



Bangladesh Newsflash

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Newsflash Bangladesh is a publication by the Embassy of the Kingdom of the Netherlands (EKN) 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 many more.

HIGHLIGHTS

- Successful Water, Logistics, ICT and Agro Trade Mission organized by the Embassy of the Netherlands and Nyenrode Business University in September
- UK, Canada, Netherlands provide motorcycles for factory inspections under the auspices of the ILO RMG Program
- Optimistic outlook for garment exports despite slow start
- Government to recruit 120 factory inspectors by October 20
- German Development Agency - GIZ - will help improve safety and health standards in factories
- Bangladesh to join Asian Infrastructure Investment Bank
- Bangladesh Bank relaxes rules to attract FDI
- Automated issuance of GSP certificates from September 1
- Bangladesh Board of Investment (BoI) and the Privatisation Commission (PC) to be merged to create Bangladesh Investment and Industrial Development Authority (BIIDA)
- Tender to be floated in November for construction of bus depot under JICA's Dhaka MRT project
- Bangladesh's first satellite launching project "Bangabandhu" approved by the Government

Political update

- The Rapid Action Battalion (RAB) on September 2 recovered a large cache of firearms and ammunition from the Satchhari National Park in Habiganj in the northeastern part of Bangladesh.

RAB had earlier recovered large arms caches on two occasions from the same forest, which is used as a route for smuggling arms and illegal goods by Indian Separatist outfits according to RAB.

- The Anti-Corruption Commission (ACC) on September 3 stated that it found no corruption in the Padma Bridge project and raised questions about World Bank's intention behind the allegation of corruption in the project. The conclusion from ACC comes at a time when two officials of Canadian Firm SNC Lavalin are being tried in Canadian court for conspiring to bribe former Minister of Communication Mr. Abul Hossain and several other officials in Bangladesh to get the consultancy job for the project.
- On September 17 Jamaat-e-Islam Leader Delwar Hossain Sayedee's punishment for war crimes was reduced from death sentence to life imprisonment till death. The verdict was announced by the Appellate Division headed by Chief Justice Md Muzammel Hossain.
- Jamaat called for countrywide shutdown (Hartals) on September 17 and 21 demanding the release of Jamaat leader Delwar Hossain Sayedee. There were a few reports of low-level violence.
- The Parliament on September 17 unanimously passed the 16th amendment bill restoring its power to remove Supreme court Judges on the ground of misconduct. The bill was passed by 327 votes to 0 as no law makers voted against the bill.
- The BNP-led alliance observed a dawn-to-dusk countrywide shutdown on September 22 opposing the restoration of Parliament's power to remove Supreme Court judges on grounds of incompetence or misconduct. There were no major reports on violence.
- The government has initiated the amendment of the Press Council Act, 1974, to incorporate further restrictive provisions in the law. Large parts of civil society regard this as another move to tighten the grip of the government on the media.

Textile and Ready Made Garments (RMG)

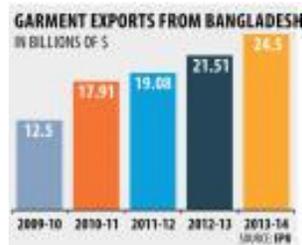


UK, Canada, Netherlands provide motorcycles for factory inspections Representatives of the UK, Canada and the Netherlands handed over motorcycles to State Minister for Labor, Mujibul Hoque Chunnu, at a program in Dhaka on September 7 - co-organized by the labor ministry and the International Labour Organisation (ILO) - under the auspice of the ILO RMG Program. ILO's Country Director Srinivas Reddy said labor inspection in Bangladesh was "very challenging". The motorcycles were being provided considering location of the factories

and conditions in the cities. Chunnu said the government was focusing more on increasing safety in the factories after two big accidents in the RMG sector. In his speech, Dutch Ambassador de Jong highlighted the importance of having all the initiatives, in particular, the Accord and the Alliance, settle their differences so they are able to efficiently address the issues of remediation that have come up in the course of their inspections in a coordinated way and propose constructive solutions for the factories in a harmonized manner. He also expressed his hope for the successful implementation of the National Plan of Action in making factories a safe place to work.

Optimistic outlook for garment exports despite slow start (The Daily Star) Despite some unfavorable numbers in July, Bangladesh's outlook on garment exports is bright this year too, with high demand from western customers due to competitive prices, industry insiders said.

