

# Evolution of the Chamber





# 2

# **EVOLUTION OF THE CHAMBER**

Viewed in the light of history, one-hundred and ten years may not appear to be a very long span of time. Indeed, history abounds with instances of institutions which survived and flourished for longer periods. Yet, an organization which has weathered vicissitudes for 110 years has learnt many lessons that can be of significance not only to trade and industry but to a wider public. Metropolitan Chamber of Commerce and Industry (MCCI), Dhaka is fortunate enough to be such an organization.<sup>2</sup>

Mr CK Hyder<sup>3</sup> expressed his feelings thus on the eve of the 110th anniversary of the Metropolitan Chamber of Commerce and Industry, Dhaka in an interview, held in April, 2014. He went on in the interview to say, "I am overwhelmed by the thought that MCCI has already gone through an eventful history of 110 years of service to trade, industry and the nation, and I had the honour and privilege of having been associated with this premier chamber of the Country for 44 years. I have witnessed many remarkable and fascinating stages of the evolution of the Chamber".<sup>4</sup>

Mr Hyder's words indicate that the growth of the Chamber has been continuous and that it has come a long way in the course of its history. This chapter will focus briefly on the evolution of the Chmber, explore the various phases of its evolution and discuss the changes in its name the shifting of the Chamber office from Narayanganj to Dhaka, as well as its evolving status over time. In particular, we will focus on the many stages of the evolution of the Chamber.

<sup>&</sup>lt;sup>2</sup> 'Interview' of Mr CK Hyder, Former Secretary-General of MCCI, MCCI Office, Dhaka, 24 April 2014.

<sup>&</sup>lt;sup>3</sup> Popularly known as Mr CK Hyder. He joined the Chamber in 1965 and served till 1990 as its Secretary. He got promoted and became the First Secretary-General of the Chamber in 1991. After completing 44 years of services, Mr Hyder took retirement on 31 December, 2008 but continued his association with the Chamber as Adviser to the Committee till 2011.

<sup>&</sup>lt;sup>4</sup> 'Interview' of Mr CK Hyder.

Phases of the Evolution of the Chamber	
Narayanganj Chamber of Commerce (NCC)	1904 - 1950
Dacca-Narayanganj Chamber of Commerce (DNCC)	1950 - 1952
Dacca-Narayanganj Chamber of Commerce & Industry (DNCCI)	1952 - 1959
Narayanganj Chamber of Commerce and Industry (NCCI)	1959 - 1979
Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI)	1979 - 1999
Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI)	2000-Present

*Narayanganj Chamber of Commerce (NCC), 1904-50:* The Chamber started its journey in 1904 as the Narayanganj Chamber of Commerce (NCC), and continued to be known as such till 1950; this, then, may be regarded as the first phase of MCCI's evolution. The Committee of the Chamber was composed then of 16 members, including the President, Vice-President and Honorary Secretary.<sup>5</sup> In 1949, the first major re-organization of NCC was initiated by some business firms that had been operating in and around Narayanganj and Dacca. They intended to form a trade association under the Companies Act. As per the Memorandum and Articles of Association, 1949,

We, the several persons whose names and addresses are subscribed, are desirous of being formed into an association pursuance of the Memorandum of Association: DP Fafallios (Merchant- Rally Brothers Ltd), LK Nixon (Managing Director- R Sims & Co Ltd), G Allan (Director-Sonakhunda Baling Co Ltd), Arff Ismail GH (Agent- Bengal Assam Steamship Co Ltd), SW Alexander (Manager- Ludlow Pakistan Co Ltd), KP Matthews (Join Agent- IGN & RSN Co Ltd) and JA Coldwell (Manager- M Sarkies & Son).<sup>6</sup>

This memorandum was signed on the 9th of May, 1949 and the witness was GP Henwood.<sup>7</sup>

Because of scanty source materials, a complete picture of the pre-partition structure of the committee is not possible. Records of the Chamber at its initial stage are very few.

7 Ibid.

<sup>&</sup>lt;sup>5</sup> CWE Cotton, *Handbook of Commercial Information for India*, Third Edition, New Delhi: Government of India, 1937, p. 49.

<sup>&</sup>lt;sup>6</sup> Memorandum and Articles of Association, MCCI, Dhaka: 2013, p. 5.

Annual reports, minutes and other documents, the main sources of chamber activities, are not available. The lack of sources in the colonial era makes the task of reconstructing the history of the first phase of the Chamber extremely difficult. But it can be conjectured that at the initial phase the Chamber had to deal with many tumultuous events. The Chamber, for example, went through the turmoil of the partition of Bengal (1905), the Swadeshi Movement (1903-08), the First World War (1914-19), the great economic depression of 1930s, the Second World War (1939-45), the Famine in Bengal (1943) and the political turmoil surrounding partition in the 1940s. All these events had a significant impact on the economy of Bengal and, consequently, on the history of the Chamber.

It can be assumed that the Chamber could not contribute much to trade and industry till the partition of India (1947). In its initial phase (1904-50) it did not have many members. The Chamber had possibly around 40 member-firms<sup>8</sup> and followed the Bengal Chamber of Commerce (BCC) in its activities and secretarial practices. The principal trade of the region was concentrated on jute and was controlled by expatriate traders and entrepreneurs. The major concern of the Chamber, in this phase, was to solve the problems of member-firms. The problems faced by the native businessmen were not at all the concern of the Chamber in the first phase of its existence.

Some of the letters documenting exchanges between the Government of Bengal and the Narayanganj Chamber of Commerce (NCC) have been found in the Bangladesh National Archives, the National Archives of India (Delhi) and West Bengal Secretariat Record Room and these have been the main sources for reconstructing the first phase of the Chamber's history. On the basis of the archival documents, it seems that in addition to its other activities the Chamber used to comment regularly on various policies adopted by the Commerce Department of the Bengal Government during that period. At this stage, the Honorary Secretary of the NCC used to send comments and decisions of the Chamber Committee to the Secretaries of the Bengal and India Government on various policies initiated by these governments. The Chamber corresponded mainly with the Commerce, Labour and Industries Departments of the government. Analyzing the policies taken by the Government, chambers of commerce and industries often gave their feedback. This was a regular practice and in most cases in this initial phase, NCC supported government initiatives. On the one hand, the Chamber preferred or referred to the opinion or comments sent by the Bengal Chamber of Commerce (BCC) to the government.<sup>9</sup> On the other, in some cases, they opposed the government's position.<sup>10</sup>

<sup>&</sup>lt;sup>8</sup> *Minutes* of the NCC, 23 May, 1950, pp. 28-29.

<sup>&</sup>lt;sup>9</sup> The Chamber forwarded its opinion to the Government of Bengal on "A Bill to Amend the Indian Company Act, 1913" by supporting the opinion given by the Bengal Chamber of Commerce (BNN) in 1914. See, *A Proceedings, Govt. of Bengal, Commerce Dept.*, Bangladesh National Archives, February 1914, File No. 4-A/7, No. 40.

<sup>&</sup>lt;sup>10</sup> The Honorary Secretary of the Chamber, Mr AL Godden, opposed a decision taken by the Govt. on the issue titled "Proposal to Suppress the Adulteration of Indian Produce before Export", A Proceedings, Govt. of Bengal, Commerce Dept., Bangladesh National Archives, March 1918, File No. 10-A/1, No. 14.

The Bengal Government had regular contacts with the Narayanganj Chamber of Commerce. 'Scheme for the Registration of Property in British India Belonging to Enemies', the 'United Kingdom Registration of Business Names Act 1916', 'Registration of Claims for War Losses against Enemy Governments 1919', 'The Draft Indian Partnership Bill 1930', 'Bengal Factories Rules 1935', and 'The Draft Revised Explosives Rules' were some of the Acts and policy matters that the Chamber had to deal with after being notified to them.<sup>10a</sup>

#### Correspondence between the Government of Bengal (GOB) and the Narayanganj Chamber of Commerce (NCC), 1917

[No. 14.] [FILE 10-A.--1(5).] Dated Narayanganj, the 17th October 1917. From-A. L. GODDEN, Esq., Honorary Secretary, Narayangani Chamber of Commerce, To-The Under-Secretary to the Government of Bengal, Commerce Department. With reference to your letter No. 5423 Com., dated Calcutta, the 13th October 1917, I have the honour to send you herewith copy of my letter, dated the 7th September 1917. Dated Narayanganj, the 7th September 1917. From-A. L. GODDEN, ESQ., Honorary Secretary, Narayanganj Chamber of Commerce, To-The Deputy Secretary to the Government of India, Department of Commerce and Industry. Referring to your letter No. 9196, Department of Commerce and Industry, to the Chief Secretary to the Government of Bengal, dated Simla, the 8th August 1917, a copy of which was sent to me by the Under-Secretary to the Government of Bengal, Calcutta, I have the honour to state that, as regards the adulteration of jute, this only occurs previous to its sale by the raiyat to the buyer when the jute is often watered. Government has already stated it is impossible to legislate against this. There is no adulteration of exported jute.

