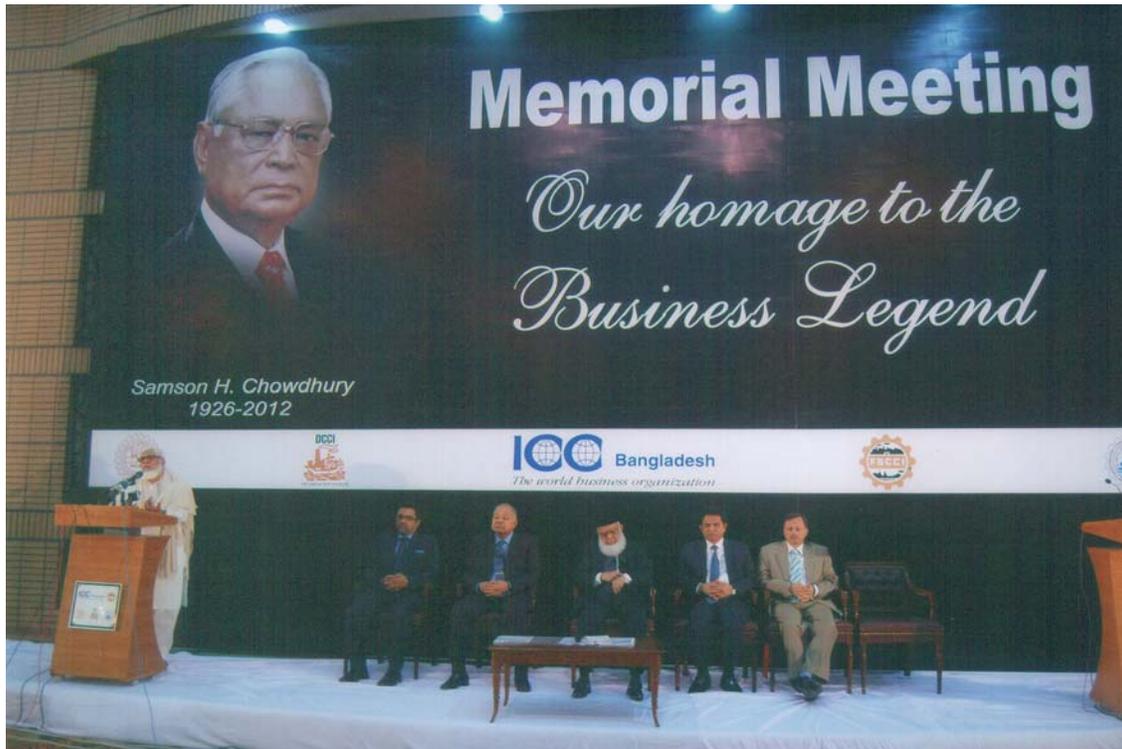


## MAJOR CHAMBER EVENTS 2012

### 1. MEMORIAL MEETING TO PAY HOMAGE TO LATE MR. SAMSON H. CHOWDHURY

A memorial meeting to pay homage to Late Mr. Samson H. Chowdhury, one of the former Presidents and one of the most illustrious business leaders in the country who had passed away on the 5th January 2012, was organized jointly by International Chamber of Commerce – Bangladesh (ICC-Bangladesh), The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI), Dhaka Chamber of Commerce and Industry (DCCI) and Chittagong Chamber of Commerce and Industry (CCCI), on the 14th January 2012.



Later on, the Chamber President Maj. Gen. Amjad Khan Chowdhury (Retd.) along with the other members of the Committee made a courtesy call to pay respect to Mrs. Anita Chowdhury, widow of late Mr. Samson H. Chowdhury at her residence on the 17th January 2012 and handed over a letter of condolence.

## **2. COURTESY CALL ON THE HON'BLE MINISTER FOR COMMERCE**

A delegation from the Chamber, led by the President, Maj. Gen. Amjad Khan Chowdhury (Retd.), called on the Hon'ble Minister for Commerce, Mr. G.M. Quader, M.P. at his office on the 9th January 2012, and the following major points were discussed:

- a) Draft Trade Organization Act 2011;
- b) Draft Companies Act;
- c) Draft Direct Sales Act – multilevel marketing;
- d) Draft Competition Act;
- e) Strengthening of TCB;
- f) Comprehensive trade policy; and
- g) Expedition of regional trade and market access to India.