Exports of woven garment declined by 4.14 percent to \$1.21 billion in July, and knitwear export grew only by 4.32 percent to \$1.3 billion, according to the Export Promotion Bureau. Bangladesh has targeted \$26.9 billion in garment exports for fiscal 2014-15. Bangladesh exported garment products worth \$24.5 billion in fiscal 2013-14, which is 13.86 percent higher than in the previous fiscal year, despite a prolonged political crisis and two major industrial disasters including Tazreen Fashions fire and Rana Plaza building collapse.



Govt. sets fresh deadlines to meet US, EU conditions on factory safety (The New Age) The government set fresh deadlines for implementing the remaining conditions of the action plans provided by the US government and the EU Sustainability Compact to revive GSP in the US market and to retain the duty-free access to the EU countries. At a meeting with foreign diplomats on September 11, senior officials of the Bangladesh government promised to complete the recruitment of additional 200 factory inspectors by mid-October and the formulation of rules under the labor act by this month. The government also promised to complete the second phase of factory inspection by October and to complete the government and ILO sponsored inspection in all 1,500 subcontracting factories by December this year. Canadian High Commissioner - Heather Cruden, Dutch Ambassador - Gerben de Jong, British High Commissioner - Robert Gibson, representatives of US and EU missions, Commerce Secretary - Hedayetullah Al Mamoon, Labor Secretary - Mikail Shipar and Foreign Secretary - Shahidul Haque and representatives of Alliance, JICA and ILO, were present in the meeting.

H&M signs deal with ILO to improve supply chain (The Daily Star) Swedish retailer H&M signed an agreement with ILO to improve its

supply chain management, according to a statement. The cooperation between H&M and the ILO dates back to 2001, when H&M joined the ILO Better Factories program in Cambodia, the retailer said in the statement. The new strategic partnership will promote a wide range of activities with the aim to further strengthen the sustainability work in H&M's supply chain. The activities will be both at the global, national and enterprise levels in a large number of countries. The partnership is also intended to establish a positive model for other operators and create a global alliance to promote the ILO's Decent Work Agenda.

Less than 2pc of factories unsafe, says Accord (The Daily Star) Engineers of the Accord on Fire and Building Safety in Bangladesh, the platform of 186 retailers predominantly based in Europe, to date have found less than 2 percent of the inspected factories unsafe for production and occupancy. The platform, which started its inspection drive in February, has so far examined upwards of 1,000 factories for fire, electrical and structural safety, according to a statement. "The fact that the number is less than 2 percent indicates that Bangladesh's garment factories are not as unsafe as thought earlier. I hope the buyers' confidence will increase further after this," Roy Ramesh Chandra, general secretary of IndustriALL Bangladesh Council, said. Meanwhile, Monika Kemperle, assistant general secretary of IndustriALL Global Union, said unsafe textile factories maybe found not only in Bangladesh. "The problems are many and complicated in Pakistan and there is no Accord on Building and Fire Safety to set legally binding standards," she said on the second anniversary of Karachi's Ali Enterprises fire accident.

332 Rana Plaza victims compensated (The Daily Star) The ILO-managed Rana Plaza Trust Fund awarded Tk 10.79 crore last month to the first batch of 332 victims of the building collapse, said Srinivas Reddy, ILO country director in Bangladesh. The fund will soon be transferred to the victims' fixed deposit accounts with Dutch Bangla Bank, he said. "The fund was

supposed to be transferred a lot earlier, but it was delayed due to conversion of their savings accounts into fixed deposit ones,” Reddy told The Daily Star by phone. The Rana Plaza Coordination Committee, formed to complete the compensation process, decided to pay through fixed deposit accounts as such accounts will yield better returns for the victims, he said. “We will pay another 800 victims by the 20th of this month,” Reddy said. The coordination



committee has so far identified more than 3,600 victims, including workers, their relatives and dependents.

Govt to recruit 120 factory inspectors by Oct 20 (The Daily Star) The government marked October 20 as the deadline to recruit 120 factory inspectors to fulfil the conditions of an action plan provided by the US, in an effort to win back trade privileges from the Obama administration. The labor and employment ministry has managed to recruit only 59 inspectors in two categories so far. The ministry missed its target to employ 200 officials by December 2013. “We have fulfilled almost all conditions set by the US to regain the GSP,” said Hedayetullah Al Mamoon, senior secretary to the commerce ministry. The commerce ministry held a meeting on social compliance in the garment sector, chaired by Tofail Ahmed, commerce minister, at the secretariat office on September 7.