Source: 'A' Proceedings, GOB, Commerce Department, Bangladesh National Archives October 17, 1917, File 10-A-1(5), No. 14.

In the final years of the first phase, the Chamber re-organized and amended its Memorandum and Articles of Association; these subsequently became the guiding principles for the Chamber. Seven businessmen subscribed to the Memorandum of Association that was signed on 9 May, 1949.<sup>11</sup>

<sup>&</sup>lt;sup>10a</sup> Some of these correspondences are reproduced from the original sources which have been added in the Appendices Section of the book. See Appendix 1 for an original letter and 2-5 for the reproduced letters.

<sup>&</sup>lt;sup>11</sup> *Memorandum and Articles of Association*, MCCI, Dhaka, 2013, p. 5.

From its inception, the Chamber was known as the Narayanganj Chamber of Commerce (NCC) until 1950, when the Chamber entered its second phase. It was renamed as the Dacca-Narayanganj Chamber of Commerce (DNCC). Mr CK Hyder says about the first phase that

the evolution of the Metropolitan Chamber has been slow but gradual and steady, following the historical process of the socio-economic development of a region, and not through any abrupt revolution. This process can be traced out in an easier way if it is seen in the perspective of the changing socio-economic and political trends of the region and the country.<sup>12</sup>

*Dacca-Narayanganj Chamber of Commerce (DNCC), 1950-52:* In the second phase of its evolution and after the partition of India, the Chamber changed its name again. In 1950, the Chamber Committee responded positively to a suggestion that the name of the Chamber should be changed because of increasing trading activities. The Committee discussed the issue of the name change at length and thought that it would encourage Dacca firms to join the Chamber, assuming that the Government would agree to its decision to represent Dacca as well as Narayanganj business.<sup>13</sup> There was then no recognized trade association for Dhaka firms, although by this time 'Dacca' had become the capital of East Pakistan and had enhanced its commercial and administrative status. In an Extraordinary General Meeting held on 12 May 1950, a resolution was unanimously passed to modify the name of the Chamber and include the word 'Dacca'.<sup>14</sup> With the change in name and the inclusion of 'Dacca', businessmen from East Bengal started to get involved in the Chamber Committee and take part in its activities.

In this phase, the Chamber had extensive dealings with the Jute Board and its work led to an increase in the export of jute. The volume of work of the Chamber in this phase, increased, and eventually the post of an Assistant Secretary was created. The Chamber, as DNCC, survived for only two years. Because of the emergence of new industrial ventures in the eastern part of Bengal, the Chamber was once again transformed in 1952.

The activities of the Chamber did not always go smoothly in the second phase of its evolution. In 1951, for instance, the Chamber received an invitation from ILO to join a conference in Geneva but the Pakistan Government did not allow DNCC to send any delegates there.<sup>15</sup> It was the beginning to be evident that the Pakistan government was going to pose obstacles in the path of the business community of East Bengal.

<sup>&</sup>lt;sup>12</sup> 'Interview' of Mr CK Hyder, MCCI, Dhaka, 24 April 2014.

<sup>&</sup>lt;sup>13</sup> *Minutes* of the DNCC, 31 January, 1950, P. 14.

<sup>&</sup>lt;sup>14</sup> *Minutes* of the DNCC, 12 May, 1950, P. 27.

<sup>&</sup>lt;sup>15</sup> *Minutes* of the DNCC, 10 December, 1951, p. 94 and 27 December, 1951, p. 92.

*Dacca-Narayanganj Chamber of Commerce and Industry (DNCCI), 1952-59:* The third phase of the evolution of the Chamber began with another name change. In order to deal with the increasing tempo of industrialization in the eastern part of the Indian Subcontinent, the Committee realized that the Chamber should be authorized by its Constitution to deal with industrial as well as commercial matters. A proposal to change the name of the Chamber to 'Dacca-Narayanganj Chamber of Commerce and Industry' (DNCCI) was approved and the Committee notified its members accordingly. It was considered advisable to amend the constitution of the Chamber to provide for the addition of the word 'Industry' in the terms of reference of the Chamber.<sup>16</sup> A special resolution to that effect was therefore adopted at an Extraordinary General Meeting of the Chamber held on 15 July 1952.<sup>17</sup> A few other articles and clauses were also amended, after being proposed by AD Boldy and seconded by NG Smith at the EGM. The meeting was chaired by the Chamber President Mr RWN Ferguson.<sup>18</sup>

The High Court ruled that the Chamber's Memorandum of Association could be altered under Section 12 (2) of the Companies Act 1913. The court's approval was obtained by an order dated 12 December 1952. The consent of the Government of Pakistan was received in July 1953. The approval of the Government of East Bengal to this change in the Chamber's name was received towards the end of July 1954.<sup>19</sup>

The activities of the Chamber increased rapidly in this phase because of the increased pace of industrialization in East Bengal. A large number of mills and factories were established in the area around Dhaka and Narayanganj at this time. For the first time, local businessmen participated actively in chamber committees and sub-committees in this phase of DNCCI.

Chamber membership was now opened to both government and non-government bodies. The number of members of the Chamber also increased. 58 business-firms received membership in 1954, the highest number in the DNCCI phase of MCCI's history.<sup>20</sup> The Chamber started to deal with matters relating to Law and Legislation, Import and Export, Communications and Customs, Taxation, Arbitration, Licensing, Development, Finance etc. There were now regular exchanges with politicians and civil servants. This close working relationship produced beneficial results for the country. Merchants and industrialists were inducted by government and were entrusted with nation-building tasks. The Chamber

<sup>&</sup>lt;sup>16</sup> *Minutes* of the DNCC, 15 July 1952, p. 140.

<sup>&</sup>lt;sup>17</sup> Annual Report of the DNCCI, 1954, p. 5.

<sup>&</sup>lt;sup>18</sup> *Minutes* of the DNCC, 15 July 1952, p. 140.

<sup>&</sup>lt;sup>19</sup> Annual Report of the DNCCI, 1954, pp. 5-6.

<sup>&</sup>lt;sup>20</sup> Annual Report of the DNCCI, 1954, pp. v-vi.

President, MM Ispahani, opined that 'it is to the credit of the business community that such tasks, whether in the field of Commerce or Banking or Industry, were performed with great devotion and zeal'.<sup>21</sup> Mr Ispahani stressed that 'the mercantile community was held in high esteem by the people and Government. People rejoiced when an industry, whether a Jute Mill or a Cotton Mill, was established.'<sup>22</sup>

1958, the last year of the third phase of the Chamber, was a year of considerable progress. Local industries, particularly jute mills, were thriving and jute, the golden fibre, was earning an increasing proportion of the Country's foreign exchange. The Chamber, at that time, worked very closely with the Pakistan Jute Association. Indeed, both shared the same office in Narayanganj. The Government relied a great deal on the Chamber to resolve trade and commercial problems, and received wise and unbiased advice from it. The Chamber, by inclination and because of circumstances, had its roots in fundamental regional pursuits and occupations, and members took a personal and experienced interest in all aspects of agriculture, trade, commerce and industry.<sup>23</sup>

Nevertheless, every now and then, the Pakistan government continued to impede the work of the mercantile community of East Bengal. For example, when, in 1955, a high-level business delegation from India came to visit East Bengal the Chamber did not get permission to meet the delegation because of the lack of support of the Pakistan government.<sup>24</sup>

*Narayanganj Chamber of Commerce and Industry (NCCI), 1959-79:* It was in the fourth phase of the evolution of the Chamber that it became the leading voice of responsible business in Bangladesh. This era is thus one of the most significant phases in the evolution of the Chamber. In this phase, the Chamber was renamed again when the word 'Dacca' was removed. The Ministry of Commerce reallocated the jurisdiction of chambers. When the Dacca Chamber of Commerce received government recognition, the issue of changing the name of the Dacca-Narayanganj Chamber of Commerce and Industry automatically received special attention. When the Narayanganj Chamber applied to the government for recognition the government responded by removing the word Narayanganj from the 'Narayanganj Chamber of Commerce and Industry' (NCCI).<sup>25</sup> The Chamber subsequently received Government recognition and license from the Ministry of Commerce on April 1, 1959.<sup>26</sup>

<sup>&</sup>lt;sup>21</sup> 'Message' by MM Ispahani, the Chamber President of 1955-56, *Annual Report*: 1978-79, Diamond Jubilee Year (1904-79), p. 95.