The Minister took keen interest of the concerns raised by the Chamber, and thanked the delegation for addressing those issues.

## **3. VISIT BY THE HON'BLE MINISTER FOR FINANCE**

The Metropolitan Chamber of Commerce and Industry (MCCI), Dhaka took an initiative to hold a discussion on 'Present Economic Situation' on the 19<sup>th</sup> January 2012 at 11:00 am at MCCI's Conference Room where the Hon'ble Finance Minister, Mr. A.M.A.Muhith, M.P was the Chief Guest. The objectives of

the discussion were to exchange ideas and views with the members of MCCI on present economic situation of the country.

Maj. Gen. Amjad Khan Chowdhury (Retd.), President, MCCI chaired the session. Ms. Rokia Afzal Rahman, a former adviser to a caretaker government, Former MCCI president Mr. Anis Ud Dowla, former MCCI President Mr. Latifur Rahman, Mr. Anis A Khan, Managing Director of Mutual Trust Bank, former chairman of Bangladesh Insurance Association Mr. Rafiqul Islam, Chief Executive Officer of Green Delta Insurance Mr. Nasir A. Chowdhury, MCCI member Mr. Humayun Kabir, Mr. Rezaul Karim, Additional Managing Director of Prime Bank, and Managing Director of National Housing Finance and Investments Ltd Mr. Md. Abdur Rob took part in the open discussion.



The Chief Guest, Finance Minister Mr. A.M.A. Muhith referred to the global economic meltdown and said that this is a very difficult year not only for Bangladesh but also for many countries in the world. He touched upon various aspects of economic related issues including inflation, foreign aid, balance of payment, bank borrowing, foreign investment, stock market debacle, subsidy to farmers, power generation, coal policy, implementation of annual development program, and rate of interest in the banking sector.

#### **4. VISIT BY SENIOR OFFICIALS FROM THE TIMES OF INDIA**

A 4-member team led by Mr. Badal Rag from Times of India, the 3rd largest circulating newspaper in India, visited the Chamber on the January 24, 2012. The delegation discussed the importance of strengthening Bangladesh-India relationship and steps need to be taken for removing the bottlenecks that affects growing of the relationship. The team proposed setting up of a Forum partnering with media and business community from both the countries and focus on cultural exchange as well as enhance people to people contact.

The Chamber assured the team of rendering all possible assistance and joining the Forum when formal proposal would be received.

#### **5. STRATEGIC PLANNING AND RETREAT SESSION AT COX'S BAZAR TO RESTATE THE CHAMBER'S VISION AND MISSION STATEMENT**

A strategic planning was held at Cox's Bazar on the 11<sup>th</sup> February 2012. After a day long methodical discussion, the members restated the Chamber's Vision and Mission of the Chamber as under:

##### **Vision**

Be the leading voice serving responsible business.

##### **Mission**

Become the leading chamber for providing research and analysis related to business in Bangladesh;

- Attract quality membership, representatives of a cross-section of business;
- Effectively respond to the changing needs of our members;
- Enhance our capabilities through collaboration with local and international institutions;
- Engage and communicate regularly with our stakeholders; and
- Recognize best practices that benefit business and society.

It was further resolved that the above missions would be targeted to be achieved within a span of 5(five) years.

A formal launching ceremony of the Chamber's Vision and Mission was held later on the 17th April 2012 at Lake Shore Hotel in Gulshan. The Chamber invited all the general members and a few distinguished personalities from the business community and academicians including journalists.



## 6. DISCUSSION SESSION ON 'DRAFT COAL POLICY, COAL EXTRACTION AND MOST EFFECTIVE UTILIZATION OF COAL RESOURCES FOR INDUSTRIAL DEVELOPMENT'

The Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) organized a discussion on '**Draft Coal Policy, Coal Extraction and Most Effective Utilization of Coal Resources for Industrial Development**' with the experts on coal, economists, researchers, academicians, and business leaders on Thursday, the 23<sup>rd</sup> February, 2012 at Chamber Conference Hall. The objective of the discussion session was to exchange the ideas and views on the draft coal policy between the business community, academia, media, researchers, and the members of this Jatio Committee.

