ICC Bangladesh
The world business organization

20 Years of ICC in Bangladesh 1994-2014

January - March 2014

NEWS BULLETIN

A Quarterly Newsletter of ICC Bangladesh

Volume 17 > Issue 65

World Economic Recovery : Uneven & Fragile

ICC Bangladesh
The world business organization

Contents

Editor's Note

Sustainable world economic recovery requires substantive structural reforms

The global economic recovery, despite some hiccups, seems to have built up some steam. While growth is strongest in developing countries, it is still slower than the pre-crisis period. A cautious attitude and ongoing aversion to risk mean that business confidence is tepid – especially in the EU. Experts think the prospects for a durable and sustained recovery hinge on whether national governments demonstrate their commitment to substantive structural reforms.

Some signs of improvement have emerged more recently. The euro area has finally come out of a protracted recession, with gross domestic product (GDP) starting to grow again; the economy of the United States of America continues to recover; and a few large emerging economies, including China, seem to have at least stopped a further slowdown. World gross product (WGP) is forecast to grow at a pace of 3.0 and 3.3 per cent in 2014 and 2015, respectively.

Inflation remains tame worldwide, partly reflecting excess capacity, high unemployment, fiscal austerity and a continued financial deleveraging in major developed economies. Among developed economies, deflationary concerns are rising in the euro area while Japan has managed to end its decade-long deflation. Among developing countries and economies in transition, inflation rates are above 10 per cent in only about a dozen economies scattered across different regions, particularly in South Asia and Africa.

The global employment situation remains dire, as long-lasting effects from the financial crisis continue to weigh on labour markets in many countries and regions. Among developed economies, the most challenging situation is found in the euro area, in which the unemployment rates had reached as high as 27 per cent in Greece and Spain, with youth unemployment rates surging to more than 50 per cent. The unemployment rate has declined in the United States, but remains elevated. In developing countries and economies in transition, the unemployment situation is mixed, with extremely high structural unemployment in North Africa and Western Asia, particularly among youth. Pronounced gender gaps in employment continue to characterize labour markets in numerous developing countries.

A number of countries are making concerted efforts to improve employment conditions, such as aligning macroeconomic policies appropriately with domestic conditions and taking steps to improve productivity and innovation. However, further public investment in skills training and upgrading will be necessary to integrate those groups that have been excluded.

After reaching a plateau in 2008, global trade is showing improvement now, but is still trending at or below the average for the previous few decades. The prospects for world trade are expected to improve, driven by a modest increase in demand in Europe, further recovery in the United States and a return to more dynamic trade in East Asia. Growth of world exports is projected to be 4.6 per cent in 2014 and 5.1 per cent in 2015. Trade in services appears to be recovering faster than merchandise trade, and is expected to continue growing over the forecast period after a noticeable improvement in mid-2013.

Great uncertainties and risks for global economic growth and the financial stability are inextricably associated with the unconventional monetary policies, such as quantitative easing (QE), adopted in major developed countries. Uncertainty and risk come into play particularly when the central banks of these countries start to change their stances on these policies. A bumpy exit from QE could lead to a series of disruptive events, such as: a surge in long-term interest rates, not only in developed economies but also in developing countries; a sell-off in global equity markets; a sharp decline of capital inflows to emerging economies; and a spike in the risk premia for external financing in emerging economies. Those first-round shocks in international financial markets could transmit quickly to the domestic real economic sectors of both developed and developing countries.

In addition to macroeconomic policies, many countries, both developed and developing, have undertaken various institutional reforms, including reforms in social security, income distribution, financial sector, taxation, energy, transportation, education and healthcare. These reforms are crucial to the rebalancing of economic structure, removal of supply-side constraints, mobilization of resources for long-run investment, and improvement of macroeconomic management and financial regulation.

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

ICC International Conference on Global Economic Recovery: Asian Perspective

25-26 October, 2014
Dhaka, Bangladesh

ICC Bangladesh News

ICC Knowledge Centre

ICC Bangladesh and HSBC jointly launched Trade Knowledge Centre

International Chamber of Commerce – Bangladesh, *The world business organization* and The Hongkong and Shanghai Banking Corporation Limited (HSBC) in Bangladesh have jointly launched a trade knowledge and network building platform titled "ICC Knowledge Centre" in Dhaka on 25 February. The launching was complemented by a MoU (Memorandum of Understanding) signing ceremony between HSBC and ICC Bangladesh.

The 'Knowledge Centre' will provide the trade professionals of Bangladesh with an access to online resources, insights and trade related articles, researches and up to date trade information.

A trade resource centre of this calibre is the first to be launched in Bangladesh. This will help Bangladeshi trade professionals enhance their market knowledge, build a network and keep up to date with global trade trends. Registered Members of the 'Knowledge Centre' can access the resources through a dedicated website.

ICCB President Mahbubur Rahman thanked HSBC for setting up the Centre jointly with ICC Bangladesh and hoped that the corporate houses will take full advantage of this unique Centre and nominate their officials dealing with international trade to be members for development of their professional skills. In today's globalized and free market trade regime it is very important and crucial to be capable of following rules and have access to market information to safeguard their trade interests, observed ICCB President.

ICC Bangladesh Secretary General Ataur Rahman and HSBC Country Head of Global Trade and Receivables Syed Javed Noor signing the MoU. Also seen in the picture from left to right are: HSBC's Global Head of Trade and Receivables Finance James Emmett, ICCB President Mahbubur Rahman, ICCB Vice Presidents Latifur Rahman and Rokia Afzal Rahman, HSBC Bangladesh CEO Andrew Tilke and Corporate Banking Head of HSBC Bangladesh Mahbub-ur-Rahman.

Commenting on the launch of the 'Knowledge Centre', James Emmett, HSBC's Global Head of Trade and Receivables Finance, said: "Bangladesh's trade outlook is very positive and it is therefore crucial to provide exporters with the means to develop their knowledge of global trade practices. As the leading international trade bank, we are delighted to partner with ICC in launching this knowledge platform in Bangladesh".

Andrew Tilke, Chief Executive Officer of HSBC Bangladesh, commented "Throughout our history we have been where the growth is, connecting customers to opportunities. I believe that HSBC and ICC bringing the ICC Knowledge Centre to life is fully consistent with this purpose." The launching ceremony were also attended by ICC Bangladesh Vice Presidents Latifur Rahman & Mrs. Rokia Afzal Rahman, ICC Bangladesh Members, senior officials of HSBC and ICC Bangladesh representatives of various corporate houses.

Objectives of the ICC Knowledge Centre

- Promote knowledge on International Trade, through facilitating an access to the Centre;
- Promote trade communal affinity by providing networking opportunity;
- Promote Global standards in international trade transactions involving Bangladesh;
- Promote a one-stop knowledge / resource Centre for trade matters and
- Promote trade knowledge through class room training, workshops and round tables

Modus Operandi

The platform shall host a dedicated web page.

The Features of the Virtual Platform include:

- Media for regular updates & initiatives of the Centre
- A repository of trade related news feed published in different public media
- Features and updates on training/workshops/seminars to be arranged by this platform
- Publications and regulatory documents from ICCB (for example trade publications on regulatory and technical frameworks-Videos related to trade knowledge, interviews of resource persons
- Webinars (on different trade and regulatory topics)

Brought to you by

ICC Knowledge Centre

ICC Knowledge Centre is a joint initiative of International Chamber of Commerce Bangladesh (ICCB) and HSBC Bangladesh. It is a unique learning, networking and knowledge facilitation platform for the professionals of the local trade community, engaged with international trade in Bangladesh.

International Chamber of Commerce (ICC) – The world business organization was founded by a few visionary business leaders of Europe immediately after the First World War (1919) having its HQ in Paris. Over the decades, ICC extended its network outside Europe and now having its presence in 130 countries around the world. Its mission was to formulate rules for cross-border Business transaction, multi-model transportation, Arbitral Rules, Model Contracts and others; to promote free trade and free market economy; at a time when fortress like protectionism was the order of the global trade regime. Bangladesh National Committee of ICC, established in 1994, is comprised of major Chambers of Commerce & Industry, Business Associations, Stock Exchange, Banks, Non-banking Financial Institutions, Insurance Companies, Trans-national Companies, Law & Accounting Firms and large Corporate Houses having significant interest in international trade.

The Hongkong and Shanghai Banking Corporation (HSBC) Ltd. is a member of the HSBC Group – one of the world's largest financial services organisations. Headquartered in London, HSBC operates through long-established businesses and an international network of some 6,600 offices in more than 80 countries and territories. In Bangladesh, HSBC started its operation in 1996 and today, it serves customers in Dhaka, Chittagong and Sylhet through a network of 13 offices and 7 Customer Service Centres (CSC). In Bangladesh, HSBC has unparalleled presence in all eight Export Processing Zones (EPZs), making it the only international bank to present in all EPZs in Bangladesh

Purpose

ICCB and HSBC Bangladesh have collaborated to bring to you a 'Knowledge Centre', which is a first of its kind, learning, networking and knowledge facilitation platform for the professionals of the local trade community, engaged with international trade in Bangladesh.

The Centre is formed with the below purposes:

- Provide a dedicated one-stop platform on trade knowledge matters
- Provide a platform for competency development through trade knowledge facilitation and sharing
- Promote Global standards in cross border trade transactions involving Bangladesh by providing a dynamic knowledge repository on changing regulatory requirements (at both National and International level) governing cross border trade
- Provide privileged access to seek expert opinions on complex trade documentation cases
- Provide exclusive access to trade knowledge resources such as ICC regulations and related trade publications
- Provide access to webinars participated by regulators, leaders and subject matter experts on trade
- Provide exclusive access to knowledge events such as workshops, seminars and trainings on trade
- Provide a platform for professional / business networking and sharing expert knowledge and experience
- Provide a platform for problem sharing and finding solutions, relevant to trade

What is in it for the members?

- Access to a dedicated one-stop platform on trade knowledge matters
- Access to a platform for competency development through trade knowledge facilitation and sharing
- Access to a dynamic knowledge repository on changing regulatory requirements (at both National and International level) governing cross border trade
- Privileged access to seek expert opinions on complex trade documentation cases
- Exclusive access to trade knowledge resources such as ICC regulations and related trade publications
- Access to webinars participated by regulators, leaders and subject matter experts on trade
- Exclusive access to knowledge events such as workshops, seminars and trainings on trade
- Access to a platform for professional / business networking and sharing expert knowledge and experience
- Access to a platform for problem sharing and finding solutions, relevant to trade

ICC Bangladesh to host CDCS Examinations in Dhaka

ICC Bangladesh under an agreement with ***ifs*** School of Finance will be organizing the Certified Documentary Credit Specialists (CDCS) Examination in Dhaka on 11 April, 2014. It may be mentioned that ***ifs*** School of Finance conducts CDCS and other examinations globally at the same date and time. This year 217 bankers of Bangladesh will be appearing at the Examination. ICC Bangladesh will be conducting Examinations of CSDG and CITF to be held worldwide in June and October this year respectively.

ICC Bangladesh has made arrangement with ***ifs*** School of Finance, UK for holding the CDCS Examination in Dhaka and accordingly the Examination is being held every year in Dhaka since April 16, 2008. ICC Bangladesh invites nominations from Banks for registration and completes all other formalities including distribution of materials and certificates sent by ***ifs*** School of Finance. So far 409 candidates appeared from 33 Banks & 222 have successfully passed the examination.

Total number candidates passed CDCS Examinations 2008-2013

Name of Banks	2008	2009	2010	2011	2012	2013	Total
AB Bank Ltd.		01			-	03	04
Al-Arafah					-	08	08
Bank Asia Ltd.		01		03	03	01	08
Bangladesh Commerce Bank					01	-	01
BASIC Bank Ltd.			-	02	-	01	03
Citibank N.A.				01	-	02	03
The City Bank Ltd		01		-	02	-	03
Commercial Bank of Ceylon		01			-	-	01
Dhaka Bank Ltd				01	04	01	06
Dutch Bangla Bank Ltd			-		-	03	03
Eastern Bank Ltd.	05	05	04	-	-	-	14
EXIM Bank			01		01	05	07
Habib Bank						01	
HSBC Ltd.			02	-	-	-	02
IFIC Bank					-	-	
Islami Bank Bangladesh		02	01	02	21	69	95
Jamuna Bank Ltd.					02	02	04
Janata Bank Ltd.			-	-	-	01	01
JP Morgan Chase Bank					-	-	-
Mutual Trust Bank		-	01	03	6	01	11
NCC Bank						02	02
One Bank Ltd.	01				01	-	02
Premier Bank Ltd.				-	-	-	-
Prime Bank Ltd.		-	01	-	03	04	08
Pubali bank						01	01
Shahjalal Islami Bank						04	04
Sonali Bank					01	-	01
Social Islami Bank						02	02
Southeast Bank Ltd.				01	01	02	04
State Bank of India	-					-	-
Standard Chartered Bank	04	02	01	04	03	02	16
Trust Bank Ltd				-	01	-	01
United Comm. Bank Ltd.		01			01	04	06
Total	**10**	**14**	**11**	**17**	**51**	**119**	**222**

Workshop on Social Responsibility and International Standard

ICCB President stressed importance of conducting business in an ethical manner

H.E Heather Cruden, High Commissioner of Canada stated that the Government of Canada expected all Canadian companies working around the world to respect all applicable laws and international standards, to operate transparently and in consultation with host governments and local communities and to conduct their activities in a socially and environmentally responsible manner. She added, as we near the one year anniversary of the Rana Plaza tragedy, highlighting the role of corporate social responsibility of business is timely. Without question, the ready-made garment sector in Bangladesh has reached a defining moment. It could become a leader for other sectors in Bangladesh.

The High Commission of Canada organized a national workshop entitled "Social Responsibility and International Standards: Implementing ISO 26000 in Bangladesh" on 1 March at Canadian High Commission Research Centre.

ICC Bangladesh President Mahbubur Rahman (2nd from left) was Chief Guest at the Workshop organized by the High Commission of Canada presided over by H. E. Heather Cruden High Commissioner (3rd from left). From left Dr. Syed Ferhat Anwar, Professor IBA-University of Dhaka, Mr. Mikhail Shipar – Secretary Ministry of Labor & Employment and Mr. K. M. Khaled President of CanCham also addressed the workshop.

Crucial will be the Government of Bangladesh's leadership and political will along with the commitment of private sector to find sustainable solutions.

The values of transparency, accountability and social responsibility need to be become 'business as usual'. Workplace safety, fire safety and compliance generally are all aspects of corporate social responsibility. She pointed out the close cooperation of Canada with the Government of Bangladesh, donor agencies, NGOs, workers and entrepreneurs to ensure worker safety.

ICC Bangladesh President Mahbubur Rahman attended the workshop as Chief Guest. In his opening remarks he stressed the importance of all companies conducting their day to day business in an ethical manner. Bangladeshi businessmen are making very significant contributions to the country's economy and practicing social corporate responsibility is simply good business sense.