<sup>&</sup>lt;sup>22</sup> *Ibid*.

<sup>&</sup>lt;sup>23</sup> 'Message' by WR Longwill, the Chamber President of 1958, *Annual Report*: 1978-79, Diamond Jubilee Year (1904-79), p. 96.

<sup>&</sup>lt;sup>24</sup> *Minutes* of the DNCCI, 12 July, 1955, pp. 83-84.

<sup>&</sup>lt;sup>25</sup> *Daily Azad,* 10 March 1959, p. 2.

<sup>&</sup>lt;sup>26</sup> License No. 3, Ministry of Commerce, Government of Pakistan, 16 March 1959.

The Chamber then, took steps to amend the Articles of Association according to the requirements of the Government notification. The Articles were amended in an Extraordinary General Meeting of the Chamber held on 11 August 1959.<sup>27</sup> The Chamber President briefly explained the objective of the meeting. He said, that the Memorandum and Articles of the Association were amended in December in compliance with the government notification of 18 November 1958, regarding re-organization of the Chambers of Commerce and Trade Associations. 'Certain Objections' were raised by the Government, he noted, and the Chamber was asked by it to further amend the Articles in the light of the objections. The President noted that the Articles of Association were subsequently changed as directed by the Government. 41 members attended the meeting, where the Special Resolution was passed unanimously.<sup>28</sup> The Chamber received a Certification of Incorporation under the Companies Act of 1913, on 8 October 1959, from the Registrar of Joint Stock Companies of East Pakistan.<sup>29</sup>

The NCCI was transformed into an organization of exclusively local businessmen in this phase. It now started to take an active part in developing the trade and commerce of the then East Paistan under the leadership of mostly *Bangali* entrepreneurs. The Chamber now earned high status for its members with its devotion, hard work and the integrity of Committee members and member-firms.

The early years of the fourth phase were remarkable because of the many challenges faced by the Chamber. In spite of dropping 'Dacca' from the name, the existing members of the Dhaka area remained enrolled with NCCI. The Chamber was afterwards recognized under the Trade Organisation Ordinance, 1961. The Government further re-allocated its jurisdiction, granting it the areas of Dacca-Narayanganj, Demra, Tongi and Tejgaon. But in April 1962, The President of the NCCI contacted the President of the Dacca Chamber of Commerce and Industry (DCCI) and came to an agreement with regard to the respective jurisdictions of the two chambers. The Committee was of the view that Tangail and Tejgaon should be under the jurisdiction of the Dacca Chamber of Commerce and Bhairab, Tongi, Faridpur and Goalundo should be under the jurisdiction of the Narayanganj Chamber.<sup>30</sup> The total members of the Chamber, in this phase, was 139, whereas in the previous phase it was only 58.

<sup>&</sup>lt;sup>27</sup> Annual Report of the NCCI, 1960, p. 27.

<sup>&</sup>lt;sup>28</sup> *Annual Report* of the NCCI, 1960, pp. 27-31.

<sup>&</sup>lt;sup>29</sup> 'Certification of Incorporation', No.1305-E.P./34 of 1959-60.

<sup>&</sup>lt;sup>30</sup> *Minutes* of the NCCI, 12 April 1962, p. 526.

In an interview CK Hyder observed that,

• the Chamber got new impetus after 1971 and it didn't look back from that time onwards. The Chambers of Commerce and Industry now gained consultative status and participated at the policy-making level with the Government, offering it their research-based suggestions whenever appropriate.' Mr Hyder went on to say 'it was quite an achievement for a businessman or an organization to be seated close to a Minister or a Secretary on policy formulation or implementation in those days.<sup>31</sup>

In independent Bangladesh, the Chamber was given the opportunity to regularly contribute its views and suggestions in the policy-making process of the trade, commerce and industry of the Country. At the same time, it started playing a useful role to solve problems of its member-firms and for their betterment. The experience of working with the Bangladesh Government in this initial period and until 1974 was, however, not smooth. The Chamber did not invite either the Minister of Commerce or of Industries to address Chamber members from 1972 to 1974. The then President of the Chamber did not agree with the economic views of the Government and claimed that he was fully supported by the Chamber members in taking this stand. DCCI took full advantage of this unhappy relationship between the Government and NCCI. Bangladesh was experiencing an economic crisis, resulting from faulty distribution, erratic export performance, stagnation in investment, labour indiscipline and an unsatisfactory law and order situation situations almost inevitable in a just-born country. In spite of everything, NCCI continued its efforts to reinforce the structural basis of the Bangladesh economy. Its representatives attended meetings of the representative bodies of the Government, expressed their opinions or views, and submitted suggestions for policy making. The Government would also listen to the voices of the business community of the country and try to accommodate their suggestions before taking decisions on economic issues.<sup>32</sup>

In the late 1970s, the Chamber's connection with the wider world was accelerated significantly. In 1976, two Chamber members visited Malaysia, Singapore, Hong Kong and Japan along with a government delegation to invite foreign investors to Bangladesh. This practice continued in subsequent decades.

For their part, foreign delegates also started to visit Bangladesh and meet the Chamber Committee. In 1977, Mr Claude Vidalain, Charge de Mission, French External Trade Council, met members of the Chamber Committee and discussed possibilities of joint collaboration in trade and commerce between Bangladesh and France.<sup>33</sup>

<sup>&</sup>lt;sup>31</sup> 'Interview' of CK Hyder, MCCI, Dhaka, 24 April 2014.

<sup>&</sup>lt;sup>32</sup> Annual Report of the NCCI, 1973, pp. 2-3.

<sup>&</sup>lt;sup>33</sup> *Minutes* of the NCCI, 17 May 1977, p. 1404.

The Chamber arranged a seminar on the "Two Year Plan" that was held at the Chamber Building on 20 June 1978. The Planning Commission, Government of Bangladesh, requested the Chamber to arrange the seminar. Three papers on the 'Two Year Plan Private Sector', 'Some Aspects of Financing and Domestic Resources Publication' and 'Creation of Job Opportunities and too much Dependence on on-going Projects' were presented by the Chamber members. In the meeting a number of important recommendations were made, including creation of a separate cell for formulation of policy measures to help promote private sector industries. The Planning Commission sent some of these recommendations to the Ministry of Industries for its comments.



Diamond Jubilee Celebration of NCCI. Source: The Bangladesh Observer, 21 June, 1979

The biggest event arranged by the Chamber in this phase was the celebration of its Diamond Jubilee on 20 June 1979. The NCCI decided to commemorate its glorious completion of 75 years in style. The Chamber invited many dignitaries of the country such as the ministers of Finance, Commerce and Industries, secretaries of relevant departments, academics, ambassadors of major countries, industrial leaders and other distinguished persons, who responded cordially to its invitation and joined the occasion. This event was a great success and appreciated by all. A Diamond Jubilee Celebration Publication was also produced by the Chamber to everyone's satisfaction. Four national daily newspapers published supplements on this occasion, filled with articles and messages. See Appendix 24. *The Chamber in* **1971***:* The fourth phase of the evolution of the Chamber was especially significant because the Chamber witnessed the Liberation War of Bangladesh during this time. It was a unique and glorious time in the history of the Chamber.

