



AmCham JOURNAL

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ECONOMIC RELATIONS BETWEEN BANGLADESH AND THE U.S.A.

**Corporate Governance:
A Conceptual Overview**

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**The Biden Administration
and the US-Bangladesh
Economic Cooperation**

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**Implementing SDGs in Bangladesh:
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**Foreign Exchange Reserves Management
Using Foreign Exchange Reserves to
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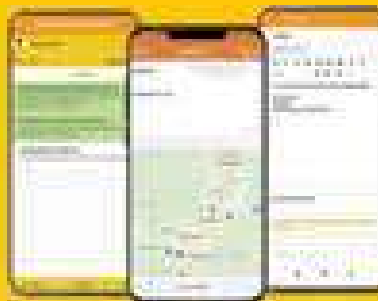
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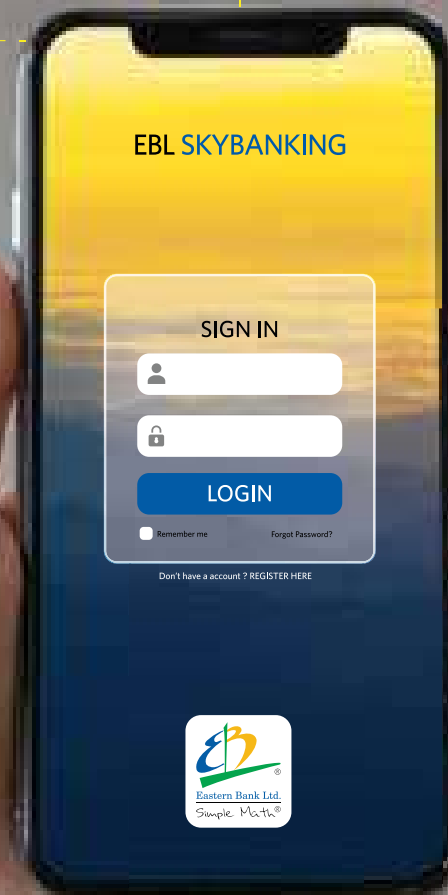
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We express our gratitude to The Business Standard, we have used a few infographics of it in a couple of articles as reference.

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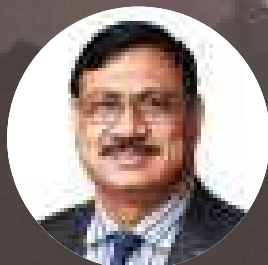
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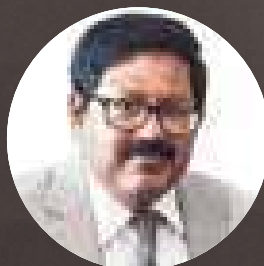
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Serajul Islam Quadir
Executive Editor

FROM THE DESK OF THE EDITOR

2020 will remarkably be written on world history as the planet has experienced two major and significant events in this year. The normal life and economic activities have been shattered due to prolonged and apparently an unending crisis due to covid-19 pandemic.

Alongside the world has experienced and witnessed a good, constructive and positive sense in the United States of America as the Democratic Party under the able leadership of Joe Biden had earned the landslide victory in its history.

Now the world is staring at the elect President Joe Biden and how much he can materialize his commitment that he proclaimed in his election manifesto. He announced that his government will rejoin with the Paris Climate Accord, a great relief for the whole world especially for the vulnerable countries like Bangladesh.

Biden immediately after his landslide victory uttered that his government will rejoin with the Paris Climate Accord to save the planet as he felt that if the planet is safe then America and the rest of the world will also be saved.

This was merely not his feeling; he also seriously meant it as he had chosen John Kerry as the Special

Presidential Envoy for Climate. This is a newly created position which is firmly and deeply fixed along with the National Security Council — the main forum of presidential advisers and cabinet officials on national security and foreign policy.

We are aware that John Kerry is a seasoned diplomat to spearhead his climate policy. The long-term goal of going carbon-neutral by 2050 is a strong, bold and clear policy that can be achieved if the developed nations like the United States of America, Canada, France, Germany especially the rich countries of G-20 under the dynamic leadership of newly elected US government are sincere and dedicated and thus make the planet comfortable for the 7 billion people around the world. The aim of this plan should be fingered for our next generation.

Due to worsening climate degradation the coming generation of the vulnerable countries like Bangladesh and many more developing, under developing and least developed countries along with and mid level developed countries including economic giant countries of Asia - China and India are in a great threat and it is the holy and sacred responsibility of the present leadership of the developed nations to rescue the planet from the worsening degeneration.

Not America first, but Planet first

John Kerry, who has signed the Paris Climate Accord on behalf of the then US government in 2016, has already emphasized about the promise of President-elect Joe Biden to consider the climate as one of the top most priorities of his government during his 4-year tenure.

"America will soon have a government that treats the climate crisis as the urgent national security threat it is," John Kerry tweeted immediately after getting this significant assignment from Biden.

"It will be an honor to work with our allies and partners, alongside rising young leaders in the climate movement, to tackle the climate crisis with the seriousness and urgency it deserves," he said in his tweeted message.

John Kerry will enjoy his position as the Special Presidential Envoy for Climate. The National Security Council in which he has been embedded is the main forum of presidential advisers and cabinet officials on national security and foreign policy.

The whole world especially the countries who love and concern about the safety of the future

generation always chanted a slogan that if the planet is safe America will also be saved. The environment lovers and climate activists and scientists have welcomed Kerry's appointment.

They said that after four years of sitting on the sidelines, the US has now finally nominated a high profiled, dignified, experienced and skilled representative on the world climate platform who has profound knowledge and understanding about the gravity of the climate crisis and has the experience and skills to work with the global community to help address it.

Another voice said that the appointment of John Kerry is very good news for the world's inhabitants who are concerned about the climate.

The 76-year-old Kerry has a lot of experience as a climate diplomat. As Secretary of State under Barack Obama John Kerry was the key architect of the Paris Climate Accord and also assisted to negotiate the Kyoto Protocol. He has an ideal person for the job because international climate policy requires compromise.

Experience and skill of John Kerry is a valuable asset indeed, an asset that nobody else really has. A similar sentiment and voice have echoed by many other dignitaries across the world including the former US presidential candidate Gore himself who greeted Kerry's appointment in a tweet, describing him as "a superb choice."

Kerry's first main task will be to establish the voice and images of the United States that has been jeopardized during the Trump administration in the global community dedicated to tackling climate change.

The ability for him to deliver on the promise of real US action to a skeptical international community is

probably will be one of the biggest challenges in his role.

Kerry's overall success as climate envoy may well hinge on the willingness of the US to commit international climate finance and reductions in fossil fuel subsidies.

This will be more politically difficult than diplomatic overtures and will require political will domestically.

This is most likely why Kerry's position "will be matched" by a high-level White House climate policy coordinator who is expected to focus on the domestic side of things.

In terms of concrete climate policy, the first step in 2021 will be rejoining the Paris Climate Accord.

Biden has pledged climate neutrality by 2050, a very important step in the right direction because with the US, China and the EU now moving towards zero emissions. Biden's pledge to take the US back into the Paris accord has boosted hopes of meeting the pact's ambitious goals.

Implementing new policies on a national level to reverse Trump's policy will be tough and a lot depends on whether Biden wins the Senate — which won't be decided until January.

If Biden doesn't win the Senate, it is possible that many of the new measures will end up in the courts.

The US-Bangladesh relations might get stronger with Joe Biden in the office

Dhaka needs to address its shortcomings in governance and human rights, the two issues that the new US administration may focus rightly.

Biden, a seasoned politician, plans to ease relations with countries particularly with strained relations

during the Trump regime.

Biden has also committed to rejoin with the World Health Organisation.

Crucial areas where Bangladesh can expect positive outcomes include the coronavirus pandemic, climate change, Rohingya crisis and easing the US's rules to facilitate the passage of a greater number of Bangladeshi immigrants to the US.

Apart from handling the pandemic better in the USA, Biden may take a leadership role globally towards this end.

If the US returns to the WHO, questions over China's expanding role in the UN body will be addressed.

Bangladesh, as a WHO member, might benefit in terms of vaccine accessibility.

Biden's vision for a greener world is good news for Bangladesh, which is at the forefront of climate change.

The country, which faces threats of salinity intrusion, inundation of large coastal areas and displacement of millions of people, should get support from the US and other industrial countries for adaptation.