He also added that the bi-lingual book produced by the High Commission of Canada "International Standard Social Responsibility (Implementing ISO26000 in Bangladesh)" is easy to understand and the recommendations are straightforward.

Mr. Mikhail Shipar, Secretary, Ministry of Labor & Employment highlighted the commitment of the Government to Bangladesh to protecting and improving worker rights and worker safety. The Government is pleased to be part of the Tripartite Agreement. It is also working closely with the ILO, the Alliance for Bangladesh Worker Safety and the Accord on Fire and Building Safety in Bangladesh. He also highlighted the amendment of National Labor Law 2006 and few upcoming development including development of database, formation of trade union and others.

Mr. K. M. Khaled, President of Canada Bangladesh Chamber of Commerce & Industry (CanCham) delivered a speech as Special Guest on challenges of implementing ISO 26000 in Bangladesh. Dr. Syed Ferhat Anwar, Professor of Institute of Business Administration of University of Dhaka presented a keynote paper as Guest Speaker in the Technical Session of the workshop.

Participants included entrepreneurs and senior officials from various sectors including RMG, agriculture, pharmaceutical as well as representatives from DCCI, ICC Bangladesh, BGMEA, CamCham and the donor community (UNIDO, GIZ Dhaka, World Vision).

Executive Board reviewed ICCB activities during 2013 and fixed April 12 for Annual Council

The 58th Meeting of the ICCB Executive Board was held on 18 March. The Executive Board reviewed the activities of ICC Bangladesh during first quarter of the year. It was decided to hold the Annual Council 2013 on 12 April. The Executive Board decided to place at the 19th Annual Council of ICC Bangladesh the Executive Board Report for consideration and adoption, Approval of the Audited

ICCB Executive Board Meeting in progress

Accounts for the year 2013 and Appointment of Auditor for 2014 and fixation of remuneration thereof.

ICCB President briefed the Board about various actions already taken for celebrating the 20th anniversary by organizing a 2-Day International Conference in Dhaka on Saturday-Sunday, 25-26 October, 2014.

The Executive Board Members assured the President of extending all support and cooperation for holding the event in a befitting manners as in the past. Presided over by ICC Bangladesh President Mahbubur Rahman, the Meeting held attended by ICCB Vice Presidents Latifur Rahman, Rokia Afzal Rahman and the following five Board Members: A.K.Azad, Aftab ul Islam, Mahbub Jamil, Muhammad Hatem and Rashed Maksud Khan.

14th Bangladesh Business Awards

Laila Rahman Kabir Honoured with Lifetime Contribution Award

DHL Express and The Daily Star presented the 14th Bangladesh Business Awards to one non-bank financial institution, a business

enterprise and two individuals for transforming own ideas into symbols of success and also for triumphing over adversity. They were recognized for their excellence in business as well as reminded them of social responsibilities. Commerce Minister Tofail Ahmed gave away the trophies to the winners at a ceremony held in Dhaka on March 28.

The Lifetime Contribution Award was given to Mrs. Laila Rahman Kabir for her services to the economy in general and women's empowerment in particular. Laila Rahman Kabir is a well known tea planter. She was born into a family of tea estate owners. Ms Kabir is an active member of the Bangladeshiyo Cha Sangsad (The Association of Tea Planter`s of Bangladesh). She was elected the Chairman of the Cha Sangsad in 1992.

During her second term as Chairman of the Bangladeshiyo Cha Sangsad, in 1994 she was elected as the first woman President of the Bangladesh Employer`s Association (BEA) now known as Bangladesh Employer`s Federation (BEF). In 1998, Ms Kabir was elected President of the Metropolitan Chamber of Commerce and Industry, Dhaka. Once again, she was the first woman to be elected to head this oldest and one of the most prestigious trade bodies of the country. She is a member of the Board of Trustees of Bangladesh Institute of Development Studies (BIDS), Patron of Mahila Parishad, Member of Bangladesh Better Business Forum (BBBF), Member of National Skill Development Council and Member of Minimum Wage Board and a former Trustee of the South Asia Centre for Policy Studies (SACEPS) which is a trust set up by a group of eminent persons of the SAARC countries for promoting co-operation among these countries.

The Best Financial Institution of the Year went to Delta Brac Housing Finance Corporation Ltd (DBH), one of the top non-bank financial institutions, for providing the middle and lower middle class with an opportunity to own houses in metropolitan cities. Chittagong-based Habib Group, which has emerged as a leading conglomerate from a regional trading house in six decades, got the Enterprise of the Year award for delivering products and service of the highest standards. Tania Wahab, owner of Karigar, a brand of customised leather products, was honoured as the Outstanding Woman in Business for her steady journey towards fames from scratches in less than a decade.

DHL Express, the world's top logistics company and The Daily Star, the country's leading English newspaper, launched the awards in 2000 to celebrate the achievements of local businesses and entrepreneurs. Over 300 noted businesspeople, diplomats, bureaucrats, politicians, entrepreneurs, celebrities, civil society members and academics attended the ceremony. Before 28th March event, 54 individuals and enterprises were given the country's most prestigious business award since 2000.

Among others Laila Rahman Kabir, Managing Director of Kedarpur Tea Company (3rd from left) & Tofail Ahmed, Commerce Minister (middle) are also seen in the picture.

International Conference on Global Economic Recovery : Asian Perspective

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

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

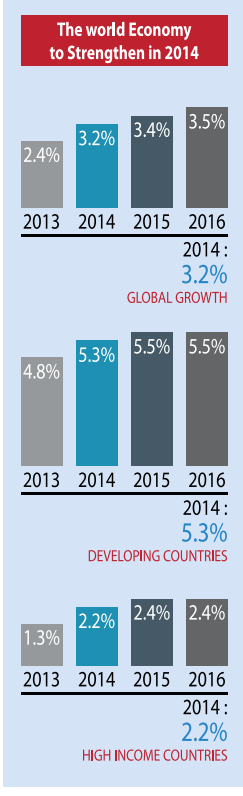
Overall, growth in emerging market and developing economies is expected to increase to 5.1 percent in 2014 and to 5.4 percent in 2015. Growth in China rebounded strongly in the second half of 2013, due largely to acceleration in investment. This surge is expected to be temporary, in part because of policy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

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

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

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

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



Conference Modules

Global Economic Recovery: Contemporary Reality

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

Asian Growth: Realities and Challenges

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

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

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

Promoting Investment in Asia

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

Tentative Programme at a Glance

25-26 October, 2014

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

**Tentative Programme, Subject to Change
**Separate Programme for the Spouses of Foreign Delegates will be organized.

News in Picture

ICCB Member & DCCI Past President Asif Ibrahim is addressing at Nepal Economic Summit in Kathmandu, which was held from 24-26 February.

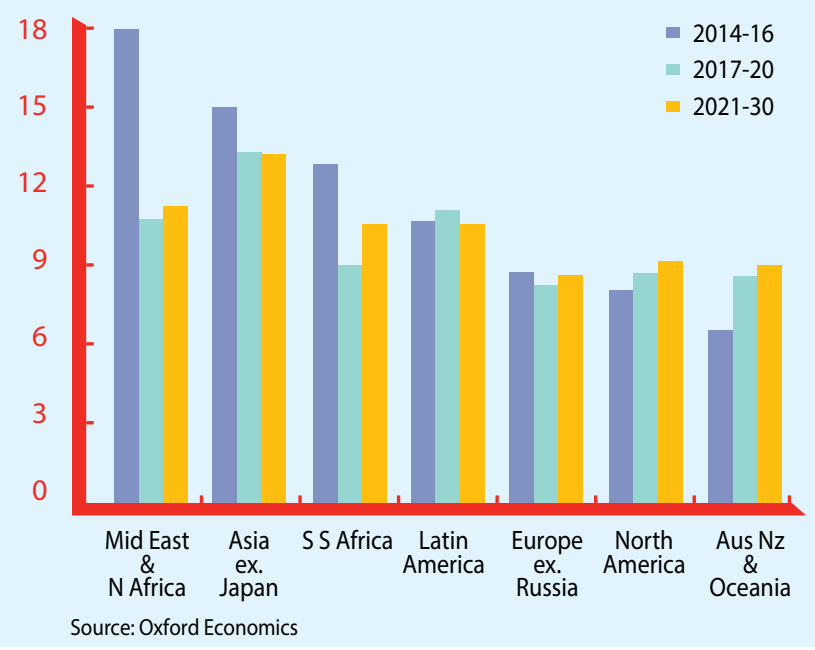
EU Ambassador H.E. Mr. William Hanna (centre) while ICCB President Mahbubur Rahman on his left and ICCB Secretary General Ataur Rahman on his right are seen in the picture at ICCB premises.

Ambassador of Japan H.E. Mr. Shiro Sadoshima (left) is seen with ICCB President Mahbubur Rahman (centre). ICCB Secretary General Ataur Rahman is also seen in the picture.

Bangladesh Economy

Bangladesh's shipments to Asia, Middle East and North Africa will rise 15pc a year in the next 3 years: forecasts HSBC

Bangladesh's economy has benefited from its growing share of the global ready-made garments market. The Eurozone is the largest buyer of Bangladeshi textiles, so stronger European growth this year should boost economic growth in Bangladesh despite the dampening effects of political unrest on domestic activity.



Bangladesh's exports to Asia, Middle East and North Africa will grow 15 percent a year over the three years to 2016 on the back of stronger global economic growth, according to a recent study by HSBC. The country will see a major shift on its export destinations over the next 20 years, HSBC said in its Global Connections Report published on March 2014.

Bangladesh was also included in the HSBC Trade Confidence Index (TCI) for the first time, and scored 103. This indicates a marginally positive outlook for trade, slightly below China, India, Indonesia and Vietnam. Although the US and Germany will remain Bangladesh's largest trading partners until 2030, rising incomes across emerging markets will help drive strong trade flows from Bangladesh to these markets, the study said.

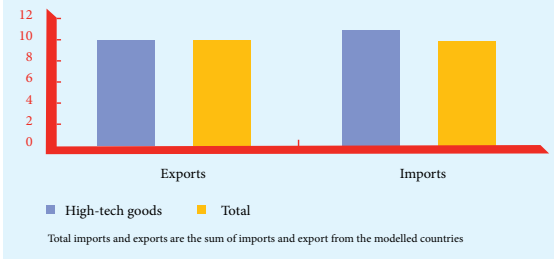
By 2030, India and Turkey will overtake France and Canada, which were Bangladesh's fourth and fifth largest export destinations in 2012. Textiles, clothing and wood manufacturing will contribute around three-quarters of Bangladesh's export growth during 2017-2030, reflecting the country's expertise and low labour costs, it said.

Oxford Economics, a leader in global forecasting and quantitative analysis, and TNS, another London-based research firm, prepared the report for HSBC based on the bank's own analysis and forecasts of 180 economies. Forecast data were modelled by Oxford Economics, while Trade Confidence Index was conducted by TNS on behalf of the bank in a total of 23 markets.

The survey comprises six months' views of 5,550 exporters, importers and traders from small and mid-market enterprises and the field work was conducted between November and December last year.

Conditions are gradually improving for Bangladeshi exporters. More than 35 percent of the businesses surveyed expect an improvement in trade volumes over the next six months. More than half of the respondents to the TCI survey cited Asia as the most promising region for trade, while around 10 percent cited North America as the most promising region.

Europe was chosen by a third of the survey respondents, reflecting Eurozone's return to growth and the strength of European demand for Bangladeshi clothing and apparel, the study said. Bangladesh's exports grew to $27.01 billion in fiscal 2013, the highest in the country's history, up around 11 percent from the previous year, according to Export Promotion Bureau. Shipments rose around 14 percent year-on-year to $19.82 billion during July-February of the current fiscal year.



The HSBC study said Bangladesh will focus more on the import of high-tech goods, both finished products for the rapidly growing consumer market and inputs into the global supply chain, in coming years. In 2012, high-tech goods accounted for 7 percent of Bangladesh's imports. Imports of such items are expected

to grow slightly faster than total trade flows in the years to come, it said. Industrial machinery and transport equipment are expected to account for more than 25 percent of total goods imports in 2030, indicating Bangladesh's substantial infrastructure needs.

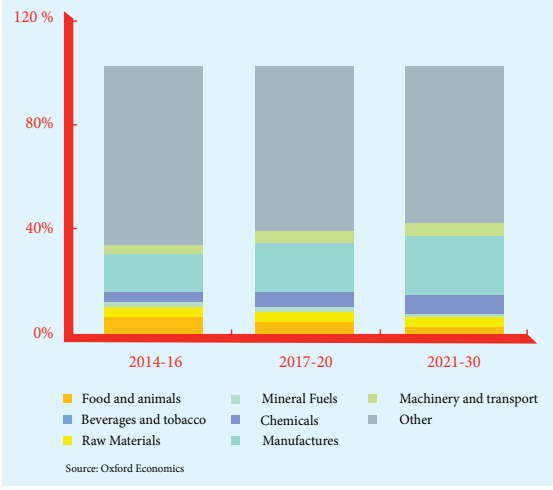
Japan was Bangladesh's largest import supplier last year, but by 2030 China and India will be more important sources. Bangladesh's imports from China and India are forecast to grow more than 10 percent a year during 2017-2030, according to the study. Intra-Asian trade will also get a boost riding on free trade agreements, it said. Bangladesh imported goods and services worth $33.57 billion in fiscal 2012-13, up by 0.80 percent from the previous year, according to the central bank.

The Eurozone is the largest buyer of Bangladeshi textiles, so stronger European growth this year should boost economic growth in Bangladesh despite the dampening effects of political unrest on domestic activities, it said. In the long term, rising foreign direct investment inflows should support investment in Bangladesh. Growing household incomes should open up the market for consumer goods, including high-tech products.

Bangladesh's projected sector contribution increase in merchandise exports.

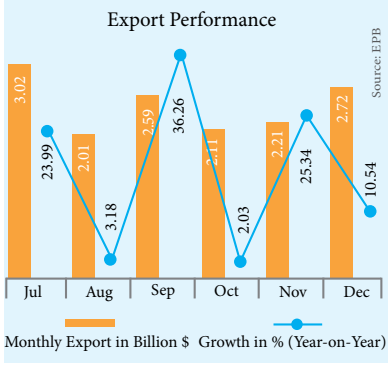
Almost 30 percent of Bangladesh's population now lives in cities. The rapid pace of urbanisation has boosted education prospects, with almost 60 percent now literate, up from less than a third in 1980. As only 6 percent of the population uses internet, according to the World Bank, there are opportunities for rapid expansion of trade in high-tech goods, the HSBC study said.

The currency of choice for trade is overwhelmingly the US dollar, identified by 96 percent of the respondents. As a result, currency volatility is a concern for a quarter of the respondents. Almost half are worried about rising interest rates.



Export Earnings rose about 16pc year on year in 2013

Exports advanced 23.22 percent in December from the previous month to take last year's earnings to $29.1 billion, the highest in the nation's history, in spite of the political turmoil at home and image crisis faced by the chief export grosser, the garment sector. Propelled by garment products which raked in a record $23.5 billion, last year's figure is also an improvement of about 16 percent over 2012's takings of $25.1 billion, according to data from Export Promotion Bureau.



