

Quarterly

NEWSLETTER

Bangladesh Regional Connectivity Project¹
WTO Cell, Ministry of Commerce

Issue 03 | May 2021

Forwarding from the Project Director, BRCP-1, MOC

Despite the on-going Covid-19 pandemic, Bangladesh Regional Connectivity Project-1, MOC has maintained steady progress following the health and safety directives of the government. The implementation progress made thus far has been appreciated by the World Bank where the MOC component of BRCP-1 was rated satisfactory. This newsletter envisages to capture some of the major achievements and activities of the last quarter and expert opinions on pertinent issues to keep the relevant stakeholders updated and informed. BRCP-1 will appreciate receiving feedback, comments and suggestions from the readers.

Editorial Panel:

Md. Mijanur Rahman, Project Director (Joint Secretary), BRCP-1

Md. Munir Chowdhury, National Trade Expert, BRCP-1

Makshudul Alom Mokul Mondal, Focal Person Coordinator, BRCP-1

Highlights of BRCP-1

1

4th meeting of the National Trade and Transport Facilitation Committee (NTTFC) was held on 27 December 2020 under the chairmanship of Hon'ble Minister of Commerce Mr. Tipu Munshi, MP.

2

5th & 6th Project Steering Committee (PSC) meeting of BRCP-1 was held on 18 January 2021 and April 12, 2021 under the chairmanship of Dr. Md. Jafar Uddin, Senior Secretary, Ministry of Commerce.

3

Capacity building on Trade and WTO-A Basic Course for Trade Officials was organized on March 21-23, 2021 at BFTI Conference Room.

4

Capacity building trainings for the women entrepreneurs in the cut-flower and agro-processing sub-sector continues to be delivered.

5

Meeting of the Focal Persons for the Bangladesh Trade Portal was organized on February 04, 2021 to enhance interagency coordination and cooperation.

6

Five regional workshops with women chambers were organized in Rangpur, Rajshahi, Sylhet, Bandarban and Chattogram.

7

The World Bank concluded the Implementation Support Mission from March 29 to April 8, 2021 and found BRCP-1, MOC component to be satisfactory in implementation.

8

Training on technical management of the Bangladesh Trade Portal was provided by Cyberia Co. Ltd. on January 04-07, 2021.

9

Trade related contents, circulars, WTO SPS/TBT Notification and news are regularly uploaded on the Bangladesh Trade Portal and shared with relevant stakeholders.

4th Meeting of National Trade and Transport Facilitation Committee (NTTFC)

The 4th meeting of the National Trade and Transport Facilitation Committee (NTTFC) was organized on 27 December 2020 at Hotel InterContinental. Hon'ble Commerce Minister, Mr. Tipu Munshi, MP, chaired the meeting which was also attended by Senior Secretary of Ministry of Commerce, Chairman of NBR, Secretary of Legislative and Parliamentary Affairs Division, Chairman of Bangladesh Trade and Tariff Commission, President of FBCCI, and other senior government officials.

In his speech, hon'ble Commerce Minister requested all relevant stakeholders to actively participate in the implementation of trade facilitation agreement and diversification of export products to ensure robust economic growth to make Bangladesh a developed country by 2041.

In this regard, important decisions were made and a few of them are provided below:



- ✓ It was decided that the National Trade Facilitation Committee and National Trade and Transport Facilitation Committee will be unified as National Trade Facilitation Committee. The amendments have been done and a circular has already been issued on January 2021.
- ✓ NTTFC secretariat may be established with support from the World Bank.
- ✓ NBR and Ministry of Shipping will work closely to explore the possibility of increasing the number of new Off-Dock or Waterless Ports.
- ✓ NBR was requested to consider the establishment of e-auction facilities.
- ✓ Ministry of Shipping and Ministry of Agriculture were requested to consider possible enhancement of “Cold Chain Logistics” to preserve quality of perishable products.
- ✓ Decisions were taken to establish four working groups to facilitate implementation of the Trade Facilitation Agreement in Bangladesh. The working groups are:
 - ✓ Land Port Related Working Group,
 - ✓ Connectivity Related Working Group,
 - ✓ Standard Related Working Group, and
 - ✓ Intellectual Property Rights Related Working Group.
- ✓ A short presentation was delivered by Mr. Munir Chowdhury, National Trade Expert, BRCP-1 on recently completed 03 studies. The studies are:
 - ✓ Review of Collaborative Border Management, Institutional Mechanism for Co-ordinating across Sectors/Ministries and across Countries;
 - ✓ How Comparable Countries are Addressing Implementation of TFA;
 - ✓ Review of Policy, Laws and Regulations Governing Border Management and Operation In Bangladesh.
- ✓ After the presentation, the meeting requested all the stakeholders to implement the recommendation made in the 03-studies.