President of MCCI, Maj. Gen. Amjad Khan Chowdhury (Retd.), presided over the session, and the members of the 'Tel-Gas-Khanij Sampad o Biddut-Bandar Rakhkha Jatio Committee', eminent experts, professionals, researchers, and journalists attended the discussion.

The discussion session highlighted the facts that Bangladesh has five major coal fields in the northern region, comprising Barapukuria, Phulbari, Khalishpur, Dighirpar and Jamalganj with around 2.55 billion tons of coal reserve but has been unable to extract them until a national coal policy is put in place. A draft coal policy has been under review by the government for a pretty long time.

Meanwhile, there has been a great debate whether Bangladesh should pursue open-pit coal mining or underground mining to extract the coal.



The speakers at the session discussed and agreed that the ownership of coal should remain to the people of Bangladesh and coal should not be exported anywhere.

## **7. VISIT OF CHAMBER DELEGATION TO VIETNAM**

A delegation from the Chamber led by one of the Chamber's Former Presidents, Mr. M. Anis Ud Dowla visited Vietnam on April 6-9, 2012. The delegation called on the Vice Minister for Trade and Industry of Vietnam, Mr. Lee Duong Quang, VCCI President, and also visited Vietnam Expo 2012. Besides, the delegation also visited Bangladesh Embassy in Vietnam and exchanged views with the Ambassador H.E. Mr. Supradip Chakma.

The delegation was well received by Vietnamese team. The Vice Minister had shown keen interest in enhancing trade and commerce with Bangladesh. They also proposed to constitute a "Bangladesh – Vietnam Business Council" which MCCI could facilitate.

## **8. THE CHAMBER DELEGATION'S VISIT TO MYANMAR**

A delegation from the Chamber, led by the Chamber President Maj. Gen. Amjad Khan Chowdhury (Retd.) along with a few other members of the Committee and general members and the Secretary-General of the MCCI visited Myanmar on 7<sup>th</sup>-10<sup>th</sup> May 2012.

The delegation called on with 2 trade bodies and 2 Ministers, i.e. Minister for National Development and Planning, and Minister for Commerce at their new capital Nay Pyi Taw which was 400 kilometres away from old capital Yangon.

The Chamber Committee noted the emerging prospects of business with Myanmar and decided to pursue the existing bilateral issues exploring greater opportunities for enhanced trade and investment between the two countries.

## **9. UNVEILING OF THE HONOUR BOARD OF MCCI PRESIDENTS**

A simple ceremony was held for unveiling the Honour Board of the Presidents of MCCI at 1:00 p.m. on the 23<sup>rd</sup> May 2012. The names of the past Presidents of the Chamber since 1949 till the date were listed chronologically in the Honour Board was unveiled, and would be on permanent display in the Chamber Conference Hall at the 5<sup>th</sup> floor office of the Chamber. Many illustrious business persons who had significant contribution to the economic and social causes of the country were found in the list. Such a list would reflect the achievements and glory of the Chamber and would inspire the future.

## **10. LUNCHEON IN HONOUR OF MR. LATIFUR RAHMAN, FORMER PRESIDENT**

A luncheon was hosted on the 23<sup>rd</sup> May 2012 in honour of Former President, Mr. Latifur Rahman, for receiving the Oslo Business Award for Peace 2012. A total of 9 out of available 13 former Presidents attended the ceremony and lunch.

The President in his welcome note mentioned that it was a rare opportunity to get so many former Presidents together in the Chamber. Besides, the Chamber was happy to give due recognition of the contributions made by the Presidents at different times when they were holding the office.

## **11. BUDGET DISCUSSIONS OF THE MCCI**

The Chamber held discussions on the National Budget 2012-2013 before and after the budget proposal was announced. MCCI jointly organized a pre-budget discussion with Maasranga Television on the 15<sup>th</sup> May 2012 at Radisson Blu Water Garden Hotel, Dhaka, which was telecast live. The Chamber Vice-

President, Barrister Ms. Nihad Kabir moderated the session which was participated by eminent economists, journalists, business leaders, politicians, bureaucrats, and ordinary people from all walks of life. Intellectual discussions were held on the major issues of macro economy, revenue collection, taxation, annual development, etc.



MCCI organized a post-budget conference on the Budget 2012-2013 with the media at the Chamber Conference Hall on the 13<sup>th</sup> June 2012, jointly with Policy Research Institute (PRI).