\$10m fund for fire, building safety (The Daily Star) The International Finance Corporation (IFC)—a member of the World Bank—and VF Corporation, an American retail giant, will provide \$10 million to the Bangladeshi suppliers of VF to ensure fire and building safety. VF, the parent company of many well-known brands

like The North Face, Vans, Wrangler and JanSport, will provide a full corporate guarantee in support of the loan, IFC said in a statement on September 4. The fund will enable IFC and its long standing client Brac Bank to lend to the suppliers at lower interest rates and speed up fire and building safety upgrades.

German enterprise to help improve safety, health standards in factories (The Financial Express) The German Federal Enterprise for International Cooperation (GIZ), in collaboration with the Bangladesh government, has taken an initiative to improve occupational safety and health standards in factories in the country. GIZ has already inked a deal with the Health Ministry in this connection. Under the two-year project from June 2014 till June 2016, GIZ will provide technical support to industries to obtain the Occupational Health and Safety Advisory Services (OHSAS) 18001 certification from the British Standard and Testing Institute governed by the Royal Charter of the UK.

Global brands team up to make Bangladeshi factories environment-friendly (The Daily Star) Leading apparel and footwear buyers and retailers, who source from Bangladesh, have teamed up to make the country's factories environmentally sound as part of a global initiative. They have come together under the Zero Discharge of Hazardous Chemicals (ZDHC) program, which aims to help lead the industries towards lowering discharge of such chemicals by 2020. The ZDHC program signatory brands include Adidas, Benetton, Burberry, C&A, Esprit, G-Star Raw, Gap, H&M, Inditex, Jack Wolfskin, Levi Strauss, L Brands, Li Ning, M&S, New Balance Athletic Shoe, NIKE, PUMA and PVH Corp. BGMEA welcomed the initiative. BGMEA is also an implementation partner of IFC's cleaner textile project, which is being implemented in around 200 factories to reduce carbon and water footprint in the industry and funded by the Embassy of the Kingdom of the Netherlands.

RMG factories need \$150m to mend safety flaws (The Financial Express) Factories making

apparels for the signatory brands, buyers and retailers banded under Alliance will require some \$150 million to repair the safety-related flaws identified by the North American initiative-appointed engineers. "Alliance assessment, on average, has identified 45 kinds of faults in each garment factory, especially fire and electrical ones, and each unit needs \$250,000 to carry out the remedial work," M Rabin, managing director of the Alliance, said at a press conference held on September 10.

Garment industry goes green to make eco-friendly apparels (The Financial Express) Country's garment industry is getting into a new era through phasing in eco-friendly technologies to meet a growing global demand for green products. A number of local apparel makers have already acquired environment-friendly or green technology in their factory operations, in the meantime. DBL, ABA Group,

Infrastructure

Japan's steelmaker Nippon to open factory in Ctg (The Daily Star) Japan's biggest steelmaker, Nippon Steel and Sumitomo Metal Corp, is set to inaugurate a factory in Bangladesh this month in a bid to grab the growing domestic market. The factory, located in Chittagong, is being built under a 50-50 joint venture inked in December 2013 with the local McDonald Steel Building Products Limited. Mazumder Sunil Chandra, managing director of the newly-formed company, said the factory will supply materials mainly for the steel-building, shipbuilding and construction companies. Nippon and McDonald Steel Industries Limited is targeting mid-September to start commercial production at the factory, whose initial annual capacity would be 15,000 tons.



Viyellatex and Envoy Textiles are among the factories that have already switched over to green technology by reducing toxic emissions that harm the environment.

Dyed yarn exporters to get EDF support: BB (The Financial Express) Dyed yarn exporters will get credit support from Export Development Fund (EDF), a special fund of the central bank, which provides financial support to help expedite export growth. According to a circular of the central bank, issued on September 24, members of the Bangladesh Dyed Yarn Exporters' Association (BDYEA) will be illegible to get financial support from the EDF, reports BSS. The credit, however, will be given only for importing unprocessed yarn and chemicals for processing yarn for local deliveries to manufacturers-exporters against their back to back LCs (letter of credits) in foreign exchange.

Bangladesh to join Asian Infrastructure Investment Bank (The Daily Star) Bangladesh is going to join the proposed Asian Infrastructure Investment Bank spearheaded by China, officials said on September 17. A memorandum of understanding is likely to be signed with China next month according to Economic Relations Division Secretary. 23 countries, including the USA, Japan, Kuwait, Qatar, Nepal, India and South Korea, have expressed their interest to join the bank. Its approved capital has been estimated at \$100 billion and would have a mandate to fund infrastructure projects in the region, complementing the work of other such entities, like ADB. The bank will mainly focus on infrastructure construction in Asia to promote regional connectivity and economic cooperation.