The country earned $2.73 billion in December, up 10.54 percent year-on-year and 4.06 percent over the target. The export performance during the July-December period stayed 3.08 percent above the target, according to the source.

EPZ investment up 26.5pc in six months

Export processing zones posted 26.5 percent growth in investment and 15.96 percent in export earnings in the first six months of the fiscal year, a testing period for the industrial sector at large.

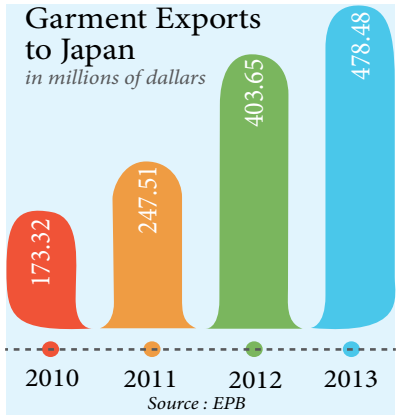
Some $190.23 million was invested in the country's eight EPZs in the first half of fiscal 2013-14, according to data from the Bangladesh Export Processing Zones Authority, the regulator. The investment inflow was $150.37 million in the same period of the previous fiscal year. The cumulative investment stands at $2.98 billion as of 2013.

Export earnings by EPZ-based companies rose 15.96 percent to $2.598 billion in the July-December period from a year ago. About 425 industrial units are now operating in the eight zones, with 136 more under construction, according to officials from the BEPZA. During the period, the EPZs hired some 8,018 Bangladeshi workers, to take the tally to 381,262. BEPZA officials attributed the growth to uninterrupted production and adequate security.

Japan emerges as strong destination for garment exports

The country's garment exports to Japan are on the rise on the back of favourable trade policy and higher demand, industry insiders said. In fiscal 2012-13, garment exports to Japan stood at $478.48 million, up 18.53 percent year-on-year, according to data from Export Promotion Bureau. The figures were $247.51 million and $173.32 million in fiscal 2010-11 and 2009-10 respectively.

The reason for the steady increase in garment exports to the East Asian island nation is its 'China+1 strategy', announced by the Japanese government in 2008 to reduce dependency on China, the largest garment supplier worldwide. The policy promotes shifting of production from China to other nations such as Bangladesh. Being a member of the least-developed countries' group, Bangladesh has duty-free access to Japan for woven products.



BD now third largest ship breaking nation

Bangladesh dismantling 210 ships in 2013, became the third largest ship breaking nation in the world. In 2012, it was the second largest ship breaker.

In 2013, some 1,119 ships went to the world's ship breakers' yards, also a decline of 16 per cent over 2012 which was an "exceptional year," a France-based environmental watchdog Robin des Bois (Robin Hood) said in its recent revelation.

According to the industry people, Bangladesh became the second in 2012, scrapping around 270 ships. Bangladesh was the top ship recycling nation from 2004-2009. Bangladesh's place in the industry started to fall since 2009 due to new rules and regulations, environmentalists' movement and a decreasing demand of the ship-building and construction sector.

Ship breaking is a lucrative business with few risks for the yard owners, investors and money lenders. The ship breaking industry in Bangladesh is estimated to be worth around 1.5 billion US dollars annually, the industry people said.

In terms of number, three South Asian countries accounted for 50 per cent of ships dismantled, but, in terms of tonnage, they accounted for 71 per cent, Robin des Bois said. It is the second highest tally since 2006, when the group began compiling annual reports in an effort to boost transparency in the sector with a contested environmental record.

India came in on the top with 2.8 million tonnes or 31 per cent of total metal recycled globally, while

Bangladesh and Pakistan accounted for 2.3 million tonnes (25 per cent) and 1.4 million tonnes (15 per cent) respectively.

India, being the world leader, broke 343 ships, or about 26 per cent of total ships demolished while Pakistan stood fifth on the list with 104 ships or eight per cent respectively.

India was at the top of the list in both categories, but China was also a big player, ranking second in the number of ships that it demolished and third in terms of tonnage. Pakistan came in fifth (by number of ships) and fourth (by tonnage).

Turkey captured a significant market as it came in fourth by number of ships, tearing down 136 ships (10 per cent) and fifth by tonnage with 514,000 tonnes (six per cent).

Of the 1,119 ships, 667 were scrapped after being held at ports, along with their crew, for failing to meet international safety standards, the report said. "Port inspections are playing a solid role in cleaning up the world's merchant fleet," it said.

Roughly a third of ships that were broken up were bulk carriers, while container ships accounted for one in six - a sharp rise over the last six years.

According to the report, out of 1,119 ships that were scrapped in 2013, 387 were bulker, 245 cargo, 180 container ships, 164 containers and 39 Ro Ro.

The emerging shipbuilding industry in Bangladesh

Major shipbuilding countries such as Korea, China, Japan, and Vietnam have all moved their focus towards building large ocean-faring vessels, for which less intensive labour is required. This, however, has left an opportunity for developing countries like Bangladesh to produce small sized ocean-faring vessels, not exceeding 25,000 Dead Weight Tonnage (DWT) capacity. Bangladesh, India and Indonesia are trying to avail this opportunity as all of them have abundant and low waged labours. Moreover, they have skilled and semi skilled labours in this sector for many decades.

A total number of 30 shipbuilding industry has so far been registered with Board of Investment (BOI). Out of these, 22 are local investment projects, 07 are joint venture projects and the rest one is 100% foreign owned project. The total proposed investment of these projects is around Taka 847 crore and bulk of which is local investment that comes around Taka 720 crore. Excepting a few, most of the items of product are reverine and coastal cargoes, row ferries, tug boats, fishing trawlers, inland oil tankers and so on.

The Meghna Group recently signed a US $35 million deal with South Korean shipbuilding giant STX to build the country's largest ship-manufacturing facility. The company will have the capacity to build ships up to 25,000 DWT and is situated on 33 acres of land (approximately 133,500 m²) on the Meghna River. The Meghna Group is also contemplating setting up a steel plant that could meet the requirements of the shipbuilding industry.

Dockyard & Engineering Works Limited (DEWL) is the country's oldest shipbuilder and is currently run by the Bangladesh Navy. It has already made a decision to develop its existing infrastructure to international standards to lure export orders from overseas buyers. DEWL is situated on 22 acres (approximately 89,000 m²) of land at Sonakanda in Narayanganj district on the bank of Sitalakhya River. It currently has facilities for building Ro-Ro ferries, tugboats, inland and coastal vessels. DEWL is planning to install capacity to build ships of up to 8,000 DWT.

The Karnaphuli-based Rangs Group is in the process of setting up Desh Shipbuilding at a cost of Tk 100 crore (approximately @ 14.5 million) at Sadar Ghat in Chittagong. Meghna Ghat-base Khan Brothers has invested around Tk. 16 crore (approximately $2.3 million) to develop a shipbuilding infrastructure at Gazaria in Munshiganj near the Meghna Bridge outside Dhaka. Bengal Electric has acquired approximately 50 acres (202,000 m²) of land in Munshiganj to start shipbuilding for export. The construction work of slipway is now under way.

Value added in the shipbuilding industry in Bangladesh is high when compared to the value added in other industries.

In a study it is shown that the value added in Ready Made Garment (RMG) industry is ranging from 20% to 30% while shipbuilders estimate that value added in the shipbuilding industry varies between 30% and 40% at present, depending on how much of the design is done in Bangladesh, Over the long term it is estimated that value added could increase to at least 60% if certain raw materials and components are produced in Bangladesh.

Bangladesh offers favourable investment climate compared to the other South Asians economics. Considering the market size (Local & Global), duty free market access, cost-effective human resource, other costs & regulatory environment of investment, investing in the shipbuilding industry in Bangladesh has been deemed highly attractive and profitable.

Bangladesh expects business boom as 4 countries to build transnational highway

Bangladesh, India, China and Myanmar are likely to sign an agreement to build a transnational highway that will eventually turn Bangladesh into a hub of connectivity between South and Southeast Asia.

The framework agreement may be inked in December in New Delhi at the third intergovernmental meeting on the proposed Bangladesh, China, India, Myanmar Economic Corridor (BCIM-EC), according to foreign ministry. The deal is aimed at boosting trade and investments and tapping regional economic potentials. It will help Bangladesh get optimum return from its proposed deep-sea port that could be used by all four countries.

The foreign ministry, the Centre for Policy Dialogue and Bangladesh Institute of International and Strategic Studies are jointly conducting a study to identify possible areas of cooperation under the corridor. Bangladesh also stands to gain because it will allow the country to expand economic ties with India, China and Myanmar."

According to foreign ministry it would require big investments to establish the corridor. Construction of roads might be "technically feasible", but it will take time to get funding. Besides, coordination among the four governments could be time-consuming, ministry added. "But in the meantime, we can develop, along the planned corridor, pockets of economic activity and industrial park so that while the corridor comes into being, we shall have a very flourishing economy." said the sources.

Possibilities of New Silk Route

The K2K (Kunming-Ruili-Bhamo-Lashio-Mandalay-Tamu-Imphal-Sylhet-Dhaka-Kolkata) route, which is 2,800 km long and part of the historic Silk Route, offers the best condition to be used as the corridor, according to a concept paper on the BCIM-EC. The paper was presented at an inter-ministerial meeting in Dhaka on February 6.

With roads, railways, airlines, water routes, telecommunication networks and energy pipelines, the corridor will connect Southwestern China, Eastern and North-Eastern India, Myanmar and Bangladesh to form a thriving economic belt.

The paper outlines the growing competition between China and India on political and economic fronts and the Myanmar refugee issue as areas of concern at country level. Inadequate market access, non-tariff barriers, insufficient physical connectivity and lack of favourable banking and financial mechanisms might pose challenges at sector level, it says.

Besides, intra-BCIM trade has remained fairly low though it increased -- mainly driven by China and India -- from $6 billion in 2001 to $90 billion in 2011. And the contribution of Bangladesh and Myanmar is meagre. The trade potential of the corridor stands at $132 billion, according to a study by Research and Information System for Developing Countries in India.

According to Bangladesh foreign ministry's concept paper, the country can benefit immensely from regional cooperation on energy, as it can purchase unused power from Sikkim in India that plans to exploit its hydrocarbon resources. Bangladesh can also increase trade with Myanmar, as the two countries share a border of 160 miles. It can also gain similar benefits from China and India. Allowing China to link up with the planned deep-sea port in Sonadia would be a lucrative offer for the economic giant, as Yunnan province is nearer to Chittagong than it is to Shanghai or Beijing, said the paper.

The BCIM-EC initiative began mainly as a private sector effort in 1999 with the launching of a joint forum of Bangladesh's CPD, China's Yunnan Academy of Social Sciences, India's Centre for Policy Research and Myanmar's border trade ministry. It got a boost last year when China and India showed interest in utilising the BCIM framework for enhancing connectivity in the region. Bangladesh and Myanmar also responded positively.

The first inter-governmental meeting on the BCIM-EC took place in Kunming of China in December last year. It decided that the four countries would separately prepare 11 study reports on issues such as scope and elements of the corridor, framework of cooperation, connectivity, energy, investment and financing, trade in goods and services, trade facilitation and people-to-people contact.

A combined report based on sector-wise studies by the four countries is likely to be produced at the second inter-governmental meeting on the BCIM-EC in Chittagong in June. The report will contain details of the projects and financing required for establishing connectivity under the corridor that will cover 1.65 million square kilometres and touch the lives of 44 crore peoples.

Maheshkhali to house massive power plant

The government has planned to set up a massive 1,200 megawatt coal-fired power plant at a staggering cost of about $4 billion in Matarbari island of Maheshkhali, touted as the country's future energy hub, according to Daily Star published on February 11.

According to a feasibility study conducted by Japan International Cooperation Agency (JICA) with Tokyo Electric Power, power from this plant would cost nearly Tk 7 per kilowatt hour when it begins commercial production in 2023 using imported coal. Though the price is high in the present context, it is acceptable in the context of future scenario.

But the project cost is significantly higher than the Indo-Bangla joint venture 1,320 megawatt Rampal coal fired power plant, which would need at least $1.5 billion. However, the total cost of Rampal plant, where a consultant is now being appointed, excludes the cost for project site purchase, river dredging and construction of transmission line.

The Matarbari plant's power generation component alone would require $3 billion, making it one of the costliest power projects in the country. Besides, $1 billion will be spent to set up a port for large ships with a capacity of 80,000 tonnes, a high voltage 400 kv power transmission line from Maheshkhali to Anwara, construction of road and two bridges from Chakaria up to the project site.

This would be the first venture of the newly formed Coal Power Generation Company Bangladesh Ltd. The project is part of the government's plan to eventually produce 10,000 MW power in Maheshkhali, in

addition to setting up a Liquefied Natural Gas (LNG) terminal there to import LNG equivalent to 500 million cubic feet per day (mmcfd) in near future to address the country's ever-increasing gas crisis. Maheshkhali is located close to Sonadia island, the proposed site for the country's first deep sea port.

The schedule says that the basic design, bid documents preparation and floating of the tender for prequalifying power companies for this project would be done within next year and the contract would be awarded in 2016 so that a 52-month construction can begin in 2017. The plant would be built on 1,500 acres of land keeping in mind its future expansion. The cost of this land has been estimated at Tk350 crore.

The feasibility report identified that the site has one bird and five reptiles, which have been designated worldwide as threatened species. But the species would not be harmed by the project if certain rules and restrictions were enforced.

The proposed ultra-supercritical (USC) technology for this plant

would consume 2,16,400 tonnes less coal than the basic coal plants and emit 1,98,300 tonnes less carbon per year. However, it would use medium quality coal to save cost whereas the Rampal plant would use the best quality coal considering environmental concerns over the nearby Sundarbans forest.

The plant would use seawater after desalination for its cooling system. The water would be discharged into the sea at an ambient temperature. It would have elaborate air and water pollution control arrangements.

A power ministry source said the government had drafted a coal based power policy outlining an obligation for any future coal power plant to create and maintain a fund for the local community development from a part of power sales revenue. It is applicable for this project. With one of its components, the Matarbari plant would go for full electrification of the local community.

Weak state banks pose risks to economy: study

The banking sector is seriously vulnerable to economic shocks, mainly due to the poor performance of state-owned banks, Business Monitor International (BMI), a London-based research firm, found in a recent study.

The state banks have racked up a large amount of non-performing loans on their books, creating a flaw in the banking system, the study said. "This makes the banking system extremely vulnerable to shocks and impedes the efficient allocation of financial resources in the economy," the BMI said in its Bangladesh Commercial Banking Report 2014. "Weak balance sheet brings risks to privatisation of state-owned banks."

As of September 2013, the gross non-performing loan ratio of state banks stood at an elevated 28.8 percent, an increase from 2011's 11.3 percent and 2012's 23.9 percent, while the speicalised banks' gross NPL ratio remained high at 29.4 percent, it said. The amount of default loans at the state banks was Tk 16,606 crore or 19.76 percent of their outstanding loans on December 31 last year, according to Bangladesh Bank.