Since the influx of some 750,000 Rohingya refugees following the brutal military campaign in Myanmar's Rakhine State, there has been little headway in the issue due to an absence of effective measures from the international community.

The Democrats have always been vocal against genocide and crimes against humanity. Biden is expected to be strong in raising the Rohingya issue and seek a resolve.

Bangladesh's political stability, continued growth, skilled workforce, rising middle class,

improved infrastructure and connectivity, geostrategic location between South and Southeast Asia and handling of the coronavirus pandemic are all factors the US has noticed.

Therefore, US companies are interested in investments in Bangladesh.

Another year sank into the abyss of eternity, but a new year is ahead of us with a lot of hopes and inspiration. Most of the energy and efforts of the government had to aim to address the crisis that arose for pandemic. Now we hope the New Year will have a better experience with the availability of a secured and safe vaccine.

Bangabandhu Sheikh Mujibur Rahman who is respected as the savior of the nation, is also credited as the most important and the central figure behind the Bangladesh liberation movement that ultimately led to the liberation war in 1971. The nation is currently celebrating and observing the occasion of Mujib's birth centenary. The Bangladesh government has rightly dedicated the year of 2020-2021 in his commemoration and has aptly named it Mujib Year in his memory. The year will be celebrated from March 17, 2020 to March 26, 2021. Mujib, the father of the nation was born on March 17, 1920.

Bangladesh will organize a number of events ahead of the golden jubilee of its Independence and the birth centenary of the Father of the nation Sheikh Mujibur Rahman.

To spread the significance of Independence, liberation, war and sacrifice of Bangabandhu Sheikh Mujibur Rahman, Bangladesh government and Muktijoddha Academy Trust would hold many festivities and numerous events.

Celebrations will also be held in foreign countries including

India, Russia, Germany, Sweden, Hungary, Poland, Nepal and Bhutan.

This is the year after Mujibur Rahman's 100th birth anniversary from 2020 to 2021, Bangladesh would celebrate the golden jubilee of Independence on March 26, 2021.

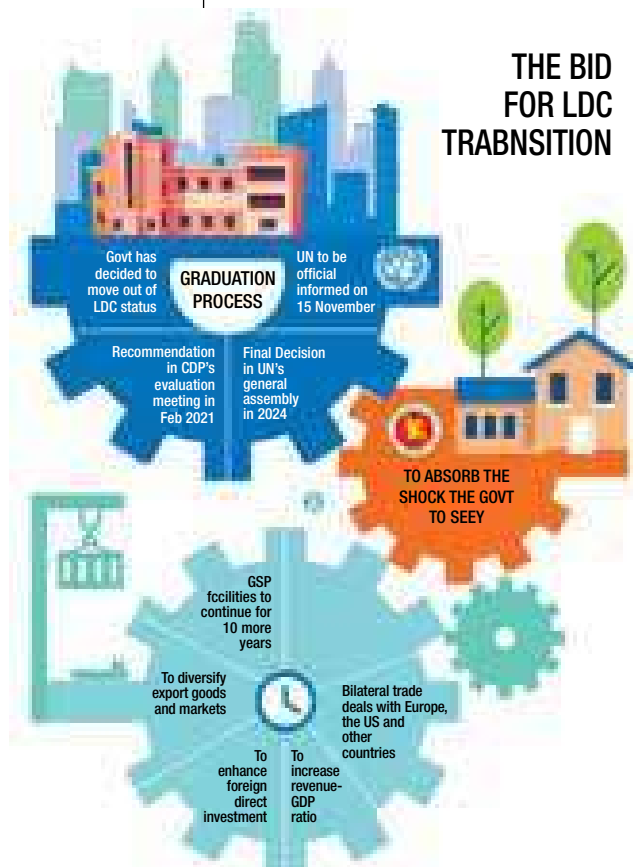
Sheikh Mujibur Rahman, who was popularly known as Bangabandhu, was the former President and Prime Minister of Bangladesh, had spearheaded the Bangladesh liberation struggle following which the country emerged as a sovereign nation from Pakistan in 1971.

Over 3.0 million freedom fighters were martyred while fighting the nine-month-long liberation war. Pakistani soldiers and authorities had let loose colossal atrocities on the people of East Pakistan, now Bangladesh, especially on the women.

Before stopping our pen we must express our deep condolence and also acknowledge about legendary figure Aly Zaker, an Ekushey Padak winning stage and television actor, director Aly Zaker who passed away at the end of November at a hospital in Dhaka as he was being treated for Covid-19. He was also battling cancer for the last four years.

During the Liberation War, Aly Zaker trained at sector 8 under Major General Manzoor, but

Alamgir Kabir asked him to urgently join them at Shadhin Bangla Betar Kendra. He travelled to the front many times after to do interviews and was an important part of Shadhin Bangla's English broadcasts. He was one of the



trustees in the Liberation War Museum in Dhaka. He was the Chairman of Asiatic Society. Aly Zaker was the recipient of Ekushey Padak, Bangladesh Shilpakala Academy Award, Bangabandhu Award, Munier Chowdhury Award, Naren Biswas Award, among other accolades.

Last but not least we express our deep gratitude and warm greetings to our valued readers, writers, contributors, well-wishers and advertisers for their continuous and unconditional support and assistance all along

Corporate Governance: A Conceptual Overview

■ A.B. Mirza Azizul Islam, PhD



Among those are the debacles of savings and loan associations in the United States in mid-1980s, Asian economic crisis of 1997-1998 and the global economic crisis of 2008-2009. Indonesia and Thailand suffered negative real GDP growth of 14% and 8% respectively in 1998. There was a significant negative growth of a number of other East Asian economies. The growth of output of advanced economies in 2009 was -3.7%. At the company level some glaring examples

are the failures of the Bank of Credit and Commerce International (BCCI), the Enron scam and failure of a global giant company Parmalat. The collapse of Oriental Bank and Rana Plaza tragedy in Bangladesh can also be traced to unhealthy corporate governance practices.

What is corporate governance?

"Corporate governance refers to the structures and processes for the direction and control of companies" (The World Bank, 2009).

From a company perspective corporate governance is viewed as a mechanism to maximise shareholder value subject to meeting the company's financial, legal and contractual obligations. From a public policy perspective corporate governance is about operating enterprises in a manner that contributes to sustainable growth and realisation of certain social goals (Basu, 2007).

This author has argued elsewhere that there are four corner stones of corporate governance. These are (i) compliance with all regulatory requirements, (ii) equitable treatment of all stakeholders (iii) Transparent and comprehensive information disclosure, including the financial picture and (iv) adherence to norms of business ethics and corporate social responsibility. These are slightly elaborated below.

Compliance with regulatory requirements

Corporate entities operate in many different sectors. These include financial and non-financial services, manufacturing, agro-processing, external and internal trade, housing etc. There are some laws and regulations which are applicable to all enterprises across the board. There are some which are of relevance to a particular sector. In

The backdrop

Corporate governance has emerged as an important topic of discussion in discourses on development. It is now considered to be a discipline in its own right. Most business schools including those in Bangladesh offer separate courses on corporate governance. The heightened importance attached to it can be attributed to the realization that many of the economic crises that the world has witnessed during the last three decades or so resulted from poor corporate governance.

Bangladesh context, various laws and regulations are administered by different authorities. Among these are Bangladesh Bank, Securities and Exchange Commission, Insurance Development and Regulation Authority, Energy Regulatory Commission, Telecommunications Regulatory Authority, Registrar of Joint Stock Companies, Ministry of Commerce, Ministry of Food, National Board of Revenue etc. Sound corporate governance

example, an enterprise which does not implement sound corporate governance may sell substandard, low quality products to the detriment of consumers' interests.

Transparent and comprehensive information disclosure

Of particular relevance in their context is the preparation of financial statements and audit reports which disclose the true

and voluntary acceptance by the corporate community to contribute to the achievement of Sustainable Development Goals (SDGs) adopted by the United Nations in 2015. The specific goals to which corporations can contribute have been analyzed by me earlier (See Islam, 8 March 2016).

However, there are many details which need to be fulfilled to build the corner stones. A selective list can be seen in the Annex to this article(drawn from Bangladesh Enterprise Institute, 2004).

