



Bangladesh Newsflash

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Newsflash Bangladesh is a publication by the Embassy of the Kingdom of the Netherlands in Dhaka. The newsflash provides an update in terms of economic developments, the most important tenders and a selection of other relevant business news related to Bangladesh. This newsflash is shared with a distinctive group of Dutch businesses with special interests in Bangladesh. It is put together on the basis of publicly available information from various sources such as news articles, press releases, and third party information. The Embassy of the Kingdom of the Netherlands in Dhaka is not responsible for the accuracy of the published information. If you do not wish to receive the Newsflash Bangladesh, or would like to add a person to the distribution list, or if you would like to

give us your comments; please feel free to send a message to dha-ea@minbuza.nl. For further practical economic information about Bangladesh, please refer to the Netherlands Bangladesh Business Platform – www.nbbp.org developed by the Embassy of the Kingdom of the Netherlands in Bangladesh in collaboration with Dutch Business University Nyenrode for the Dutch-Bangladeshi business community. The platform bundles information on all that is relevant for doing business in Bangladesh, providing targeted sector analysis, insights into risks and opportunities of doing business, including concrete advice on good business practices, an overview of the most relevant government policies for intending investors and much more.

Highlights

- Bangladesh is on track for receiving the GSP Plus status from the European Union when it aims to graduate to a developing country bracket in 2021.
- Garment factory inspection agency Accord is in talks with the Bangladesh Government for an extension of its tenure in the country beyond June 2018.
- Bangladesh apparel makers are keen to form a single entity to oversee safety and workers' rights issues in the apparel industry after the expiry of ongoing safety assessment by the global buyers' (Accord and Alliance) platforms.
- A trilateral cooperation among Bhutan, Bangladesh and India that will enable Bangladesh to invest in the Bhutanese power sector to re-import the electricity could soon be a reality.
- The Asian Development Bank (ADB) offers US\$8 billion in fresh financial assistance for the next five financial years (FY 2016 to 2020).
- Bangladesh Government starts marine resource assessment within the country's boundary in the Bay of Bengal from November 2016.
- Capital machinery imports more than doubled in the first quarter of fiscal 2016-17 from a year earlier.

Political update

- On 25th November, 2016, Bangladeshi activists of several Islamist political parties attended a protest rally in Dhaka against the persecution of Rohingya Muslims in Myanmar. According to the UN, at least 10,000 Rohingya have arrived in Bangladesh in recent weeks after fleeing violence in Myanmar. John Mckissick, a senior official of the UN refugee agency stated that Myanmar is seeking the ethnic cleansing of the Muslim Rohingya minority from its territory.
- Following the ongoing violence in Myanmar, the Bangladesh Government on 23rd November summoned Myanmar's envoy to Dhaka, expressing deep concern over the persecution of Rohingyas in Rakhine state. Myanmar has been urged to take immediate steps to take back the Rohingyas who have entered Bangladesh as a result.
- Prime Minister Sheikh Hasina visited Hungary on a three day state visit from 27 -30 November 2016. Besides joining the Budapest Water Summit 2016, she also had a bilateral meeting with Hungarian Prime Minister Viktor Orbán. Three Memoranda of Understanding were signed in the field of water resources management, agriculture and between the foreign ministries. Sheikh Hasina is the first Bangladesh Prime Minister to visit Hungary.
- Narayanganj City Corporation elections will be held on 22 December 2016. Selina Hayat Ivy is the Awami league candidate while Shakhawat Hossain Khan is the candidate for Bangladesh Nationalist Party.

Textile and Ready Made Garments (RMG)

Bangladesh on path to GSP Plus with EU (Daily Star) - Bangladesh is on track for receiving the GSP Plus status from the European Union when it aims to graduate to the developing country bracket in 2021.



As a least-developed country Bangladesh has been enjoying zero-duty benefit from

the EU under the scheme everything but Arms since 1971. The GSP Plus scheme will be applicable for Bangladesh once it becomes a middle income country. Strengthening workplace safety, improved labour rights, saving the environment and reduction of corruption are some of the critical conditions for receiving the GSP Plus status from the EU.

Accord in talks for extended stay (Daily Star)- Garment factory inspection agency Accord is in talks with the Bangladesh Government to extend its tenure in the country beyond June 2018 so that it can ensure the completion of remediation

works in all its member factories. The platform is planning to extend its stay in Bangladesh for another three years. The number of factories from which the 220 Accord signatories source has been extended since the inspections started in February 2014.



Accord is now conducting its fourth batch of preliminary inspections. This means the more recently inspected factories will not have finished with their remediation by June 2018.