1971 was the most difficult period the Chamber had to face in its 110 years of history. The Chamber played a significant role in the Liberation War of Bangladesh, though it did so covertly. It offered whole-hearted support for the cause of the freedom movement. Mr CK Hyder recalls, for example,

**G**... the night of March 26, 1971, when we hoisted the flag of Bangladesh at the rooftop of the Chamber building; we donated money, food and extended our support to the freedom fighters who came to us during the liberation war. For the security of the Chamber and the country, we had to destroy some important documents so that the Pakistani government could not have access to these. We secretly gave our suggestions and supported the formulation of the new government. After the Liberation War, we regularly expressed our opinions, views and suggestions through well-researched papers on various policy matters.<sup>34</sup>

Mr M Anis Ud Dowla, the former President of the Chamber, says that

the Chamber definitely played an important role during the Great Liberation War. During the Liberation War, one of our former Presidents Mr A Ahad disappeared forever. When the non-cooperation movement was going on, the Chamber supported the move of not paying any tax to the Government of Pakistan. In this way, the Chamber supported the freedom movement under the leadership of Bangabandhu Sheikh Mujibur Rahman.'<sup>35</sup>

From March 25, 1971, the communication systems of the Country completely broke down. The Chamber Committee was then asked by the Martial Law authorities to resume its courier services between Dacca and Chittagong and Dacca and Khulna. In a meeting held in April 1971, the President of the Chamber informed members that the Insurance Association of Pakistan had decided not to cover the losses or damage to properties suffered after March 25, 1971, in the wake of military operations in the province. The Committee agreed that the matter should be taken up with the Government and the Insurance Association of Pakistan as well as local Martial Law authorities and financial institutions like IDBP, NIT, ICP etc.<sup>36</sup> At a subsequent meeting, the President of the Chamber

<sup>&</sup>lt;sup>34</sup> 'Interview' of CK Hyder, MCCI, Dhaka, 24 April 2014.

<sup>&</sup>lt;sup>35</sup> 'Interview' of Anis Ud Dowla, Former President of the MCCI, Dhaka, MCCI Office, 11 May 2014.

<sup>&</sup>lt;sup>36</sup> *Minutes* of the NCCI, 7 May 1971, p. 992.

pointed out that he had spoken to Mr VA Jafri, CSP, the Secretary, Ministry of Commerce, Government of Pakistan, and urged him to impress on the Government that the Insurance Association of Pakistan should be made to accept losses due to the recent disturbances, payable under the 'Riot and Strike Damage' clause. One member mentioned in the meeting that Insurance companies were not covering risks under 'Civil Commotion' or risk of 'Damage by Miscreants'. The Committee decided that this was a serious matter since losses could run into hundreds of thousands of rupees. It was decided that a telegram should be sent to the Ministry of Commerce asking it to make arrangements immediately for such coverage through the Pakistan Insurance Corporation.<sup>37</sup>

The Chamber Committee held an emergency meeting on 12 March 1971 that was chaired by the then President Mr A Qayyum and attended by Mr Nawab K Hasan Askari, Mr Mohammad Bhai, Mr SM Doja, Mr R Grant, Mr AA Kahlon, Mr Y Amanullah Khan, Mr WR Longwill, Mr CM Murshed, Mr Md Saifur Rahman and Mr Rashid Ahmed. The President welcomed members to the meeting of the Committee and went on to say that:

**G** it had been the practice with Narayanganj Chamber to avoid involvement in political movement of any nature but since the present movement is no longer a political movement and as it has become a peoples' movement, it would be advisable for the business community to identify themselves with the current movement under the leadership of Sheikh Mujibur Rahman. The Committee unanimously agreed with this view. The Committee then resolved that a telegram be sent to the President of Pakistan urging him to accept the demands of Shiekh Mujibur Rahman without any further delay and thus save the country. The Committee approved the draft of the telegram, placed before it by the President.<sup>38</sup>

At the same meeting, the Chamber Committee decided to donate Rs 10,000 to the East Pakistan Awami League Relief Fund in response to an appeal from Sheikh Mujibur Rahman. It also discussed various difficulties being faced in trade, commerce, and industry and decided to set up a sub-committee to deal with these matters.<sup>39</sup>

On August 2, 1971, the Vice-President of the Chamber wrote a letter to the President informing him that the 'Central Peace Committee' had approached him for donations. The President replied that though "the Peace Committees were doing good work" and deserved

<sup>39</sup> *Ibid.* 

<sup>&</sup>lt;sup>37</sup> *Minutes* of the NCCI, 10 June 1971, p. 997.

<sup>&</sup>lt;sup>38</sup> *Minutes* of the NCCI, 12 March 1971, p. 985.

support ... "in view of the deteriorated economic conditions it may not be possible for member-firms to donate to it". In this very tactful manner the Chamber successfully evaded donating money to the so-called "Peace Committees" set up by collaborators of the Pakistani army.<sup>40</sup>

The pressure for donations to the ruling party of Pakistan became ever stronger at this time. In a meeting on December 10, the Chamber President said that there had been "considerable pressure" by the Administration for donations to the Governor's Defense Fund. The President said that he had tried to resist the pressure for some time but it seemed now that any further show of indifference would be misconstrued. The Committee circulated the request of the donation to its members without giving any indication of the amount to be donated so that members could take their own decisions. However, the Chamber Committee decided that "they should make no contribution of its own".<sup>41</sup>

After December 16, 1971, the Chamber went back to work immediately to reconstruct the socio-economic foundation of Bangladesh. On December 22, 1971, a meeting was held to welcome the new government of independent Bangladesh. The Chamber pledged its whole-hearted support to the government in its task of building a prosperous country free from all exploitation. The Committee of the Chamber congratulated the Mukti Bahini and expressed its gratitude for the service it had rendered to the nation. The meeting demanded the immediate release of the Father of the Nation, Bangabandhu Sheikh Mujibur Rahman. The meeting condemned the inhuman massacre of intellectuals and demanded an enquiry into the matter. It sympathized with the bereaved families and prayed for the eternal peace of the departed souls. The meeting directed the Secretariat to publish a suitable message in all newspapers.<sup>42</sup>

At a meeting on December 29, 1971, the Chamber decided to send a representation to the government with a number of suggestions. These suggestions were directed at allowing commercial, industrial firms and companies and trade organizations the right of waiver from the requirement of obtaining prior approval from Bangladesh Bank and also withdrawal of restrictions as far as possible.<sup>43</sup>

At a meeting on 5 January, 1972, the Committee decided that it would be better if the government promulgated an Ordinance superseding the requirements of the Companies' Act for the purpose of substituting the word 'Bangladesh' for 'Pakistan' or 'East Pakistan'.<sup>44</sup>

<sup>&</sup>lt;sup>40</sup> *Minutes* of the NCCI, 2 August 1971, p. 999.

<sup>&</sup>lt;sup>41</sup> *Minutes* of the NCCI, 10 December 1971, p. 1113.

<sup>&</sup>lt;sup>42</sup> *Minutes* of the NCCI, 22 December 1971, p. 1115.

<sup>&</sup>lt;sup>43</sup> Minutes of the NCCI, 29 December 1971, p. 1117.

<sup>&</sup>lt;sup>44</sup> *Minutes* of the NCCI, 12 May 1972, p. 1140.

Mr Kamruddin Ahmad, President NCCI from 1972 to 74, is quoted to have said: 'On 16 December 1971 Pakistan Armed Forces surrendered and War of Liberation came to an end. Bangladesh emerged as a sovereign People's Republic but I was still in the custody of the Pakistan Army. The Jail Gate was opened on the 17 December by the Mukti Bahini and I came out as a free citizen of a newly independent state... I became the President of NCCI and had to continue for three consecutive years, the longest period one is allowed under the Chamber constitution to hold that post'.<sup>45</sup>

*Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI), 1979-1999:* The fifth phase of the evolution of the Chamber was perhaps the most important phase in its long history. With a legacy of 75 years of history, the Chamber entered this dynamic phase by calling itself, the Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI for the first time). The renaming of the Chamber occurred at the Diamond Jubilee Celebration in 1979. It was according to the requirements of the Government that the Chamber had to change its name once again. Now that it had become MCCI, the Chamber came out from a restrictive geographical jurisdiction and most leading companies of the country became its members. Any trade group or company could become a member of any chamber across the country. The Chamber tactfully negotiated the challenges arising from this change under the leadership of the then Chamber President, Mr Anis Ud Dowla and the then Secretary Mr CK Hyder. As the Narayanganj Chamber was the leading chamber of the Country, the jurisdictional case became a big issue at this time. The Chamber of the Country, the government to help it solve the issue of jurisdiction.