Highlights of Project Steering Committee (PSC) Meeting

The 5th and 6th meeting of the Project Steering Committee (PSC), BRCP-1, MOC component were organized on January 18, 2021 and April 12, 2021 respectively. Dr. Md. Jafar uddin, Senior Secretary, Ministry of Commerce presided over the meetings. The important decisions of the 6th PSC meeting are provided below:

- Standard Operating Procedure (SOP) needs to be developed to undertake the piloting activities under BRCP-1 to facilitate development of women entrepreneurs in Bangladesh.
- NTTFC secretariat needs to be established for better coordination among the stakeholders.
- The TAPP of the BRCP-1 MOC component may be revised as deemed necessary for successful implementation of the project activities and achieve its targets.

Capacity Building Training on Trade and WTO- A Basic Course for Trade Officials

The three-day long capacity building training program on “Trade and WTO- A Basic Course for Trade Officials” was inaugurated by Dr. Md. Jafar Uddin, Senior Secretary, Ministry of Commerce on March 21, 2021. Mr. Md. Hafizur Rahman, Director General, WTO Cell, Ministry of Commerce and Mr. Mr. Ali Ahmed, Chief Executive Officer, BFTI attended the inaugural session as special guests. Mr. Md. Mijanur Rahman, Project Director (Joint Secretary), BRCP-1 was the chair of the inaugural session. Mr. Md. Munir Chowdhury, National Trade Expert, BRCP-1 moderated the session. The training was organized for the officials of relevant ministries, departments, and agencies. In his inaugural speech, Dr. Md. Jafar Uddin, Senior Secretary, Ministry of Commerce, underscored the importance of building the capacity of the officials on pertinent trade issues related and WTO since this is a very knowledge-driven, specialized and technical field.



Mr. Md. Hafizur Rahman, DG, WTO Cell, Ministry of Commerce conducted a session on *“Background and Basic Principles of the WTO”* where he highlighted the key components of the WTO, Trade policy and related issues.



Ms. Sharifa Khan, Member (Secretary), Industry and Energy Division, Planning Commission discussed the *IPR, TRIPS and its impact in Bangladesh* when it graduates from an LDC country status.



Mr. Md. Munir Chowdhury, National Trade Expert, BRCP-1, highlighted the major issues related to *Bilateral, Regional & International Trade Negotiations*.



Mr. Mohammad Mashooqur Rahman Sikder, Director, WTO Cell, Ministry of Commerce shared the *Non-Tariff Measures* and highlighted important NTM and NTB related issues.



Mr. Md. Khalilur Rahman, Director, WTO Cell, Ministry of Commerce discussed the *WTO Trade Policy Review Mechanism and Bangladesh's Perspective*.



Mr. Mahbubur Rahman Patwary, Director, WTO Cell, Ministry of Commerce gave a presentation on *An Overview of the General Agreements on Trade in Services*.



Dr. Mostafa Abid Khan, Member, Bangladesh Trade and Tariff Commission, discussed the different aspects of *Trade Remedy: Anti-dumping, Countervailing, and Safeguarding Measures*.



Dr. Md. Khairuzzaman Mozumder, Additional Secretary, Finance Division, presented an *Overview of the WTO Trade Facilitation Agreement and Bangladesh*.



Dr. Selim Raihan, Professor of Economics, Dhaka University & Executive Director, SANEM shared his thoughts on the *LDC Graduation Challenges and Bangladesh under Covid-19 Situation* and proposed potential interventions to mitigate the upcoming challenges.

In the closing ceremony, Mr. Md Saiful Islam, Commercial Counsellor, Bangladesh Embassy in Berlin gave a brief presentation on *Bilateral Trade Relations between Bangladesh and Germany: Prospects and Challenges*. Mr. Md. Hafizur Rahman, Director General, WTO Cell, Ministry of Commerce was the chief guest and Mr. Mr. Ali Ahmed, Chief Executive Officer, BFTI was the special guest of the closing session. Mr. Md Munir Chowdhury, National Trade Expert, BRCP 1 moderated this session. As the Chair, Mr. Md. Mijanur Rahman, Project Director (Joint Secretary), BRCP-1 concluded the training by thanking everyone.