RMG makers keen for single platform to watch safety, rights issues (Dhaka Tribune)-

Bangladesh apparel makers are keen to form a single entity to oversee safety and workers' rights issues in the clothing industry after the expiry of ongoing safety assessment by the global buyers (Accord and Alliance) platform. A BGMEA committee has been formed to prepare the guidelines for setting up a new platform to oversee post-Accord and Alliance safety assessment in the apparel industry; this committee has made the recommendation. The

recommendations will be placed before the BGMEA board in a meeting, scheduled to be held early December for approval. The aim of the



single platform is to bring all the inspections under a common platform. The proposed

platform will consist of representatives from the Department of Inspection for Factories and Establishments (DIFE), BGMEA, BKMEA, buyers, Bangladesh Fire Service and Civil Defence, Labour and Employment Ministry and RAJUK, International Labour Organisation (ILO) and worker federations.

Infrastructure

Dedicated economic zone for women entrepreneurs under consideration (Financial Express) – Bangladesh Government is considering a dedicated economic zone for women entrepreneurs. Md. Shaikh Eusuf Harun, Director General, PMO, disclosed this news in a recent meeting held between Ministry of Industries (Mol) and Business Initiative Leading Development (BUILD), a public-private policy reforms body.

Bangladesh to invest in Bhutan's hydropower sector (Daily Star) - A trilateral cooperation among Bhutan, Bangladesh and India that will enable Bangladesh to invest in the Bhutanese power sector to re-import the electricity could soon be a reality. A draft memorandum of understanding on the trilateral collaboration has been circulated already. Bangladesh's foreign minister Abul Hassan Mahmood Ali, during his visit to Bhutan mentioned that Bangladesh is keen to invest in the 1,125MW Dorjilung hydropower project in the Lhuentse district. He added that India has agreed to Bangladesh's proposal to invest in the project and will provide necessary facilities for electricity transmission from Bhutan. Bhutan has a target of harnessing 10,000MW of hydropower by 2020. Currently four mega projects are underway and most of

the projects are being built with financial and technical support from India; majority of the energy produced will be exported to India.

Oil, Gas & Energy

IFC to invest US\$2.5bn in 3 years (Dhaka Tribune) - International Finance Corporation, the private sector lending arm of the World Bank Group, is planning to invest over US\$2bn over the next three years in Bangladesh. "We aim over the next three years basically to do long-term financing between 2 to 2.5 billion dollars," the new IFC country head Wendy Werner in Bangladesh said in an exclusive interview. The financing will largely be allocated to the manufacturing, infrastructure, power, logistics and financial sectors, she added. "Bangladesh is already a powerhouse for apparels sector and there is a need for diversification. Readymade-garment sector has access to bonded warehouse, fast-track approval facility and a number of other incentives; this example could be replicated to other sectors", she added. In her opinion, the potential sectors in Bangladesh are footwear and leather goods and light manufacturing.

Water/Maritime

ADB-funded projects ensure safe water for hill people (Daily Star) - The Chittagong Hill Tracts Rural Development Project (CHTRDP)-2, a project financed by Asian Development Bank, set up two reservoir tanks that reserves water transported from the natural spring through the pipe, which



was set up using the gravity flow system. Each reservoir tank has

a capacity of 8,000 liters; the project benefits some 500 people of 97 marma families. The project was set up at a total cost of US\$70.81 million.

Italy to help BD's Blue Economy through expertise' (Financial Express)

The Italian deputy minister Senator Benedetto called upon Prime Minister Sheikh Hasina at her Ganabhaban residence. During the meeting, the Italian Deputy



Foreign Minister informed that Italy wants to support Bangladesh in "Blue Economy" apart from the RMG and textile sector. "We

want to help Bangladesh in its 'Blue Economy' by providing expertise," he said. He also mentioned that Italian entrepreneurs are keen to invest in Bangladesh, but they are concerned about the overall security situation.

Agriculture/Fisheries

DLS launches mobile services to provide info about poultry, cattle diseases (Financial Express)

Bangladesh Government has launched a new service for farmers to provide information on diseases of livestock and poultry. The department of livestock services (DLS), launched the programme under the Access to Information project of the Prime Minister's Office (PMO). The programme has started providing information for farmers through SMS across the country.

Bangladesh to start marine resource assessment (Financial Express)

Bangladesh Government will start marine resource assessment within the country's boundary in the Bay of Bengal from November

2016. A high-tech marine research vessel, equipped with latest



technologies for fisheries and other oceanographic research, will be used for the survey. The research vessel will play a significant role in managing marine resources contributing to the lives and livelihoods of the life of 5 lakh inhabitants, dependent on fishing in the coastal belt.