The Chamber Committee worked hard at resolving the situation and on its advice the Ministry of Commerce eventually issued an order approving the change of the Chamber's name from Narayanganj Chamber of Commerce and Industry (NCCI) to Metropolitan Chamber of Commerce and Industry, Dacca (MCCI, Dacca), subject to the conditions that (a) the existing area of operations would remain unchanged; (b) none of the existing members of the Dacca Chamber of Commerce and Industry would be enlisted as members without prior agreement of the Dacca Chamber; and (c) representations would not be sought in any advisory bodies where Dacca Chamber of Commerce was represented at the expense of the latter.<sup>46</sup>

Following the government's approval, the Committee organized an Extraordinary General Meeting of the Chamber on 20 December 1979. The meeting unanimously adopted the new name and the formal certificate of the change of name from Narayanganj Chamber

<sup>&</sup>lt;sup>45</sup> 'Message' of Kamruddin Ahmad, *Annual Report* of 1978-79, Diamond Jubilee Year (1904-1979), p. 100.

<sup>&</sup>lt;sup>46</sup> Annual Report of the MCCI, Dacca, 1980, p. 41.

of Commerce and Industry (NCCI) to Metropolitan Chamber of Commerce and Industry (MCCI) was accepted unanimously on 21 December 1979.<sup>47</sup>

In an interview, Mr Anis Ud Dowla, the then President of the Chamber, recalled the history of the renaming of the Chamber as MCCI as follows:

**CL**... After long negotiation with the government as well as the Dacca Chamber of Commerce and Industry, the Chamber established its co-jurisdiction. The existing jurisdiction of the Chamber remained the same and we all came to a "Gentleman's Agreement" with the Dacca Chamber in relation to enrolment of member-firms. Both chambers dealt with the matter with due care and gave it special attention. Mr CK Hyder, Secretary of NCCI, then played a significant role in choosing the word 'Metropolitan' for us. In a meeting of the NCCI Committee members, the word 'Metropolitan' was chosen after a long discussion. We opted for the word 'Metropolitan' because of strategic reasons. As it was not confined to any specific area, existing member-firms could easily keep their association with the Chamber. The Dhaka Chamber also didn't raise any objections to the new name. It was thus that after celebrating its Diamond Jubilee, the Chamber entered into a new phase as MCCI, Dhaka, from 21 December, 1979.

The 1970s can be termed as the 'Golden Period' for the Chamber and at the same time can be seen as the transitional period for trade, commerce and industries in Bangladesh. In this decade, privatization and denationalization of the industries took place at a brisk pace. The process of privatization was initiated by the government but the Chamber played a key role by submitting a well-researched paper on this issue.<sup>49</sup>

In course of time, MCCI became the most noted chamber of the country. More and more firms became its members. Most leading businesses and firms opted to join the Chamber. The total number of members of the Chamber, in this phase, amounted to 279, whereas in the previous phase it was only 139.

In collaboration with the National Press Club, the Chamber organized a two-day seminar entitled 'Policy Options for Economic Break-through' in May 1992, at the Sonargaon Hotel in Dhaka. The Seminar was inaugurated by the Prime Minister and

<sup>&</sup>lt;sup>47</sup> *Ibid.* 'The Certification of Incorporation', Issue No.1220, Office of the Register of the Companies, Ministry of Commerce, Government of Bangladesh, 21 December, 1979.

<sup>&</sup>lt;sup>48</sup> 'Interview' of Anis Ud Dowla, MCCI, Dhaka, 11 May 2014.

<sup>&</sup>lt;sup>49</sup> Interview' of Anis Ud Dowla, 11 May 2014.

addressed by the Finance Minister and the Minister of Planning. The Leader of the Opposition joined the closing ceremony and a large number of MPs, diplomats, journalists, economic and social thinkers, and political and trade union leaders participated in the discussions.<sup>50</sup>



Sheikh Hasina, MP, Hon'ble Leader of the Opposition and President of Bangladesh Awami League addressing the national seminar on "Policy Options for Economic Breakthrough" on 11 May, 1992



Begum Khaleda Zia, MP, Hon'ble Prime Minister, inaugurating the national seminar on 'Policy Options for Economic Breakthrough' on 10 May, 1992.

<sup>50</sup> Annual Report of the MCCI, Dhaka: 1992, p. 33

MCCI took an active part in assisting the government in its policy making and put forward its suggestions to that effect. In the 1980s and 1990s, the Chamber participated in most nationally or internationally important issues connected to the development of trade and commerce and came up with its opinions or suggestions. The Chamber became much more responsive to the needs of the people of Bangladesh in this phase. It began issuing public statements or press releases on significant events to convey its concerns on key business issues. Some of the core activities of the MCCI, in this phase, included regular correspondence on trade and commerce-related issues with national and international trade bodies and government and non-government bodies, and signing MoUs with globally recognized chambers and attracting foreign investors.



Mr Jean-Pierre Goyer (3rd from left), Leader of the Canadian Businessmen's Team accompanying the Prime Minister of Canada addressing the members of the MCCI, Dacca on 21 Nov, 1983

This phase may be termed as the preparatory stage for the next phase of the Chamber when it would have to face the upcoming challenges of the new millennium. The Chamber thus commented on two important documents of the Planning Commission – 'Thoughts on the Third Five Year Plan (1985-1990)' and 'Thoughts about the Perspective Plan'. Chamber members were included in nearly all the panels of experts of the Planning Commission formed to offer recommendations on different issues to be covered by the Third Five-Year Plan.<sup>51</sup>

<sup>&</sup>lt;sup>51</sup> Annual Report of the MCCI, Dacca, 1984, p. 33.

Since the 1980s, the Chamber has submitted proposals to the government on National Budgets, Export-Import policies and Enhancement of Power Tariff.<sup>52</sup> In 1984, the Chamber became affiliated with the International Chamber of Commerce (Paris) and joined the ICC.<sup>53</sup> The Bangladesh-Malaysia Joint Economic Committee met the members of the Chamber to discuss the possibilities of increasing trade and business between these two countries.<sup>54</sup>

In 1988, the then Prime Minister of Bangladesh called on the Chamber Committee and discussed the strategy to be adopted for doubling the Country's exports by 1990. The Chamber Committee subsequently provided its suggestions on this issue.<sup>55</sup>

International exchanges of the Chamber continued on a regular basis. A 10 member delegation of the Chamber, for instance, visited Hong Kong, South Korea, Japan and the People's Republic of China from 5 to 25 October, 1989. In the course of these visits, the Chamber delegation met trade bodies, ministers and business personalities to discuss issues concerning industrialization, export promotion, possibilities of trade and commerce affording mutual benefits, ports and shipping services, and other relevant matters.<sup>56</sup>

Meetings of the Chamber with heads of political parties were important and useful as the exchange of views with them facilitated discussion on relevant provisions relating to trade and industry in their respective election manifestos. The Chamber offered its views and suggestions towards making their election manifestos trade and commerce-friendly.<sup>57</sup>

The Chamber maintains regular contacts with business delegations from overseas. The Chamber also has regular contacts with ambassadors and high commissioners of various countries to Bangladesh to extend business and trade activities across the Country. Chamber Delegations have visited various countries at regular intervals. On 1 January 1992, an eleven member delegation of the Bengal Chamber of Commerce and Industry (BCCI), Calcutta visited MCCI. This visit was important in establishing joint venture projects of BCCI in Bangladesh. A Memorandum of Understanding (MoU) was signed between MCCI and BCCI envisaging industrial cooperation between India and Bangladesh. The scope of

<sup>&</sup>lt;sup>52</sup> Annual Report of the MCCI, Dacca, 1984, p. 33; Annual Report of the MCCI, Dacca, 1985, p. 29.

<sup>&</sup>lt;sup>53</sup> Annual Report of the MCCI, Dacca, 1984, p. 40.

<sup>&</sup>lt;sup>54</sup> Annual Report of the MCCI, Dacca, 1985, p. 26.

<sup>&</sup>lt;sup>55</sup> Annual Report of the MCCI, Dhaka, 1988, p. 34.

<sup>&</sup>lt;sup>56</sup> Annual Report of the MCCI, Dhaka, 1990, p. 33.

