form," he said, adding that

cooperation between outlets and networks in the three companies was another option besides a merger. The government has set a target to make a final decision by June, said Sunarso, who goes by one name.

Thohir has said he wants to cut back the number of state companies from about 140 by merging or closing underperforming firms and their units, to improve profitability. The government owns a 57.3 percent stake in BRI, whose loan portfolio is dominated by financing for micro, small and medium enterprises. Pegadaian and PNM are fully owned by the state **r**

Viet Nam, India seek to up bilateral investment, trade

India is a major trade partner and investor of Viet Nam and the two countries should spare no efforts to soon realise the target of bringing bilateral trade to \$15 billion. This statement was made by minister of planning and investment Nguyen Chí Dung during talks with his host Indian minister of state for external affairs Shri V Muraleedharan, as part of his working visit to the country.

At the talks, Dung spoke highly of India's increasing position in the

international arena and affirmed that the Viet Nam-India relations are thriving, voicing his hope that bilateral ties will be strengthened in the future.

Regarding India's financial and scientific-technology potential, Dung said that the nation's investment in Viet Nam remains modest, adding that Viet Nam hopes to welcome more Indian investors in the future.

For his part, V. Muraleedharan pledged that India will closely collaborate with and support Viet Nam as the country is holding the role of the ASEAN Chairman in 2020 and a non-permanent member of the United Nations Security Council in 2020-21. The host also affirmed that Viet Nam is a key partner in Southeast Asia and playing the role of a pillar in India's Look East Policy.

Meanwhile, V. Muraleedharan expressed his hope that Viet Nam will open its doors to Indian fruits and create favourable conditions for its pharmaceutical companies. A roundtable between the Vietnamese minister and Indian businesses was held the same day, drawing nearly 100 leading firms including Essar, HCL and Mahindra **r**



Cambodia 'keen on as many trade deals' as possible

Prime minister Hun Sen says he wants the nation to have many trade agreements with different partners to diversify its economic partners and attract more foreign direct investment. "We are keen to have trade agreements with difference partners," Hun Sen said during a news conference, noting that the Kingdom is now pushing to sign free trade agreements with developed economies.

Currently, Cambodia does not have any bilateral FTAs with any major individual economic partners. However, Hun Sen said the Kingdom is taking steps to negotiate several – namely with South Korea, and the Eurasian Economic Union — a bloc of countries in central and northern Asia and Eastern Europe with a combined gross domestic product (GDP) of \$5 trillion.

Cambodia will make a trade deal with China this year after the two countries wrapped up first-round negotiations. "We have just finished a first-round negotiation of a trade deal with China and, as planned, this agreement will be signed when the Chinese prime minister attends the 13th ASEM, which is scheduled to take place in Phnom Penh in November," he said.

In addition, the prime minister said the United Kingdom wants to maintain a policy to continue preferential trade with least-developed countries such as Cambodia especially after departing the European Union.

"If the United Kingdom wants to have an FTA with Cambodia, we welcome it. The United Kingdom also requested us to become a dialogue

partner with Asean," Hun Sen said, adding that Cambodia will certainly help to support the UK to become a comprehensive partner with Asean.

In September 219, Heather Wheeler, UK parliamentary undersecretary of state at the Foreign and Commonwealth Office, met foreign minister Prak Sokhonn at the Foreign Ministry headquarters in Phnom Penh, where Wheeler told Prak that the UK will request Cambodia's support to become a dialogue partner of ASEAN after it leaves the European Union.

It is not been made clear whether the United Kingdom will have to abide by a recommendation by the European Commission to slash its existing trade deal with the European Union known as the Everything but Arms agreement before the transition period for the United Kingdom leaving the EU ends on December 31. Wheeler said the UK wants continue to boost trade with Cambodia, which currently stands at around \$1 billion **r**

Bank of Japan unveils emergency measures over virus

The Bank of Japan unveiled a series of emergency monetary policy measures to shore up the world's third-largest economy, as the coronavirus pandemic threatens a global recession. In a meeting brought forward by two days, the BoJ said it would double its annual capacity to purchase exchange-traded funds and Japan real estate investment funds, the latest global central bank to take emergency action.

The moves sent Japanese markets whipsawing, with the Nikkei-225 initially surging two percent but then



falling rapidly back into the red as traders digested the statement.

The bank said it had decided unanimously to "actively" purchase ETFs (exchange-traded funds) and J-REITs (investment funds tied to Japanese real estate) with an annual upper limit of 12 trillion yen (\$112 billion) and 180 billion yen respectively.

Seiichi Suzuki, senior market analyst at Tokai Tokyo Research Institute, said: "What's big is 12 trillion yen of ETFs buying, which means one trillion yen each month. What investor could ignore this?" "It was quite a drastic step," Suzuki said. "Those who wanted to buy jumped on the occasion." Previously, the bank was buying a maximum of six trillion yen of ETFs and 90 billion yen of J-REITs per year.

The BoJ said it would also introduce a new operation to provide loans against corporate debt and raised its annual limit for corporate bond purchases by one trillion yen to 4.2 trillion yen.

But it left its main interest rate unchanged at minus 0.1 percent and also kept its upper limit for purchasing government bonds at 80 trillion yen. "There have been significant uncertainties over the consequences of the outbreak of COVID-19 and over the size and persistence of their impact on domestic and overseas economies," said the bank in a statement **r**

UAE GDP to increase Dh1.50 trillion in 2020

The UAE's gross domestic product, in constant prices, is projected to expand at Dh1.50 trillion in 2020 from Dh1.464 trillion in 2019 and Dh1.442 trillion in 2018, said Obaid Bin Humaid Al Tayer, minister of state for financial affairs, and chairman of the federal tax authority.

Al Tayer was answering a question from a member of the Federal National Council, FNC, during a session on the impact of the Value Added Tax, VAT, on the national economy. The five percent VAT was introduced in the UAE on January 1, 2018, which is a relatively short period to have enough data that could measure its deep economic impact, he said.

"Last year, the inflation rate was 1.5 percent. The GDP in 2018 was



Dh1.44 trillion and inflation was 3.69 percent," said Al Tayer, adding that the country's GDP in 2017 was Dh1.41 trillion and the inflation was 1.97 percent.

In 2016, the GDP was Dh1.41 trillion and the inflation rate was

1.61 percent. Al Tayer said the UAE is currently witnessing an increase in investment opportunities, which was reflected in the increase in the number of companies registered under the tax system, which is 312,000 companies **r**

Non-oil sector to drive Saudi growth this year

Saudi Arabia's economy is expected to grow this year, supported by the non-oil sector, despite a challenging global economic backdrop, the Saudi central bank governor said as the kingdom hosts the G20 meeting. Ahmed Al Kholifey said it was too early to see the full picture of the economic damage caused by the new coronavirus.