Despite various reforms, the banking sector's health remains poor, and "a greater concerted effort from the regulators, specifically targeted at state-owned banks, is clearly warranted," the study said. As of September 2013, capital shortfall at state banks stood at Tk 8,860 crore, and the government has already disbursed Tk 4,100 crore to strengthen their capital base, the BMI said. The study also said last year's political unrest marred Bangladesh's image abroad.

A total of 206 fatalities "due to Islamist terrorism" have been recorded up to August last year, which is a staggering three times more than the total over the past eight years, according to the study. The report said the total assets of banks are expected to rise by more than 2.5 times to Tk 1,864,280 crore in 2018, from Tk 708,410 crore in 2012. Even in the gloomy outlook, some points to cheer remain, it said.

The Financial Action Task Force, an inter-governmental body for monitoring countries that are strategically deficient in their compliance with its anti-money laundering and counter-terrorism financing rules, has recently removed Bangladesh from its watch

list. "This reflects the significant progress that has been made by Bangladesh to combat money laundering and terrorism financing in its banking system," it said. While the central bank has relaxed its loan rescheduling policy to help affected businesses, this temporary measure is unlikely to provide much reprieve to the continued deterioration in asset quality, the BMI said. Bangladesh has 56 banks including nine new ones. Four state-owned banks Sonali, Janata, Agrani and Rupali hold around a quarter of total industry assets and roughly a fifth of total outstanding loans.

BB relaxes forex rules to aid pvt sector credit

The Bangladesh Bank (BB) has relaxed foreign exchange regulations, allowing the commercial banks to hold collaterals on behalf of overseas bank branches or correspondents in respect of external borrowing by private sector without BB's prior approval. According to the new regulations, the banks may hold collaterals on behalf of overseas bank branches or correspondents in respect of external borrowing by industrial enterprises, as approved by the Board of Investment (BoI) and without prior approval of the central bank.

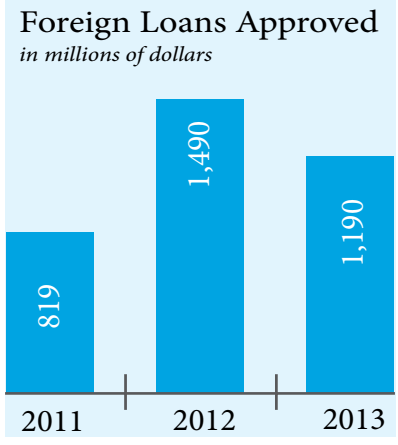
BB issued a circular in this connection on February 2 and asked the banks to follow properly the latest instructions relating to collaterals. It will facilitate private sector credit from overseas sources through easing procedure.

Earlier, the banks might not furnish guarantees to or hold collaterals on behalf of overseas bank branches or correspondents in respect of credit facilities or guarantees, to be extended by them or for any other purpose without BB's prior approval, the central banker added.

Foreign loans squeeze local banks' lending

The foreign loans approved by the central bank are significantly cost-effective for entrepreneurs, but lending by local banks is getting squeezed by the move. A panel approved $1.19 billion in foreign loans in 2013, which was $1.49 billion in the previous year and $819 million in 2011, according to data from Bangladesh Bank.

Taking foreign loans by Bangladeshi companies started on a small scale in 2010. Now local enterprises like apparel, telecoms, power plant, pharmaceutical or cement, have been borrowing from foreign markets. For foreign loans, borrowers have to pay London Interbank Offered Rate (LIBOR) plus a 4.5 percent interest, meaning the total cost would be around 5 percent, which is almost a third of local borrowing costs.



Bankers said the local banking industry is now sitting idle on surplus liquidity—more than Tk 80,000 crore—because of non-utilisation of funds. In this backdrop, some local companies took loans from foreign sources and paid back their loans in the local market.

Private sector credit growth came down to a 13 years' low at 11 percent at the end of November last year and banks' loan-deposit ratio reached around 71 percent in December, which means a bank can lend a maximum of Tk 71 against a deposit of Tk 100.

Bankers, however, said foreign loans would not significantly impact the banking business if the economic activities are boosted and communications, particularly road network, remain uninterrupted.

EPZ plants allowed to get bank loans from abroad

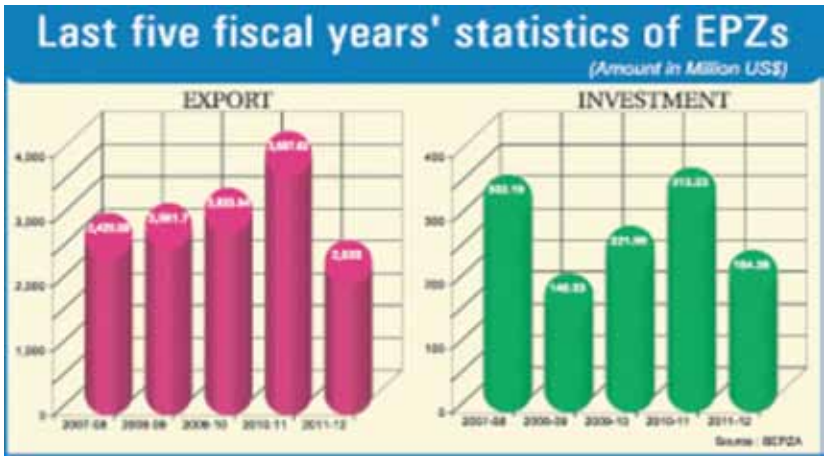
The government has finally approved off-shore banking facilities allowing industrial units operating in the eight export processing zones to receive external credits. The Prime Minister's Office (PMO) has already instructed the authorities concerned to allow such type of loan facilities being sought by the EPZ establishments.

Entrepreneurs have welcomed the government decision saying this will help get low-interest foreign financing. But they are also cautious that such type of loan facilities might be risky in the wake of volatility in exchange rates and high inflationary pressures. The PMO said the EPZ factories did not get foreign sources of financing so far due to complexities in the existing laws.

It, however, said the committee formed in this connection at the

Finance Division and the Bangladesh Bank (BB) will recommend for foreign loan for an interim period as the Guideline for Foreign Exchange Transaction-2009 does allow such type of credits.

The BEPZA will receive initial applications and forward those to the BB for its necessary approval. The BB will give its approval following recommendations from the committee. It said a representative from the Bangladesh Export Processing Zones Authority (BEPZA) should be co-opted for efficient functioning of the committee.



The PMO office said the Guideline for Foreign Exchange Transaction-2009 should be amended to pave the way for permanent loan facilities for the EPZ factories. It also said a new chapter should be added to the existing guideline to avail such type of loans permanently.

The PMO office letter said the BEPZA will finally issue no-objection certificates for foreign loans after necessary approval from the BB and the committee formed at the Finance Division. Sources at the Board of Investment (BoI) said they earlier took many initiatives for foreign loans for the EPZ factories. But they had stopped such moves as the Act and laws concerned did not allow such type of loans.

An off-shore bank is usually located outside the country of residence of the depositors and organisations that avail loan facilities.

However, the Prime Minister's Office (PMO) took the decision in the light of an earlier meeting in this connection on December 30 last. It was presided over by Director-General of the the Prime Minister's Office (PMO) Mr. Abdul Aziz.

The Prime Minister's Office (PMO) sent its order on January 20 last asking the authorities to allow the facility for an interim period.

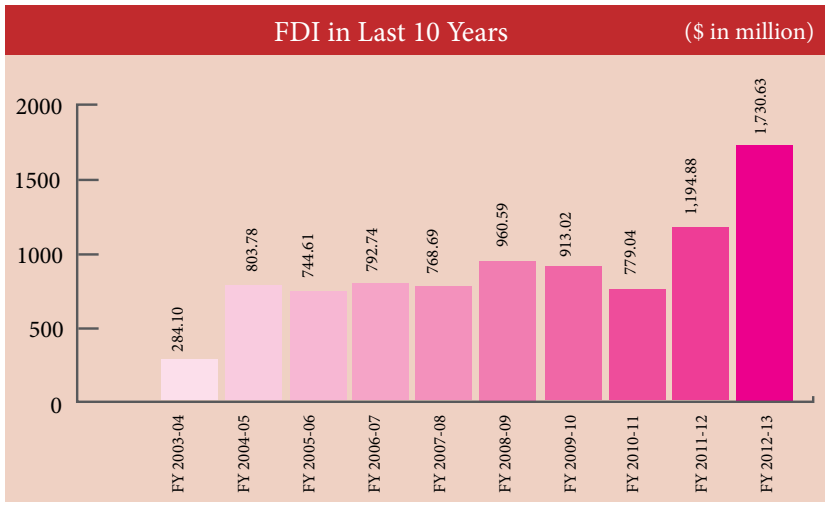
It issued letters to the BB and the Finance Division and the BoI to take necessary steps for such loan facilities.

FDI hits record high in 2013

Bangladesh recorded the highest ever foreign direct investment in 2013 exceeding official expectation despite gloomy global economic climate and volatile domestic politics. The country received around $1.61 billion FDI in the first 11 months last year, overwhelmingly surpassing the full-year record of 2012 at $1.30 billion.

The latest figures came after FDI rose 1.36 percent or $9 million in the first five months of the current fiscal year of 2013-14 compared to the same period a year ago, according to Bangladesh Bank. The net FDI inflows were recorded at $673 million from July through November, which was $664 million in the same period a year earlier.

The central bank put the FDI flow in the first 11 months of 2013 at $1.61 billion, after the Board of Investment (BoI) said Bangladesh received FDI worth of $933 million in January-June of 2013. The FDI flow in the first half of 2013 was up by more than 88 percent compared to the same period of 2012 when the country received $495 million, according to the BoI and the central bank.



20 NRBs get CIP status

The government on March 27 recognised 20 non-resident Bangladeshis as Commercially Important Persons (CIPs) for their outstanding contribution to the economy by remitting foreign currencies. Khandker Mosharraf Hossain, expatriates' welfare and overseas employment minister, handed the CIP cards to the awardees at a function at the ministry premises in Dhaka.

Non-resident Bangladeshis got the cards in two categories: those who sent in remittances of at least $1.5 lakh in a fiscal year and those who imported goods worth minimum $5 lakh into their countries of residence from Bangladesh.

Nine NRBs received CIP cards for 2011 and 10 for 2012, while one got the card in the importer category for 2012.

The CIP cardholders will enjoy privileges for one year from the issuance date of a gazette notification. The cardholders, their spouses and children will enjoy privileges in getting cabins in case of treatment in public hospitals. They will also enjoy free access to the Bangladesh Secretariat for a year.

CIP CARDHOLDERS

In remittance category

2011 NRB's NAME	RESIDENCE COUNTRY
Habibur Rahman	Oman
Md Jasim Uddin	Oman
Rafiqul Islam	Switzerland
Mohammad Yasin Chowdhury	Oman
Md Feroz Ul Alam Khan	Russia
Osman Ali Khan	Saudi Arabia
Mohammad Makbul Hossain	Qatar
Mohammad Liakat Ali	Saudi Arabia
Tataima Kabir	Japan

2012 NRB's NAME	RESIDENCE COUNTRY
Mohammad Mahtabur Rahman	UAE
SM Parvez Tomal	Russia
Shahid Hossain Jahangir	Australia
Sakura Saber	Japan
Osman Ali Khan	Saudi Arabia
Md Mahbubul Alam	Russia
Md Akkas Mia	Saudi Arabia
Mohammad Akter Hossain	UAE
Abul Kashem	Kuwait
Mohammad Delwar Hossain	Qatar

CIP CARDHOLDER

In import category

2012 NRB's NAME	RESIDENCE COUNTRY
Zagir Hossain Chowdhury	UAE

The NRB CIPs will get special treatment while meeting with high officials at home and abroad, different government committees and while travelling by rail and other transports. The CIP cardholders will be allowed to use VIP lounge of the airport, receive consular services in Bangladesh's foreign missions and will be invited as guests in all programmes of Bangladesh missions in the country they reside.

They will get preference in seat bookings in the national flag carrier and get quick service in the immigration and special luggage handling facilities at the airports. The NRB CIPs will also receive the similar benefits that the foreign investors get while making investment in Bangladesh.

Prior to awarding the CIP cards, the minister said the NRBs remit $14-15 billion a year through official channels.

Ctg port widens container storage capacity by 18pc

Users of Chittagong port are expected to get better services as it has increased container storage capacity by about 18 percent, adding new yards and creating more space in the existing ones. The port is now able to store 36,357 TEUs (twenty equivalent units) of containers against its previous capacity of 30,886 TEUs, according to a report from a three-member panel formed by Chittagong Port Authority.

New yards were set up at the New Mooring Container Terminal and more space was created at the General Cargo Berth in the last few years, said CPA Terminal Manager Enamul Karim, who headed the committee formed to gauge new capacity.

The increased capacity will benefit the business community as it would take less time to handle containers.

The port is now able to handle over 2.2 million TEUs of containers a year against its previous capacity of 2 million TEUs, according to the source. Chittagong port handled 1.54 million TEUs of export and import containers last year, experiencing 9.6 percent growth year-on-year. The port's capacity depends on the proper use of space and use of modern equipment. The committee placed some recommendations to further enhance capacity at the premier sea port, according to port officials.

Currently, the port has equipment, like the straddle carriers, to handle, transport and stack a maximum of four containers, to a maximum of four. The committee recommended the purchase of overhead bridge cranes having the ability to stack seven or eight containers—one over the other.

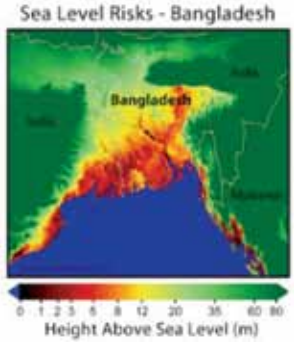
Bangladesh warns of rising climate change costs as donations plummet

Bangladesh needs $5bn (£3bn) over the next five years to adapt to current climate changes and the cost is rising each year, according to a lead negotiator for developing countries in the UN climate talks, which resume in Bonn on March 10.

It and other developing countries, may have been promised $30bn as "fast-start finance" before $100bn a year is theoretically mobilised for developing countries in 2020, but the global recession and reluctance by rich countries to match their pledges with money have meant that most of them receive far less than they expected and has led to a loss of trust in the talks.

"So far Bangladesh has received $200m from the fast-start finance, half of which has come from Britain. We had hoped for much more," said Quamrul Choudhury, who is also Bangladesh's climate envoy to the UN.

The injustice of the poorest countries having to spend heavily to adapt to climate change, which they historically barely contributed towards, is a deep wound in the long-running talks, the next stage of which will finish in Peru with a head-of-state-level meeting with the UN secretary general Ban Ki-moon in September. It has led to a breakdown of trust between countries.