The following major recommendations were made during the budget discussions:

- a) **Limit Bank Borrowing:** MCCI strongly urged upon the Government to limit its borrowing from the Banking Systems within the projected amount of Taka 23,000 crore to avoid the crowding out effect for the private sector.
- b) **Modernization of Revenue Administration:** Persistent modernization of revenue administration to harness more revenues from the local sources. A greater sense of accountability of both tax collectors and tax payers needs to be developed.
- c) **Removal of New Tax on Life Insurance Policy:** This is the first time the government imposes a 10 % tax on incomes in excess of premiums paid by a policyholder at the time of maturity of the policy. This move will stunt the growth of insurance penetration, and de-motivate

people from buying life insurance policies, which will eventually discourage long-term savings and adversely affect the insurance industry. MCCI suggested that this proposal should be reviewed considering the low insurance penetration and long-term investment.

**d) Reduction of AIT on Exports at Source:** The Chamber appealed to the government not to raise the rate of AIT at 1.2% on all exports, and keep it at the present levels of 0.6 and 0.7 % in order to provide relief to the already declining export earnings in the backdrop of downtrend in global economy and falling prices.

**e) Capacity Building for Effective and Transparent ADP Implementation:** The government should take timely and transparent implementation of priority projects in utmost seriousness, particularly in infrastructure and power. We recommend that the technical capacities of the concerned Ministries and Departments need to be significantly strengthened through proper staffing and training to ensure timely implementation of the ADP projects. A special cell in the IMED may be established to supervise ADP implementation.



**f) Concession for Undisclosed Income:** MCCI expressed disappointment that the budget allows whitening of undisclosed income. However, the Chamber appreciated the penal provision in addition to the applicable tax for hitherto undisclosed income. The Chamber felt that the

concession, if allowed, must be limited to income from legal sources and their investment restricted to productive sectors only.

**g) Increase in the Agriculture Subsidy:** The subsidy in agriculture had been reduced to Taka 6,000 crore, from the revised amount of Taka 6,500 crore in the previous year. MCCI recommended more subsidy in agriculture to make the country self-sufficient in food. However, the Chamber urged the government to be cautious about the volume of subsidies and its sustainability, and to formulate a sound subsidy policy for effective implementation.

**h) Restrain the Rising Trend in Para-Tariffs:** After gradual decline for 16 years, the average Nominal Protection Rate (NPR) was trending upward since FY 09, particularly due to high Para-Tariffs like Supplementary Duty and Regulatory Duty. Average nominal protection had been increased substantially in FY13 to 28.3%, essentially due to increase in Supplementary and Regulatory Duties on imports. Under the new Budget, protection through para-tariffs exceeded that through custom duty. Trend continued for FY13 with high tariff escalation at the last phase of processing. This trend indicated policy of rising protectionism, contrary to the tenets of trade-openness. This contradiction with trade related other policies, which have quite trade-supportive would restrict our trade. The Chamber recommended that the increasing trend in para-tariffs should be stopped.

## **11. DISCUSSION ON BANGLADESH TRADE POLICY FRAMEWORK FOR THE NEXT DECADE**

MCCI and Centre for Policy Dialogue (CPD) jointly organized a discussion session on “Bangladesh Trade Policy Framework for the Next Decade”, held on the 3rd July 2012 at Lakeshore Hotel, Dhaka.

CPD in collaboration with Katalyst, a multi-donor supported development project, undertook a study to develop a framework for a comprehensive Trade Policy for Bangladesh. The framework and associated findings of the study was discussed with the stakeholders particularly from the business community. Currently the trade policy consists of Import Policy Order and Export Policy. These two policies would be combined together to make one comprehensive trade policy.

Important feedback was received from the business community and trade experts during the session, and the same was forwarded to the Ministry of Commerce.

## **12. COLLABORATIVE PROJECT BETWEEN MCCI AND JETRO ON “CURRENT STATE OF INDUSTRIAL SUB-SECTORS IN BANGLADESH”**

The Institute of Developing Economies, a specialized research wing of Japan External Trade Organization (IDE-JETRO), Japan had requested the Chamber to conduct a joint research study titled, “Current state of industrial sub-sectors in Bangladesh”. MCCI Secretariat and a team of consultants would conduct an enterprise level survey on nine industrial sectors during a 2-year period, starting from July, 2012. During the first phase of the project, ending in January, 2013, a total of five industrial sub-sectors would be covered. The study would identify the trend, potentials, employment and investment opportunities etc. for selected sub-sectors covered under the study.