The Saudi Arabian Monetary

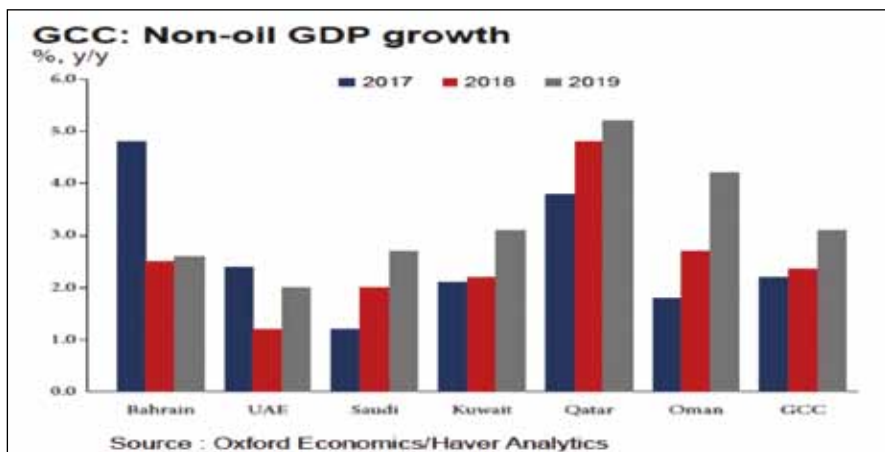
Authority governor was speaking at an economic conference in Riyadh, where finance leaders of the world's 20 largest economies have gathered this weekend to discuss policies and the impact of the virus on global growth.

"GDP growth in Saudi Arabia is projected to see an upturn in 2020," said Kholifey. "Monetary, fiscal and structural policies in my country are

all geared towards an expansion of the private non-oil sector GDP over the medium term," he said.

The International Monetary Fund said in January it expects the Saudi economy to expand 1.9 percent this year, up from an estimated 0.4 percent in 2019. However, it lowered its forecast for the kingdom's 2020 growth from 2.2 percent due to lower oil output.

"We have a positive view on the Saudi economy, the forecasts are positive and growth is expected to be higher than last year, especially from the private sector," Al Kholifey said **r**



Iran out of recession now: economy minister

Iran's minister of economy Farhad Dejpasand says that the country has pulled itself out of economic recession, as the economic growth

without taking oil revenues into account has been positive from March to November 2019 despite the US sanctions.

Hemadetheremarkswhenelaborating on the Rouhani administration's economic performance in the run-up to the 41st anniversary of the Islamic revolution in an interview with the Iranian state TV.

"When the eleventh cabinet [Rouhani's first term] started its work in 2013, the economic growth was minus 7 percent because of the sanctions imposed at the time. From September 2013 to March 2014 the trend of the negative growth slowed down and it stood at minus 3.2 percent."

"The growth rate finally became positive as of March 2013 until March 2017, which it reached 12.5 percent, which was partly accounted for by the possibility of oil exports after JCPOA," he noted.

"The economic growth without taking oil production into account was 6.5 percent from March 2016 until March 2017 according to Statistical Centre of Iran, and 4.5 percent according to Iran's Central Bank," he added.

Referring to Iran's experience of negative economic growth from March 2018 to March 2019 due to the return and intensification of US sanctions after its withdrawal from JCPOA, the minister said "it was estimated that the economic growth would sink into between minus 8 percent and minus 15 percent, yet thanks to the measures and policies adopted it stood at minus 4.2 percent with oil and minus 2.2 percent without oil."

He added "the predictions made in 2018 about economic growth in 2019 was very concerning, but,

fortunately – according to the Central Bank's statistics – non-oil economic growth was 0.4 percent from March to June, 0.5 percent from March to September, and 0.9 percent from March to November, which indicates that non-oil section of the economy has managed to thrive."

Describing Iran's agricultural section "at the height of economic growth", the minister said "the industrial section has also shown a positive 7.5 percent growth, and other indexes also signify positive economic growth in the non-oil section" **r**

Bahrain exports cross BD2.298b

The Information and eGovernment Authority issued its foreign trade report of year 2019, encompassing data on the balance of trade, imports, exports (national origin), and re-exports. The value of imports decreased by 11 percent, reaching BD4.984 billion during year 2019 compared to BD5.594 billion for the same previous year. The top 10 countries accounted for 68 percent of the value of imports, with the remaining countries accounting for just 32 percent.

According to the report, China ranked first when it came to imports

to Bahrain, with a total of BD777 million, Australia was second with BD352 million, and the United Arab Emirates was third with BD349 million.

Non- Agglomerated iron ores and concentrates emerged as the top product imported into Bahrain with a total value of BD380 million, while Aluminum oxide was second with BD340 million, and four-wheel drive cars third with BD206 million.

The value of exports of national origin increased by 0.52 percent to BD2.298 billion during year 2019, compared to BD2.286 billion for the same previous year. The top 10 countries in terms of the value of exports of national origin purchased from Bahrain accounted for 77 percent of the total value, with the remaining countries accounting for 23 percent.

The Kingdom of Saudi Arabia ranked first among countries receiving Bahraini exports of national origin, importing BD534 million from Bahrain. Meanwhile, the United States of America was second with BD284 million and United Arab Emirates third with BD272 million.

Agglomerated iron ores and concentrates emerged as the top products exported during year 2019 with BD421 million, aluminum wire



was second with a value of BD201 million, and unwrought aluminum alloyed third with BD191 million.

The total value of re-exports increased by 54 percent to reach BD795 million fourth quarter 2019, compared to BD515 million for the same previous year. The top 10 countries accounted for 87 percent of the re-exported value, while the remaining countries accounted for the 13 percent. The United Arab Emirates ranked first with BD268 million, the Kingdom of Saudi Arabia second with BD229 million, and China third with BD70 million **r**

Qatar set to emerge a leading Islamic finance hub

With a fast growing Islamic finance industry, Doha has all the potential to emerge as the 'Capital of Islamic Finance', industry experts said. "Doha is the most qualified financial centre to transform into the world capital of Islamic finance, based on a package of indicators, the most prominent of which is the rapid growth of finance sector, which listed Qatar among the top five Islamic finance centres in the world. The volume of Islamic finance assets in Qatar currently stands at \$129b," Dr Khalid bin Ibrahim Al Sualiti, Deputy Chairman of Bait Al-Mashura said.

Addressing the media, while announcing the hosting of 6th Islamic Finance Conference in Doha on February 25, Dr Khalid, who is also the Chairman of the Organising Committee, said Qatar has an ideal legislative framework, an operational environment and a distinct organisational structure in the Islamic finance industry.

Al Rayan Qatar ETF is the largest Islamic ETF listed in a single



country. "Qatar plays a major role in developing the sukuk industry globally. Moreover, Qatari companies operating in accordance with the provisions of Islamic Sharia are expanding in most of the world's markets to lead the sector's growth path internationally," he said.

Dr Osama Qais Al Derai'ei, vice-chairman of the Organising Committee and managing director and CEO of Bait Al Mashura Financial Consultations noted the Islamic finance industry is fast growing as the total number of Islamic financial institutions operating in the world reached the level of 1389, with a total asset of \$2.4trillion. These institutions achieve a compound annual growth rate of 6 percent, while Islamic banking services hold a share of 71 percent or equivalent of \$1.7 trillion of the total volume of Islamic financial industry assets at a CAGR of 5 percent. It is estimated that Islamic finance industry's assets are expected to reach \$3.2 trillion in 2020, he added **r**

Saudi Arabia trims 2020 spending amid oil crash

Saudi Arabia will trim this year's budget by around five percent, the finance minister said, in its first austerity measure as the economy

reels from the fast-spreading coronavirus and crashing oil prices.

Saudi Arabia is bracing for an economic slump after it shut down cinemas, malls and restaurants, suspended the year-round umrah pilgrimage and locked down eastern Qatif region — home to around 500,000 people — in a bid to contain the deadly coronavirus.

The world's top crude exporter also faces plunging oil prices, the mainstay of government revenue, which slipped below \$25 a barrel this week to touch 18-year lows on the back of sagging demand and a price war with Russia.

"The size of the partial reduction ... has reached approximately 50 billion riyals (\$13.32 billion), which represents less than 5 percent of the total expenditures approved in the budget for 2020," said Finance Minister Mohammed al-Jadaan.