Other news

Gov't plans provident fund for informal workers (Financial Express)

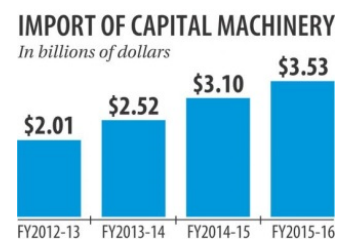
The Government of Bangladesh has started formulating rules and regulations to provide provident fund facility for the informal sector workers. The Ministry of Labour and Employment will prepare a draft policy under the provisions of the existing Bangladesh Labour Welfare Foundation (BLWF) Act. Agriculture labour, domestic helpers, construction workers, street vendors, cottage industry workers, sweepers, cleaners, security personnel fall under the informal sector. The rules will provide guidance for formation of funds and operation procedures and other details. The fund will be administered by the governing body of the Bangladesh Labour Welfare Foundation.

ADB offers BD US\$8.0b in fresh dev. financing (Financial Express)

The Asian Development Bank (ADB) has offered US\$8.0 billion in fresh financial assistance for next five financial year (FY 2016 to 2020). The Bank pledged its US\$8.0 billion assistance in its five-year-long (FY2016-2020) Country Partnership Strategy (CPS) for Bangladesh. ADB's upcoming 5-year strategy paper has emphasizes on regional connectivity, infrastructure development, human capital improvement and mitigation of climate-change impacts.

Machinery imports more than double (Daily Star)

Capital machinery imports more than doubled in the first quarter of fiscal 2016-17 from last year on the wake of the continuation of remediation works by garment factories. Between July and September, letters of credit for import of capital machinery reached



US\$1.8 billion, which is US\$820 million more comparing to last year earlier, according to data from the Bangladesh Bank. The Government infrastructure projects and expansion of steel mills and the food processing sectors also contributed to the spike in capital machinery

imports. "Garment factories, which are obligated to become compliant, are importing most of the capital machinery," said Syed Mahbubur Rahman, managing director of Dhaka Bank. More than 4,000 woven and knitwear garment factories are under pressure from their Western buyers to improve their workplace safety to international standards by June 2018.

Leather products export may reach US\$6b by 2021 (Financial Express) - Export of leather products could increase up to US\$6 billion by 2021. The parliamentary standing committee on



the ministry of commerce appraised the export target at its 18th meeting. The authorities concerned were recommended for

allocating additional incentives (financial and technical) for the for the leather and footwear sector to achieve the target.

SNV signs MoU with Renata Limited - On 16th November, 2016, SNV Netherlands Development Organization signed an MoU with Renata Limited, a leading pharmaceutical company of Bangladesh. The purpose of the MoU is to create



systems for SRHR service providers under the Working with Women project of SNV to procure

medicines and other nutrient products from Renata at a special subsidized price. Under this MoU, the service providers will avail facilities of procuring medicines on credit. They will also be able to replace unsold medicines nearing expiry date to Renata. Ms. Farhtheeba Rahat Khan (Team Leader, Working with Women Project, SNV Netherlands Development Organisation), Mr. Khalil Musaddeq (General Manager, Renata Limited), Ms. Misha Mahjabeen (General Manager of Purnava, a sister concern of Renata) and top officials from SRHR service providers signed the MoU. All parties have joined together

to ensure that medicines, FP commodities and nutrient products are available to the garment workers at a special discounted price. Working with Women project has been engaging the private sector to build sustainable partnerships to address the Sexual and Reproductive Health and Rights of female Ready Made Garment workers. The partnership with Renata Limited in the process is a step forward towards developing functioning partnerships between service providers and the private sector.

Events

International Trade Expo for Building and Fire Safety is to be held from 12 to 14 Dec 2016 in International Convention City, Dhaka, Bangladesh. The expo is initiated to support the RMG sector in Bangladesh by providing local manufacturers with access to the most innovative and highest quality building, fire, and electrical safety equipment and services. The Expo will tentatively attract over 10,000 visitors to showcase the latest fire safety products.

Grain Tech is to be held from 11 to 13 Jan 2017 in Basundhara Convention Center, Dhaka, Bangladesh. Grain Tech is a 3 day event which will showcase products like Agro Machineries as well as Seeds, Dairy and Poultry products. The expo will also showcase Grain Tech, PVC & Packaging, Beverage, Foods & Technology, and Agro Renewables Energy.

Asian Business Research Conference organized by the World Business Institute Pty Ltd will be held from 30-31 Dec 2016 at the Bangladesh Institute of Administration and Management in Dhaka, Bangladesh. The conference will mainly cover areas like Banking, Finance, Economics, Management, Marketing, Business Statistics, Business Law and Business Education.

Meat Tech Expo Bangladesh is a 3 day event to be held from 11th January to 13th January 2017 at the International Convention City Bashundhara (ICCB) in Dhaka, Bangladesh. This event will showcase products like Meat processing machinery manufacturers, automation and handling equipment, cleaning equipment, operational hygiene and safety at work, slaughtering technology and equipment.