Climate change costs Bangladesh $2.2b

Bangladesh is losing $2.2 billion annually to natural disasters, the planning ministry said in a statement March 27. "The effect of climate change on Bangladesh is caused by actions of others. However, we have to find ways to mitigate the losses and assess them in monetary terms," Planning Minister AHM Mustafa Kamal said at the closing ceremony of the Poverty, Environment and Climate Mainstreaming project.

Climate change issues are the most vulnerable area for sustainable development, and effective expertise should be employed to handle all the natural disaster issues, he said at the National Economic Council in Sher-e-Bangla Nagar, Dhaka.

The $1 million project aimed at assessing the climate change impact on the country's poverty alleviation activities and their inclusion into national planning and budgeting processes. Financed by UNDP, it began in July 2010, and underscored social and economic analysis of climate change on agriculture, water, transport, gender and poverty issues.

Local institutionalisation and assessment of fiscal aspect of climate change are necessary for economic emancipation and sustainable development of the poor, said UNDP Country Director Pauline Tamesis.

"It is the local people of Bangladesh who have to institutionalise processes to mitigate sufferings caused by natural disasters," she said.

Bangladesh Bank announces half yearly Monetary Policy (January-June 2014)

This issue of the Bangladesh Bank (BB) half yearly Monetary Policy Statement (MPS) outlines the monetary policy stance that BB will pursue in H2 FY14 (January-June 2014), based on an assessment of global and domestic macro-economic conditions and outlook.

The last MPS (July 2013) was based on certain key assumptions and policy directions. A review of developments over the past six months suggests that most of these key assumptions materialized and solid progress was made towards the key goals. The July 2013 MPS explained that policy rates were being kept unchanged due to the risks of inflationary pressures stemming from wage increases and supply-side disruptions.

The last MPS also aimed to contain reserve money growth to 15.5% and broad money growth to 17.2% by December 2013. It also predicted that actual private sector credit growth may not use up all the space provided in the monetary program in the lead-up to the national elections.

Latest data for H1FY14 shows that reserve money growth and growth of net domestic assets of Bangladesh Bank remained within program targets, despite a surge in Net Foreign Assets (NFA) arising from robust exports and sluggish import growth. Broad money growth of 16.7% in November 2013 was close to program targets.

Adherence to the monetary program along with sluggish aggregate demand due to countrywide shut-downs in recent months led to non-food point-to-point inflation falling from 7.40% in July 2013 to 4.88% in December 2013. However supply bottlenecks along with rising food prices in India led to point to point food inflation rising from 8.14% to 9.0% during the same time period. Average inflation rose from 6.99% to 7.53% during H1FY14 driven by these higher food prices.

The last MPS aimed to preserve external sector stability, building up reserves and avoiding excessive volatility of the exchange rate. Improved external balances are reflected in the accumulation of international reserves of about USD2.5 billion during H1FY14 with gross reserves of over USD 18 billion at the end of December 2013, sufficient to cover about 5.5 months of projected imports.

Monetary Policy stance for H2 FY14 (January-June)

The monetary stance in H2 FY14 takes these recent economic and financial sector developments into account and will target a monetary growth path which aims to bring average inflation down to 7%, while ensuring that credit growth is sufficient to stimulate inclusive economic growth. BB will use both monetary and financial sector policy instruments to achieve these goals. The persisting inflationary pressures over the past few months with the risks ahead related to the inflation outlook imply that achieving the FY14 inflation target will be challenging. As such BB has decided to keep policy rates unchanged.

Moreover the ample liquidity in the banking system suggests that an easing of reserve requirement ratios is also unnecessary. Specifically BB aims to contain reserve money growth to 16.2% and broad money growth to 17% by June 2014. BB will have a ceiling on net domestic assets as a key operating target. The space for private sector credit growth of 16.5% has been kept well in line with output growth targets and is sufficient to accommodate any substantial rise in investment over the next six months.

BB views these figures as indicative ceilings–banks continue to be advised to lend only to creditworthy clients for productive purposes. At the same time these ceilings are flexible and the monetary program can be recalibrated should economic growth pick up faster than projected. The monetary stance also assumes government borrowing from the banking sector will remain around the FY14 budgetary figure of 260 billion taka, and the limited borrowing of 46 billion taka in H1FY14 suggests this is realistic.

In parallel various recent initiatives to support economic growth will continue in H2FY14. In order to cushion the impact of recent domestic disruptions on businesses, BB has taken a number of important policy steps which include broadening the scope of the Export Development Fund, and reducing the borrowing costs, as well as instructing banks to offer loan rescheduling facilities to genuine borrowers facing cashflow difficulties, especially SMEs, who are temporarily affected by the recent strikes and disruptions.

Moreover in order to stimulate entrepreneurship among low income rural households who have opened ten taka accounts, BB is launching a new billion taka refinancing facility to be implemented by Micro-Finance Institutions. Effective transmission of monetary policy requires strengthening credit and debt markets and this will remain a key focus for H2 FY14.

In order to spur secondary market activity BB has recently embarked on secondary trading in Treasury bonds and will continue to do so in H2FY14. Devolvement of these securities has also fallen from 34% in FY13 to 26% in H1FY14 and this trend is expected to continue in H2FY14. A new Islamic bond of 3 months tenure is expected in H2FY14 which will contribute to better liquidity management of Islamic banks.

While not directly under the purview of BB, various monetary and financial sector related actions have contributed to stabilizing the capital market and BB will continue to collaborate with BSEC in this regard. BB will continue to encourage larger borrowers to access the capital market as banks will need to comply with the recently revised regulation on single borrower exposure limits for business groups. In order to fill the gaps in the financial landscape, BB intends to facilitate the role of private equity / venture capital sources of finance. Revised performance agreements for SOCBs and specialized banks have set differentiated ceilings on loan growth depending on bank performance–quarterly performance targets will continue to be published on BBs website to promote public accountability.

Clear progress on implementing a credible business plan is a pre-condition for sanctioning the release of additional recapitalization funds. An important development is the fact that SOCBs have reduced their exposure to State Owned Enterprises (SOEs) which is set to continue in H2FY14. Following the uncovering of high-profile financial scams by BB, banks in general are strengthening corporate governance policies, internal controls and anti-money laundering and terrorist financing activities.

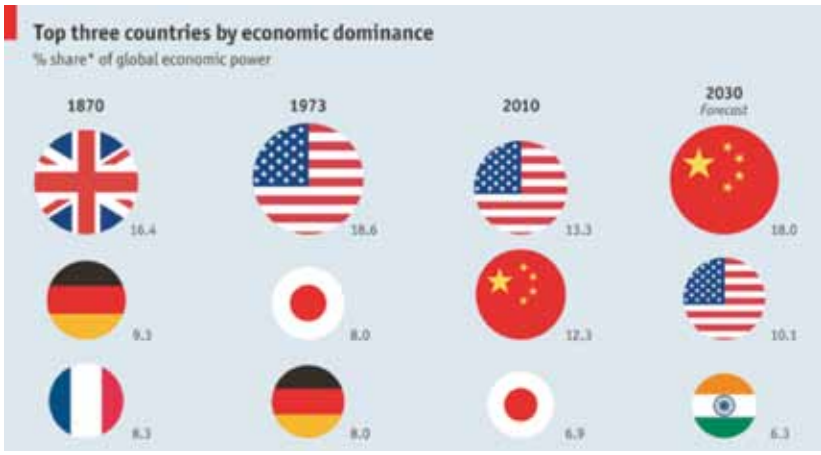
BB's supervision ability is being enhanced with greater automation and capacity building and the cumulative effect of these reforms will strengthen the financial sector. This monetary policy stance also aims to preserve the country's external sector stability. BB anticipates further build-up in foreign reserves in FY14 though at a more moderate pace than FY13.

While the projected decline in remittances will not adversely affect external stability in FY14, it is imperative that manpower exports resume its growth, and opportunities such as investments in government securities are marketed to NRBs, so that remittances can remain an important part of medium-term external balance. BB will continue to support a market-based exchange rate while seeking to avoid excessive foreign exchange rate volatility.

Regional News

China surpasses US as world's largest trading nation

China became the world's largest trading nation in 2013, overtaking the US in what Beijing described as "a landmark milestone" for the country. China's annual trade in goods passed the $4tn (£2.4tn) mark for the first time last year according to official data, after exports from the world's second largest economy rose 7.9 percent to $2.21tn and imports rose 7.3 percent to $1.95tn. As a result total trade rose 7.6 percent over the year to $4.16tn. The US is yet to publish its 2013 trade figures, but with trade totalling $3.5tn in the first 11 months of the year, it is unlikely to beat China.



The shift in the trading pecking order reflected China's rising global dominance, despite a slowdown in economic growth last year. Zheng Yuesheng, a spokesman for China's customs administration, said: "It is very likely that China overtook the US to become the world's largest trading country in goods in 2013 for the first time. This is a landmark milestone for our nation's foreign trade development."

China had already become the world's largest exporter of goods in 2009. The country's trade surplus rose 12.8 percent in 2013 to almost $260bn, but the December surplus of $25.6bn was down 17.4 percent and fell short of the $31.15bn predicted by economists in a Reuters poll. Stan Shamu, market strategist at IG, described the December figure as "a high-quality miss once dissected".

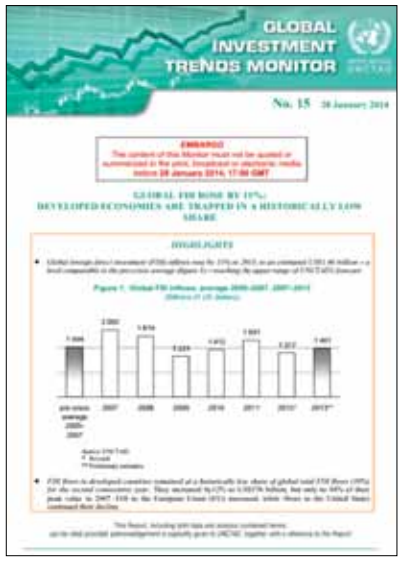
"Imports were up 8.3 percent, easily surpassing expectations of 5 percent and showing the second highest nominal reading ever recorded. While exports missed estimates at +4.3 percent (as opposed to the expected +5 percent), the value of exports was the highest ever recorded." There have been concerns in recent months over the accuracy of the country's trade data, with speculation that some Chinese companies have overstated their exports to circumvent controls on cross-border transactions and bring more cash into the country.

However analysts said a recent clampdown on such activity was likely to result in more accurate data. In May last year China's foreign exchange regulator, the state administration of foreign exchange, announced plans to more closely scrutinise exports paperwork and impose tougher penalties where deals had been faked.

Global FDI increased to US$ 1.46 tillion in 2013 : Reports UN

Global foreign direct investment (FDI) rose to levels not seen since the start of the global economic crisis in 2008, increasing by 11 per cent in 2013 to an estimated US$1.46 trillion, with the lion's share going to developing countries, said a UN report released on January 28.

FDI flows to developing economies reached a new high of $759 billion, accounting for 52 per cent, and transition economies also recorded a new high of $126 billion, 45 per cent up from the previous year and accounting for 9.0 per cent of the global total, showed the figures provided by the UN Conference on Trade and Development.



But developed countries remained at a historical low, or 39 per cent, for the second consecutive year. They increased by 12 per cent to $576 billion, but only to 44 per cent of their peak value in 2007, with FDI to the European Union (EU) increasing, while flows to the United States continued their decline.

Although inflows to developed countries appear to be recovering over 2012, the picture is mixed: despite positive signs of recovery in some developed country regions

such as parts of the EU, flows to the United States failed to reverse their decline, contrary to other signs of economic recovery over the past year, said the report.

Inflows to Japan rose by 61 per cent to $2.8 billion, but Australia and New Zealand saw sharp declines of 28 per cent to $40 billion and 75 per cent to $0.5 billion, respectively, it said. The increase for developing economies was mainly driven by Latin American and the Caribbean, and Africa, while developing Asia, the world's largest recipient region for FDI, saw flows at a level similar to 2012, the report said.

Total inflows to developing Asia, comprising East Asia, South Asia, South-East Asia and West Asia, amounted to an estimated $406 billion in 2013, a level similar to 2012. The performance of sub-regions continues to diverge, with FDI growth rates ranging between 3.0 per cent in South Asia ($33 billion), 2 per cent in South-East Asia ($116 billion), 1 per cent in East Asia ($219 billion) and a drop of 20 per cent in West Asia (down to $38 billion).

With inflows to China at an estimated $127 billion, including both financial and non-financial sectors, the country again ranked second in the world, closing the gap with the United States to some $32 billion. India experienced a 17 per cent growth to $28 billion, despite unexpected capital outflows in the middle of the year.

FDI growth slowed in the Association of Southeast Asian Nations (ASEAN), as inflows to Singapore, the largest recipient in South- East Asia, stagnated at $56 billion. But prospects for the group continue to be promising, as more FDI arrives from China and Japan in a wide range of sectors, including infrastructure, finance and manufacturing.

West Asia's two main recipients, Saudi Arabia and Turkey, registered significant declines of 19 per cent to $9.9 billion and 15 per cent to $11 billion, respectively. Turkey witnessed virtually no large FDI deals. In addition, the worsening political instability in many parts of the region have caused uncertainty and negatively affected investment.

Flows to Latin America and the Caribbean increased by 18 per cent, the fourth consecutive year of growth, to an estimated $294 billion. While in previous years growth was largely driven by South America, in 2013 Central America and the Caribbean were the main recipients, with increases of 93 per cent and 38 per cent respectively. Flows to South America declined by 7.0 per cent.

The $18-billion acquisition of Grupo Modelo in Mexico explains most of Central America's increase, while the strong rise in the Caribbean was mainly driven by the British Virgin Islands, said the report. The decline of flows to South America came after three years of strong growth bolstered by the strength of commodity prices that fuelled rising profits on investment, as well as reinvested earnings in mining.

In addition, FDI to Brazil, the largest recipient in the sub- region, with 47 per cent of South America's total in 2013, declined by a slight 3.9 per cent, but remained significant at $63 billion. Nevertheless, this decline should be seen in the context of strong growth in previous years that boosted FDI in Brazil to historical highs.

Inflows to Africa rose by 6.8 per cent to an estimated $56.3 billion, due to the strong performance of Southern Africa, including South Africa and Mozambique.

G20 vows to add $2tn to lift world economy

The world's biggest economies vowed on February 23 to boost global growth by more than $2 trillion over five years, shifting their focus away from austerity as a fragile recovery takes hold. Finance ministers and central bank governors from the Group of 20, which accounts for 85 percent of the world economy, also agreed to pursue greater transparency about monetary policy after rifts about the US taper.

They expressed "deep regret" that reforms to the International Monetary Fund have stalled, because the United States Congress has yet to ratify them. After their meeting in Sydney, the G20 ministers issued what host Australia called "an unprecedented" and unusually brief two-page statement to drive "a return to strong, sustainable and balanced growth in the global economy".

"We will develop ambitious but realistic policies with the aim to lift our collective GDP by more than two percent above the trajectory implied by current policies over the coming five years," they said in reference to two percentage points. "This is over US$2.0 trillion more in real terms and will lead to significant additional jobs."