In a statement released by the official Saudi Press Agency, the minister added the cuts would have "the least social and economic impact." But the economic consultancy Nasser Saidi and Associates has reported the cuts will be deeper, saying the finance ministry has instructed various government bodies to submit proposals to slash this year's spending by 20 to 30 percent **r**

US faces long-lasting damage from trade war: Fed official

The trade conflict of the past two years likely left a mark on the US economy, even with the recent agreement to defuse the situation, a Federal Reserve official said. The outbreak of the new coronavirus in China adds another risk factor to the outlook, which otherwise seemed poised to provide steady growth, said Loretta Mester, president of the Federal Reserve's regional bank in Cleveland.

"At this point, it is difficult to assess the magnitude of the economic effects, but this new source of uncertainty is something I will be carefully monitoring," she said of the epidemic.

With the partial agreement signed with China to call a truce in the dispute with Beijing—despite leaving many tariffs in place—as well as a new continental free trade pact with Canada and Mexico, Mester said the trade picture is "somewhat better" heading into 2020. "Nevertheless, some long-lasting effects arising from



the trade war are likely," she said in a speech to the National Association for Business Economics.

While the reduced uncertainty means businesses that had put plans on hold might now be more likely to invest, some foreign companies "have reoriented their supply chains away from US firms, which means these exports may be permanently lost." Sluggish investment, too, is a source of concern.

"Without investment in new technologies and capital, productivity will continue to be weak, dampening

the economy's growth potential and living standards." Mester, a voting member of the Fed's interest rate setting committee this year, was relatively upbeat about the economy, which she said should continue to perform well with a strong job market and growth around two percent, slightly slower than last year.

The epidemic in China casts a cloud of uncertainty over the outlook, she cautioned, and is hard to compare with past health issues, like the SARS epidemic in 2003, which caused a minor slowing in the US economy **r**

UK rejects EU trade demands, threatens to walk away

Britain warned it would not commit to following European Union rules in a post-Brexit trade deal, and threatened to abandon talks in June if no compromise was possible. Two days after EU ministers approved their own joint approach to the



negotiations, which start prime minister Boris Johnson's government set out its own red lines.

The formal negotiating mandate says London wants to agree a relationship "based on friendly cooperation between sovereign equals" before the end of post-Brexit transition period on December 31.

But it warns: "We will not agree to any obligations for our laws to be aligned with the EU's or for the EU's institutions including the Court of Justice, to have any jurisdiction in the

UK." The document also states that if both sides have not been able to reach a "broad outline of an agreement" by June, then it would have to decide whether to walk away from the talks.

When Britain left the European Union on January 31, both sides agreed a standstill period while they establish a new partnership to replace 47 years of political and economic integration.

London has the option to extend the transition beyond the end of 2020, but says it will not. So in June, it would decide "whether the UK's

attention should move away from negotiations and focus solely on continuing domestic preparations to exit the transition period in an orderly fashion”.

Failure to reach a new agreement with the EU-Britain’s largest trading partner-is likely to be hugely disruptive on both sides of the Channel. Ground rules In its own negotiating mandate, the EU said Britain must mirror its own standards if it wants to continue freely trading its goods with the bloc’s huge single market. But London says this undermines the whole point of Brexit, and officials say they accept an increase in trade barriers as the price to pay for “taking back control”.

Johnson, recently elected on a “Get Brexit Done” promise, has called for a looser trade agreement along the lines of the bloc’s recent deal with Canada. But Brussels says Britain’s proximity and close economic ties forged over five decades of EU membership make it a special case.

It fears Britain could undercut EU businesses if it decides to scrap costly commitments to high labour or environmental standards. Brussels also wants its state aid rules to apply in the UK in perpetuity-something London outright rejects **r**

IMF: Virus hitting a fragile global economy

In the best-case scenario, the economic hit from the epidemic in China will be short-lived, but it comes as the global economy remains fragile, IMF chief Kristalina Georgieva. Beset by many other risks, including the paused but still-unresolved US-China trade war, the world is not in a good position to deal with a prolonged impact, she wrote in a blog post. “The truth is that uncertainty is becoming the new

normal,” she said. The coronavirus “is our most pressing uncertainty.... It is a stark reminder of how a fragile recovery could be threatened by unforeseen events.”

The virus to date has left nearly 1,900 dead and sickened 72,000 in China, cutting off transportation and forcing many businesses to close their doors. Apple, which relies on Chinese production, warned this week that iPhone supplies will be constrained. Georgieva repeated the fund’s view that the new coronavirus is likely to have only a short-term effect, marked by a sharp decline in China’s GDP followed by a sharp recovery.

But she warned that the situation could worsen, with more dire consequences for other countries as the impacts spill over. “A long-lasting and more severe outbreak would result in a sharper and more protracted growth slowdown in China,” she wrote. “Its global impact would be amplified through more substantial supply chain disruptions and a more persistent drop in investor confidence, especially if the epidemic spreads beyond China.”

The International Monetary Fund again warned that risks to the global economy “remain skewed to the downside,” in its customary report for the Group of 20 finance ministers and central bank governors who will

be meeting in Saudi Arabia over the weekend. The Washington-based crisis lender in January downgraded its forecast for global growth this year to 3.3 percent, despite relief over the truce in the US-China trade conflict that led to tariffs on billions of dollars in goods.

The “phase one” US-China deal prevented even more tariffs from taking effect and the IMF estimates it “will reduce the drag from trade tensions on the level of GDP in 2020 by 0.2 percent.” However, it “only addresses a small share of the recently imposed tariffs and specifies minimum increases in China’s imports from the United States,” the IMF chief said. In addition, the deal relies on “managed trade arrangements”-with specific targets for China to purchase from the United States-which “have the potential to distort trade and investment while harming global growth.”

“In fact, our estimates suggest that the managed trade provisions cost the global economy close to \$100 billion,” she said. The G20 Surveillance Note, as the report is known, said the recovery in the member economies is “fragile and likely to be shallow,” too low to raise living standards or provide sufficient jobs for young people entering the workforce.



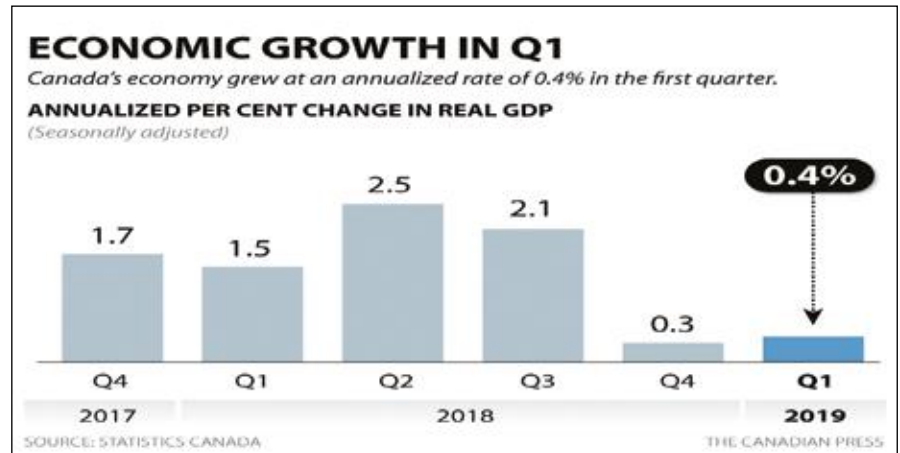
“Even in the best-case scenarios, however, the projected rate of global growth is still modest in too many parts of the world,” Georgieva said. The IMF said it was sticking to its January forecast for 3.3 percent growth in the global economy this year, up from 2.9 percent in 2019, already a downward revision of 0.1 percentage points from its forecast in October. “The recovery could be derailed by a sharp rise in risk premia, triggered for example by a re-escalation of trade tensions, or a further spread of the coronavirus,” the Fund said.