## **13. STUDY ON ANALYSIS OF PREVAILING NON-TARIFF MEASURES IN SAARC REGION**

MCCI won a contract in July, 2012 from German International Development Cooperation (GIZ) through competitive bidding to conduct a study on “Analysis of the Prevailing Non-Tariff Measures in SAARC Region”. The study was floated for competitive bidding by various trade research organizations/think tanks from the SAARC Region. MCCI also participated in the bidding process. MCCI’s proposal was accepted. A GIZ team visited MCCI on the 18th July 2012 when discussion was held about the details of the study. The duration of the study would be 6(six) months, and started in the last quarter of 2012.

#### **14. JOINT SEMINAR ON “TRADE FACILITATION IN BANGLADESH: CONSTRAINTS AND WAY FORWARD”**

A seminar was organized by the Chamber jointly with Bangladesh Tariff Commission on the 7th October 2012 on “Trade Facilitation in Bangladesh: Constraints and Way Forward”. Mr. Ghulam Muhammed Quader, M.P., the Hon’ble Minister for Commerce was the Chief Guest, and Mr. Md. Ghulam Hussain, the then Secretary, Ministry of Commerce, was present as the Special Guest. The discussion was attended by representatives from member-organizations, think-tanks and media.



#### **15. D-8 MINISTERIAL ON INDUSTRIAL COOPERATION**

The Industries Ministers and their appropriate representatives of D-8 member countries, namely Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey attended the 3 day-long events from October 8 to 10, 2012. The Chamber hosted a dinner in honour of the D-8 delegation members on the 10th October 2012 at Hotel Ruposhi Bangla. Over 400 guests including 6 Hon’ble Ministers from Bangladesh and another 5 Hon’ble Ministers from D-8 member countries attended the dinner.



## **16. SEMINAR ON “JOB CREATION: AN EFFECTIVE MEANS TO POVERTY REDUCTION”**

A seminar was held on the 16th October 2012. Mr. Roland Miechlitsch, the Chief Evaluation Officer and Manager, Development Impact Department of the International Finance Corporation under the World Bank Group, Washington D.C. was the keynote speaker. Job creation being an important challenging task for both public and private sector entrepreneurs, the Chamber had taken the initiative to focus on the issue and draw attention of the policy makers. H.E. Dr. Urs Herren, the Ambassador of the Embassy of the Switzerland in Dhaka, Mr. Arthur Shears, Chief Technical Adviser, TVET Reform Project, ILO Dhaka Office, and several other distinguished experts were invited to speak on the issue. Dr. Osman Faruk, former Education Minister also attended the programme.



## **17. DISCUSSION ON “TRADE POTENTIALS IN RUSSIAN FEDERATION, BELARUS, UKRAINE, AND BEYOND”**

The Chamber had organized a discussion session on “Trade Potentials in Russian Federation, Belarus, Ukraine, and Beyond” at the Dhaka Westin Hotel on the 13th November 2012. This was a follow up event to the visit of the Hon'ble Belarus Prime Minister to Bangladesh on November 11-13, 2012. Amassador of Bangladesh to the Russian Federation H.E. Dr. S.M. Saiful Huq moderated the discussion. Important members from the business community attended the discussion and explored the trade potentials with Belarus and Russian Federation. The Russian Federation, the 9<sup>th</sup> largest economy in the world, had shown keen interest to import readymade garments, frozen food, raw jute and jute goods, ceramics, medicine, and leather goods from Bangladesh. The discussion was followed by dinner.



## **18. CHAMBER’S ANNUAL DINNER AND CULTURAL SHOW**

The Chamber had organized the annual dinner 2012 along with a cultural show in honor of the general members on the 30th November, 2012. The Committee noted that it was more of a social event for the Chamber since this was the first occasion where the members and staff along with their spouses had attended. Hon'ble Finance Minister attended the program. A number of former

ministers and other dignitaries graced the occasion. Prominent singer Madam Sabina Yesmin had rendered excellent popular songs which moved all audience.