Tk 29.68b Bangabandhu satellite project approved The government approved Bangladesh's first satellite "Bangabandhu" launching project at a cost of Tk 29.68 billion to improve the country's telecommunication and broadcasting facilities on September 16.

Presided over by Prime Minister Sheikh Hasina, the Executive Committee of the National Economic Council (ECNEC) approved a total of six projects including the Bangabandhu Satellite project at a total cost of Tk 42.96 billion. Emerging from the meeting, planning minister AHM Mustafa Kamal, said the selected bidder will finance the project and launch it by June 2017. The government would provide Tk 13.15 billion and the bidder will finance the rest Tk 16.52 billion.

China agrees to fund priority dev projects on easier terms (The Financial Express) China agreed to finance Bangladesh's larger priority development projects on easier terms and at a cut-down lending rate, officials said after negotiations in Dhaka on September 22. The Chinese government's lending agency--EXIM Bank--assured of relaxing the terms and conditions, including lowering the interest rate on their proposed credits. Economic Relations Division (ERD) officials said the Chinese lender suggested the government to prepare a priority-project list from the 15 proposed ones.

Oil, Gas & Energy

BB approves \$125.05m foreign loans for 7 pvt sector projects (The Financial Express) Bangladesh Bank (BB) approved Sunday US\$ 125.05 million foreign loans to seven private sector projects, according to a press release. The approval came at the 89th meeting of BB's scrutiny committee held at its office with Governor Dr Atiur Rahman in the chair, the press release said. The loan includes US\$ 44.0 million for Dutch-Bangla Power & Associates Ltd., US\$ 44.0 million for Orion Power Meghnaghat Ltd. (previously IEL Consortium & Associates Ltd.), US\$ 15.43 million for Tarasima Apparels Ltd., US\$ 15.0 million for Ma-Meem Denim Ltd., US\$ 4.45 million for Rising Industries Ltd., US\$ 1.60 million for Knit Concern Ltd. and US\$ 0.567 million for Plummy Fashions Ltd.

Tender in Nov for MRT in city under \$2.7b project (The Financial Express) The first tender will be floated in November to build a depot at Uttara in the city under the US\$ 2.7 billion Mass Rapid Transit (MRT) project, officials said. As per the tentative schedule, Dhaka MRT Development (DMRTD) project authorities have set the time for the first tender. The US\$ 2.7 billion MRT project works will be divided into eight contract packages. "As per the schedule, we are also planning to start prequalification of other packages in May or June next year with the target to invite tender of construction-related works by the end of 2015," said DMRTD project director Mohammad Mofazzel Hossain. He said depot-land development has been given priority as it would first be needed to set the project rolling. The project director said some 24 sets of trains will be parked on the land with all kinds of facilities, including workshop, washing plants and administrative and supportive buildings to be built after the depot-land development.

Import duty on transformers likely to be raised (The New Age) The National Board of Revenue is planning to increase duty on import of electric transformers in a bid to provide protection to local industry, officials said. On the same ground, the NBR will also reduce the import duty of raw materials used in producing transformers, they said. In a recent meeting with Manufacturers Association of Transformer and Switchgear of Bangladesh, the revenue board decided that they would withdraw the duty benefit on import of transformers. Under the benefit, importers can import transformers in capital machinery category by paying only 2 per cent customs duty. According to the meeting decision, the



revenue board will consider raising customs duty to 5 per cent along with imposition of

other duties and taxes on imported transformers up to 100 MVA capacities.

Water/Maritime

Hopes pinned on BCIM corridor for growth in sub-region - Experts also for maritime Silk Route connectivity (The Financial Express) Implementation of the economic corridor involving Bangladesh, China, India and Myanmar could usher in new opportunities for this sub-region according to policy analysts. Alongside the Bangladesh, China, India and Myanmar (BCIM) corridor initiative, a plan is also there to establish a maritime 'Silk Route' across the Bay of Bengal to link with countries in the rims of the bay and the Indian Ocean.

IFC offers advisory support for building deep-sea port (The Financial Express) The International Finance Corporation (IFC) has expressed interest to provide advisory support to Bangladesh in building a deep-sea port in Sonadia of Cox's Bazar district, sources said. Recently, IFC, the private sector financing arm of the World Bank, has submitted a concept paper to the Ministry of Shipping (MoS) for development of the proposed port, they added.