<sup>&</sup>lt;sup>57</sup> The Chamber Committee reviewed the outcome of the meetings with the Acting President of the country and the chiefs of 8-Party and 7-Party Alliances. *Annual Report* of the MCCI, Dhaka: 1991, p. 35.

collaboration for a large number of industries was created as a result of the Chamber's active role in promoting trade and industry in Bangladesh.<sup>58</sup> This MoU signing event remains a milestone in the history of the evolution of the Chamber.

#### MEMORANDUM OF UNDERSTANDING BETWEEN THE BENGAL CHAMBER OF COMMERCE & INDUSTRY AND METROPOLITAN CHAMBER OF COMMERCE AND INDUSTRY, DHAKA

Preamble

The Bengal Chamber of Commerce & Industry (BCC&I) is the oldest and most prestigious trade body in India holding a unique position by virtue of its close association with all the major industries in Eastern India and as a promoter of the Associated Chamber of Commerce & Industry of India.

Metropolitan Chamber of Commerce and Industry, Dhaka (MCC&I) is the oldest and most representative trade organisation in Bangladesh having in its membership roll all prestigious and established industrial and commercial organisations including almost all the Public Sector Corporations.

BCC&I and MCC&I are well placed to promote trade and industrial cooperation between India and Bangladesh through exchange of information on trade, investment, transfer of technology etc. The two organisations therefore agree to strengthen cooperation between them for the mutual benefit of the two countries.

( Biji K. Kurien ) President The Bengal Chamber of Commerce and Industry

(M. Morshed Khan ) President Metropolitan Chamber of Commerce and Industry, Dhaka

Detail of the Original document of the MoU between MCCI and BCCI is added in the Appendices Section. See Appendix 23.

<sup>&</sup>lt;sup>58</sup> *Annual Report* of the MCCI, Dhaka, 1993, p. 42.

In 1993, the Chamber came up with a number of proposals for the government on 'Import Policy Order' and the 'Three Years Export Policy, 1993-96'. This was also the first time, that the Chamber issued review proposals in Bangla. The Chamber scrutinized the original policy drafted by the Government and pointed out loopholes in it. The arguments it came up with were highly appreciated by concerned bodies.<sup>59</sup>

The credibility of the Chamber, as far as the Government was concerned, gathered momentum in this phase when the Chamber's proposal to the Prime Minister entitled 'Economic Agenda of the New Government' was received with much appreciation and given high importance. The proposal was handed over to the Prime Minister on 25 July, 1996,<sup>60</sup> as soon as the new government, formed under the leadership of Awami League President Sheikh Hasina, came to power.

In this phase the importance of the Chamber continued to increase. A Joint Task Force, formed in 1994, between the Confederation of Indian Industry (CII) and the Metropolitan Chamber of Commerce and Industry (MCCI) Joint Task Force, handed over its report on improving business ties to the Prime Ministers of Bangladesh and India on 6 January, 1997, during the visit to Dhaka of the Indian Prime Minister, Mr Deve Gowda. Later, the CII-MCCI Joint Task Force was renamed as the CII-MCCI Joint Economic Council. It is a body which continues to review the trade and economic relationships between the two countries.<sup>61</sup>

In the final years of the fifth phase of its history, the Chamber continued to forge strong international connections. Dr Joseph Stiglitz, Chief Economist and Senior Vice President of the World Bank, visited the Chamber and met with Committee members to discuss economic issues on March 15, 1999.<sup>62</sup> The Chamber extended host facilities to a Taiwan Turnkey, Engineering & Electronic Trade Mission from 8 to 9 April 1999. Missions of the European Union met members of the Chamber Committee on April 11, 1999, to discuss prospects of trade and commerce. A delegation from the Chamber visited Singapore to attend a seminar on business opportunities in Bangladesh, on 14 July 1999, organized by the Chamber jointly with the Bangladesh High Commission in Singapore, Singapore Confederation of Industries and Singapore met members of MCCI on October 12, 1999.<sup>64</sup> These are but a few examples that demonstrate the links that MCCI has been creating with the outside world.

<sup>&</sup>lt;sup>59</sup> Annual Report of the MCCI, Dhaka, 1993, pp. 51-63.

<sup>&</sup>lt;sup>60</sup> Annual Report of the MCCI, Dhaka, 1996-97, p. 30.

<sup>&</sup>lt;sup>61</sup> Annual Report of the MCCI, Dhaka, 1996-97, p. 34.

<sup>&</sup>lt;sup>62</sup> Annual Report of the MCCI, Dhaka, 1999, p. 31.

<sup>&</sup>lt;sup>63</sup> Annual Report of the MCCI, Dhaka, 1999, p. 33.

<sup>&</sup>lt;sup>64</sup> Annual Report of the MCCI, Dhaka, 2000, p. 26.

The Chamber's role in the trade and industry of Bangladesh as well and its economic development during the last two decades of the 20th century has been remarkable. It has been adopting pragmatic policies at home and has been reaching out externally. The Chamber, in other words, has prepared itself, in this phase, to meet the challenges of the new millennium.

*Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI), 2000-Present:* Since 2000, the Chamber has been facing a world whose economy has become entirely different from the past. In this new millennium, the role of the Chamber in the economic sector has developed significantly as it emerged as the leading voice of the business community of Bangladesh. The Chamber is having to deal with the impact of globalization and has had to reshape itself vigourously to adapt to it.

Because of intense global competition and the increasing liberalization of trade, MCCI's role has had to change to enable it to cope with the changing environment. MCCI has had to operate much more efficiently and effectively than before in order to tackle distinctive and complex challenges. The rapid growth of the market economy demanded development of different institutions, procedures, laws, means of production, attitudes, and public awareness. The processes related to a market economy and liberalization has made enormous demands on the Chamber.

The private sector of the country has had to strengthen itself in this changing situation. It has had to work on a cooperative basis in policy formulation and implementation. As an institution seeking to undertake and perform new tasks for business and industry, the Chamber has transformed itself accordingly.

In addition to its regular activities, the Chamber has been focusing on environmental issues. The Chamber Committee joined the Environmental Management Program in 2000, expressing its concern over the issue in a meeting at the World Bank's Dhaka Office.<sup>65</sup> The impact of climate change – a critical issue for many countries, including Bangladesh – has been taken seriously by the Chamber. It organized a discussion meeting on 25 August in 2010, entitled 'Climate Change and Business Opportunities' where members present exchanged their views on the subject.<sup>66</sup> The Chamber Committee also felt the need to express its solidarity with the business community and associate itself with other trade bodies and organizations of Bangladesh in the "Clean Rivers" campaign.<sup>67</sup> MCCI has introduced annual

<sup>&</sup>lt;sup>65</sup> Annual Report of the MCCI, Dhaka, 2000, p. 25.

<sup>&</sup>lt;sup>66</sup> Annual Report of the MCCI, Dhaka, 2009, p. 6.

<sup>&</sup>lt;sup>67</sup> Annual Report of the MCCI, Dhaka, 2009, p. 39.

awards on Environmental Issues which has been hailed as an outstanding initiative by many.<sup>68</sup>

The Chamber has continued to develop its international connections and has made more commitments and forged new links in this phase. From the outset of the 21st century, more and more trade delegations have been visiting Bangladesh from all over the world. Chamber delegations have also been visiting different countries regularly to ensure broader marketing and trade facilities for Bangladesh.

The Joint Economic Council (JEC) of the Confederation of Indian Industry and MCCI held its second meeting on 23 February, 2000 and discussed various aspects of Indo-Bangladesh co-operation on trade and industry.<sup>69</sup> This meeting was especially arranged to discuss a comprehensive list of issues. Participants on this occasion were twice the number that attended the previous meeting.