Dhaka International Trade Fair is a 31 day event will be held from 1st January to the 31st January 2017 at the Sher-e-Bangla Nagar in Dhaka, Bangladesh. This event will showcase export and import products.

Dhaka Chamber of Commerce is going to organize an International Conference on “ Economic Thinking: Bangladesh 2030 and Beyond - A constructive discourse on socio-economic prospects, challenges and the way forward”. The event will be held on 21 December 2016 at Radisson Blu Water Garden, Dhaka. For registration, please visit: https://dhakachamber.com/mega-event/dcci/images/book/Registration_Form_A4.pdf

Tenders

Invitation for tender from the Ministry of Railway Bangladesh Railway Chief Engineer (East), Bangladesh Railway, Chittagong. CE/E/Rev./04/TS/2016-2017/KA-7 for Mechanical tamping of existing track between AKA-SYT section (Total length 108.80 Km.) including casual renewal of PC sleeper wooden sleeper, recouplement of short fittings (ERC, Rubber pad liner etc.) de-stressing of LWR track over hauling of L/C. gate and other allied works. 2. At SSAE/Way/KFJ jurisdiction: Mechanized tamping 50 Km. track including all curves between BCI-AVY along with ballasting, realigning and other allied works. The tender issue date and closing date consecutively is 28-Nov-2016 and 28-Dec-2016 12:00. For more information, please contact Md. Shahidul Islam Chief Engineer (East), Bangladesh Railway, CRB, Chittagong. Phone: 031-2863201-10

Invitation for tender from Power Division Rural Electrification Board Project Director, BREB, Dhaka Supply, Installation, Testing & Commissioning of 33/11 KV, 04 Nos of Sub-Station (10/14MVA, Each,

Turn-key). The tender issue date and closing date consecutively are 28-Nov-2016 and 27-Dec-2016. For more information, please contact Md. Abul Kalam Azad Project Director House No-9 (4th Floor), Kabi Faruque Sarani, BREB, Nikunj-2, Dhaka-1229 Phone: 8900458

Invitation for tender from the Ministry of Health and Family Welfare Autonomous Bodies & Other Institutions Project Director, Establishment of Essential Drugs Company Limited (3rd Plant), Gopalganj for Supply, Erection, Testing, Commissioning, Qualification and Validation of Injectable Manufacturing Machineries. The tender issue date and closing date consecutively are 27-Nov-2016 and 22-Dec-2016. For more information please contact Prof. (Dr) Ehsanul Kabir Project Director Establishment of Essential Drugs Company Limited (3rd Plant), Gopalganj, 395-397, Tejgaon Industrial Area, Dhaka Phone: 8151080 Fax: 8119697 Email: 3rdplant@edcl.gov.bd

Invitation for tender from Bangladesh Bank for supply, installation, testing and commissioning of 2 (two) automated Currency Note Processing Machines including after sales services, viz, operation, trouble shooting, maintenance and servicing with spare parts. Tender was issued on 13 November 2016 and will close on 18 January 2017 at 12:00pm BST. For details, please contact: Mr Md Nasiruzzaman, General Manager – Dept. of Currency Management, gm.dcm@bb.org.bd.

Invitation for international tender # 03/2016-17 from Biman Bangladesh Airlines for Supply, Installation, Testing & Commissioning of Qty – 02 Nos. new prefabricated environmental control poultry house, Size: 400 ft x 50 ft at Biman Poultry Complex, Ganakbari, Savar, Dhaka, Bangladesh from experienced poultry house manufacturers/assemblers or agents/enlisted 1st class Civil Contractors/firms of Govt./Semi-Govt./ Autonomous bodies those who have successfully completed the supply, installation & commissioning of similar type poultry house in a single work amounting minimum BDT 4.00 Crore only in Govt./ Semi-Govt./Autonomous bodies/Private limited companies in Bangladesh during last 08 years. Tenders will be received in Room # 409, Project Section, 3rd floor, Balaka, Kurmitola, Dhaka, Bangladesh up to 1400 hrs on 21/12/2016 and will be opened on the same day at 1430 hrs. in presence of tenderers (if any). For more information please contact Md. Azizul Islam, General Manager P&W, Phone # +88-02-8901389

Please remain updated on these and future tenders at the following website:
<http://www.cptu.gov.bd/Notices.aspx>

More information

The Embassy always welcomes your comments on, and suggestions for the Newsflash. We also encourage interested Dutch and Bangladeshi companies to place an article or message in our newsflash. For more information please contact our economic department at the Embassy in Dhaka through email dha-ea@minbuza.nl, or by phone (00882) 8822715-8.