Other news

Water, Logistics, ICT and Food Security Trade Mission a Success In the framework of the unique partnership between the Embassy of the Netherlands and Nyenrode Business University, Christiaan Rebergen, Deputy Director General for International Cooperation for the Dutch Ministry of Foreign Affairs, led a trade mission to Bangladesh covering Water, Logistics, ICT and Food Security sectors.

14 Dutch companies were invited to participate in a four day program with individual company meetings and visits. The Dutch delegation had an opportunity to meet with various trade organizations and key political and developmental players during the visit. The overall aim of the trade mission was to encourage sustainable partnerships between the two countries. After the opening and welcome on 8 September the visiting Dutch companies were provided with an introduction to economic development and investment climate in Bangladesh, emphasizing the clear focus on the transition from productive aid to responsible trade and investment. Each Dutch company was matched to an average of eight Bangladeshi interested parties. Cooperation



was further sought with other initiatives in both development cooperation fields as well as civil society. ICCO for example, implementing partner of the food security program PROOFS funded by the Embassy presented their vision on private sector development as well as concrete business opportunities within their program. In addition to the B2B links, key political and developmental players were involved when and where relevant. Post-visit follow up will be crucial in facilitating the Dutch companies leverage the many opportunities identified during the visit to Bangladesh. Initial feedback has been very positive and showed how valuable these missions are to the Dutch business community for helping to maneuver in a challenging business environment such as that of Bangladesh.

Blue Economy - PM points at potentials of marine resources (The Daily Star) Prime Minister Sheikh Hasina underscored the marine-based economic activities and management of sea and its resources through “Blue Economy”, saying such activities could create new horizon for the development of a coastal country like Bangladesh. She also emphasized the need for tapping the huge potentials of sea and sea resources through proper management to ensure sustainable development. The prime minister made the observations while inaugurating a two-day “International Workshop on Blue Economy” at a hotel in the capital. Hasina said the marine-based economic activities through Blue Economy alongside the existing land-based development activities could further expedite the development of the coastal countries like Bangladesh and the developing coastal states. Trade confidence rises sharply

Trade confidence rises sharply - Bangladesh gains 38 points on HSBC index (The Daily Star) Bangladesh's trade confidence rose sharply, by 38 points in six months, which is the second highest among 23 countries globally. The jump was due to growing demand for its garments from Western buyers and the recent initiatives aimed at making the country's apparel factories safer, according to a survey. HSBC's latest Trade Confidence Index, which was published yesterday, shows that Bangladesh's score increased to 141 in the first half of 2014, from 103 in the second half of 2013. Only Egypt is ahead of Bangladesh as the economic climate in the largest Arab country improved in recent times. Bangladesh outpaced the UAE, India, Indonesia, Saudi Arabia, Turkey, Vietnam, Ireland, Mexico, China, the UK, Brazil, Canada, Malaysia, Poland, the USA, Singapore, Germany,

Hong Kong, Australia, France and Argentina.



Fair to popularize CSE's online trading platform (The Daily Star) The Chittagong Stock Exchange is set to organize a two-day fair next month to promote its internet trading platform, which is yet to gain popularity almost ten years after its launch. Mock transactions through the bourse's internet trading system will be showed to the investors, who can also participate in the trading, said Syed Sajid Husain, managing director of CSE.

DBBL awards scholarship to students - DBBL scholarship helping cut dropout rate: Muhith (The Financial Express) Finance Minister AMA Muhith said the scholarship scheme by Dutch-Bangla Bank Limited (DBBL) is helping reduce dropout rate of meritorious but financially-constrained students from education. The finance minister was speaking at a program to award 5,050 meritorious but needy students under its Tk 1.02 billion scholarship scheme held in the city on September 6. Law, Justice and Parliamentary Affairs Minister Anisul Huq and Netherlands Ambassador to Bangladesh Gerben de Jong were the special guests at the scholarship giving ceremony in the city.

CSR guideline drafted (The Daily Star) Banks and non-bank financial institutions will soon have to spend 2.5 percent of their net profits on corporate social responsibility (CSR) activities, as per the guideline prepared by the central bank. The draft of the guideline, which is now awaiting formal approval, however, has exempted banks and NBFIs that are making losses, facing capital deficit or provisioning shortfall. The move comes as part of Bangladesh Bank Governor Atiur Rahman's efforts since 2009 to get financial institutions to

contribute to the wider society that they operate in. In what will be a landmark move, the guideline has also specified areas for CSR expenditure and imposed a ceiling on sectorial allocation. Education must get at least 30 percent of the CSR funds and no other sector will be allowed to enjoy more than 15 percent of funds a year.