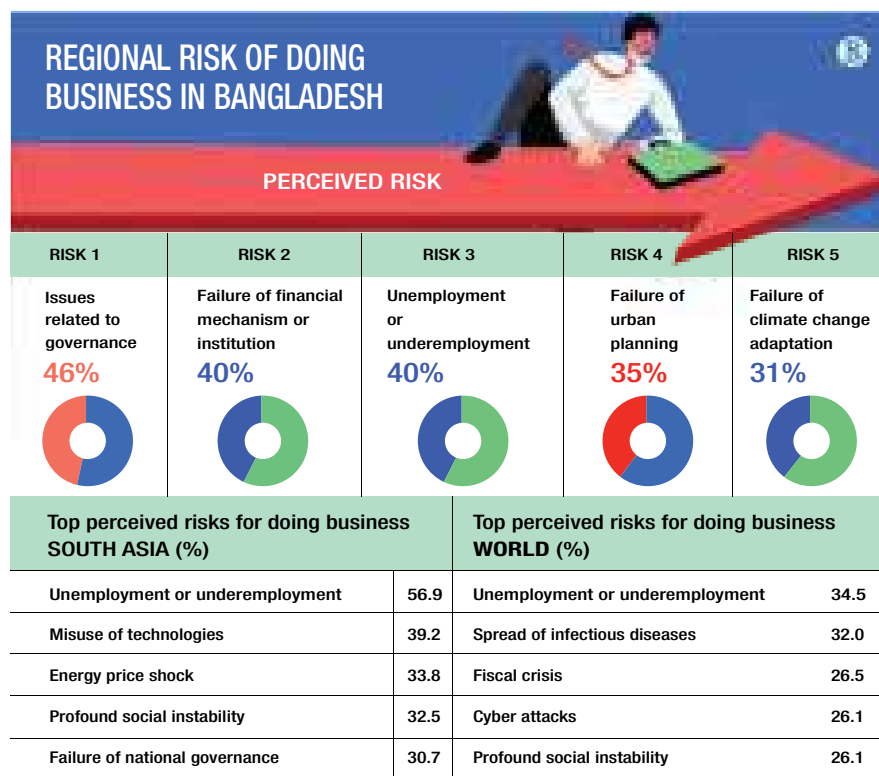
Benefits of sound corporate governance

As noted before attention to sound corporate governance has been heightened by the harmful consequences of poor governance for companies as well as for countries as a whole. Based on ex – ante arguments as well as empirical evidence positive benefits are being increasingly recognized.

Company level benefits

Some of the benefits that can be potentially reaped by the companies which faithfully implement corporate governance principles are the following:

- Attracts greater capital from the financial institutions as well as equity investors. The reduced cost of raising capital facilitates new investment and expansion of capacity to produce goods and services.
- Serves as a conduit for attracting foreign direct investment in the form of joint ventures as well as for non-equity collaboration links with more efficient foreign companies. Opportunities for access to improved process, product, management and marketing technologies are widened as a result.



Source: World Economic Forum 2020

practice implies that the enterprises should comply with all laws, rules and regulations applicable to them.

Equitable treatment of all stakeholders

There are many groups which are affected by the operations of an enterprise. These are shareholders including minority shareholders, members of the Board of Directors, Chief Executive Officer and other employees, input suppliers and consumers / users of goods and services. It is imperative that all these groups are equitably treated. For

financial situation of the company. There should be disclosure of the related party transactions, outstanding debt and other relevant information. Audit reports should be prepared in full compliance with International Accounting Standards as adopted in Bangladesh.

Adherence to business ethics and corporate social responsibility

Business ethics involves, *inter alia*, avoidance of sexual discrimination, aggravation of environmental pollution, injury to human health and exploitation of child labor. Increasingly there is both a societal pressure on

- Access to and application of improved technologies in turn enhance competitiveness in the market.
- Links with foreign enterprises enable the domestic companies to participate in global value chain.
- Brand loyalty fostered by reputation for good governance expands customer base, income and profit.
- Companies are able to attract and retain bright and honest employees. They will be relieved of the problems created by quick employee turnover. Human resource management would be easier, internal governance would improve and operational efficiency would increase.

Macroeconomic benefits

- Sound corporate governance enables companies to withstand shocks emanating from the external environment and thus promotes macroeconomic stability.
- Enhances government's revenue collection and reduces the need for deficit financing to meet essential government expenditure required for the provision of public goods, infrastructure, health, education, social safety nets etc. The scope for acceleration of economic growth, poverty alleviation and reduction of inequality in the distribution of income is expanded as a consequence.
- Sound corporate governance provides a signal for business friendly environment and thereby boosts both domestic and foreign direct investment which helps meet savings – investment gap as well as

foreign exchange gap faced by many developing countries.

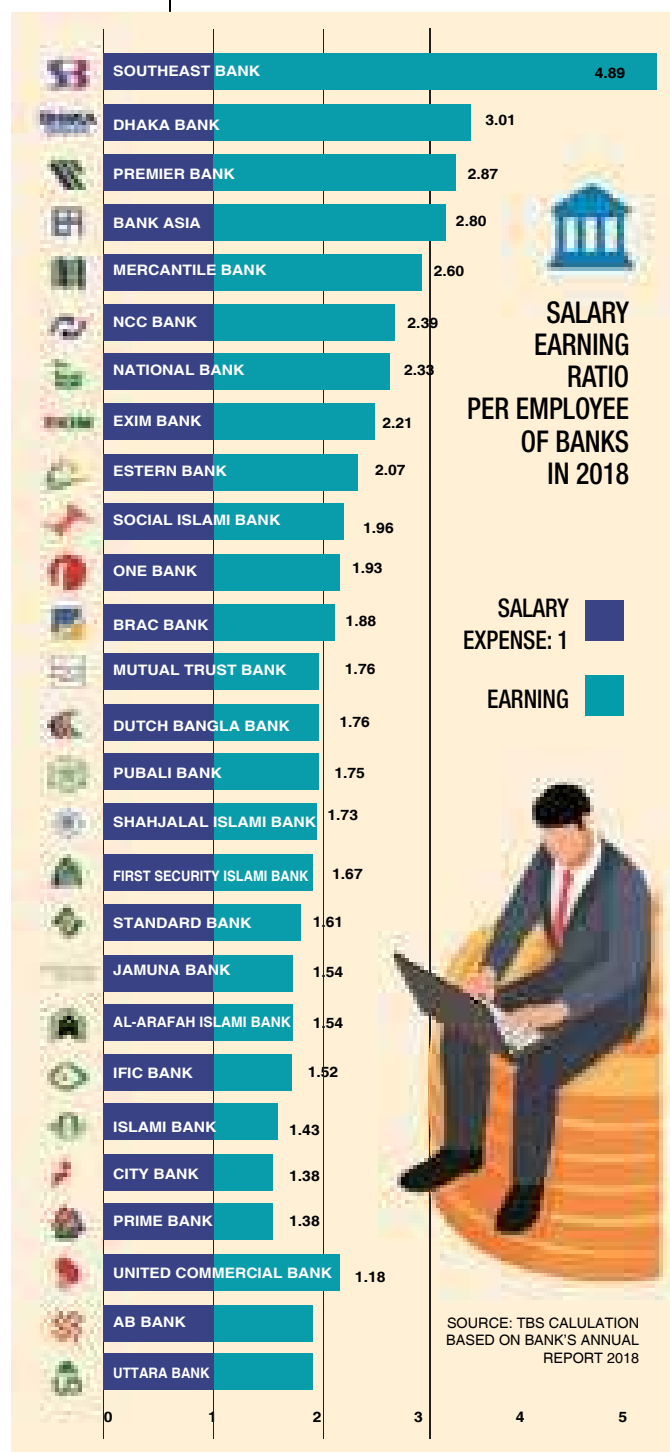
- In addition to price competitiveness foreign buyers increasingly look at corporate governance in their choice of suppliers of export products. Hence sound corporate governance increases over all competitiveness in the global market and contributes to investment, growth and employment.
- Sound corporate governance would also imply repayment of interest and principal due on borrowed funds and reduction of non – performing loans.

Consequently the vulnerability of the financial sector would be reduced, the effectiveness of its intermediation function would be increased and lending rates of interest would fall – leading to higher investment and growth.

Concluding Observations

In the backdrop of many disasters at both company and macroeconomic levels, corporate governance has emerged as an issue of seminal importance. Corporate governance is a multi – dimensional concept. This article has briefly enumerated

the most relevant and the important



elements which constitute corporate governance. It has also indicated the potential benefits at macroeconomic as well as company (microeconomic) level.