Chinese state television quoted President Xi Jinping as saying China could still meet its economic growth target for 2020 despite the epidemic. But the IMF note cast doubt on that. “The coronavirus, a human tragedy, is disrupting economic activity in China as production has been halted and mobility around affected regions limited,” the Fund wrote in the note. “Spillovers to other countries are likely – for example through tourism, supply chain linkages, and commodity price effects”

Canada’s economy stalls as investments drop

Canada’s economy slid to a near halt in the fourth quarter, as exports dropped by the most since 2017 and business investment declined, but December came in stronger-than-expected, suggesting the economy had a bit of momentum going into 2020 before the coronavirus concerns.

Gross domestic product grew at an annualized pace of 0.3 percent — essentially a stall — in the three months ended December, in line with economist and Bank of Canada estimates, the federal statistics



agency reported. That was down from a revised 1.1 percent pace in the previous quarter, making it the second-straight quarterly deceleration and slowest pace of growth since 2016.

The period ended on a higher note than most analysts anticipated with a monthly expansion of 0.3 percent in December, the fastest pace of growth since May. This brings the annual growth rate of Canada’s real GDP to 1.6 percent for 2019, down from 2 percent in 2018, and lower than the U.S., which posted a 2.3 percent increase in real GDP, the agency said.

The Canadian dollar was down 0.4 percent to C\$1.3438 against its U.S. counterpart at 8:37 a.m. Toronto time. Bets that the Bank of Canada will cut interest rates at the March 4 meeting rose to more than 50 percent, from 36 percent.

The slowdown in the fourth quarter was largely expected as a series of temporary factors including a week-long rail strike, manufacturing plant disruptions and pipeline shutdowns stunted growth. The quarter started off weak with most of the temporary factors occurring during the first two months of the period. And while December recouped some of the losses, this still doesn’t change the picture that Canada’s economy

remains in a fragile position and the Bank of Canada could cut rates, especially in light of the recent impacts from the coronavirus and domestic rail disruptions

G20 finance heads eye coronavirus outbreak impact

Finance chiefs of the world’s top 20 economies vowed to monitor the impact of the coronavirus outbreak on global growth and act if needed, as they said loose monetary policy and easing trade tensions would prompt a pick-up in 2020 and 2021.

The Group of 20 (G20) finance ministers and central bank heads faced a sober presentation by the International Monetary Fund (IMF), which predicted the epidemic would shave 0.1 percentage points off global growth.

“We will enhance global risk monitoring, including of the recent outbreak of COVID-19. We stand ready to take further action to address these risks,” the statement from the financial leaders said, using the medical acronym for the disease caused by the new coronavirus.

“Global growth is expected to pick up modestly in 2020 and 2021,” they predicted. “The recovery is supported by the continuation of accommodative financial conditions and some signs of easing trade tensions”

এসএমই ঋণে সিঙ্গেল ডিজিট সুদে আপত্তি

সরকারের ঘোষণা অনুযায়ী এ বছরের এপ্রিল থেকে ক্রেডিট কার্ড ছাড়া সব ধরনের ঋণে সর্বোচ্চ ৯ শতাংশ সুদ কার্যকর হওয়ার কথা। তবে ক্ষুদ্র ও মাঝারি শিল্প বা এসএমই ঋণে সিঙ্গেল ডিজিট সুদহারে আপত্তি রয়েছে ব্যাংকগুলোর। ক্ষুদ্র ও মাঝারি শিল্প খাতকে ৯ শতাংশ সুদের বাইরে রাখার দাবি তাদের। সম্প্রতি বাংলাদেশ ব্যাংকের গভর্নর ফজলে কবিরের সঙ্গে এক বৈঠকে ব্যাংকগুলোর প্রধান নির্বাহীদের সংগঠন এবিবিবির একটি প্রতিনিধি দল এমন দাবি জানায়। ব্যাংকারদের এ বিষয়ে লিখিতভাবে দাবি পেশ করতে বলেছেন গভর্নর। ওই বৈঠকে ব্যাংকাররা জানিয়েছেন, আমানতে ৬ শতাংশ সুদ কার্যকর করেছে ব্যাংকগুলো।

ব্যাংকের প্রধান নির্বাহীদের সংগঠন অ্যাসোসিয়েশন অব ব্যাংকার্স বাংলাদেশের (এবিবিবি) চেয়ারম্যান ও ইস্টার্ন ব্যাংকের এমডি আলী রেজা ইফতেখারের নেতৃত্বে একটি প্রতিনিধি দল গভর্নরের সঙ্গে সাক্ষাৎ করে। গভর্নর কার্যালয়ে অনুষ্ঠিত এ বৈঠকে বাংলাদেশ ব্যাংকের কয়েকজন উর্ধ্বতন কর্মকর্তা উপস্থিত ছিলেন।

এমডির বলছেন, সরকারি সিদ্ধান্তের আলোকে ১ এপ্রিল থেকে ঋণে ৯ শতাংশ সুদহার কার্যকরের জন্য ব্যাংকগুলো প্রস্তুতি নিচ্ছে। ফেব্রুয়ারি থেকে একযোগে আমানতে ৬ শতাংশ সুদহার কার্যকরের পরামর্শ দেওয়া হয়েছে। তবে বর্তমান বাস্তবতায় এসএমই ঋণে সিঙ্গেল ডিজিট সুদ বাস্তবায়ন করা সম্ভব নয়। কেননা ছোট

অঙ্কের ঋণ বিতরণে তাদের খরচ অনেক বেশি। এখানে ৯ শতাংশ সুদ নিলে ব্যাংক বিপদে পড়বে। সুদহার জোর করে চাপিয়ে দেওয়া হলে অনেক ব্যাংক এ খাতে তখন ঋণই দিতে চাইবে না। আবার ঋণ দিলেও লোকসান হবে। লোকসান মেটাতে ব্যাংকারদের অনেকে চাকরি হারানোর ঝুঁকিতে পড়বেন। এমন বাস্তবতায় এসএমই খাতকে সিঙ্গেল ডিজিট সুদের বাইরে রাখার প্রস্তাব দেওয়া হয়। এর আগে ১৩ জানুয়ারি গভর্নরের সঙ্গে অনুষ্ঠিত বৈঠকেও এসএমই খাতকে সিঙ্গেল ডিজিট সুদের আওতার বাইরে রাখার দাবি জানান ব্যাংকাররা।

২৮ জানুয়ারি রাতে ইস্টার্ন ব্যাংকের প্রধান কার্যালয়ে বৈঠকে বসেন এবিবিবির চেয়ারম্যান ও ইস্টার্ন ব্যাংকের এমডি আলী রেজা ইফতেখার। ঋণে সিঙ্গেল ডিজিট সুদহার কার্যকরের প্রস্তুত হিসেবে ফেব্রুয়ারি থেকে মেয়াদি ঋম ছাড়া অন্য কোনো আমানতে ৬ শতাংশের বেশি সুদ না দেওয়ার পরামর্শ দেওয়া হয়।