Progress on Procurement

- BRCP-1 has appointed Bangladesh Foreign Trade Institute (BFTI) and Keystone Business Support Company Limited JV for **“Conducting 03 Nos. of Surveys/studies suggested by NTTFC”** under which the following studies will be done:
 - Study 1: Comparative analysis of trade policies of Bangladesh and its competing countries, particularly India, Vietnam, Sri Lanka, Cambodia, China and Indonesia.
 - Study 2: Identification of potential countries for signing free trade agreements
 - Study 3: Review and Reforming The Bangladesh Land Port Authority Act 2001.
- MICRO Industries Development Assistance and Services (MIDAS) has been appointed for **“Conducting Diagnostic Studies to Assess Female Traders and Entrepreneurs Export Potential in the Cut Flower Sub-sector”**.
- South Asian Network on Economic Modelling (SANEM) has been appointed for the **“Review of Rules & Regulations including Policy paper preparation”** under which 22 trade related policies/acts/rules/regulations will be reviewed.
- BRCP-1 has engaged S F Ahmed & Co. to conduct **internal audit of BRCP-1**.
- Dream71 Bangladesh Ltd. has been appointed for the **“Development and Maintenance for Web based National Enquiry Point for trade and including up-gradation and mobile apps development for BTP”**.
- Selection of consulting firm for **“Sectoral Diagnostics for ICT sector of Bangladesh”, “Design and implement training program for increasing women’s participation in the ICT sector of Bangladesh”, and “Development of Women Traders Network and Database”** are currently under evaluation.



Updates on Bangladesh Trade Portal (BTP)

- Policy/Acts, Circulars, SROs, notices, news related to export, import and investment have been continuously compiled, updated and shared on the Bangladesh Trade Portal. More than 580 legal documents, 230 measures, 39 procedures, 92 forms and other contents have been uploaded in the BTP in both Bengali and English.
- Weekly trade alerts are sent to more than 4,350 persons related to export and import. More than 30 trade alerts have been issues so far.
- Visitors on BTP continues to grow and so far more than 117,800 people have visited the website. BRCP-1 has initiated digital promotional activities to advertise BTP to potential users and beneficiaries.
- Online technical training on the maintenance of the BTP for relevant personnel from Ministry of Commerce, Export Promotion Bureau, and Tariff Commission, and BRCP-1 was organized by Cyberia Co. Ltd. on January 04-07, 2021.
- A meeting of the Focal Points for the BTP was organized on February 04, 2021 where 28 Focal Points from different agencies attended the meeting. After a threadbare discussion, a set of decisions were taken to ensure seamless transfer of information and real-time data, and regular update of the Bangladesh Trade Portal. BRCP-1 is currently coordinating the implementation of the decisions.
- BTP regularly issues different countries’ SPS/TBT notifications by WTO e-ping tools.

Regional Workshops on Enhancing Skills, Mainstreaming Women Traders and Entrepreneurs to Export and the Role of Bangladesh Trade Portal

In the last quarter, BRCP-1 organized five regional workshops in collaboration with women chamber of commerce and industries in Rangpur, Rajshahi, Sylhet, Bandarban, and Chattogram on February 11, 2021, February 15, 2021, February 22, 2021, March 14, 2021 and March 15, 2021 respectively. The workshop was attended by government officials, women and men entrepreneurs and other relevant stakeholders.



Summary of recommendations received from regional workshops

- ✓ Need advanced/specialized training for processing and value addition of fruits, vegetables, spices & cut flowers and handicrafts and cottage industry;
- ✓ Support for specialized cold storage for vegetable, fruits, spices, cut flower and packing house is needed; need support for modern equipment for packaging and secondary processing of vegetables, fruits & cut flower;
- ✓ Providing loan without or with low interest for agro-entrepreneurs/cut flower sector and need a women friendly market; involvement of women entrepreneurs in e-commerce;
- ✓ Need special fair for agro-processing & cut flower sectors in country and ensure participation of women entrepreneurs business fair in different countries;
- ✓ Direct contact of processing companies and exporters with the growers/small businessman and elimination of additional tariffs on fruit bag imports;
- ✓ Business capability building of selected potential entrepreneur using the principles of business incubations;
- ✓ AC compartment of railway is needed for transportation of fruits, vegetables and cut flower;
- ✓ Need special training for women entrepreneurs on BTP.