The Chamber organized a two-day visit of a forty-member trade delegation from Sri Lanka-Bangladesh Business Council (SLBBC), Colombo, in March, 2000, which explored business and investment prospects in Bangladesh.<sup>70</sup>

The President and Secretary-General of the Chamber met Mr Jan Axel Voss, Deputy Head of Mission of the German Embassy in Bangladesh, on 6 July, 2000, and discussed issues of bilateral interest. The Chamber, jointly with Save the Children, UK, sponsored the launching ceremony of *Big Business, Small Hands: Responsible Approaches to Child Labor*, on 21 November, 2000. Princess Anne of the United Kingdom graced the occasion.<sup>71</sup> The Chamber organized a half-day discussion meeting on the World Trade Organization (WTO) and issues arising from its decision to phase out tariff and non-tariff barriers by January 1, 2005. Mr Muchkund Dubey, former Permanent Representative of India to the WTO, was the guest speaker on this occasion.<sup>72</sup>

In the first decade of the 21st century, the Chamber conducted a series of noteworthy meetings with world famous trade bodies and personalities. It held a discussion meeting with the visiting President of the Japanese Commerce and Industry Association and the JETRO representative at the MCCI office. The Chamber hosted a luncheon meeting in honour of Donald C Mckinnon, Commonwealth Secretary General, at the MCCI office. It held a meeting with Mr Nicholas Stern, Chief Economist and Senior Vice-President of the World

<sup>&</sup>lt;sup>68</sup> Annual Report of the MCCI, Dhaka, 2010, p. 35.

<sup>&</sup>lt;sup>69</sup> Annual Report of the MCCI, Dhaka, 2000, p. 29.

<sup>&</sup>lt;sup>70</sup> Annual Report of the MCCI, Dhaka, 2000, p. 26.

<sup>&</sup>lt;sup>71</sup> Annual Report of the MCCI, Dhaka, 2001, p. 30.

<sup>&</sup>lt;sup>72</sup> Annual Report of the MCCI, Dhaka, 2001, p. 31.

Bank, Washington DC in the Chamber Office on 8 January 2002. A meeting with the US ambassador was held on 24 September 2003.<sup>73</sup> Lord Swaraj Paul, a member of the British House of Lords, held a meeting with the members of the Chamber on 8 October 2003. A Thai trade delegation headed by Mr Prachuab Chaiyasan also met members of the MCCI. The Chamber held a discussion and dinner meeting with the Singapore Prime Minister, Mr Goh Chok Tong at a city hotel on 24 June 2004.74 A German Business Mission visited Bangladesh from 19 to 26 May, 2006. The visit was organized by the German Asia-Pacific Business Association and was sponsored by the Federal Ministry of Economics & Technology, Germany. The delegation visited the Chamber on 22 May 2006 and exchanged views with members. Both parties emphasized the importance of more mutual cooperation. Chamber members highlighted the favourable investment climate existing in the country. The German team expressed keen interest in investing in textiles and other sectors in Bangladesh.<sup>75</sup> The Chamber was a partner of the multi-country match-making project, 'South Europe Meets South Asia 2009', funded by the European Commission. The Chamber Secretariat successfully disseminated the purpose and benefit of the project to target groups of the Information Technology and Food Processing sub-sectors in Bangladesh.<sup>76</sup>

A team of experts from the World Bank paid a visit to the Chamber on 14 June, 2009, to hold a pre-consultation meeting with leaders of the private sector to get the views of the business community on what the goals, objectives and strategy of the World Bank's Country Assistance Strategy (CAS) for the upcoming 2010-2013 period could be.<sup>77</sup>

Memorandums of Understanding (MoU) were signed between MCCI and many other chambers and trade bodies across the world. For example, an MoU was signed between MCCI and two Australian trade bodies in 2004.<sup>78</sup> Later that year, an MoU was signed between MCCI and the Confederation of Nepalese Industries.<sup>79</sup> Similar documents for promotion of business and trade and economic activities between Bangladesh and China were signed in December 2005 between the Chamber and the Yunnan Provincial Chamber of Commerce and Yunnan Fijian Chamber of Commerce, China.<sup>80</sup> Other MoUs were also signed where the Chamber played the leading role in promoting commercial growth and economic development.

<sup>&</sup>lt;sup>73</sup> Annual Report of the MCCI, Dhaka, 2004, p. 30.

<sup>&</sup>lt;sup>74</sup> Annual Report of the MCCI, Dhaka, 2004, p. 35.

<sup>&</sup>lt;sup>75</sup> <u>http://www.mccibd.org/chamber\_events.php</u>

<sup>&</sup>lt;sup>76</sup> Annual Report of the MCCI, Dhaka, 2009, pp. 33-34.

<sup>&</sup>lt;sup>77</sup> Annual Report of the MCCI, Dhaka, 2009, pp. 38-39.

<sup>&</sup>lt;sup>78</sup> Annual Report of the MCCI, Dhaka, 2004, p. 34.

<sup>&</sup>lt;sup>79</sup> Annual Report of the MCCI, Dhaka, 2004, p. 32.

<sup>&</sup>lt;sup>80</sup> Annual Report of the MCCI, Dhaka, 2006, pp. 24-25.

Chamber members have visited numerous places across the world to build trade and business relations with other countries. For instance, a 10-member delegation visited Yunnan Province, People's Republic of China, from 10 to 17 December, 2005 at the invitation of the Vice Governor, Dehong Prefecture, Yunnan Province.<sup>81</sup> The Chamber's former President, Mr M Anis Ud Dowla, and its Secretary-General, Mr CK Hyder, participated at the 7th International Conference on Corporate Governance held in London on 11-12 May 2006.

The Chamber participated in the "Investment Seminar on Bangladesh" held in Singapore on 23 February, 2010. The Board of Investment of the Bangladesh Government and Singapore Business Federation jointly organized the seminar to mobilize foreign investment in Bangladesh. The Chamber President, Mr M Anis Ud Dowla, presented the keynote paper, entitled 'Key Sectors and Projects for Investment on Private-Public Partnership Basis'.<sup>82</sup>

A Chamber delegation consisting of its President, Vice-President, two former Presidents and the Secretary-General participated in the 'Partnership Summit 2006' organized jointly by the CII (Confederation of Indian Industry) and the Government of West Bengal in Kolkata from January 18 – 20, 2006. The Chamber took part in a high-level Asia-Pacific Policy Dialogue for LDCs held in Dhaka from 18 to 20 January, 2010. In his presentation at this event, the Chamber President highlighted the need for time-bound programs on poverty reduction, improvement of health, sanitation, safe water, primary education, skills and ICT development. In addition, the President emphasized the importance of dealing with two emerging issues, viz., effects of climate change and the need for updated information and data management systems.<sup>83</sup>

In addition to delegations from Europe, America and Asia, a few African delegations have also visited the Chamber to promote trade relations. A delegation from the African Center for Economic Transformation (ACET), led by Mr KY Amaoko, former UN Under Secretary-General of Economic Commission for Africa, visited the Chamber on 27 March, 2010. A lively discussion was held then on common challenges faced by Least Developed Countries (LDC), possible areas of cooperation, and trade expansion between African countries and Bangladesh. The ACET delegation expressed its keen interest in linking South Asia with Africa through business and investment partnerships, and shared development experiences. The delegation agreed that there are enormous opportunities to promote trade and economic cooperation between Africa and Bangladesh.<sup>84</sup>

<sup>&</sup>lt;sup>81</sup> *Ibid.* 

<sup>&</sup>lt;sup>82</sup> Annual Report of the MCCI, Dhaka, 2010, p. 30.

<sup>&</sup>lt;sup>83</sup> Annual Report of the MCCI, Dhaka, 2010, p. 29.

<sup>&</sup>lt;sup>84</sup> Annual Report of the MCCI, Dhaka, 2010, p. 31.

In this phase of its evolution, the Chamber also focused on internal issues. The Chamber arranged a seminar with the Chartered Institute of Logistics and Transport on 'Traffic Congestion and its Impact on Business: Some Remedial Measures' on 21 July, 2010 at the Chamber Conference Hall. The summary of the discussions at the seminar was sent to all concerned ministries and departments.<sup>85</sup>

Chamber members continued to have meetings with very high government members including the Prime Minister, Ministers, the Chairman of the National Board of Revenue, and other high-ranking officials, to discuss important national issues and subjects related to trade and commerce. The Chamber also held meetings with Advisors during the Caretaker Government regime. Chamber members met the Governor of Bangladesh Bank on a number of occasions to discuss national, economic, and financial issues. The Chamber's meetings with various trade bodies of the country for the promotion of trade and economic development was also part of its regular activities.