অর্থনীতিবিদ ও ব্যাংকারদের অনেকেই আমানত ও ঋণে এভাবে সুদহারের সর্বোচ্চ সীমা বেঁধে দেওয়ার বিপক্ষে মত দিয়ে আসছেন। তারা মনে করেন, ব্যবসা-বাণিজ্য প্রসারের লক্ষ্যে ঋণের সুদহার কমানো দরকার। তবে আমানতে সুদহারের সীমা বেঁধে না দিয়ে বরং সুশাসন বাড়ানোর মাধ্যমে ব্যাংকের উচ্চ খেলাপি ঋণ ও অপ্রয়োজনীয় ব্যয় কমাতে হবে। এ প্রক্রিয়া অনুসরণ করলে এমনিতেই ঋণের সুদহার

কমবে। যার প্রভাবে আমানতকারী ও ঋণগ্রহীতা উভয়ে উপকৃত হবেন। তা না করে হঠাৎ করে আমানতে ৬ শতাংশ সুদহার বেঁধে দিলে উচ্চ সুদের আশায় অনেকে অপ্রচলিত খাতে বিনিয়োগ করতে পারেন। এ খাতের জন্য যা ক্ষতির কারণ হয়ে দাঁড়াতে পারে।

ঋণে সিঙ্গেল ডিজিট সুদহার কার্যকরের দাবি দীর্ঘদিনের। বাজারে প্রচুর তারল্যের কারণে এর আগে ২০১৬ ও ২০১৭ সালের মাঝামাঝি সময় পর্যন্ত ঋণের সুদ সিঙ্গেল ডিজিটে নেমে এসেছিল। তবে উচ্চ খেলাপি ঋণসহ নানা কারণে ২০১৭ সালের মাঝামাঝি সময়ের পর থেকে সুদহার বাড়ছে। সুদহার কমানোর লক্ষ্যে ব্যাংকগুলোর উদ্যোক্তাদের সংগঠন এবিবিবির দাবির পরিপ্রেক্ষিতে একের পর এক সুবিধা দেয় সরকার। এরপরও সুদহার না কমে বাড়তে থাকে। পরবর্তীতে ২০১৮ সালের ২০ জুন এবিবিবির চেয়ারম্যান এক বৈঠক শেষে ঘোষণা দেন, ওই বছরের ১ জুলাই থেকে তারা সব ধরনের ঋণে ৯ শতাংশ সুদ কার্যকর করবেন। আর আমানতে কোনো ব্যাংক ৬ শতাংশের বেশি সুদ দেবে না। যদিও তা ঘোষণাতেই আটকে আছে। এ অবস্থায় নিয়ন্ত্রিত সুদহারের দিকে যাচ্ছে সরকার। গত ১ জানুয়ারি থেকে সিঙ্গেল ডিজিট সুদ কার্যকরের কথা বলা হয়েছিল। ব্যাংকগুলোর দাবির পরিপ্রেক্ষিতে ১ এপ্রিল থেকে সিঙ্গেল ডিজিট কার্যকরের কথা বলা হয়েছে। এ বিষয়ে বাংলাদেশ ব্যাংকের একটি সার্কুলার জারি করার কথা রয়েছে।

সুশাসন ও নৈতিকতার উপর গুরুত্বারোপ

অর্থনৈতিক প্রবৃদ্ধিতে বিপ্লবের অগ্রগতি হলেও বাংলাদেশ সুশাসন ও নৈতিকতা চর্চায় অনেক পিছিয়ে আছে বলে মনে করেন বিশিষ্ট অর্থনীতিবিদ ওয়াহিদ উদ্দিন মাহমুদ। প্রবৃদ্ধির পরের ধাপে যেতে হলে ঘুষ-দুর্নীতি ও অনৈতিকতা চর্চা বন্ধ করার পাশাপাশি সুশাসনের সূচকগুলোতেও নজর দেওয়ার ওপর গুরুত্ব আরোপ করেন তিনি। রাজধানীর ব্র্যাক সেন্টারে সম্প্রতি বেসরকারি গবেষণা সংস্থা সাউথ এশিয়ান নেটওয়ার্ক অন ইকোনমিক মডেলিং (সানেম) আয়োজিত বার্ষিক অর্থনীতিবিদ সম্মেলনের উদ্বোধনী পর্বে অধ্যাপক ওয়াহিদ উদ্দিন মাহমুদ এসব কথা বলেন। উন্নয়নের জন্য

প্রতিষ্ঠানের ভূমিকা প্রতিপাদ্যকে সামনে রেখে সানেম এ সম্মেলনের আয়োজন করেছে।

সানেমের এ আয়োজনের মূল প্রবন্ধ উপস্থাপন করেন ওয়াহিদ উদ্দিন মাহমুদ। তিনি বলেন, আর্থ-সামাজিক সূচকগুলোতে বাংলাদেশ অনেকদূর এগিয়েছে; কিন্তু সুশাসনের আন্তর্জাতিক সূচকগুলোতে অবস্থান অনেক নিচে। প্রবৃদ্ধি ও সুশাসনের মধ্যকার আন্তঃসম্পর্ক রক্ষা করে কীভাবে এগোনো যাবে, সেটা এখন ভাবতে হবে। বিশিষ্ট এ অর্থনীতিবিদ বলেন, দেশের ব্যবসায়ী ও আমলাতন্ত্রের মধ্যে অনৈতিকতার ব্যাপক চর্চা রয়েছে। একদিকে দ্রুত প্রবৃদ্ধি হচ্ছে, অন্যদিকে সুশাসনের সূচক নিচে নামছে।

বিশ্বব্যাংকের সহজে ব্যবসা করার সূচক বা ইজ অব ডুইং বিজনেস সূচক এবং বিশ্ব অর্থনৈতিক ফোরামের অর্থনৈতিক প্রতিযোগিতামূলক সূচকগুলোর দিকে তাকিয়ে আমলাতান্ত্রিক জটিলতা ও দুর্নীতি কমাতে হবে। প্রশাসনিক সংস্কারের কথা ভাবতে হবে। তিনি বলেন, অনৈতিকতার চর্চাই বেশি। ফলে সং থাকার চেষ্টা করেও পরিস্থিতির কারণে অনেকে সফল হতে পারছে না। সেটা শুধু প্রশাসনিক ও রাজনৈতিক ক্ষেত্রে নয়, জমি দখল, আর্থিক খাতের দুর্নীতি, খাদ্য-পরিবেশ দূষণসহ বিভিন্ন ক্ষেত্রে অনৈতিকতার চর্চা চলছে। এসব বন্ধের জন্য আইনের যথাযথ প্রয়োগ দরকার। সেজন্য

দরকার রাজনৈতিক সিদ্ধান্ত বলে তিনি উল্লেখ করেন। তিনি বলেন, সুশাসন ও নৈতিকতার চর্চা বাড়ানোর পাশাপাশি জনমিতিকে কাজে লাগাতে বাস্তবমুখী শিক্ষা দরকার। পরবর্তী ধাপে যেতে প্রযুক্তিগত উন্নয়নের প্রয়োজন আছে। শ্রমিকদের উৎপাদনশীলতা বাড়াতে হলে দক্ষতা বাড়াতে হবে। নিম্নমানের প্রযুক্তি ও কম মজুরির উৎপাদনের ওপর ভিত্তি করে দারিদ্র্য দূর হবে না।