For the potential benefits to materialize in reality it is important that the elements of corporate

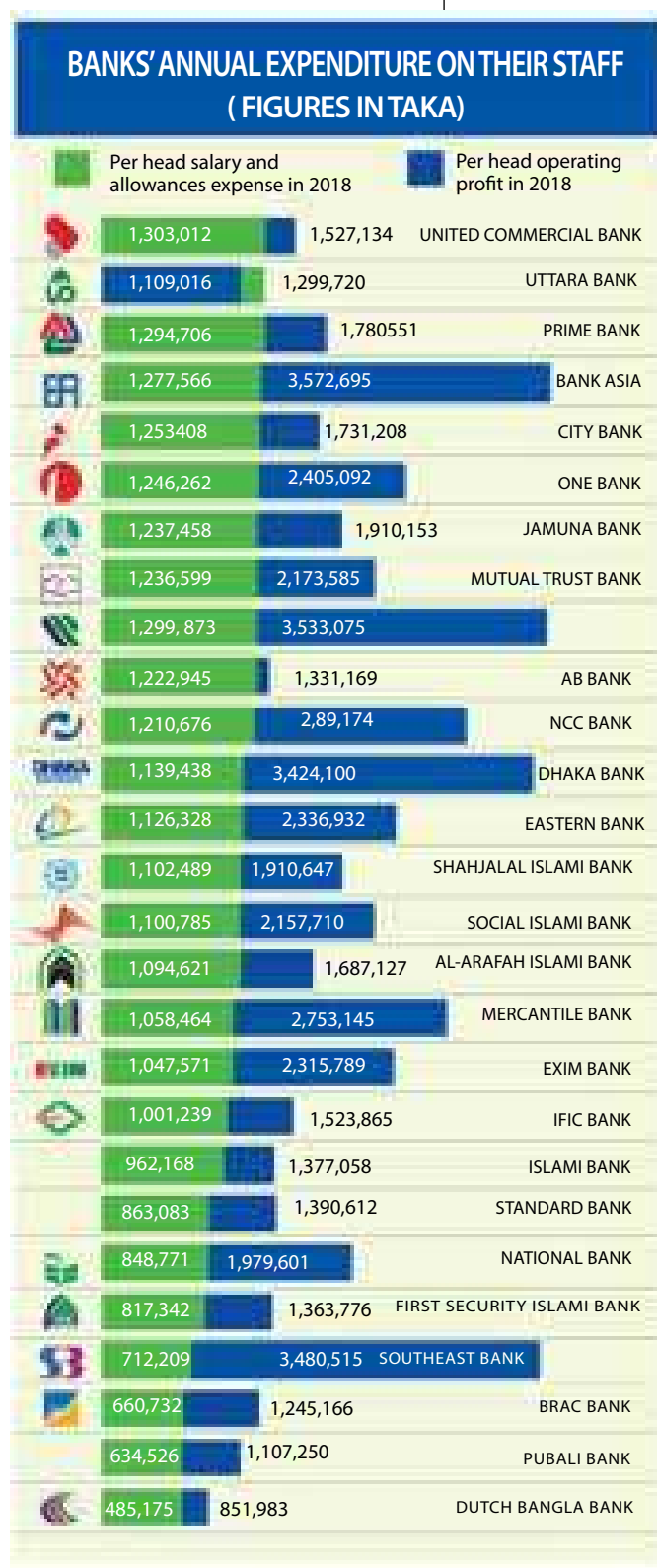
governance are fully complied with. In consideration of the potential

guidelines which were published in 2006. These were further elaborated

and refined subsequently by BSEC. As mentioned before, laws, rules and regulations administered by multiple governmental authorities impinge on corporate governance in Bangladesh. There is an urgent need for better coordination among them and prepare a common framework for evaluation of compliance. The evaluation reports should be accessible to the public in the interest of transparency and informed decision by all concerned.

The author is a former Adviser to the Caretaker Government, Ministries of Finance and Planning in Bangladesh and presently a Professor in Graduate

School of Management, BRAC University. This paper is based on an earlier publication of the author.



benefits, as Chairman of Bangladesh Securities and Exchange Commission (BSEC), I took the initiative to formulate corporate governance

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Annex

BASIC CHECKLIST FOR IMPLEMENTATION OF THE CODE OF CORPORATE GOVERNANCE

Below is a simplified summary of specific recommendations for implementation of the Code of Corporate Governance. The basic checklist below is drawn from the Code but is not an exhaustive list of steps that could be taken to improve corporate governance.

I. Board of Directors

1. Develop a Director Job Description including roles, rights, responsibilities, and required qualifications. 2. Develop and agree to a Board Code of Conduct.
3. Create Committees of the Board of Directors as appropriate.
4. Initiate a board performance review process. If a review has not previously evaluated the size of the board, director re-election policy and term limits, such items should be included in the review.
5. Create and affirm a Statement of Going Concern and Compliance Certificate.
6. Develop a Board Charter, which establishes the roles, responsibilities, and specific annual objectives of the board. From the Board Charter, a board work plan can be developed.
7. Develop a programme of training of individual directors and the board as a whole. Particular focus should be given to new directors.
8. Based on the above, make appropriate changes to the Memorandum and Articles of Association.

II. Employees

1. Develop an Employee Code of Conduct.
2. The Code of Conduct should be incorporated into employment contracts and be a requirement of employment.
3. An enforcement programme should identify and punish violations of the Code of Conduct.

III. Shareholders

1. Create and distribute a Shareholders' Handbook.
2. Examine procedures for AGM notice, setting the AGM agenda, voting practices, and recording the results of the AGM.
3. Review procedures for nomination of directors and nomination of the external auditors to ensure adequate and appropriate opportunities for shareholder participation.

IV. Disclosures and Reporting

1. Make appropriate changes in auditor appointment guidelines to institute a rotation of audit firms or partners.
2. Expand the annual report to include disclosures as provided in the Sample Contents of an Annual Report (Appendix of Bangladesh Enterprise Institute, 2004).

V. Financial Institutions

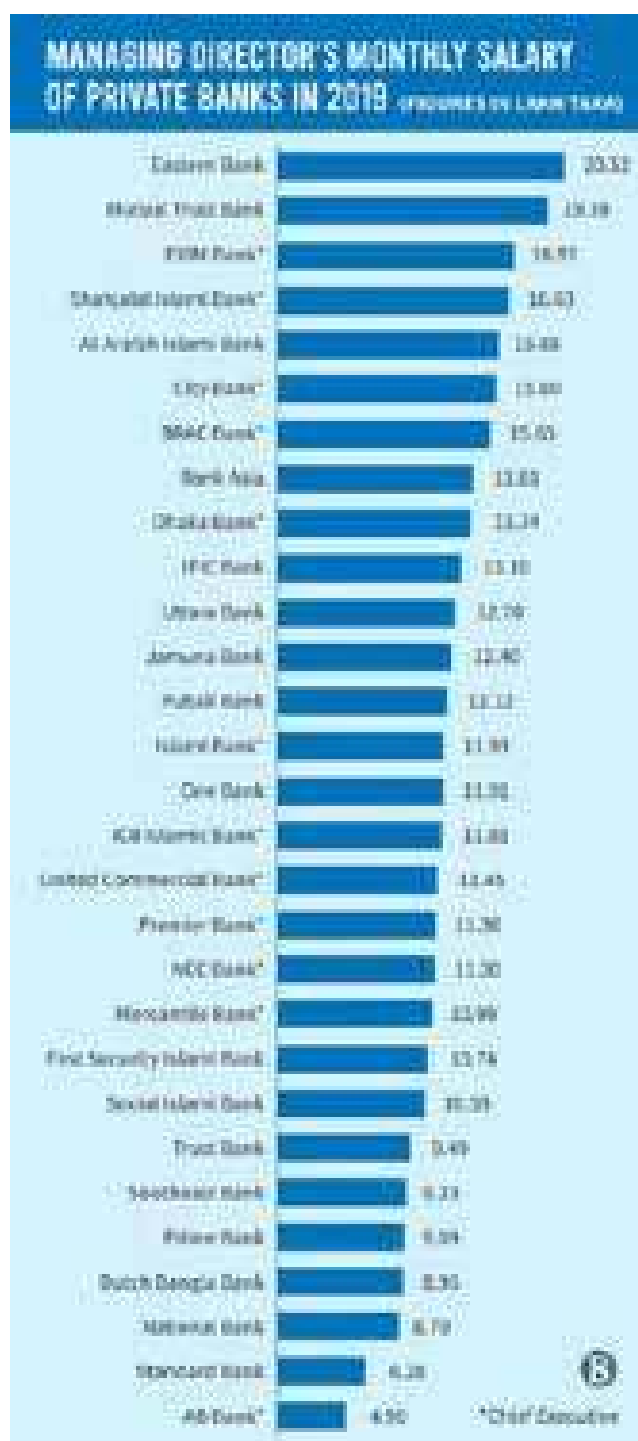
1. Develop and publish a Code of Best Practice for Customers.
2. Develop and publish a Code of Corporate Social and Environmental Responsibility.
3. Expand disclosures in the Annual Report and other public documents to comply with

the Code of Corporate Governance.