Bangladesh - Turkey businesses stress FTA (The Daily Star) Businesses of Bangladesh and Turkey have urged their governments to expedite efforts for signing a free trade agreement to boost bilateral trade. The Turkish government imposed 17 percent duty on import of textile and garment items from Bangladesh in June 2012 to protect its domestic apparel industry. All Bangladeshi products, except garment items, enjoy zero-duty benefit in the Turkish market. "We are working on the FTA. We sat with the officials of the Turkish economic ministry on August 26 and 27 in Turkey to fast track the process," said Monoj Kumar Roy, additional commerce secretary of Bangladesh.

Female manpower export goes up (The Daily Star) There has been a boost in sending the country's female migrant workers abroad, which has more than doubled over the last five years. The United Arab Emirates (UAE), which has kept suspended hiring Bangladeshi male migrant workers for the last two years, has emerged as the largest recruiter of Bangladeshi female workers. Jordan and Mauritius are the second and third largest recruiters on the list. Oman, Lebanon and Qatar are also hiring large numbers of



Bangladeshi females this year. Bangladeshi females are basically working as domestic helps abroad while Indian, Sri Lankan and Nepalese women are working both as maids and nurses,

according to Bangladesh Ovivashi Mahila Sramik Association (BOMSA).

Dhaka to open 3 new missions (The Daily Star) Dhaka has completed all formalities to open three new full-fledged diplomatic missions in Copenhagen, Vienna and Warsaw to expand its export to European market. All of them are expected to begin diplomatic activities within the next couple of months, foreign ministry officials said. The government has also decided to set up new embassies to Afghanistan, Sudan and Sierra Leone and upgrade the Agartala visa office in the Indian state of Tripura to Deputy High Commission soon.

Make FDI a top national priority - Economists advise govt (The Daily Star) Economists yesterday advised the government to find ways to bring in more foreign investment and make it a top national priority. "If we can make it a national priority, we will be able to bring in whatever amount we desire," Kamran Bakr, managing director of Unilever Bangladesh, said. He spoke at a round-table, "Stagnant Investment: ways forward", on September 8. "Bringing in FDI has not been made a national priority. I have sifted through various government documents but haven't come across any specific target for FDI," said SA Samad, executive chairman of the Board of Investment.

RECOMMENDATIONS

- Boost local investment first to woo FDI
- Set up economic zones immediately
- Empower Bol
- Fix infrastructure bottlenecks
- Reform banking sector
- Privatise government banks
- Break cartel in banking sector
- Set up financial reporting council for improving accountability in banks

Japanese CEOs view Bangladesh as next investment destination (The Daily Star) Visiting Japanese business leaders on September 7 demanded easing of investment rules as they look to divert funds to Bangladesh from China due to rising production costs and worker shortage there. "We want to expand business in Bangladesh but we need policy support from the government," said Kuniharu Nakamura,

president and chief executive officer of Sumitomo Corporation, one of the top three sogo shosha companies in the world. Japanese companies that trade in a wide range of products and materials are known as sogo shosha. In addition to acting as intermediaries, sogo shosha also engage in logistics, plant development and other services, as well as international resource exploration. Sumitomo, which has been in Bangladesh since 1961, is interested in helping the country achieve its goal of becoming a middle-income country by 2021, he said.

Bangladesh 26th best destination for IT outsourcing (The Daily Star) Bangladesh has been recognized by a US company as the 26th best destination for IT outsourcing globally. AT Kearney, a leading management consultancy firm with offices in more than 40 countries has for the first time included Bangladesh in its Top 50 Global Services Location Index. The index assessed 51 countries based on metrics under three categories -- financial attractiveness, people skills and availability, and business environment. "This will significantly boost ICT investment and outsourcing to Bangladesh as global companies and investors follow this report and ranking for decision making," said Shameem Ahsan, president of Bangladesh Association of Software & Information Services (BASIS).

Automated issuance of GSP certificates from (September 1) (The Financial Express) The Export Promotion Bureau (EPB) is set to introduce automated issuance of generalized system of preference (GSP) certificates from September 1 to check forgery in getting GSP facilities, sources said. The GSP automation software will connect National Board of Revenue (NBR) and Bangladesh Bank for online verification of respective documents in order to determine the veracity of each consignment for which GSP certificate would be issued.