Bangladesh Trade Portal (BTP) Focal Points' Meeting & Important Decisions

Important decisions taken at the meeting of the Focal Points for the BTP on February 04, 2021 are summarized below:

- ❖ All relevant ministries/ departments/ organizations will nominate focal points for BTP;
- ❖ Dedicated sections for the RMG sector and Women Entrepreneurs will be added on the BTP;
- ❖ Relevant research/study/periodic publications will be uploaded on the BTP;
- ❖ Initiatives will be taken to facilitate real-time data transfer between BTP and Bangladesh Bank, Export Promotion Bureau, National Board of Revenue and BIDA;
- ❖ List of BSTI's mandatory licensing of products need to be uploaded on BTP;
- ❖ Online Licencing Module (OLM) system of CCI&E needs to be added on the BTP;
- ❖ Information related to international fair needs to be updated regularly on the BTP.

Training of Women Entrepreneurs and Regional Refresher workshops

- Training Programs for **Increasing Women's Participation in the Agro-processing Sector in Bangladesh** under BRCP-1 continues and thus far, a total of 40 batches have been completed and 1000 entrepreneurs have received training. Considering the demand for such training, additional five batches will also be organized. Three post training regional refresher workshops have also be organized and a summary of key suggestions are:
 - Construction of specialized cold storage and packing facilities for agri-products;
 - Direct contact of exporters with the farmers/processors;
 - Logistics and financial support from concerned authority;
 - Support market development in agribusiness through introducing ICT.



- Training Programs for **Increasing Women's Participation in the Cut Flower Sector in Bangladesh** also continues and 39 batches have been completed so far. A total of 975 entrepreneurs have received training. Three post training regional refresher workshops have also be organized and a summary of key suggestions are:
 - Need fixed AC market place at different locations with facilities for women;
 - Training is required to produce exportable flowers, various organic fertilizers and value addition and processed products;
 - Easy-termed and low interest loans are required for flower entrepreneurs;
 - Need setting up tissue culture lab at Jessore.

Piloting Activities for Empowerment of Women Traders/Entrepreneurs

Under BRCP-1, capacity building trainings in the Agro-processing, Cut flower and ICT sub-sectors are on-going and in each sub-sector, 1000 women traders/entrepreneurs and a total 3000 are to be trained. Among the trained 3000 women traders/entrepreneurs from the above 03 sub-sectors, the potential entrepreneurs will be selected for implementation of piloting activities. Through these piloting activities, detailed hands on specialized training, capacity building for businesses development by utilization of Business Incubation Process and Matching Grant Support will be provided to the potential women entrepreneurs towards developing them as full-fledged business person in the selected 03 sub-sectors. BRCP-1 has drafted a Standard Operating Procedure (SOP) and currently working closely with relevant stakeholders to finalize the SOP.

Update on Other Initiatives and Implementation Progress

- Consulting firm hired to conduct the Baseline Survey of the BRCP-1 has submitted their draft final report which will be finalized soon after a validation workshop.
- A draft final report for the Sectoral Diagnostics for Agro-processing sector of Bangladesh has been submitted by the consulting which will be finalized after a validation workshop.
- The auditing firm hired to conduct the Internal Audit of the BRCP-1, MoC component has already submitted their draft inception report which has also been accepted by the authority.
- The World Bank concluded the Implementation Support Mission from March 29 to April 8, 2021 and found BRCP-1, MOC component to be satisfactory in implementation.



Intellectual Property Rights (IPRs), WTO's TRIPS Agreement and Impact on Bangladesh

Ms. Sharifa Khan

Member (Secretary), Planning Commission, Government of Bangladesh

The Intellectual Property Rights (IPRs) have become extremely important at this present era of high-end technologies and digital world. It is now universally accepted that IPRs promote technological innovation, encourage investment in research and development of new technologies, ensure fair competition among producers, protect consumers' interest, facilitate the transfer of technologies and attract foreign direct investment & joint ventures. The gains from protection of IP rights are generally much higher than most of the other commercial ventures. The creators therefore, intend to protect their inventions and creations through a legal means. Intellectual Property Rights (IPRs) ensure a legal mechanism for protecting the creations of their minds such as inventions; literary and artistic works; designs; and symbols, names and images used in commerce for a certain period of time. During this period, creators and inventors enjoy exclusive rights and gain commercially.

Types of Intellectual Property Rights

Intellectual property rights are customarily divided into two main areas: copyright and rights related to copyright and industrial property. Industrial properties are then divided into four categories such as trademarks, geographical indications, patents for protection of inventions, industrial designs and trade secrets. Countries generally, formulate laws and policies on these issues so that the creations are protected from any unfair uses and illegal commercial exploitations.