4. Initiate a risk management review, if such a review is not already practiced.
5. Review credit assessment process to incorporate corporate governance into credit decisions.
6. Develop and affirm an attestation from the CEO/MD that material risks are being effectively identified, monitored, and managed.
7. Develop and assign personnel to a Corporate Governance Compliance programme.

VI. State Owned Enterprises

1. Define shareholder(s) and monitoring agency.
2. Develop a Statement of Corporate Intent and negotiate and agree such statement with the responsible monitoring agency. Develop a process for reporting and performance appraisal based on the Statement of Corporate Intent.
3. Develop statement of director's duties and responsibilities.
4. Review internal control systems, auditing, and reporting and disclosure practices for compliance with the Code of Corporate Governance.



VII. Institutional Investors

1. Develop and publish investment principles and practices.
2. Develop voting guidelines and procedures. Establish a record-keeping system for proxy voting performance monitoring.

3. Develop guidelines for taking an active role in corporate governance of companies in which investments are made.
4. Publish corporate governance principles and practices which are expected from companies in which investments are made.

The Biden Administration and the US-Bangladesh Economic Cooperation

■ Professor Shahab Enam Khan



The US administration has finally started to settle down with the Biden administration at the helm of power. The 2020 election is not only a repudiation of the Trump presidency, but it also marks a return to diversity, institutionalism, multilateralism, and a global approach to efficient governance, equitable policy, and inclusive polity. The global leaders have already congratulated Mr. Joe Biden for his electoral win, and they have expressed new hopes and

expectations from the US presidency. Bangladesh is of no exception and hopes that his presidency will further boost bilateral ties between these two countries, which should be reciprocal and win-win for both sides.

At the international level, the Biden administration is likely to follow a liberal policy in which it expects to embrace its traditional alliances and strengthen its engagement with multilateral institutions. Undoubtedly, President Biden will give human

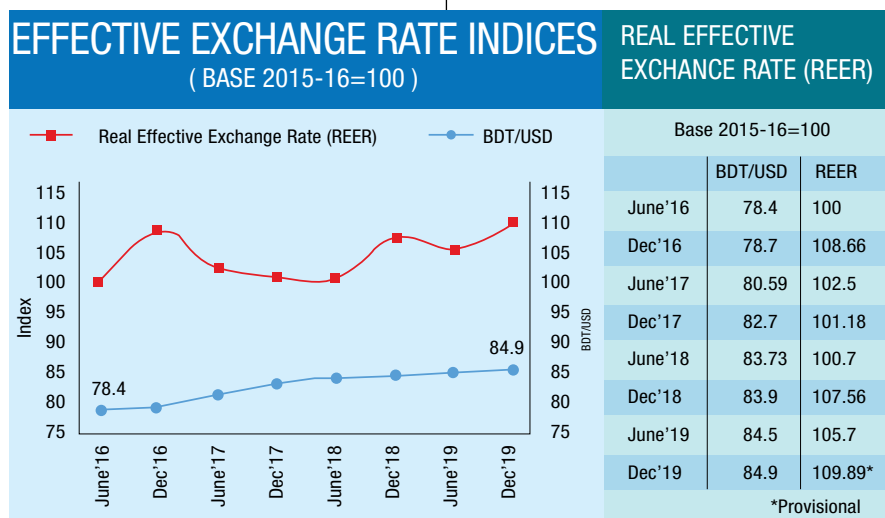
and labor rights, democracy, accountable and transparent trade regimes, and economic development a much more prominent role in Washington's approach to the world. To be precise, Mr. Biden will make an all out effort to return to the global position that the US pursued globally since the end of the Cold War. One may assume that Mr. Biden is likely to continue foreign policy and trade relations of the

Obama administration, and some of the Trump administration's policies. However, one should not forget that the global economic and political architectures have changed since the paradigm-altering pandemic, known as COVID-19, has become the new normal. The pandemic has fundamentally altered the global economic systems, social behaviors, and public consumption patterns. As a result, Mr. Biden will have to deal with multiple competing forces in his domestic sphere ranging from divisive politics to economic growth to institutional and policy reforms.

Nonetheless, Asia will continue to be the foreign policy focus, particularly the Middle, South, and East Asia. Hence, Asia will feature as a core foreign policy continuity, in line with that of Mr. Barack Obama and Mr. Donald Trump. Attitudes in Washington toward Beijing have shifted, and both Democrats and Republicans generally agree that the US should continue to be more aggressive than it has traditionally been in countering China. The Biden administration will continue pressuring China on trade, economic practices, and human rights, and maintain many of Trump's major China

policies (Swanson, et al., 2020). However, the Biden administration

administration will be scaling up the US activities in Asia beyond myopic



may also seek to establish formal, high-level ministerials with Beijing — similar to the dialogues held throughout the Bush and Obama administrations — and may seek new trade talks to build upon the Trump administration's Phase One deal (Swanson, et al., 2020). India and Japan too will feature as other top priorities in which not only geopolitics will set tunes, trade and investment will feature vividly.

Hence, the foreign policy continuity is primarily linked with Asia's geoeconomics and geostrategic rise. Particularly China and South Asia have become the most significant focus of the world and are expected to remain significant markets and economic hubs, coupled with conspicuous geopolitical tumults, for decades to come. Of course, the existing economic and financial volatilities in the US still denote that a long-term presence in Europe or the kinds of policies Washington has pursued in the Middle East may no longer remain viable. For Mr. Obama, the pivot to Asia was a rational choice based on geopolitical and geostrategic priorities, but for Mr. Biden, the post-COVID-19 economic recession and the resources will be the key reasons behind his focus on Asia. That certainly means the Biden

security focus or idiosyncratic trade deals.

The Biden administration's move may include Washington's return to Trans-Pacific Partnership (TPP) which was hitched by Mr. Donald Trump in 2017. TPP is a concern for Bangladesh since this can potentially effect Bangladesh's RMG sector. Mr. Biden can't ratify TPP without Congress, but he can rejoin the negotiations as the first step (Smith, 2020). Hence, the market will dictate the rules of engagement. Meanwhile, Regional Comprehensive Economic Partnership (RCEP) has become a flagship trade arrangement in the Indo-Pacific. RCEP leads to wide spread tariff cuts which is a result of China's trade compromise with the regional economic partners. Unlike the TPP, and other U.S.-led trade deals, the RCEP doesn't require its members to take steps to liberalize their economies and protect labor rights, environmental standards and intellectual property (The Washington Post, 2020).

RCEP is a perhaps a classic trade opportunity for China to lead a regional trade pact in which the US and India are not part, Beijing will be willing to go extra miles even if it inflicts compromise for the domestic industries. Even if one takes Japanese

case for RCEP, 86% of industrial export from Japan to China under RCEP will enjoy tariff elimination (Nikkei Asia, 2020). However, the US hasn't been deliberately excluded from the RCEP, it would first need to reach a free-trade arrangement with Asean, then apply to join (The Washington Post, 2020). India, which could have been the third-biggest RCEP economy, pulled itself out in November 2019 on the ground of protecting the service and agricultural sectors. Mr. Narendra Modi, the Indian Prime Minister, had pushed the other nations to address concerns over trade deficits, and open market policies in favour of Indian goods, services, and investments (The Washington Post, 2020). Bangladesh too has not shown interest to participate in this epic trade deal mainly to safeguard its revenue earning from duties on imports.