BB relaxes rules to attract FDI (The Financial Express) The central bank has relaxed foreign-exchange regulations on repatriation of sale proceeds from equity owned by non-residents

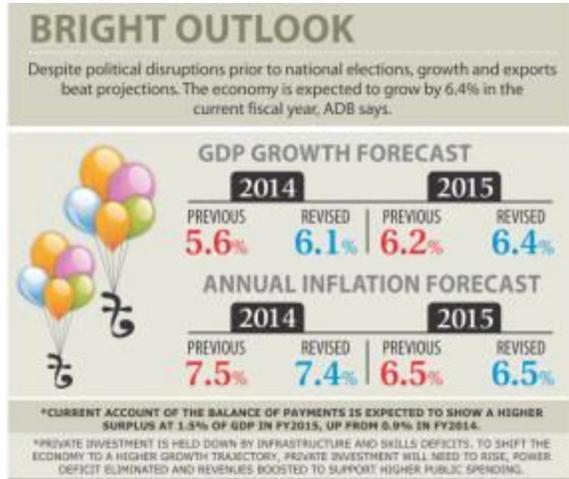
in unlisted companies purchased by residents, as a measure to encourage foreign direct investment (FDI) in the country. Under the relaxed rules, the Bangladesh Bank (BB) will accept fair value of the shares as on the date of sale based on appropriate combination of three valuation approaches. The three criteria are: net-asset-value approach, market-value approach, and discounted cash-flow approach.

Novo Nordisk vows to enhance business ties with Bangladesh (The Financial Express) Novo Nordisk, a leading company on diabetes care, vowed to strengthen its age-old business ties with Bangladesh as a testimony to its 'strong commitment' for the cause of the teeming millions' health-care. Referring to the launching of Tresiba, basal insulin in Bangladesh's market in April of this year, he said the product received amazing response from the Bangladesh market due to its innovative edge. He further disclosed that ryzodeg, lira glutide and ideglira are among the new upcoming products to be launched in the Bangladesh market.

ITPEC membership to help IT experts get global recognition (The Financial Express) Bangladesh is set to become a member of a Japan-led platform from September 1 to adopt a globally recognized certificate program for the IT experts. The Information Technology Professionals Examination Council (ITPEC) conducts IT examinations throughout Asia to support strategies in the sphere of software development and human resources for the member states.

ADB lifts economic growth forecast for Bangladesh (The Daily Star) The Asian Development Bank has revised upwards its economic growth forecast for Bangladesh -- to 6.4 percent from 6.2 percent -- for the current fiscal year. The latest projection is still much lower than the government's 7.3 percent target. All major economic indicators of Bangladesh have been showing a sign of improvement for the past several months, according to ADB's update report launched on September 25. The report has also projected a current account

surplus and said inflation will remain within the target of the government. “We are very positive on Bangladesh's growth prospect this year,” Mohammad Zahid Hossain, principal economist of ADB for Bangladesh, said at a press conference at their office.



Bol, PC will be merged to create BIIDA (The Financial Express) Bangladesh Investment and Industrial Development Authority (BIIDA) will replace the Board of Investment (BoI) and Privatization Commission (PC) under a merger scheme now being worked out at the official level. A five-member committee headed by an additional secretary of the Cabinet Division is working on the merger plan on instruction given by the Prime Minister in April this year.

Events



The Bangladesh Denim Expo celebrates the country's role in shaping the global denim scene and explores Bangladesh's position in the industry. Participants include firms from Italy, Turkey, Japan, Pakistan and India along with the local businesses. The show will also promote the importance of compliance with health and safety standards as well as a strong focus on investment for education and training for young people. Any surplus funds generated by the show will be donated to a seed fund for a denim university to be established in Bangladesh. "My personal drive is to make a difference for my industry, but equally for my country. I want to be the agent of change who, together with my friends and colleagues in the denim world, sets a new scene for how international buyers and brands see Bangladesh in the future," says Mostafiz Uddin, founder of the Bangladesh Denim Expo and managing director of Denim Expert, a Bangladesh/Netherlands joint venture for the production for readymade garments.



Bangladesh Garment Manufacturers and Exporters Association (BGMEA) is jointly organizing a 3-day event "Bangladesh RMG 2021 – 50 Billion USD in 50 Years" with Alliance, American Apparel & Footwear Association (AAFA), German Development Cooperation (GIZ) and Bangladesh Brand Forum (BBF) during 7-9 December 2014 at the Bangabandhu International Conference Center (BICC) in Dhaka. The event is purposed to chalk out a sustainable road map for the ready-made garment industry to reach USD50 Billion exports by 2021 when Bangladesh would be celebrating her 50th Anniversary. This unique engagement will inspire the industry and its valued stakeholders to put forward their best effort in realizing the vision and take the sector forward. The 3-day event will bring together some of the best

global minds, experts, journalists, investors, global brands & policy makers to present the true spirit of Bangladesh embodied by millions of workers and entrepreneurs.