সম্মেলনে অর্থনীতিবিদ হোসেন জিলুর রহমান বলেন, বর্তমানে শ্রম খাতের ৮৮ শতাংশ রয়েছে অপ্রাতিষ্ঠানিক খাতে। উন্নয়ন করতে হলে এ ব্যাপক শ্রমশক্তিকে অপ্রাতিষ্ঠানিক খাত থেকে প্রাতিষ্ঠানিক খাতে নিতে হবে। সানেমের চেয়ারম্যান বজলুল হক খন্দকারের সভাপতিত্বে সম্মেলনে বক্তব্য দেন প্রতিষ্ঠানটির নির্বাহী পরিচালক সেলিম রায়হান। দুদিনের সম্মেলনের বিভিন্ন অধিবেশনে সামষ্টিক অর্থনীতি, বাণিজ্য, জলবায়ু পরিবর্তন, প্রাতিষ্ঠানিক উন্নয়ন, শ্রমবাজার, দারিদ্র্য ও বৈষম্য বিষয়ে ৬৫ গবেষক তাদের গবেষণাকর্ম উপস্থাপন করবেন।

তারল্যের ওপর চাপ বাড়াবে খেলাপি ঋণ

ব্যাংক খাতে খেলাপি ঋণ বৃদ্ধি তারল্যের ওপর চাপ আরও বাড়াতে পারে। এর ফলে ব্যাংকের ঝুঁকিভিত্তিক সম্পদ বেড়ে মূলধন সংরক্ষণেও বাড়তি চাপ তৈরি হতে পারে। বাংলাদেশ ইনস্টিটিউট অব ব্যাংক ম্যানেজমেন্ট (বিআইবিএম) আয়োজিত ১৯তম নূরুল মতিন স্মারক বক্তৃতায় বাংলাদেশ ব্যাংকের সাবেক গভর্নর ড. আতিউর রহমান এমন মন্তব্য করেন।

সম্প্রতি রাজধানীর মিরপুরে বিআইবিএম মিলনায়তনে এ অনুষ্ঠানে সভাপতিত্ব করেন বাংলাদেশ ব্যাংকের গভর্নর ফজলে কবির। স্বাগত বক্তব্য দেন বিআইবিএমের মহাপরিচালক ড. মো. আখতারুজ্জামান। ধন্যবাদ জ্ঞাপন করেন বিআইবিএমের অধ্যাপক এবং পরিচালক (গবেষণা, উন্নয়ন এবং পরামর্শ) ড. প্রশান্ত কুমার ব্যানার্জী।

ড. আতিউর রহমান বলেন, আর্থিক খাত বিশেষত ব্যাংক খাত সাম্প্রতিক বছরগুলোতে ধারাবাহিকভাবে মিডিয়া ট্রায়াল এর বিষয়বস্তুতে পরিণত হয়েছে। এর মানে ব্যাংক খাতের সবকিছুই ভালো তা নয়। তিনি বলেন, সাম্প্রতিক বছরগুলোতে খেলাপি ঋণ বেড়েছে। সরকারি আট ব্যাংকে খেলাপি ঋণের অর্ধেক।

এর বেশিরভাগই বাণিজ্য অর্থায়ন থেকে পরে জোরপূর্বক মেয়াদি ঋণ। খেলাপি ঋণ বেড়ে যাওয়ার কারণে ইতোমধ্যে চাপে থাকা তারল্য পরিস্থিতির ওপর আরও চাপ বাড়তে পারে। ব্যাংকের সম্পদ থেকে আয় কমে গিয়ে এবং বেশি প্রভিশন সংরক্ষণের কারণে তারল্যের ওপর চাপ আরও বাড়তে পারে। তিনি বলেন, বেসরকারি খাতে ঋণ প্রবৃদ্ধি এক অঙ্কে নেমে এসেছে। অন্তর্ভুক্তিমূলক প্রবৃদ্ধির জন্য এ নিয়ে উদ্বেগের যুক্তিসঙ্গত কারণ রয়েছে। রাজস্ব আয়ে ধারাবাহিক ঘাটতি এবং আমানতে কম প্রবৃদ্ধি বেসরকারি খাতে ঋণপ্রাপ্তিকে বাধাগ্রস্ত করতে পারে। এর ফলে মূল্যফীতির প্রত্যাশা বাড়তে পারে এবং অন্তর্ভুক্তিমূলক প্রবৃদ্ধির পথে নেতিবাচক প্রভাব ফেলতে পারে।

গভর্নর ফজলে কবির বলেন, আর্থিক অন্তর্ভুক্তিতে বাংলাদেশ ব্যাংক অগ্রাধিকার দিচ্ছে। এ কারণে কেন্দ্রীয় ব্যাংক শক্ত আর্থিক অবকাঠামো বিনির্মাণে গুরুত্ব দিচ্ছে, যাতে আর্থিক ঝুঁকি কম হয় এবং দারিদ্র্য বিমোচন ও মানুষের জীবনযাত্রার মান অনেকাংশে বেড়ে যায়। তিনি বলেন, আর্থিক অন্তর্ভুক্তির অংশ হিসেবে বাংলাদেশ ব্যাংক ব্যাংকিং সেবাকে গ্রাম এবং শহরের সুবিধাবঞ্চিত মানুষের কাছে পৌঁছে দেওয়ার জন্য ব্যাংকগুলোকে নির্দেশনা দিয়েছে। এর ধারাবাহিকতায় এজেন্ট এবং বুথ ব্যাংকিং, মোবাইল ব্যাংকিং, স্কুল ব্যাংকিং কার্যক্রম পরিচালনার নির্দেশ দিয়েছে বাংলাদেশ ব্যাংক। এমনকি পথশিশুদের ব্যাংকিংয়ের আওতায় আনা, মেলায় আয়োজন এবং পুনঃঅর্থায়ন স্কিমের কারণে ব্যাংকিংসেবার বাইরে থাকা মানুষ এখন ব্যাংকিংসেবা পাচ্ছে।

বিআইবিএমের মহাপরিচালক ড. মো. আখতারুজ্জামান বলেন, বিআইবিএম প্রতি বছর এ. এফ. এম. নূরুল মতিন স্মরণে মর্যাদাপূর্ণ স্মারক বক্তৃতার আয়োজন করে। এ বছর ১৯তম স্মারক বক্তৃতার আয়োজন করা হয়েছে। প্রত্যেক বছর নৈতিকতার বিষয়ে নতুন বার্তা আসে।

ট্যানারি মালিকরা না কিনলে চামড়া সংরক্ষণে উদ্যোগ নেবে সরকার

গত বছরের কোরবানির পশুর চামড়া নিয়ে তিক্ত অভিজ্ঞার পর এবার কিছুটা আগে থেকেই সতর্ক অবস্থানে সরকার। সম্প্রতি শিল্প মন্ত্রণালয়ে এক সভায় সিদ্ধান্ত হয়েছে, এবার কোরবানির পশুর চামড়া ট্যানারি মালিকরা না কিনলে সেগুলো সরকারি উদ্যোগে জেলা, উপজেলা ও ইউনিয়ন পর্যায়ে সংরক্ষণের ব্যবস্থা নেওয়া হবে। অন্তত তিন মাস পর্যন্ত যাতে এ প্রক্রিয়ায়

সংরক্ষণ করা যায়, সে ব্যবস্থা করা হবে। এছাড়া চামড়া সংরক্ষণের জন্য কওমি মাদ্রাসাগুলোকে প্রস্তুত রাখা হবে। এজন্য তাদের ভর্তুকি দেওয়া হবে। প্রয়োজনে উপজেলা পর্যায়ে অন্তত দুই জন ডিলারকে চামড়া সংরক্ষণ ও বিপণনের জন্য নিয়োগ দেওয়া হবে। এজন্য তাদেরকে প্রণোদনা দেওয়া হবে। শুধু তা-ই নয়, পরিস্থিতি বিবেচনায় সাময়িকভাবে কাঁচা চামড়া বা ওয়েট-বু চামড়া রপ্তানির অনুমোদনও দেওয়া হবে। এর জন্য সরকারের রপ্তানি নীতি সংশোধন করার দরকার হলে, তা-ও করা হবে বলে জানানো হয়।