While China will remain as atop foreign policy agenda, one should expect to see a full-spectrum competitive trade rivalry, along with a much tepid strategic competition. Mr. Trump's incoherent and inconsistent policies toward China and his peculiar relationship with President Xi Jinping would push the Biden administration to reorient national power instruments to reaffirm US's global leadership. This is precisely why modalities of engagement with South and Southeast Asia will become a critical factor for the Biden administration. Understandably, President Biden may not determinately wind back the ongoing trade conflict and continue to delink the two economies, more precisely in the areas of technology and intelligence, in any time soon. However, efforts to build on some areas of common interest to improve cooperation will undoubtedly be visible. Both the US and China will be keen to advance their shared goals to palliate the bruising consequences of geostrategic competition in the post-COVID world order.

The Chinese magnum opus – Belt Road Initiative (BRI), and the US idea of the Indo-Pacific Strategy (IPS) or alike will continue to shape the Asian regional order in which any geopolitical miscalculation will put a very high premium on the thriving economies such as Bangladesh. Bangladesh aspires to support IPS while it is a signatory country of BRI. As such, liberal attitude toward Dhaka-Washington ties must be pursued. Bangladesh must balance between Washington and Beijing in which Beijing acts as the vital exporter to Bangladesh, and Washington as a key export destination for the Bangladeshi RMG goods.

In 2018, Bangladesh exported \$44.9B and imported \$54B, resulting in a negative trade balance of -\$9.12B (The Observatory of Economic Complexity, 2020). In 2018, Bangladesh's exports per capita were \$278, and its imports per capita were \$335. In Bangladesh-US Trade, Bangladesh became the US's 46th largest goods trading partner with \$9.0 billion in total (two way) goods trade during 2019. Goods exports totaled \$2.3 billion; goods imports totaled \$6.7 billion. The US goods trade deficit with Bangladesh was \$4.3 billion in 2019 (Office of the United States Trade Representative, 2020a). As per USTR, US foreign direct investment (FDI) in Bangladesh (stock) was \$493 million in 2019, a 3.7% decrease from 2018, and Bangladesh's FDI in the United States (stock) was \$12 million in 2019, unchanged from 2018 (Office of the United States Trade Representative, 2020a).

The fifth Trade Policy Review of Bangladesh by the World Trade Organization in 2019 identified that Bangladesh's real GDP has inclined at an average of 6.8% and reached nearly 7.9% in FY2017-18. Growth has been driven mainly by the ready-made garment (RMG) sector; consequently, the economy has continued to diversify away from an

agrarian to a more manufacturing-based economy, supported by low-cost labor. Growth has resulted in a decline in poverty levels, which fell to 21.8% in fiscal year (FY) 2018 and improved other social indicators (World Trade Organization, 2019). The reality is, noting that there is an abstruse perception that

of the economy signifies that GDP is considerably underestimated, and it possibly undermines the robustness of government policy. To address the structural impediments, policy reforms and strategies have been undertaken in the areas such as taxation, improving the business climate, enabling private

Rank	Country/Region	Foreign Exchange Reserves	Rank	Country/Region	Foreign Exchange Reserves	Rank	Country/Region	Foreign Exchange Reserves
1	China	3,142.56	16	Italy	190.22	30	Saudi Arabia	79.66
2	Japan	1,402.48	17	United Kingdom	182.69	31	Norway	75.00
3	Switzerland	929.14	18	Israel	161.69	32	Peru	74.67
4	Russia	585.80	19	Czech Republic	159.06	33	Iraq	62.90
5	India	545.64	20	Indonesia	137.04	34	Algeria	62.00
6	Taiwan	498.17	21	United States	132.24	35	Australia	55.92
7	Saudi Arabia	453.32	22	Poland	112.94	36	Colombia	55.00
8	Hong Kong	445.90	23	Malaysia	104.30	37	Sweden	54.65
9	South Korea	418.10	24	Philippines	98.60	38	Denmark	54.25
10	Brazil	357.80	25	UAE	96.14	39	South Africa	53.00
11	Singapore	321.35	26	Vietnam	92.00	40	Libya	50.00
12	Thailand	277.38	27	Canada	89.90	41	Netherlands	44.86
13	Germany	268.93	28	Iran	86.00	42	Romania	42.65
14	France	231.42	29	Turkey	83.79	43	Kuwait	40.60
15	Mexico	196.15	-	European Union	79.24	44	Bangladesh	40.10

Bangladesh is an Islamic country, Bangladesh now ranks 50th in the Global Gender Gap Index 2020, way above its South Asian neighbors. Parliament has 22 percent female representatives. A new-born in Bangladesh is more likely to see her fifth birthday than her Indian or Pakistani counterpart, and she is expected to live longer in Bangladesh (72.5 years) than India (68.6 years) or Pakistan (66.5 years) as of 2017 (Khan, 2020).

Since 2012, The country has undertaken continued reforms for which Bangladesh has reached the world bank's threshold for lower-middle-income country status in 2015. The country expects to become a least developed country by 2024, which can potentially be delayed due to the aftermath of the COVID19 pandemic. While the macroeconomic management and private consumption have been impressive, the informal nature of a considerable portion

participation in public infrastructure projects, and labor policy (World Trade Organization, 2019).

Bangladesh's impressive economic track record comes with two levels of risks. The internal risks mostly stem from rising inflation due to higher food prices, nonperforming loans along with weak governance in the banking sector, and a decline in the financial credibility of the state-owned and private commercial banks. The external risks involve negative country perception among the foreign investors, impacts of both COVID-19, and trade conflicts between China and the US in which Bangladesh has a considerable stake. Here one must note that the eruptive geopolitical tensions between China and India, and perhaps India and Pakistan, continue to put geopolitical burdens on Dhaka.

As mentioned earlier, the US will continue to retain China as the top

foreign policy agenda; Mr. Biden will shift from the Trump administration's approach to China. Nonetheless, if the risks of more sanctions against the Chinese firms continue to rise, Bangladesh's private sector may feel the heat too. In general, Biden can use executive power to define a new orientation for U.S. trade policy (Smith, 2020). That means the US-Chinese geopolitics will affect the economic rise of Bangladesh. As a result, both the US and the Bangladeshi policy communities should actively work together to see Bangladesh more through economic and human development prisms and less through the strategic spectrum. The US technical assistance for strengthening financial governance and literacy and promoting accountable and transparent governance will be helpful.

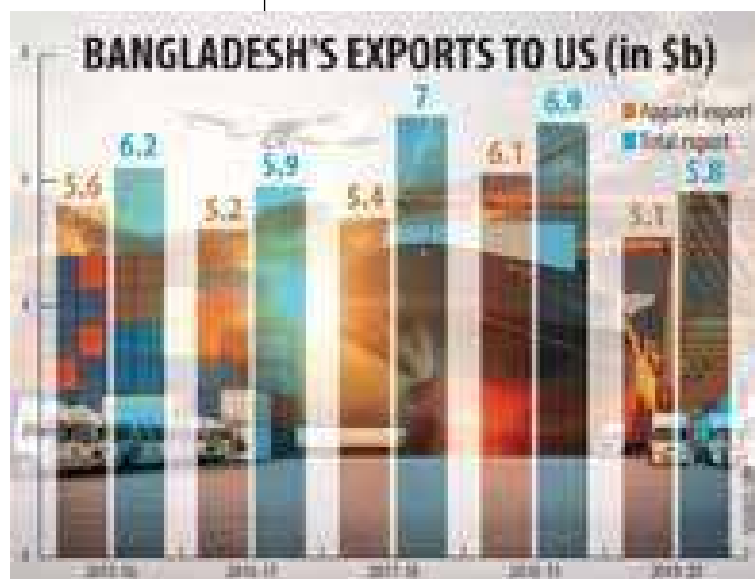
A virtual meeting was convened by Adviser for Private Industry and Investment to the Prime Minister of Bangladesh, Salman F. Rahman, MP. and US Under Secretary of State for Economic Growth, Energy and the Environment, Keith Krach, on September 30, 2020, to facilitate a "Vision for Advancing the Bangladesh - US Economic Partnership." Both the high-level dignitaries noted that a free, open, inclusive, peaceful, and secure Indo-Pacific region would be of shared interest to Bangladesh and the US (Ministry of Foreign Affairs, Government of Bangladesh, 2020). The co-chairs recognized the need for bilateral cooperation to help overcome the global economic disruptions caused by the COVID-19 pandemic and expressed their willingness to work together to advance the U.S.-Bangladesh Economic Partnership to facilitate sustainable supply chains and generate more employment contributing to stronger ties between the two friendly countries (Ministry of Foreign Affairs, Government of Bangladesh, 2020). This coincides with Bangladesh's pursuit of export diversification, which would require

technical assistance from the US, its neighbors such as China and India, and multilateral agencies.