The global economic recession was perceived as a threat for all economies at the beginning of the 21st century. The Chamber had to contend with this phenomenon and strove to lessen the impact of the crisis on Bangladesh. It carried out a survey among its member firms to assess the impact of the crisis on the Bangladesh economy and discussed measures needed to tackle the situation.<sup>86</sup>

The Chamber organized a high-profile discussion session entitled 'Asia 2050 and Bangladesh' on 26 May, 2011 at the Westin Hotel, Dhaka, to discuss future growth prospects of Bangladesh in the context of a report published by the Asian Development Bank (ADB) entitled 'Asia 2050: Realizing the Asian Century'. Dr Atiur Rahman, Governor of Bangladesh Bank, was the keynote speaker, and Dr Gowher Rizvi, Adviser to the Honorable Prime Minister on International Affairs, was present as the Chief Guest. Eminent citizens of the country, including leaders of the business community, past presidents of the Chamber, presidents and chairmen of major trade bodies, diplomats, economists, and media personnel were present on the occasion.<sup>87</sup>

To face the challenges of the new millennium, the Metropolitan Chamber of Commerce and Industry has reconceptualized its "Vision" and "Mission". A strategic planning session was held on 11 February 2012 at Cox's Bazar for this purpose. After a daylong discussion, members adopted an updated "Vision" and "Mission" statement.<sup>88</sup> It was decided that the goals set out in the the reformulated "Mission" would be realized

<sup>&</sup>lt;sup>85</sup> Annual Report of the MCCI, Dhaka, 2010, pp. 36-37.

<sup>&</sup>lt;sup>86</sup> Annual Report of the MCCI, Dhaka, 2009, pp. 29-30.

<sup>&</sup>lt;sup>87</sup> Annual Report of the MCCI, Dhaka, 2011, p. 36.

<sup>&</sup>lt;sup>88</sup> Annual Report of the MCCI, Dhaka, 2012, p. 27.

within a span of five years. A formal launching ceremony of the Chamber's "Vision" & "Mission" was held on 17 April 2012 at Lake Shore Hotel in Gulshan. All members of MCCI and some distinguished personalities from the business community and academics, as well as journalists, were invited to the event.<sup>89</sup>

The preceding section has traced the evolution of the Metropolitan Chamber to its millennium phase. In this phase, Chamber activities increased significantly. The commitment made by the Chamber to the business community and the nation's economy is in line with its status as the premier Chamber of Bangladesh. It has set an example for other chambers of commerce to emulate.



Chamber Building at Motijheel: After Moving from Narayanganj to Dhaka

<sup>&</sup>lt;sup>89</sup> Annual Report of the MCCI, Dhaka, 2012, p. 28.

*The Move from Narayanganj to Dhaka:* The Chamber Secretariat was located in Narayanganj for a long time. MCCI moved its Secretariat office to Dhaka in the 1960s. The story of the move from Narayanganj to Dhaka is an integral part of the history of the evolution of the Chamber.

In 1950, the plan for a new chamber building, submitted by architects, Messrs. Ballardie, Thompson and Mathews, was approved by the Committee with a few alterations. The architects were instructed to prepare the design and call for tenders.<sup>90</sup> On March 10, 1953, the Chamber purchased a plot on Henderson Road, Narayanganj. The Chamber paid Rs 10,000 as advance to the land owner, Mr Hira Lal Paul. As soon as the deed was registered, the Secretary was instructed to commence constructing walls around the plot.<sup>91</sup>

In 1952-53, an ad-hoc Development Sub-Committee was set up to examine how the Chamber could best utilize its funds through development of its properties. After examining the options, the Sub-Committee came to the conclusion that because of high costs and shortage of supply of materials at that time, it would not be advantageous to undertake any building program there. The sub-committee felt that instead a building, already built in Dacca and generating a steady income from rents, might be purchased, if available at an attractive price.<sup>92</sup>

The old Chamber Building (Zuriel Lodge) was partitioned in 1954, in order to provide separate premises for Jute and Gunny Room and the Stock Exchange.<sup>93</sup> It was decided in one Committee meeting that the section of the Lodge building which had been partitioned off would be rented out to a member firm. An arrangement was made to leave half of the Chamber Building to Louis Dreyfus & Co Ltd.

From 15 December 1956, this member continued to occupy a portion of the building. The Secretary now moved his residence to Dhaka in accordance with the decision of the Committee. As a result, the first floor remained vacant and was rented to Landale & Morgan (Pakistan) Ltd. for a period of three years from June 1, 1956.<sup>94</sup> The Committee also decided that the building at Henderson Road, Narayanganj, would be turned into a residential colony for member firms' employees. Gammon & Co (Pakistan) Ltd., a member firm, was requested to inspect the Chamber's Henderson Road land and submit a report on its condition. Meanwhile, Omar Sons made an offer to sell their Motijheel Building to the

<sup>&</sup>lt;sup>90</sup> *Minutes* of the NCC, 3 January 1950, p. 7.

<sup>&</sup>lt;sup>91</sup> *Minutes* of the DNCCI, 24 March 1953, p. 196.

<sup>&</sup>lt;sup>92</sup> Annual Report of the DNCCI, 1954, p. 7.

<sup>&</sup>lt;sup>93</sup> *Minutes* of the DNCCI, 1 November 1955, p. 100.

<sup>&</sup>lt;sup>94</sup> Annual Report of the DNCCI, 1956, p. 41.

Chamber, and after a series of negotiations, the Chamber took a loan of Rs 2 Lacs from the Pakistan Jute Association Committee and bought the building.<sup>95</sup>

In 1956, the Chamber Building at Dacca had its ground floor vacant. It was agreed then that accommodation would be provided there for PJMA. At the end of the year a large area of nearly 4000 sq ft was made available for office or show room use. Some development work was carried out on the infrastructure and a new signboard with the words 'Chamber Building' was erected. The Committee felt, the Henderson Road land was no longer required and arrangements were made for the Joint Steamer Companies to take over the whole building until the expiry of the lease. The Committee also began the process of selling off the property.<sup>96</sup>

In 1960, a decision was taken to donate the land to the Narayanganj Education Society, but the government imposed a requisition order on this donation and later it became a Labor Welfare Center.<sup>97</sup> The Chamber building in Dhaka remained fully tenanted during 1961, but the Committee decided to raise the rent to 40 Paisa/sq ft for existing tenants and 50 Paisa/sq ft for new tenants.<sup>98</sup>

The Chamber Building at 87/88, Motijheel, was purchased in 1965. After the construction of new modern buildings with improved facilities in the Motijheel area, some of tenants of the Chamber Building left and consequently the Chamber's income from rent fell considerably. Consequently, the Building Sub-Committee and the Chamber Committee decided to sell the building and construct a new one. At the Committee meeting on April 21, 1966, the then President Mr Anwar A Kahlon was authorised to negotiate the sale of the building at Rs 6,50,000/- to Pakistan Red Cross Society on November 2, 1966. The Committee got to know that 'Al-Bawany Chamber' at 122/124 Motijheel, Dacca belonging to Messrs. Ahmed Brothers Ltd., would be sold. The Chamber Committee decided to purchase the 'Al-Bawany Chamber', the Chamber building at Narayanganj was sold to the PJA for Rs 6 lakhs. 'Zurial Lodge' was also sold to PJA for Rs 3 Lakhs. With all the money paid, possession of the 'Al-Bawany Chamber' building was taken on November 01, 1967 and the building was renamed as 'Al-Chamber'.<sup>100</sup>

<sup>&</sup>lt;sup>95</sup> Annual Report of the DNCCI, 1956, p. 43.

<sup>&</sup>lt;sup>96</sup> Annual Report of the DNCCI, 1957, pp. 19-20.

<sup>&</sup>lt;sup>97</sup> Annual Report of the NCCI, 1960, p. 37.

<sup>&</sup>lt;sup>98</sup> *Annual Report* of the NCCI, 1961, pp. 21-22.

<sup>&</sup>lt;sup>99</sup> *Annual Report* of the NCCI, 1967, pp. 11-12.

<sup>&</sup>lt;sup>100</sup> Annual Report of the NCCI, 1968, p. 9.



The foyer of the Chamber Building

The Chamber constructed more floors and the building has remained fully tenanted from 1967. In 1988, two new floors were extended. It was decided that the two side wings of the 4th and 5th floors would be used for the Chamber's Conference Hall, Library and other purposes.<sup>101</sup> This building is now known as the 'Chamber Building' and is a landmark in Motijheel, Dhaka.



Entrance of the Chamber Building

<sup>&</sup>lt;sup>101</sup> Annual Report of the MCCI, Dhaka, 2002, p. 24.