International Trade Expo for Building and Fire Safety in Bangladesh – From December 7th – 9th, 2014, the second Building and Fire Safety Expo, 2014 will host participants, exhibitors and speakers at the Bangabandhu Convention Center in Dhaka. Factories, brands, government officials, international guests, trade union leaders, product and service company exhibitors and NGOs are invited to come see the newest and most technologically advanced products and services in building and fire safety. Factories are now being invited to submit their applications for participation. Please check the following website for further information: <http://www.buildingandfiresafety.com/>

Tenders

Invitation for International Tender Khulna Water Supply & Sewerage Authority under Local Government Division issued a tender for Surface Water Treatment Plant and Impounding Reservoir. Tender was published on 22 July 2014, last selling on 14 October 2014 and closing on 15 October 15:00 hrs. For details, please contact: Md. Abdullah, P.Eng, Project Director, KWSP, KWASA, Khulna Water Supply & Sewerage Authority (KWASA), 1062/Ka, Khan-A-Sabur Road, Khulna-9100. Phone: 88041-2830557 Fax: (88041)-720857 Email: mdkwasa@yahoo.com

Invitation for International Tender Bangladesh Steel & Engineering Corporation (BSEC) under Ministry of Industries issued a tender for procurement of 4500 MT Hot Rolled Steel Strips. Tender was published on 10 September 2014, last selling on 15 October 2014 and closing on 16 October 2014 11:30 hrs. For details, please contact: AKM Anwar Morshed, Dy. General Manager, National Tubes Limited, 131-142, Tongi Industrial Area, Gazipur-1710. Phone: 9802737, 9802303 Fax: 8802-9802756 Email: ntl.bsec.bd@gmail.com

Invitation for International Tender Coast Guard under the Ministry of Home Affairs issued a tender for Procurement of 02 (Two) Inshore Patrol vessels (IPV). Tender was published on 4 September 2014, last selling on 01 October 2014 and closing on 6 November 2014 12:00 hrs. For details, please contact: Director General, Bangladesh Coast Guard Agargaon Administrative Area, Sher-E-Bangla Nagor, Dhaka-1207, Bangladesh Coast Guard Agargaon Administrative Area, Sher-E-Bangla Nagor, Dhaka-1207. Phone: 9140898 Fax: 9140092

Invitation for International Tender Ministry of Home Affairs issued a tender for purchasing public safety and security items for Bangladesh Police. Tender was published on 31 August 2014, last selling on 12 October 2014 and closing on 13 October 2014 12:00 hrs. For details, please contact: Md Harun Ar Rashid, Assistant Inspector General (Equipment), NCCOM Building, 5th Floor, Room 607, 6, Phoenix Road, Police Headquarters, Dhaka, Bangladesh. Phone: +8802 9585304; email: aige_t@police.gov.bd

Invitation for International Tender Bangladesh Power Development Board under the Power Board issued a tender for procurement of Design, Supply & Installation of 4.2 MW Solar PV-Diesel Hybrid Power Generation. Tender was published on 20 August 2014, last selling on 14 October 2014 and closing on 15 October 11:00 hrs. For details, please contact: Md. Zahurul Haque, Secretary, Bangladesh Power Development Board. WAPDA Building (1st Floor) Motijheel Commercial Area, Dhaka-1000, Bangladesh. Phone: 880-2-9554209 Fax: 880-2-9564765 Email: secretary@bpd.gov.bd

Invitation for International Tender Dhaka WASA under the Local Govt Division issued a tender for procurement of Bulk Water Meter under Dhaka Environmentally Sustainable Water Supply Project, Dhaka WASA, Bnagladesh. Tender was published on 16 September2014, last selling on 06 November 2014 and closing on 06 November 14:00 hrs. For details, please contact: Tender : Md. Mahmudul Islam, Superintending Engineer, Dhaka Environmentally Sustainable Water Supply Project (DESWSP) 98 Kazi Nazrul Islam Avenue, Kawran Bazar 8th Floor, WASA Bhaban Dhaka 1215. Phone: 8189095 Fax: 8189203 Email: pddeswsdp@gmail.com

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.