Interestingly, the Chinese Ambassador HE Li Jiming mentioned that "Bangladesh can benefit hugely from the vast Chinese market as China's imports will exceed US\$30 trillion in the next 15 years". He added, "It will be a win-win cooperation for China and Bangladesh to fully explore China's import capability, catch up with the demand of the Chinese market, and strengthen bilateral trade." He added, "Bangladesh still has great potential in terms of the types of export commodities, the improvement of production efficiency, the diversification of export commodities, the improvement of the technical content of products and the transfer of products with higher added value" (UNB, 2020). Rationally then, Bangladesh sees both Washington and Beijing as potential partners in diversifying its economy. Correspondingly, the meeting between Adviser Salman F. Rahman, MP. and US Under Secretary of State Keith Krach also highlighted the necessity for Bangladesh's export diversification.

The outcome document of the meeting mentioned that "Having reviewed its post-COVID-19 recovery strategy to expand domestic demand through public investments in infrastructure and service delivery, and to increase the rate of foreign direct investment into export diversifying sectors, the Bangladesh

side indicated that US investment and technology in its agro-processing sector, agricultural trade, and jute sectors could be beneficial as it could promote food security and address environmental degradation caused by use of polyethylene-based items. The meeting participants observed that efforts should continue to support cooperation in the area of science and technology, including innovative plant breeding technologies, science-based standards, and the principles of risk analysis, to help meet the agricultural challenges and consumer needs of the 21st century" (Ministry of Foreign Affairs, Government of Bangladesh, 2020).



Notably, on June 16, 2020, China announced the duty-free export facilities for 97% of its tariff line. With the announcement, a total of 8,256 Bangladeshi items are now eligible for zero duty facilities in the Chinese market (Dhaka Tribune, 2020). The Export Promotion Bureau estimated that the country's exports to China stood at \$110 million during the July-August period of the current FY19-20, down by 16.66% compared to the same period last year (Dhaka Tribune, 2020). Under the South Asian Free Trade Area (SAFTA), India has provided duty-free access to Bangladesh as a Least Developed

Country (LDC) for all tariff lines except the 25 lines related to liquor and tobacco. Bangladesh has also granted duty concessions to India under APTA, SAPTA, and SAFTA. Bangladesh currently avails Generalised System of Preferences (GSP) from 38 countries, including 28 countries of European Union, Australia, Belarus, Canada, Liechtenstein, Japan, New Zealand, Norway, Russian Federation, Switzerland, and Turkey (Export Promotion Bureau, 2016).

Ministry of Commerce, Government of Bangladesh, Washington has assured Dhaka of reconsidering GSP facility for Bangladeshi goods to the US market (The Financial Express, 2020). US Deputy Secretary of State Mr. Stephen Biegun, during his visit to Dhaka in October 2020, mentioned that “Bangladesh will be a centerpiece of our work in the region” (US Embassy in Dhaka, 2020). Indeed, lifting of GSP ban and providing technical assistance to Bangladesh would

During the Fifth United States-Bangladesh Trade and Investment Cooperation Forum Agreement (TICFA) Council meeting, held on March 5, 2020, in Dhaka, Bangladesh, both the countries “stated their intent to boost trade and investment opportunities and facilitate the existing flow of goods and services” (Office of the United States Trade Representative, 2020b). The meeting stressed improvements to the Bangladeshi investment climate needed to achieve this, including adequate protection of intellectual property rights; clear regulation and monitoring of the trade in pharmaceuticals and medical devices; commitment to enable the digital economy; support for investors’ right to fair and prompt dispute resolution and arbitration; enforcement of obligations and notifications under WTO agreements; and transparency in government procurement (Office of the United States Trade Representative, 2020b).



In June 2013, the US suspended GSP for Bangladesh after the Rana Plaza collapse that killed more than 1,135 workers and injured 2,500. The US issued 16 conditions to be complied with by the private sector factories in Bangladesh to avail GSP. The garments sector has satisfactorily fulfilled all 16 conditions in the areas of the workplace, labor rights issue, factories inspection, and remediation issues (The Financial Express, 2020). However, as per the

be critical to ensure Bangladesh remains a centerpiece of the Biden administration in the coming months. One may recall that the foreign Minister of Bangladesh Mr. AK Abdul Momen mentioned to the press that, “As the US is deepening its friendship [with Bangladesh], we would like it to invest in infrastructure. The US has no investment in infrastructure development, which we need very much here” (The Daily Star, 2020).

While Bangladesh is expected to remain as a centerpiece of US engagement in the Indo-Pacific, the post-COVID19 Bangladesh will require the US and its other allies to do more to advance the common interests of peace and stability in the Bay of Bengal region. Historically speaking, Bangladesh had to go to international tribunals for delimitations of its maritime boundaries with India and Myanmar. Once again, the country had to earn its legitimate right through a multilateral process that otherwise could have been settled bilaterally had the neighbors acted friendly in this matter. However, Bangladesh’s greater cooperation with Beijing and Washington will, in turn, help in ensuring collective security better than the Indo-Pacific region had in the past.

Bangladesh’s economic growth has helped its immediate neighbor India too. Bangladesh has become its largest trading partner in South

Asia, and a partner in its security stability. The Prime Minister of Bangladesh Sheikh Hasina, in fact, in an interview answered a question on Bangladesh-China relations by saying, “We have established the BBIN network and good relations with Bhutan, India, and Nepal as

Hence, Bangladesh’s strategic security has to be seen through multilateral prisms too. One critical issue that poses a threat to Bangladesh’s development, national security with regional spillover effect, and internal stability is the Myanmar factor. Bangladesh actively pursued the UN, OIC, and EU to provide political, legal, and financial assistance to support and repatriate the Rohingya refugees. Despite repeated military provocation from Myanmar, Bangladesh remained committed to bilateral solutions with Myanmar, engaged in trilateral dialogues including Beijing, and multilateral approaches including the UN and OIC.

and consistency were challenged over the past four years. Of course, one should not undermine the US’s phenomenal domestic economic uplift under the Trump administration. The US may need to be more proactive in its relation with Bangladesh that stands as the South Asian soft-belly with access to and autonomy over the Bay of Bengal – a potential geopolitical flashpoint.

The global and multilateral institutions that the US built since the second world war to stabilize international order and advance common or the US interests are in an appalling state. Of course, one has to be mindful that the Biden administration won’t be able to return to the placid days of trade liberalization any time soon as the America first economic nationalism has already taken center stage and made liberalism look philanthropic. Hence, the task is colossal too. It won’t be a de trop to mention that Bangladesh, being a credible stable and predictable country in the South Asian theatre, can help the Biden presidency to balance the US leadership in the region and particularly act as a critical pivot in bringing a much more integrated approach to managing its Asian interests. After all, Bangladesh is a country of 170 million resilient, generous, and hardworking population aspiring to share the benefits accrued from their growth and market with their neighbors.

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a result. We also have the BCIM economic corridor with China, India, and Myanmar. So we can all join and improve our trade volumes, and that means the economic condition of our people will improve. The purchasing power of our people will increase, and who will be the bigger beneficiary of that in our region? India. India is best poised to benefit from the Bangladeshi market. You should realise that” (Haidar, 2016).

Of course, Bangladesh has always remained committed to multilateralism, being the pioneer of the South Asian Association for Regional Cooperation (SAARC), an active advocate of the only South-Southeast Asia platform - The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), and the UN-led agencies and initiatives. The country has adopted the ‘whole of the society’ approach to meet the SDG goals, remains committed to implementing the Paris Agreement, and global security and peacebuilding processes through UN Peacekeeping missions.

A textbook example level of ethnic cleansing was committed by Tatmadaw (the Burmese military) in August 2017 that resulted in a mass exodus of approximately 1.1 million Burmese Rohingyas to Bangladesh. This is an untenable situation that requires more than \$1 billion of aid to meet the humanitarian needs of Rohingya refugees in Bangladesh. But so far, less than half has been contributed by the global community (UNHCR, 2020). Most certainly, the US remains the largest financial donor to mitigate this crisis. The US has announced nearly \$200 million in additional humanitarian assistance for the Fiscal Year 2020 for Rohingya refugees, host communities in Bangladesh and other countries in the region, and internally displaced Rohingya and other crisis-affected communities in Burma (US Department of State, 2020).