IP in Business Model

The IP system plays an important role in business model. It protects innovative products and services, also increase the visibility, attractiveness and value of products on the market; distinguishes one business and its products from the competition and avoids the risk of unknowingly using third party or inadvertently losing valuable information, innovations or creative output.

With the expansion of IP, the value of intangible assets is increasing in the business wealth. It is estimated that more than 90 percent of the capital assets of Coca-Cola, Kellogg's, IBM, Pfizer and Walt Disney now consist in non-tangible assets while American-Express, Microsoft, Telstra, Exxon and Nike's intangible wealth's values are over 70 percent.

IP is also important for Small and Medium Enterprises (SMEs). They may now penetrate into larger global markets using artificial intelligence (AI) and blockchain technologies. It is also observed that bulk order is being transforming into small orders due to 4IR. This has resulted new opportunities for SMEs; at the same time the unethical business operations that are infringing IPRs will be wiped out due to high rate of detection through new technologies.

IP and World Intellectual Property Organization (WIPO)

Considering the importance of intangible values, WIPO, an intergovernmental organization of UN, is established in 1970 to bring the IP into international discipline. The Paris Convention (1967) for patents, trademarks and industrial designs, Berne Convention and Rome Conventions for copyright and Washington Treaty for layout design of integrated circuits developed rules for the member states.

IP and World Trade Organization (WTO)

Over the time, it was however, realized that the WIPO Conventions could not ensure effective enforcement of IPRs. The developed countries that are advanced in technologies then incorporated IP issues in WTO's TRIPS Agreement despite strong resistance from the developing countries including LDCs who are far behind in technology development and innovations. All these issues are now be implemented and enforced through the strong dispute settlement mechanism of the WTO system. TRIPS however, granted special flexibilities to the LDCs considering their economic, financial and administrative constraints. An extension of general transition period until July 2021 and a waiver from patent protection for the pharmaceutical products until 2033 were granted to the LDCs. Beside this, Article 66.2 of TRIPS allows technology transfer to the LDCs. These benefits will however, be ceased away once the country graduated from the LDC list.

Global IP Regime and Bangladesh

With the expansion of digital technologies, global IP regime is moving fast. It is now the integral part of many free trade agreements (FTAs). Development and trade partners are now carefully watching IP enforcement of other countries and often attaching conditions on protection of IPRs, which is expected to excavate more in the upcoming days. US imposition of additional duties on Chinese products on ground of continuous violation of IP rights is a glorious example of upcoming international measures.

Bangladesh's rankings in IPR score (125th/129th in the world) and Global Innovation Index 116/131 are far behind in realizing its dream of technology and knowledge-based economy. Trademark's violation is frequently observed. World Trademarks Review 2020 reported Bangladesh as the hotspots of counterfeit products. Violation of trademarks often results in health concerns for selling fake medicines and food products.

The general perception about protection of IP rights in Bangladesh is not still welcoming. Most of the SMEs remained outside of the IP registration process. There are limited means to fight against illegal copying and unfair use of innovation and trademarks. As a result, innovative entrepreneurs are deprived from accruing real profits, loss their trust and reputation in the market, discouraged for involving in innovation and research. Government also losses 4-6% revenue in each year.

Bangladesh has already formulated patent law, copyrights, geographical indication and trademarks acts. However, Patent Act 1911 is more than hundred years old and is not consistent with TRIPS Agreement in many fronts. It protects innovation for 16 years while TRIPS mandated for protection of minimum 20 years. It also does not have the provisions of parallel importation and compulsory licensing. Bangladesh still does not have the Utility Model (UM) Law which is used to protect small innovation. The country may gain from UM law as it is less stringent than patents.

Enforcement of IPRs will be a major challenge once the country will be graduated from the LDC status in 2026. Trade partners may initiate dispute settlement measures in the WTO against Bangladesh for violation of IP rights.

Bangladesh therefore, need to develop a strong mechanism in protecting IP rights and nurturing innovations. Mass campaign and awareness raising and well-designed plan would help ensuring IP rights in Bangladesh which would ultimately help promoting country's image and branding and expanding export markets.

**TRIPS means Trade Related Aspects of Intellectual Property Rights.*

***The views and comments expressed in this paper are author's own and do not anyway reflect the opinion of the Government of Bangladesh.*