রাজধানীর মতিঝিলে শিল্প মন্ত্রণালয়ে অনুষ্ঠিত ঐ সভায় সভাপতিত্ব করেন শিল্পমন্ত্রী নূরুল মজিদ মাহমুদ হুমায়ূন। এ সময় বাণিজ্য মন্ত্রী টিপু মুনিশ, পরিবেশ, বন ও জলবায়ু পরিবর্তন মন্ত্রী মো. শাহাব উদ্দিন, শিল্প প্রতিমন্ত্রী কামাল আহমেদ মজুমদার উপস্থিত ছিলেন। বৈঠক শেষে সাংবাদিকদের কাছে বিস্তারিত তুলে ধরেন শিল্পমন্ত্রী নূরুল মজিদ মাহমুদ হুমায়ূন। তিনি বলেন, আসন্ন কোরবানির চামড়া যথাযথভাবে সংগ্রহ ও সংরক্ষণের বিষয়ে প্রয়োজনীয় ব্যবস্থা নিতে সংশ্লিষ্ট পক্ষগুলোর সমন্বয়ে একটি কমিটি গঠনের সিদ্ধান্ত হয়েছে। কমিটি আলোচনা করে আগামী সাত কর্মদিবসের মধ্যে একটি সুপারিশ পেশ করবে।

সভায় আরো জানানো হয়, গত ঈদুল আজহায় আড়তদারদের কাছ থেকে চামড়া ক্রয়ের জন্য ট্যানারি মালিকদের অনুকূলে ৬৯৬ কোটি টাকা বরাদ্দ করা হলেও ট্যানারিগুলো ৪৩৮ কোটি টাকা ঋণ গ্রহণ করে। আগামী ঈদুল আজহায় ট্যানারি মালিকদের জন্য প্রয়োজনীয় অর্থ সংস্থানের বিষয়ে দ্রুত ব্যবস্থা নেওয়া হবে। গতবার অর্থছাড়ের ক্ষেত্রে যেসব দীর্ঘসূত্রতা ও সমস্যা দেখা দিয়েছিল, সেগুলো নিরসনের চেষ্টা করা হবে। এছাড়া স্থানীয় জনপ্রতিনিধিদের সহযোগিতায় কোরবানির পশুর চামড়া সংরক্ষণের জন্য পেশাদার ও মৌসুমি কোরবানির পশু প্রক্রিয়াজাতকারী, ফড়িয়া, মৌসুমি চামড়া ব্যবসায়ী ও আড়তদারদের মতস্য ও প্রাণিসম্পদ মন্ত্রণালয়ের উদ্যোগে হাতেকলমে প্রশিক্ষণ দেওয়া হবে। এছাড়া এ বিষয়ে সচেতনতামূলক কার্যক্রম ব্যাপকভাবে প্রচার করা হবে।

সভায় শিল্পমন্ত্রী বলেন, চীনে করোনা ভাইরাস বিস্তারের ফলে দেশীয় চামড়া শিল্প যাতে ক্ষতিগ্রস্ত না হয় সেজন্য সরকার বিকল্প বাজার অনুসন্ধান করছে।

TRADE INFORMATION

February-March 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.

FAIRS & EXHIBITIONS

The Franchise Expo

Date: 12 September-13 September, 2020
 Venue: The International Centre, Toronto, Canada
 Organizer: National Event Management Inc.
 Contact Person: Mr. Danielle Markus
 Tel: +1-800-891-4859 Ext: 231
 E-mail: danielle@nationalevent.com
 Website: www.franchiseshowinfo.com

Texworld Paris

Date: 14 September-17 September, 2020
 Venue: Paris Le Bourget Exhibition Centre, Paris, France
 Organizer: Messe Frankfurt (HK) Ltd
 Contact Person: Mr. Stephanie Keukert
 E-mail: texworld@france.messefrankfurt.com
 Website: www.texworld-paris.fr.messefrankfurt.com

Festival of Architecture and Interior Designing - New Delhi

Date: 18 September-19 September, 2020
 Venue: NSIC Exhibition Ground, New Delhi, India
 Organizer: Coalesce Eventz India Pvt. Ltd
 Contact Person: Ms. Purva, Manager, Sales
 E-mail: purva@foaidindia.in
 Website: www.foaidindia.in

Ukrainian Food Expo Online Trade Week

Date: 21 September-01 October, 2020
 Venue: Online
 Organizer: Ukrainian Food Export Board
 E-mail: info@u-food.org
 Website: www.online.ufexpo.org/en.html

China (Shenzhen) International Logistics and Supply Chain Fair

Date: 23 September-25 September, 2020
 Venue: Shenzhen Convention & Exhibition Center, Shenzhen, China
 Organizer: Shenzhen Logistics and Supply Chain Management Association
 Contact Person: Mr. Abby Luo, Marketing Director
 E-mail: scm002@scmfair.com
 Website: www.en.scmfair.com

Human Factors And Usability Engineering In The Development Of Drug Delivery Products

Date: 30 September-01 October, 2020
 Venue: The Rembrandt Hotel, London, UK
 Organizer: Management Forum Ltd
 Contact Person: Mr. Leigh White, Administrator
 E-mail: info@management-forum.co.uk
 Website: www.management-forum.co.uk

Real Estate Investment Summit

Date: 05 October-06 October, 2020
 Venue: Hilton West Palm Beach, West Palm Beach, USA
 Organizer: Opal Financial Group Inc.
 Contact Person: Manager
 E-mail: feedback@opalgroup.net
 Website: www.opalgroup.net

Salon International

Date: 10 October-12 October, 2020
 Venue: ExCeL London, London, UK
 Organizer: Professional Beauty Group
 Contact Person: Mr. Jackie
 E-mail: jackie@hji.co.uk
 Website: www.salonshow.co.uk

Canton Fair - China Import and Export Fair (Phase 2)

Date: 23 October-27 October, 2020
 Venue: China Import and Export Fair(Canton Fair Complex), Guangzhou, China
 Organizer: China Foreign Trade Centre (Group)
 E-mail: info@cantonfair.org.cn
 Website: www.thecantonfairchina.com

India International Trade Fair

Date: 14 November-27 November, 2020
 Venue: Pragati Maidan, New Delhi, India
 Organizer: India Trade Promotion Organization
 Contact Person: Ms. Hema Maity
 E-mail: hemamaity@itpo.gov.in
 Website: www.indiatradefair.com/itf/

Aquaculture America

Date: 28 November-01 December, 2020
 Venue: Bibliotheca Alexandrina Conference Center (BACC), Alexandria, Egypt
 Organizer: The World Aquaculture Society
 E-mail: webEditor@was.org
 Website: www.was.org

Horasis Asia Meeting

Date: 29 November-30 November, 2020
 Venue: Kitakyushu, Japan
 Organizer: Horasis
 Contact Person: Mr. Frank
 Tel: +41 79 305 3110
 E-mail: visions@horasis.org
 Website: www.horasis.org

Swiss Fintech Investor Day

Date: 30 November, 2020
 Venue: SIX ConventionPoint, Zürich, Switzerland
 Organizer: Swiss ICT Investor Club
 E-mail: info@sictic.ch
 Website: www.sictic.ch

Saudi Building & Interiors Exhibition

Date: 30 November- 03 December, 2020
 Venue: Jeddah Centre, Jeddah, Saudi Arabia
 Organizer: ACE Exhibitions
 Contact Person: Mr. Mais El-Ras, Communication Manager
 E-mail: mais@acexpos.com
 Website: www.sbie-arabia.com

Share Market Intelligence (as on 25 March, 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

Share Market Intelligence (as on 25 March, 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



DCCI President Shams Mahmud (fifth from left) presenting a memento to Executive Chairman of BIDA Md. Sirajul Islam (third from right) on February 4. Senior Vice president NKA Mobin, FCA, FCS (second from right), Vice President Mohammad Bashiruddin (fourth from left) and Director SM Zillur Rahman (right) were also present during that time.