US Treasury Secretary Jack Lew stressed at a press conference that the G20 had left the austerity debate behind and was fully focused on growth. "If you look where we were a year ago, debating austerity... This (weekend) was a debate about how can we work together to share best practices and develop an approach where our individual economies can grow and the global economy can hit the objective that is set forth in this text," he said.

The IMF has said the strategy could add half a percentage point to global

growth annually over four years starting next year. The fund currently projects growth of 3.7 percent this year and 3.9 percent in 2015, with each G20 country to hammer out the finer points before the leaders' summit in Brisbane in November.

"We believe that if the reforms that have been identified are adhered to, delivered by the various authorities, then that is a goal that can be achieved or possibly exceeded," said IMF chief Christine Lagarde, adding that meetings were held in an "excellent spirit".

Ministers said the figure could be reached by increasing investment and employment and enhancing trade, adding that there was "no room for complacency" and that addressing the challenges "requires ambition".

Australian Treasurer Joe Hockey, the G20 chair, had been pushing ministers to agree to faster global growth targets, with private-sector investment as a central plank.

He stressed the need for structural reforms to drive growth. "We know reform is hard. We have to earn economic growth and new jobs," he said after the meeting ended.

Singapore world's most expensive city & India least expensive

Singapore has topped 131 cities globally to become the world's most expensive city to live in 2014, according to the Economist Intelligence Unit (EIU). The city's strong currency combined with the high cost of running a car and soaring utility bills contributed to Singapore topping the list. It is also the most expensive place in the world to buy clothes. Singapore replaces Tokyo, which topped the list in 2013.

Other cities making up the top five most expensive cities to live in are Paris, Oslo, Zurich and Sydney, with Tokyo falling to sixth place. The EIU's Worldwide Cost of Living Survey is a relocation tool that uses New York city as a base. It looks at more than 400 individual prices. The top 10 cities this year have been dominated by Asian and Australasian cities as well as some in Europe.

"Improving sentiment in structurally expensive European cities combined with the continued rise of Asian hubs means that these two regions continue to supply most of the world's most expensive cities," said the editor of the report, Jon Copestake. "But Asian cities also continue to make up many of the world's cheapest, especially in the Indian subcontinent." Most Asian cities that top the list are there

for predominantly higher costs of groceries. Tokyo is still at the top of the list for everyday food items.

However, not all Asian cities are tough on the wallet. India's major cities - including Mumbai and New Delhi - were found to be among the least expensive in the world. Mumbai's prices are kept low by large income inequality. The low wages of many of the city's workers keep spending low, and government subsidies have helped them stay that way.

Outside of the subcontinent, Damascus in Syria saw the largest drop, becoming the fourth cheapest city in the world as the country's ongoing conflict has led to plummeting prices. While the EIU's survey takes into account the cost of living, other firms employ different research methods. Mercer conducts research to determine the most expensive cities for expatriate living.

It found that in 2013, Luanda, Angola was the hardest on expatriate wallets due to the difficulty of finding adequate secure housing, and the high price of imported goods.

UN warns food security a risk to Asia-Pacific

The world must increase its food production by 60 percent by mid-century or risk serious food shortages that could bring social unrest and civil wars, the UN Food and Agriculture Organisation (FAO) said on March 10.

Demand for food will rise rapidly over the next few decades as the world population surpasses 9 billion and increasingly wealthy people improve their diets, consuming more calories, said Hiroyuki Konuma, the assistant director-general of FAO Asia-Pacific, as the body launched a one-week regional food security conference in Ulan Bator.

But as the need for more food increases, the world is spending less and less money on agricultural research, causing many scientists to doubt whether food production can keep up with demand growth.

"If we fail to meet our goal and a food shortage occurs, there will be a high risk of social and political unrest, civil wars and terrorism, and world security as a whole might be affected," said Konuma. The challenge is especially demanding in developing nations, which need to boost crops by a staggering 77 percent, he added. The Asia-Pacific would be left with more than half a billion chronically hungry people even if the region meets its millennium development goal of cutting that number to 12 percent of the population, he said.

Despite progress made in fighting global hunger, the world still has 842 million undernourished people, according to FAO, of which nearly two thirds live in the Asia-Pacific. One in four children under five years

old are stunted due to malnutrition. The UN body outlined two main options: increase arable land areas and boost productivity rates. But available arable land is almost fully exploited, and production growth rates have been lacklustre for the past two decades.

During the green revolution in the 1980s, productivity rates for rice and wheat increased by 3.5 percent annually, but for the past 20 years the rate has been stuck at 0.6 to 0.8 percent. The growth rate needs to be stable at around 1 percent if the world is to have a theoretical chance to avoid serious shortages, said Konuma.

Water scarcity in big food-producing nations like China is worsening, and many farmers are increasingly tempted to shift production from food to bioenergy, a popular option to cut emissions of climate-changing greenhouse gases. Climate change is worsening the situation, as more frequent extreme weather events devastate crops.

In the past three years, Australia, Canada, China, Russia and the United States have all suffered big harvest losses from floods and droughts. Cost is an additional threat to food security, according to the UN body. High and volatile food prices restrict poor people's access to food, while high crude oil prices inflate production costs.

Bangladesh to host BIMSTEC permanent secretariat in Dhaka

Bangladesh will host the permanent secretariat of the seven-nation grouping of Bimstec under a key agreement signed on March 4. The MoU was signed between Bangladesh's State Minister for Foreign Affairs Md Shahriar Alam and foreign ministers of six other Bimstec countries.

The secretariat is expected to start functioning from May this year to coordinate and facilitate the implementation of the Bimstec activities and projects and to service its meetings. Sumith Nakandala, the first secretary general of Bimstec, will take up his assignment in Dhaka. Bimstec (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) comprises of Bangladesh, India, Myanmar, Sri Lanka, Nepal and Bhutan and Thailand.

WB to invest $1.0b in Myanmar power sector

World Bank (WB) is seeking to invest US$1.0 billion in Myanmar's power sector including generation, transmission and distribution over the next five years, according to Jim Yong Kim, WB President, said on January 27.

World Bank President made the remarks in his speech at the opening of the Second Myanmar Development Cooperation Forum in Nay Pyi Taw.

The WB group will support for Myanmar in the coming years in three areas that are closely aligned with country's priorities, namely energy, health and agriculture, through a multi-year public and private sector investment programme of around $2.0 billion, Kim said.

WB President disclosed that Myanmar could increase access to electricity to 50 per cent of the population in 2020 with these funding from WB and private sector, expecting to achieve government's goal of universal electricity access by 2030.

He noted that investing in Myanmar's electricity potential will not only improve the lives of its citizens, but will also create a better business environment, believing that in turn will create jobs and help the country prosper and reduce poverty.

A total of 70 per cent of Myanmar's people lack access to electricity, Kim added.

He underlined that WB strongly endorsed Myanmar's ambitious target of achieving universal health coverage by 2030. The WB group plans to invest $200 million to support the government's effort to achieve universal health coverage.

In the agriculture sector, WB will help Myanmar with technical assistance and funding to improve its agricultural productivity. Agriculture, which accounts for 43 per cent of GDP, generates about 54 per cent of employment and provides livelihoods to more than 70 per cent of the population, Kim added. By June this year, the WB group will have committed more than $700 million for Myanmar.

Major trade powers pledge free trade in green goods

The world's biggest trading powers pledged on January 24 to work toward a global agreement on free trade in environmental goods, but they gave no timeline for talks intended to support the fight against climate change.

The United States, European Union, China, Japan and several other

developed economies said in a joint statement that the agreement would take effect once there is participation by a critical mass of members of the World Trade Organisation.

That gets around the WTO's requirement for unanimity on trade deals. The initiative is in line with new WTO chief Roberto Azevedo's drive to break a decade-old deadlock in world trade negotiations by first tackling the most promising areas for agreement. Last month, the WTO reached its first trade reform agreement at talks in Bali, potentially adding hundreds of billions of dollars to the global economy.

The WTO estimates that the global market in green goods, technologies and services - ranging from solar panels to wind turbines and water recycling plants - at some $1.4 trillion. US Trade Representative Michael Froman put the value at $1 trillion, noting that the signatories of the initiative jointly represented 86 percent of world trade.

"We announce our commitment to achieve global free trade in environmental goods and pledge to work together, and with other WTO members similarly committed to liberalisation, to begin preparing for negotiations in order to advance this shared goal," the statement said.

"We are convinced that one of the most concrete, immediate contributions that the WTO and its members can make to protect our planet is to seek agreement to eliminate tariffs for goods that we all need to protect our environment and address climate change." But it mentioned no date for an agreement and Froman said: "Ultimately the timetable will be determined by the negotiations themselves."

Few developing nations were among the signatories with the exception of Costa Rica, which urged others to join the group. Trade experts said it was particularly encouraging that China was part of the initiative.

"I think it's a significant development in what's now been over a decade-long effort to liberalise trade in these products," said Jennifer Haverkamp, a former head of the environmental section at the US Trade Representative office.

"Environmental goods and services were part of the Doha round ... and basically since then have been held captive to those broader negotiations and the idea of springing them forward and trying to make progress plurilaterally is encouraging." But some environment groups said including products like incinerators, steam generators, and centrifuges, used in the production of fossil fuels, sent the wrong message.

Bangladesh to become Indo-Pacific economic corridor hub: Mozena

US Ambassador in Dhaka H.E. Mr. Dan W. Mozena said on March 4 that Bangladesh would be a 'mighty contributor' to the huge flows of commerce along this 21st century trade route by turning the hub of the Indo-Pacific economic corridor utilising its 'geographical gift'.

Centre for Non-Resident Bangladeshis arranged the event - the world conference series 2014 on 'NRB Talent, Remittances and Investment for Development' held at Sonargaon Hotel with its chairperson Shekil Chowdhury in the chair. The US diplomat said Bangladesh will become a food self-sufficient country, as the nation's agricultural revolution continues.

Mozena, however, said there are constraints and challenges that need to be addressed to encourage investment in Bangladesh.

He laid emphasis on the need for the highest quality education and skills training; expanded ports, roads, railroads; more power, more energy supplies; less corruption and red tape that discourage investment; secure working conditions and labour rights for workers; improved rule of law; and greater political stability for better Bangladesh. Bangladesh Bank Governor Dr Atiur Rahman addressed the function as the chief guest.

Former Bangladesh Bank governor Dr Mohammad Farashuddin, former deputy governor Khondkar Ibrahim Khaled, Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) President Kazi Akram Uddin Ahmed, US Ambassador in Dhaka Dan Mozena and European Union (EU) ambassador to Bangladesh William Hanna were present at the function.

ICC HQs News

ICC sees progress on G20 agenda, opportunities ahead

The G20 has made steady progress on business goals since 2011, according to the latest G20 Business Scorecard, published on March 7 by the International Chamber of Commerce (ICC). The third instalment of the annual Scorecard reveals a year-on-year improvement in score since ICC's monitoring began, while still noting that progress remains poor in several crucial areas, including energy and the environment.

G20 Scorecard

Overall, the Scorecard rates G20 responsiveness to business priorities as 'fair', reflecting a score of 2.1 out of a possible 3.0, higher than the two earlier Scorecards. Among the positive outcomes that led to this year's higher score was the G20 support for the historic World Trade Organization Agreement on Trade Facilitation and the extension of the G20 standstill on protectionist measures until the end of 2016. The improvement in score also reflected G20 efforts to increase access to finance for small and medium businesses and the recognition of business as a key partner in the fight against corruption.

But the positive overall trend also masked deficiencies in individual categories. Among the lows was the failure to recognize the importance of information and communication technologies (ICTs), no movement on carbon pricing and a lack of discussions on a high-standard multilateral framework for international investment.

The Scorecard – which rates the overall responses by G20 nations to key business goals during the 2013 Russian Presidency – measures progress on business priorities on a scale of: 'inadequate', 'poor', 'fair' or 'good'. The Scorecard looks at the G20's collective response to business goals only and does not rate individual countries or the G20's entire agenda. Four areas are assessed: Trade and Investment; Financing for Growth and Development; Energy and Environment; and Anti-Corruption.

A fifth chapter, Job Creation and Human Capital, was prepared in partnership with the International Organization of Employers (IOE) and the Business and Industry Advisory Committee to the OECD (BIAC). This chapter examines the steps taken by the G20 to address global unemployment but does not rate its progress at this stage.

Decisions and action on trade and investment are rated as "Good", a significant improvement over last year's rating of "Poor". Highlights include St. Petersburg's backing of multilateral trade, a deal to extend the

freeze on new protectionist measures until 2016, and discussions on enhancing regional trade agreements compatibility with the multilateral trading system. Notably, the exercised leadership of the G20 ultimately led to consensus on the WTO Agreement on Trade Facilitation – one that will not only restore confidence in the multilateral trading system but will also generate a much needed stimulus of US$1 trillion and 21 million jobs to the world economy.

On the other hand, Financing for Growth and Development dropped from "Good" last year to "Fair". The Scorecard reported that although G20 leaders have expressed the need to promote innovation and find new solutions to growing problems such as food security, development and financial inclusion, there has not yet been any official recognition by the G20 of the role that information and communication technologies could play in achieving these solutions. Even more surprising is that there has not been a single mention of the Internet in any of the eight Leaders' Summit Declarations since 2008.

The weakest area was Energy and the Environment, where G20 commitments and decisions were rated "Poor", down from last year's "Fair". Business had asked for laws, incentives and policies that would give clarity for long-term energy investments and the shift to a greener economy, the Scorecard says, but the G20 had not acted to lift barriers to trade in green goods and services, or to achieve market-based carbon pricing. The Scorecard noted that progress on the 2009 G20 commitment to rationalize and phase out inefficient fossil fuel subsidies had been too slow, but welcomed the creation of a peer review process. But responses to the need for Anti-Corruption measures had improved to "Good". This is important because the extra cost of corruption is like an extra tax and bribery undermines market competition.

With regard to Job Creation and Human Capital, the Scorecard noted the lack of employment targets or measurable progress by the G20, despite business having called for more flexible work practices and attention to workers' skills deficits.

ICC has been deeply engaged in the G20-B20 process since the Seoul G20 Summit in 2010, and is recognized by national leaders as an important partner in the push for world growth and job creation. The business recommendations whose progress is rated in the Scorecard are mainly those that have been prioritized over time in the annual B20 reports.

ICC survey reveals practical barriers for businesses trading across borders

An International Chamber of Commerce (ICC) survey, released on February 21, highlights common impediments to cross border trade that can be taken into consideration by governments and policymakers worldwide when determining what can be done to facilitate the flow of goods across borders thereby contributing to global economic growth.

While recognizing that the survey results are neither statistically valid nor entirely representative of the hundreds of thousands of organizations that trade globally, the survey does much to reveal a set of common prerequisites – such as predictability, reliability and consistency – that international traders seek.

With 88% of respondents involved in import and export or trade in services (including freight forwarding, transportation and third party logistics), the survey reveals a need for greater capacity building, in particular through education and making information more easily available, to ensure that both traders and border control officials follow proper international trading procedures. The survey results also serve to illustrate the need for an effective customs-business dialogue at national level to find ways to lessen delays in trade processes and shorten release times, as called for by ICC.

An initiative of Anthony Barone, Chair of the ICC Commission on Customs and Trade Facilitation, the

survey coincides with a number of international developments seeking to facilitate trade and simplify border procedures. These include the conclusion of a multilateral agreement on trade facilitation at the 9th Ministerial Conference of the World Trade Organization in December 2013, and the ongoing negotiations of the Trans-Pacific Partnership Agreement, the Trans-Atlantic Trade and Investment Partnership and the Regional Comprehensive Partnership Negotiations.

ICC hopes that the survey results will provide useful insights into grassroots border barriers and impediments, as identified by economic operators.

Through ICC's World Trade Agenda initiative, in partnership with the Qatar Chamber of Commerce and Industry, the ICC global network rallied to help secure agreements in Bali, including a deal on trade facilitation, which according to an ICC-commissioned study could inject up to US$1 trillion into the global economy and create 21 million new jobs. In 2014, ICC will provide global business support for trade facilitation implementation efforts following the Bali accords, and make further proposals towards a post-Bali trade and investment policy agenda.

20,000th case marks ICC Arbitration milestone as New York entity opens for case administration

The International Court of Arbitration of the International Chamber of Commerce has registered its 20,000th case just as a presence of the International Court of Arbitration® of the International

Chamber of Commerce (ICC) to administer ICC arbitrations in North America opened in New York City. A transport sector dispute, case number 20,000 was initiated by a US claimant against a Canadian respondent. The arbitration is seated in Chicago (Illinois) and applies the laws of the State of New York.

SICANA, the US corporate entity responsible for the administration of cases under International Chamber of Commerce (ICC) dispute resolution rules and for the promotion of ICC dispute resolution services in North America, started administering existing cases and registering new requests for arbitration on 27 January.

The New York team is composed of case management experts, namely Rocio Digon, Counsel; Steven Holder, Deputy Counsel and Sherlin Tung, Deputy Counsel, backed by a strong marketing team led by Josefa Sicard-Mirabal, Executive Director, Rachel Clarke, Deputy Director; and Suzanne Ulicny, Deputy Director.

North American parties made up nearly 10% of the 767 cases filed with the Court in 2013. Case number 20,000 brings the number of cases arbitrated under the 2012 ICC Rules of Arbitration to 1,485.

ICC's current Rules of Arbitration have been in force since 1 January 2012 and are used worldwide to resolve disputes through arbitration governing the conduct of ICC Arbitration proceedings from start to finish.

In order to explain the functioning of the ICC Rules of Arbitration, ICC Services publishes every year two regular issues plus a Special Supplement of the Bulletin of the

International Court of Arbitration. ICC Services also published in 2012 The Secretariat's Guide to ICC Arbitration, a work of reference for parties, counsel and arbitrators providing a clear and informative insight into the ICC arbitral process. Information is also available in the Dispute Resolution Library, the International Chamber of Commerce (ICC) online database on arbitration.

ICC calls for more countries to join green goods trade negotiations

The International Chamber of Commerce (ICC) has pledged strong support for a new initiative to pursue the conclusion of a deal to liberalize trade in green goods and services, calling on more countries to join the drive for a deal which could inject up to US$10.3 billion in additional exports and augment employment gains by 256,000 jobs, according to an ICC commissioned report.

The initiative was launched on January 14 in Davos by Australia, Canada, China, Chinese Taipei, Costa Rica, the European Union, Hong Kong, Japan, Korea, New Zealand, Norway, Singapore, Switzerland, and the United States at the World Economic Forum in Davos, Switzerland and is the latest step to move global trade talks out of the Doha Development Agenda deadlock and build on momentum following the successful outcome of the WTO Ministerial Conference in Bali in December 2013.

On behalf of its extensive global business network of 6.5 companies, ICC has long advocated for tariff reduction on green goods. Recognizing the importance of sustainable growth and access to open, well-functioning and efficient markets, ICC urges more countries to join the plurilateral initiative to develop a truly global agreement. According to the Peterson Institute for International Economics the EU, together with APEC countries, represent more than 95% of world trade in clean and energy efficient technologies.

ICC's World Trade Agenda initiative highlighted fostering 'greener' economic activity through trade as a salvageable element of stalled Doha Round trade negotiations.

The set of business recommendations called for concrete progress to be made in lowering trade barriers for all goods to foster global value chains, including lowering trade barriers to environmental goods and services, building upon the APEC initiative to discuss at the WTO an agreement to eliminate barriers to trade in

environmental goods and services. It also encouraged cooperative approaches and alternatives to unilaterally-imposed environmental rules that are trade-restrictive or create barriers to trade.

ICC addresses global challenges at annual Davos meet

An ICC contingent of business leaders participated in the annual World Economic Forum in Davos at the last week of January to press for continued progress on trade, investment and business priorities for the G20. Led by the International Chamber of Commerce (ICC) Chairman Harold (Terry) McGraw, Vice-Chairman Sunil Mittal and Secretary General Jean-Guy Carrier, the group included several CEO members of the ICC G20 Advisory Group as well as members of ICC commissions, the ICC working bodies that develop the International Chamber of Commerce (ICC) policy positions and voluntary rules on major issues for international business.

Davos highlights include Australian Prime Minister Tony Abbott's keynote address outlining Australia's G20 priorities to boost global trade, strengthen tax regimes and coordination, address infrastructure investment bottlenecks and further

improve financial regulation. Mr Abbott announced hopes that G20 leaders could make a practical difference towards building a stronger and more prosperous global economy in 2014.

G20 focus

Prior to his address Mr Abbott met privately with a group of business leaders to emphasize the centrality of business to the G20 process and the importance of the Business-20. Recognizing the major business contribution to job creation and economic growth, Mr Abbott told dinner invitees: "If the economic policies of our countries do not successfully promote and foster profitable private businesses, they simply do not work."

ICC G20 Advisory Group members Mr McGraw, Mr Mittal, Jorma Ollila, Chairman, Royal Dutch Shell and Alejandro Ramirez, CEO of Mexico's

Cineoplis, were among the notable heads of multinational companies attending the dinner. They endorsed Australia's G20 priorities, shared associated policy recommendations and reiterated ICC's on-going commitment to help shape the G20 agenda. Australia has identified four key areas as a focus for the task forces that will drive the work of business leaders in the B20. They are: Financing growth; Human Capital; Infrastructure and Investment and Trade.

ICC G20 Advisory Group Chairman Marcus Wallenberg co-chairs the task force on investment and infrastructure while the International Chamber of Commerce (ICC) Chairman Harold McGraw co-chairs the task force on trade.

ICC's new Mediation Rules to start in 2014 world tour

The new ICC Mediation Rules, which came into force on 1 January 2014, will be the focus of a series of regional launch events for business people, in-house counsel, mediators and other dispute resolution specialists around the world.

From London in March, to Sao Paolo in May and Tokyo in October, ICC Mediation Rules regional launches are planned in at least 12 countries, offering participants a comprehensive overview of the new rules, and a chance to meet some of the people who drafted them.

The rules were built by a taskforce of dispute resolution specialists and company representatives from 29 countries, organized by the ICC Commission on Arbitration and ADR. They replace the ICC ADR Rules, used for amicable dispute resolution since 2001.

With top speakers from ICC, experienced international mediators and in-house counsel, each conference will explain changes to the rules, which include amendments to the confidentiality provision and the standard ICC model clauses, and a strengthened role for the ICC International Centre for ADR. Participants will also hear about combining mediation with arbitration.

ICC WCF launches Certificate of Origin verification website

ICC World Chambers Federation (WCF) has launched the Certificate of Origin (CO) verification website to reinforce the authenticity of the CO verification process conducted by customs authorities and chambers.

Introduced in response to requests from ICC WCF International CO Accreditation Chain members, the initiative aims to offer customs authorities the unique opportunity to verify the authenticity of COs issued by participating chambers.

Millions of COs are issued every year by chambers of commerce, facilitating trade worldwide. With the strong support of members, the ICC WCF International Certificates of Origin Guidelines – establishing international best practice for issuance procedures – have been implemented by chambers around the world. In September 2012, ICC WCF created its International Certificate of Origin Accreditation Chain, based on the international guidelines, to which chambers can adhere on a voluntary basis. By joining the Accreditation Chain, chambers agree to adhere to these internationally applicable and widely accepted standards and are entitled to use the recognizable international quality label which guarantees that chambers follow transparent and responsible procedures in issuing COs.

In January 2013, an official note was sent to all World Customs Organization Customs administrations, notifying them of the implementation of the CO verification website, initiated as part of the framework of International CO Accreditation Chain. The secured online verification website will reinforce the mutual trust between customs authorities and chambers and give Customs the assurance that COs are issued according to the highest applicable standards.

Developed by ICC WCF, the website will enable Customs authorities and chambers to authenticate a CO by entering its unique CO number along with the chamber's accreditation number.

This will give immediate access to the CO basic references, date of issuance and name of the applying company. Contact information of the issuing chamber will be available to Customs and participating chambers to alert them regarding any concerns. Immediate notification will be given if a CO number is or not issued by a participating chamber.

Basel III Regulatory Framework update will benefit global trade, ICC says

International trade remains a major driver of recovery, growth and prosperity across the globe. As the majority of trade flows are supported by some form of trade finance, ICC has welcomed the latest refinement to the Basel III Framework – a set of reform measures designed to regulate the banking sector – as a constructive step in ensuring balance between prudent regulation, adequate access to trade finance and a sustainable recovery of the so-called "real economy".

ICC particularly commends the Basel Committee on Banking Supervision (BCBS) for recognizing the importance of trade finance in growth and job creation and adopting a more favourable calibration of the Basel III leverage ratio.

The refinement to the Basel III Framework, announced on 12 January 2014 by the BCBS, reflects the fundamental characteristics of trade finance, including the self-liquidating nature of "real economy" transactions that support the exchange of good and services. ICC said that the amendment represents a very positive development at a time when robust trade is of critical importance to ongoing global recovery and continued growth in global GDP.

Even as the importance of dynamic trade is acknowledged at the most senior levels of government, international institutions and business, industry analysis suggests that there is a significant global trade financing gap, estimated to be as high as US$2 trillion. This implies that there is potential for significant additional trade-based growth, provided the requisite financing support is available.

As the world's essential rule-making body for the banking industry, the ICC Banking Commission remains committed to supporting and facilitating greater understanding of trade and supply chain finance, the role of financial institutions in providing this specialized form of

financing across the globe and the direct, demonstrable link between financing, trade and the creation of economic value. In that spirit, the Banking Commission will continue to work, through partnerships and innovative approaches, to advance the effective and successful conduct of international commerce.

ICC Advanced Arbitration Academy heads to Central and Eastern Europe

Senior and upper mid-level legal practitioners based in Central and Eastern Europe still have a chance to enrol in the International Chamber of Commerce (ICC)'s Advanced Arbitration Academy, though only a few places remain.

Organized under the auspices of the the International Chamber of Commerce (ICC) Institute of World Business Law and the International Court of Arbitration of the International Chamber of Commerce, the Advanced Arbitration Academy is a unique professional training programme that will leave participants fully capable of acting as arbitrators in international arbitration cases.

The comprehensive training programme will encompass issues relating to the International Chamber of Commerce (ICC) Arbitration, including appointment as an arbitrator, jurisdiction of tribunal, case management, provisional remedies, security for costs, evidence, hearing, award and scrutiny and notification of the award enforcement.

Administered over a two-year period, the unique training format will involve participation in eight workshops, conducted in five countries, from March 2014 to December 2015.

Candidates are expected to attend and participate actively in all eight workshops, having drafted and prepared hearings ahead of time to be evaluated and commented on during the workshops under the guidance of specialists from leading international law firms, the International Chamber of Commerce (ICC) experts, law professors and counsel.

Candidates will be selected according to their experience and must demonstrate an advanced knowledge of the English language and sufficient experience in international arbitration.

Certification attesting to the level of expertise attained will only be given to participants who attend a minimum of seven workshops and successfully complete 100% of the programme's written exercises.

ICC contributes to major report on trade finance developments

Data from ICC's Trade Register and Global Surveys on trade finance is extensively cited in a new report which examines the structure and recent evolution of the global trade finance market, and the interplay

between changes in trade finance and international trade. Published by the Bank of International Settlement (BIS), the long-awaited report, entitled Trade finance: developments and issues, reviews available data sources and what they reveal about the size and evolution of trade finance markets.

As the world's leading trade finance industry representative, ICC provides independent, accurate and in-depth analysis of trends in trade finance and began compiling data in response to a call from the World Trade Organization to provide data for G20 leaders ahead of their first economic Summit in 2008.

The new BIS report shows that historically, the global trade finance market was considered liquid and well-functioning and accordingly did not attract much attention from policymakers. As the global financial crisis developed in 2008-09, however, the industry experienced a great deal of turbulence, leading to structural adjustments and changes in the industry.

In November 2012 the BIS Committee on the Global Financial System (CGFS) established a Study Group, chaired by John Clark (Federal Reserve Bank of New York) which aims to improve central banks' understanding of the structure and functioning of the trade finance markets and explore how they can cooperate in better tracking trade finance developments to improve financial stability.

In terms of financial stability risks, the BIS report concludes that losses on trade finance portfolios historically have been low. Moreover, given their short-term nature, banks have been able to quickly reduce their exposures in times of stress though indicates that a potential stability risk may take place when banks run down trade finance books in response to funding and liquidity strains, thus allowing trade finance to act as a conduit of stress from the financial system to the real economy.

The ICC Banking Commission has consistently advocated a fair and rules-based multilateral trading system that would work to the benefit of nations at all levels of development. As a result, policies that would broadly address banking system capital and liquidity vulnerabilities, and seek to avoid or contain disruptions to trade finance flows, are welcome.

ICC upgrades online Dispute Resolution Library

ICC has launched a new version of its Dispute Resolution Library (DRL), a databank of ICC publications and resources on dispute resolution on February 6. This 2014 upgrade, the first since the service was launched in 2008, includes new and improved search functions, navigation aids and display options, as well as a redesigned interface reflecting recent ICC branding changes.

DRL offers immediate online access to the International Court of Arbitration of the International Chamber of Commerce Bulletin, the Dossiers of the ICC Institute of World Business Law, The Secretariat's Guide to ICC Arbitration and other ICC publications and documentation relating to dispute resolution. One of DRL's major attractions is the

wealth of ICC awards it contains. The many hundreds of extracts from ICC awards published in the Bulletin since 1990 are all available in DRL, with case summaries in English, French and, now, Spanish.

Several sections of DRL are freely accessible. They include a tool for finding where ICC awards have been published, all ICC dispute resolution rules, and the reports of the ICC Commission on Arbitration and ADR including the ICC Guide to National Procedures for Recognition and Enforcement of Awards under the New York Convention. Access to the full Library is by subscription. A range of tariffs is proposed, with discounts for individual users, educational establishments and multiple accesses.