DCCI President Shams Mahmud (right) seen presenting a DCCI publication to Dr. Kamal Abdul Naser Chowdhury (left), Principal Coordinator, Bangabandhu's Birth Centenary Implementation National Committee on February 17 after a courtesy meet.



DCCI President Shams Mahmud (right) and Director Nuher Latif Khan (second from left) called on Saida Muna Tasneem (second from right), Bangladesh High Commissioner to the UK and Ireland on February 11.



Rt Hon Sir Hugo Swire KCMG (second from left), Deputy Chairman, Commonwealth Enterprise and Investment Council called on DCCI President Shams Mahmud (centre) at DCCI on February 24. Senior Vice President NKA Mobin, FCA, FCS (second from right) was also present at that time.



Farah Kabir (first from right), Country Director, ActionAid Bangladesh called on DCCI President Shams Mahmud (left) at DCCI on February 24.



Hubert Goffinet (second from left), Trade & Investment Commissioner for Wallonia (AWEX) and Brussels called on Acting President of DCCI NKA Mobin, FCA, FCS (centre) at DCCI on February 12. DCCI Vice President Mohammad Bashiruddin (third from right) was also present at that time.



DCCI Vice President Mohammad Bashiruddin (left) receiving crest from the Commerce Minister Tipu Munshi, MP (third from right) at the closing ceremony of Dhaka International Trade Fair on February 3.

On behalf of DCCI its Vice President Mohammad Bashiruddin and Former Vice President Hossain A Sikder placed floral wreath to the National Shaheed Minar on the occasion of International Mother Language Day on February 21.



DCCI Senior Vice President NKA Mobin, FCA, FCS (left) speaking at the Information Dissemination Session organized by BIDA on February 11. Principal Secretary, PMO Dr. Ahmad Kaikaus (third from right), BIDA Executive Chairman Md. Sirajul Islam (fourth from right) were also present among others.



Coordinating Director of Blue Economy Standing Committee Md. Zia Uddin (centre), Convenor, Joint Convenors and Members of the committee are seen in the first meeting held on February 8.



Coordinating Director of Estate, Construction and Maintenance Standing Committee Engr. Shamsuzzoha Chowdhury (centre), Convenor, Joint Convenors and Members of the committee are seen in the first meeting held on February 8.



Vice President & Coordinating Director of DCCI Printing and Publication Standing Committee Mohammad Bashiruddin (sixth from left), Convenor, Joint Convenors and Members of the committee are seen in the first meeting held on February 8.



DCCI Senior Vice President NKA Mobin, FCA, FCS (second from left) and Vice President Mohammad Bashiruddin (third from left) attended a meeting on ease of doing business at BIDA on February 11. BIDA Executive Chairman Md. Sirajul Islam (left) chaired the meeting.

Coordinating Director of Law & Order and Anti Smuggling Standing Committee Monowar Hossain (sixth from right), Convenor, Joint Convenors and Members of the committee are seen in the first meeting held on February 11.



DCCI Senior Vice President & Coordinating Director of Customs, VAT & NBR Related Issues Standing Committee NKA Mobin, FCA, FCS (sixth from left), Convenor, Joint Convenors and Members of the committee are seen in the first meeting held on February 24.



Convenor of National Energy Security Standing Committee Malik Talha Ismail Bari (fourth from right) chaired the first meeting of the committee. Members of the committee are also seen in the meeting on February 27.

DCCI Vice President & Coordinating Director of Skills Development Standing Committee Mohammad Bashiruddin (fifth from left), Convenor, Joint Convenors and Members of the committee are seen in the first meeting held on February 29.



DCCI President Shams Mahmud (left) addressing the “Stakeholder Consultation Workshop on Faster, Easier and more Transparent Land Registration” on March 8 at Sonargaon Hotel. Minister for Law, Justice and Parliamentary Affairs Anisul Huq, MP (third from right) was present as the Chief Guest while Salman F. Rahman, MP (fourth from right), Adviser to the Prime Minister on Private Industry and Investment was present as Special Guest.



DCCI Senior Vice President NKA Mobin, FCA, FCS (first from left) attended a round table discussion meeting organized by Samakal on March 12.



DCCI Vice President Mohammad Bashiruddin (third from left), Director Enamul Haque Patwary (fourth from left), Secretary Md. Joynal Abdin (second from left) among others were present at the meeting of DCCI Purchase Committee held on March 19.



DCCI President Shams Mahmud (second from left) presenting gifts among the raffle draw winners at the DCCI Employee Picnic 2020 on March 6. DCCI Vice President Mohammad Bashiruddin (third from right) was also present on the occasion.

Training Courses & Workshops of DBI in July, 2020

- 1** Online Workshop on 'Public Procurement e-GP Tender Procedure' **1020/-** 10-11 July (Friday & Saturday) 3.00 p.m.- 4:30 p.m.
- 2** Online Training Course on 'Employability Skills for Professionals: Soft Skills for Competitive Advantage' **1020/-** 10-11 July (Friday & Saturday) 5.00 p.m.- 6:30 p.m.
- 3** Online Workshop on ' Start Your Own Export Business : A to Z Export Guideline' **1020/-** 17-18 July (Friday & Saturday) 3.00 p.m.- 4:30 p.m.
- 4** Online Training Course on 'Lean Management: Key to Higher Productivity, Profitability & Customer Satisfaction' **1020/-** 17-18 July (Friday & Saturday) 5.00 p.m.- 6:30 p.m.
- 5** Online Training Course on 'How to Cope with Stress in Workplace and Personal Life' **1020/-** 24-25 July (Friday & Saturday) 3.00 p.m.- 4:30 p.m.
- 6** Online Workshop on 'Microsoft Excel Dashboard and Reporting Techniques' **1020/-** 24-25 July (Friday & Saturday) 5.00 p.m.- 6:30 p.m.

Registration Deadline : at least 3 days before starting date

Discount : 10% for DCCI Members, Women Participants, Graduate Students, 3 or more participants from one organization for same course and Early Bird Package (at least 5 days before deadline)

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

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

ঢাকার বাণিজ্যিক ইতিহাস



ঢাকা চেম্বার অব কমার্স অ্যান্ড ইন্ডাস্ট্রি

ঢাকা চেম্বার অব কমার্স অ্যান্ড ইন্ডাস্ট্রি

ডিমিসিআই কর্তৃক ঢাকার 800 বছরের ব্যবসা-বাণিজ্যের সমৃদ্ধ ইতিহাস সম্বলিত
Commercial History of Dhaka - এর বাংলা সংস্করণ “ঢাকার বাণিজ্যিক ইতিহাস” প্রকাশ করা হয়েছে
বিক্রয় মূল্য : ২০০০/- (দুই হাজার টাকা)