ICC appoints new Chair of the Commission on Taxation

The International Chamber of Commerce (ICC) is pleased to announce the appointment of Christian Daniel Kaeser as the new Chair of the The International Chamber of Commerce (ICC) Commission on Taxation. Having served as Vice-Chair since March 2013, Mr Kaeser will take over from

Theo Keijzer who has served as Chair of the commission since June 2010.

Mr Kaeser is the Vice-President and Global Head of Tax at Siemens AG, where he is responsible for managing and coordinating Siemens' national and international tax affairs. In addition to his role at Siemens, Mr Kaeser serves as a Vice-Chair of the Tax Committee of the Federation of German Industries. Furthermore, he is the President of the German International Fiscal Association (IFA) Branch. He is also Chairman of the supervisory board of WTS AG and a member of the faculty of the Institute for Austrian and International Tax Law at the Vienna University of Economics and Business.

Corruption explored in new ICC arbitration publication

Issues relating to corruption in international arbitration come under scrutiny in the latest supplement to the ICC International Court of Arbitration Bulletin – ICC's essential resource for dispute resolution practitioners and scholars worldwide.

Entitled Tackling Corruption in Arbitration, the supplement features three in-depth articles and extensive extracts from previously unpublished arbitral awards rendered between 2001 and 2009 in cases administered by the International Court of Arbitration of the International Chamber of Commerce (the Court). The awards provide illustrations of situations in which arbitral tribunals have or have not found evidence of corruption, the criteria on which such findings were based and the remedies applied.

ICC's first anticorruption initiative dates back to 1975 when the world business organization set up an ad hoc committee on extortion and bribery in international commercial transactions. In the new supplement, Francois Vincke, Vice-Chair of the ICC Commission on Corporate Responsibility and Anti-Corruption, briefs readers on more recent initiatives that have been and are being undertaken, not only by ICC but also by other international organizations, to combat corruption, and the impact of those initiatives on arbitration. These include the launch of ICC's anti-corruption clause in 2012 and the publication in 2013 of the ICC Ethics and Compliance Training Handbook, which are intended to help equip companies with the necessary in-house expertise to build ethics and compliance systems commensurate with their needs.

Six ways ICC made a difference in 2013

In the activities ICC carries out every day, we help companies meet the challenges and opportunities of an increasingly integrated world economy. These were some of our key activities and achievements in 2013.

1. Influencing global trade and business policy at the G20…

ICC intervened successfully in the G20 process in St Petersburg, Russia. The resulting G20 declaration integrated the most ICC recommendations on trade since the Seoul G20 Summit in 2010, a reflection of ICC's increasingly influential position as the business interlocutor to the G20.

2. …and at the WTO

This momentum, and a targeted, unrelenting campaign by ICC and our global membership network, contributed to the trade facilitation agreement reached at the World Trade Organization Ministerial Conference in Bali, Indonesia in December.

3. Dispute Resolution Services

A New York office was inaugurated to promote and administer ICC arbitrations and other dispute resolution services in North America.

It was "a reaffirmation of our commitment to North America and a very significant development for the worldwide business of the Court," said John Beechey, President of the International Court of Arbitration.

4. Launch of the Jerusalem Arbitration Centre

A unique collaboration between ICC business leaders in Israel and in the Palestinian territories was launched: the Jerusalem Arbitration

Centre (JAC). In a region beset by division and conflict, ICC put in place an arbitration process that will encourage trade and investment.

5. ICC rules and guidelines for business

Over time, ICC has developed a large array of voluntary rules, guidelines, and codes that facilitate cross-border transactions and help spread best practice among companies.

Notable new additions in 2013 include the ICC Uniform Rules for Bank Payment Obligations, Forfaiting rules, the revised International Standard Banking Practice and the ICC Ethics and Compliance Training Handbook. Discover them in our ICC Store.

6. World Chambers Congress

Held for the first time in the Middle East, the 8th World Chambers Congress brought chambers of commerce from around the world to Doha, Qatar, to share, learn and build new networks. Topics included education and business, leadership and CEO succession, membership engagement and growth, the environment and certificates of origin. The World Trade Agenda summit preceded the Congress.

And in 2014?

ICC's plans for 2014 build strategically upon our achievements in 2013, as we continue our work on behalf of companies to facilitate trade and investment worldwide.

ICC pays tribute to founder of the ICC Institute of World Business Law

ICC has paid tribute to founder of the ICC Institute of World Business Law, Professor Pierre Lalive, who passed away on 8 March at the age of 91. Professor Lalive, who co-founded the international and independent law firm Lalive, based in Geneva, was one of the world's leading specialists in international disputes and is considered a founding father of modern international arbitration.

Professor Lalive was committed to the development of international business law. In 1979 he was responsible for the foundation of the ICC Institute of World Business Law. Professor Lalive's career spanned more than half a century, during

which time he acted for several States before the International Court of Justice in The Hague and was one of the seven experts appointed by the Swiss government to draft the 1987 Swiss Code of Private International Law, including the rules on international arbitration. He was president of the UNIDROIT Diplomatic Conference of Governmental Experts on the Protection of Cultural Property and instrumental in the elaboration of the 1995 UNIDROIT Convention on Stolen or Illegally Exported Cultural Objects and held several positions in professional associations in the fields of arbitration, international law and art law.

Alexander Malaket joins ICC Banking Commission Executive Committee

The International Chamber of Commerce (ICC) has appointed Alexander R. Malaket, Certified International Trade Professional and president of OPUS Advisory Services International based in Canada, to its 12-member Executive Committee.

Mr Malaket will advise the ICC Banking Commission on its Trade Register project and assist with the oversight and development of the project and its three-year strategic plan.

The Trade Register comprises data provided by over 20 banks covering more than 15 million trade finance transactions. It allows the industry, regulators and stakeholders to have an accurate measure of the risks involved in both short and medium-long term trade and export finance transactions. The data, analysis and advocacy that flows from the ICC Trade Register project has contributed to greater visibility and understanding of the very favourable risk profile of trade finance, and has assisted in assuring more equitable treatment of trade finance from regulatory authorities, including a positive refinement announced last month by the Basel Committee on Banking Supervision.

Mr Malaket has also been a member of the SWIFT/ICC Industry Education Group on Bank Payment Obligation for several years, and will contribute to other Banking Commission initiatives, including the development of a letter of credit aimed at encouraging sustainable sourcing of commodities, and

an effort to develop globally standardized product definitions in trade and supply chain finance, in his capacity as Technical Advisor and member of the Executive Committee.

WTO News

"Bali Package" becomes part of the WTO course menu for least-developed countries

Twenty-five officials participated in the first ever WTO Intermediate Thematic Course for Least-Developed Countries, conducted in French in Geneva on 17-28 February. The course was opened by Ms Bridget Chilala, Director of the Institute for Training and Technical Co-operation (ITTC) and Mr Serafino Marchese, Chief of the Course Design and Training Section of the ITTC. The course which was held for the first time represents a level 2 activity in the WTO's Progressive Learning Path and was attended by twenty-five participants from LDC Member and Observer countries.

Participants not only benefitted from the expertise of WTO Secretariat staff on issues including preferential market access, services and regional trade agreements, but also from the participation in a roundtable of delegates and representatives from WTO Missions working on and familiar with LDC issues.

In addition to being briefed on the 'Bali Package', discussions focused on the opportunities that the different decisions taken in favour of LDCs at the Ministerial Conference offer to LDC trade.

As an intermediate level course, while the teaching methodology included lectures participants were encouraged to participate actively in the discussions and engaged in a number of case studies and exercises.

Members start implementing Bali farm package, as concerns remain about subsidy breaches

The WTO's Agriculture Committee began work on three decisions taken at the December 2013 Bali Ministerial Conference, when it met on 29 January. It also heard questions and answers about countries actually or possibly breaching their agreed limits on subsidies.

The work on the Bali decisions underscores the regular committee's importance as the body handling the implementation of agreements and decisions on agriculture after negotiations in "special sessions" are completed.

The Bali decisions include:

- a strong political statement to keep export subsidies low (along with policies with equivalent effects, known collectively as "export competition")
- a commitment on how to deal with a certain type of quota (known as a "tariff quota") when imports repeatedly fall significantly below the quota limit
- an agreement that the cost of building up food stocks by developing country governments, for food security, need not be counted against the country's domestic support limits, provided certain conditions were met.

The committee's task is to oversee how these are being implemented and to undertake other work set out in the decisions, and it is now developing plans for the monitoring, reviews and responsibilities, with work on export competition — essentially preparing information to examine latest developments — starting almost immediately.

Meanwhile, actual or possible breaches of domestic support commitments in Costa Rica, Thailand and India continued to feature among the questions members asked each other in the meeting about how they are implementing their present commitments on agricultural subsidies and market access for farm products. Some of the questions may have implications for the Bali decisions, particularly the one on stockholding for food security.

Follow-up on the Bali decisions

Members first discussed how to deal with the Bali decisions in an informal meeting. Chairperson Guilherme Marquardt Bayer of Brazil reported on the consultations to the formal meeting on 29 January, and some members went on the record with further comments.

Several members want as much of the post-Bali tasks to be undertaken as quickly as possible so that members can focus on the other issues in the Doha Round agriculture negotiations over the coming months. The remainder of this year's regular committee meetings will be in March, June and November.

Export competition.

The committee's work will begin almost immediately on compiling the information required to support the declaration on restraining export subsidies.

The Secretariat will circulate a questionnaire according to details set out in the declaration. Based on members' responses, the Secretariat will circulate the information to members so that the committee can examine the latest situation at its June meeting, the chairperson said.

Information will also be drawn from information on their own export subsidies that members have to supply in notifications to the WTO.

The Bali declaration requires the examinations to be undertaken every year. The one to be held a year later, in June 2015, will be suitably timed to prepare for the review at the next Ministerial Conference later in the year as required in the declaration, the chairperson said. The declaration is the strongest political statement since the 2005 Hong Kong Ministerial Conference on export subsidies and related policies. Members agree to "exercise utmost restraint" in using any form of export subsidy, to "ensure to the maximum extent possible" that progress will be made in eliminating all forms of export subsidies, that actual subsidies will be well below the permitted levels, and that disciplines will apply to export policies that may have the same effect as subsidies.

Tariff quota administration .

The committee also has a role in monitoring particular tariff quotas (or tariff-rate quotas, TRQs — where the tariff on quantities outside the quota are higher than on quantities inside) when one member's quotas are repeatedly under-filled (imports fall short of the quota limit by 35% or more). The committee does not have to review this decision until after four years.

WTO members elect Trade Facilitation Committee chair

At the first meeting of the Preparatory Committee on Trade Facilitation on 31 January, WTO members unanimously elected Philippine Ambassador Esteban B. Conejos, Jr. as chairperson. This is the first important step towards implementing the Declaration on Trade Facilitation adopted by Ministers in Bali, Indonesia on 3-6 December 2013.

Thanking WTO members for placing their confidence on him, Ambassador Conejos said he will make sure to "live up to expectations to this new assignment in line with the mandate agreed on at the Bali Ministerial Conference." "There is no time to waste," he added, calling on WTO members to work collectively.

Ambassador Conejos said the approach to the work of the new committee will be "member-driven, bottom-up, inclusive and transparent". He said he will be consulting with WTO members as of next week to hear their views on how to achieve goals that would benefit the whole membership.

The role of the committee will be to ensure the entry into force of the Trade Facilitation Agreement, prepare for its efficient operation, conduct its legal review, and receive notifications of members' commitments. It will also officially amend the Marrakesh Agreement establishing the WTO by inserting the new Trade Facilitation Agreement in Annex 1A.

After more than nine years of negotiations, WTO members finally reached consensus on a Trade Facilitation Agreement at the Bali Ministerial Conference in December 2013, as part of a wider "Bali Package". The final agreement contains provisions for faster and more efficient customs procedures through effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. It also contains provisions for technical assistance and capacity building in this area.

WTO chairpersons for 2014

The WTO General Council, on 14 March noted the consensus on a slate of names of chairpersons for WTO bodies.

General Council	H.E. Mr. Jonathan FRIED (Canada)
Dispute Settlement Body	H.E. Mr Fernando DE MATEO (Mexico)
Trade Policy Review Body	H.E. Ms Mariam MD SALLEH (Malaysia)
Council for Trade in Goods	H.E. Mr Joaquim REITER (Sweden)
Council for Trade in Services	H.E. Mr CHOI Seokyoung (Rep. of Korea)
Council for TRIPS	H.E. Mr Mothusi PALAI (Botswana)
Committee on Trade and Development	H.E. Mr Pierre Claver NDAYIRAGIJE (Burundi)
Committee on Balance-of- Payments Restrictions	H.E. Mr Martin EYJÓLFSSON (Iceland)
Committee on Budget, Finance and Administration	H.E. Mr Francisco LIMA (El Salvador)
Committee on Trade and Environment	H.E. Ms Päivi KAIRAMO (Finland)
Committee on Regional Trade Agreements	H.E. Francisco PIREZ (Uruguay)
Working Group on Trade, Debt and Finance	H.E. Mr Bertrand de CROMBRUGGHE de PICQUENDAELE (Belgium)
Working Group on Trade and Transfer of Technology	H.E. Mr Abdolazeez AL-OTAIBI (Kingdom of Saudi Arabia)

About ICC Bangladesh

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

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

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

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

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

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

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

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

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

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

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

ICC Bangladesh
International Chamber of Commerce-Bangladesh
The world business organization

National Secretariat
Suvastu Tower (6th Floor), 69/1, Panthapath
Dhaka- 1205, Bangladesh, Fax: +880-2-8621027
Tel: +880-2-86219 42, +880-2-967 66 98
E-mail: info@icc-bd.org, iccb@bdmail.net
Website: www.icc-bd.org

International Headquarters
33-43 Avenue President Wilson
75116 Paris, France
Tel : + 33 1 49 532828
Fax : + 33 1 49 532859
Website: www.iccwbo.org

THE BEAUTY OF SUCCESS

Prime Group's

story of success

runs a long way.

From the past

into the future.

PRIME

Prime Group of Industries

SENA KALYAN BHABAN, FLOOR NO. 8, MOTIJHEEL C/A, P.O. Box : 7071, DHAKA-1000, BANGLADESH
TEL : 9564851-2, 9564856, 9590698, 9590570, FAX : 880-2-9564857, 9590421 (Marketing)
E-mail : info@primegroup.com.bd, www.primegroup.com.bd

Priority banking VISA

Bangladesh's first Airmile Reward Program

EBL SKYMILES

www.eblskymiles.com

Earn 1 EBL SkyMile for every BDT 60 or USD 1 spent through your EBL Visa Platinum, Visa Signature or Visa Infinite Credit Card. Redeem the Miles for Air Tickets anywhere in the world.

Fly Any Airline
Choose from over 360+ airlines to redeem your EBL SkyMiles.

Fly Any Destination
Absolutely no restriction on destination. From anywhere to everywhere - whether it is from Dhaka to London or Bangkok to Kuala Lumpur.

Conditions apply

Eastern Bank Ltd.