Given all these windows of opportunities, supports, and vulnerabilities, Bangladesh will remain committed to improving its trade regimes. It is undeniable that the Biden administration will inherit an America whose power

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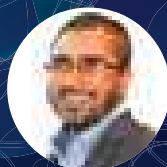
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AmCham IN ACTION



By **Md. Shahadat Hossen**
Executive Director
The American Chamber of
Commerce in Bangladesh (AmCham)

(As an integral part of the ongoing activity of AmCham Bangladesh, through these actions, we present the views of the AmCham members to the Government of Bangladesh, U.S.A and concerned stakeholders to come up with necessary solutions. The snapshots below cover highlights of AmCham activities during the timeline of this issue.)

“Women Power – the Force Multiplier”:

The American Chamber of Commerce in Bangladesh (AmCham) held the virtual panel discussion on October 21st at 3pm where **Dr. Shirin Sharmin Chaudhury**, M.P., Honorable Speaker of the Bangladesh National Parliament attended the event as the “**Guest of Honor**” and the session was chaired by the AmCham President, **Mr. Syed Ershad Ahmed**.

Ms. **Luna Shamsuddoha**, Member, AmCham & Chairperson, Dohatec New Media, moderated the panel discussion where Dr. **Rubana Huq**, Managing Director, Mohammadi Group & President, BGMEA, Ms. **Uzma Chowdhury**, CFO & Director of PRAN-RFL Group & Ms. **Rubaba Dowla**, Managing

Coronavirus outbreak has affected sturdily the cottage, micro, small and medium enterprise (CMSME) sectors in Bangladesh, around 80% women owned business got disrupted and rest are in quite vulnerable state. Several steps are being taken by the government to boost the business and continued subsidies for CMSME’s. The recognition of women entrepreneurs’ needs in the CMSME category is well appreciated, especially since women entrepreneurs have been demanding dedicated support for the revival of their businesses.

Business leaders on that occasion recommended that the government should initiate a pilot project to

knowledge of advanced technology and digital transformation. They also stressed the need for technological education programs for women so that they did not lag behind in the era of the fourth industrial revolution.

Mr. Syed Ershad Ahmed in his opening remarks said, business in Bangladesh, like other neighboring Asian countries, was male dominated until late 80’s. But with the opening of readymade garment sector women not only entered the work force women entrepreneurs also rapidly emerged along with some other sectors. He said in recent years, the rate of new business formation by women has significantly increased in the country. The number of women-headed establishments is 0.56 million (7.21 per cent) now while it was 0.10 million (2.8 per cent) in 2001 and 2003. However, the overall disbursement of most COVID-19 stimulus packages is still not encouraging. Mr. Ahmed hoped that women’s economic participation and their ownership and control of productive assets would speed up development, help overcome poverty, reduce inequalities, and improve children’s nutrition, health, and education.

Moderating the meeting, Ms. Luna Shamsuddoha, an AmCham member and chairperson of Dohatec New Media, told that although many female entrepreneurs have been affected as part of the fallouts of the Covid-19 pandemic, many have also benefitted. She also put emphasis on the importance of skilling, reskilling

Director, Oracle Bangladesh, participated as the designated panelists.

upscale the technological skills of women workers and entrepreneurs in order to equip them with the





and upskilling of workers, reasoning that the global economy was transforming into a digitalised one.

Managing Director, Mohammadi Group & BGMEA President Dr. Rubana Huq mentioned that some 25% of RMG production in the country might be carried out through automation by 2023, up from the existing 8%, because the sector has already entered the 4th industrial revolution and is witnessing the adoption of artificial intelligence & robotics in the production process. So, workers, especially females, need to be skilled & reskilled so that they can continue contributing further in the time of automation, she said. Education is the answer when it comes to the question of how female workers can be helped, as they have been tremendously contributing to the industry and the nation in export earning, she said.

Ms. Uzma Chowdhury, chief finance officer and director of PRAN-RFL Group told that the scenario of women entrepreneurship in Bangladesh has been progressing in the right direction, however, some women entrepreneurs have been facing difficulties in accessing finance due to the fallouts of the Covid-19 pandemic, she said, adding that 40% of her company's 115,000 employees were women. She also said that women entrepreneurs needed some institutional mentorship and encouragement to facilitate them in moving forward with their ventures. Women should come forward in

business and top-level jobs in greater numbers, she added.

Oracle Bangladesh managing director Rubaba Dowla also stressed women's adaptation to digital devices to tap into the opportunities of working from home amid the outbreak. E-commerce has flourished amid the outbreak and more women are now working in the field from home, she said.

Echoing with the recommendations, the Guest of Honor & House Speaker Dr. Shirin Sharmin Chaudhury said that women workers and entrepreneurs should be trained properly to avail technology and using them efficiently in their workplaces and businesses. Without training and education, only the availability of digital technology and devices will not yield any

results, she said. 'The Information and Communication Division may consider launching a pilot initiative to train women on how to avail and use digital devices at low cost or free of cost,' she said. Innovative ideas are also required to address the critical challenges women entrepreneurs are facing amid the digital transformation, she added. She also recommended collateral free funds for women entrepreneurs saying that lack of adequate capital, access to finance and market, and limited access to technology and networks were the major existing problems for women entrepreneurs. The COVID-19 outbreak has further exaggerated the crisis as women entrepreneurs are facing decline in sales and failing to repay loans, she added.

World Bank Bangladesh country director Mercy Miyang Tembon recommended that education in technology should commence in childhood.

AmCham believes these support suggestions from the discussion will aim to facilitate linkages between CMSME and Government institutions for further advice and support increasing the resilience and help the affected women entrepreneurs in Bangladesh improve capacity enhancement initiatives.





Mr. Showkat Ali Sarkar, AmCham Executive Committee Member coordinated the discussion and offered the vote of thanks where a good number of AmCham members including the Executive Committee Members, foreign dignitaries, business leaders, media representatives and other distinguished guests attended.

Indo Pacific Business Forum (IPBF) - October 28 & 29, 2020, Hanoi, Vietnam:

During the ongoing spread of COVID-19, the 3rd Annual Indo-Pacific Business Forum took place as a hybrid in-person and virtual event. IPBF is the leading event to promote trade, investment, and economic cooperation between the United States and its partners throughout the Indo-Pacific.

The themes for this year's Forum are energy and infrastructure, the digital economy, market connectivity, health and economic recovery from the COVID-19 pandemic, and U.S.-Indo-Pacific partnerships and commercial opportunities. This event

highlighted regional projects that are currently underway, envisioned for the future and incorporate best practices for interested companies to play a leadership role which included: The Digital Connectivity and Cybersecurity Partnership (DCCP), Infrastructure Transaction and Assistance Network (ITAN), and Enhancing Development and Growth through Energy Initiative (Asia EDGE). (Photo courtesy : thanhnien)

US Secretary of State Mike Pompeo, Secretary of Commerce Wilbur Ross along with other senior U.S. and international government officials, global industry executives, and other partners from the United States and the Indo-Pacific business community gathered in-person and virtually in this year's IPBF. AmCham Bangladesh president Mr. Syed Ershad Ahmed, Vice President, Syed Mohammad Kamal, Executive Director as well as distinguished





members in general participated virtually in this event from Bangladesh to gain ideas how to advance American competitiveness in the Asia-Pacific region and to encourage economic growth of Bangladesh as well.

AmCham Executive Committee Meetings:

Out of an abundance of caution for the health and safety of the community amidst the ongoing spread of COVID-19 the committee members met virtually on 4th October & 14th December 2020 via video conferencing. The ExCo discussed about the chambers initiative support the Members and the society through different CSR activities, ways of holding annual general meetings (AGM) complying with the social distancing guidelines suggested by government, strategic guidelines for the business and Bangladesh at large during and beyond the Pandemic and how chamber can promote and support measures calculated to benefit and protect the interests of the members, work through both public-private sectors on vital issues to identify the opportunities and recommend policies to overcome

the snags on the way to progress presenting the views of AmCham Bangladesh members to both the policy makers.

AmCham Support for the Farmers during COVID – 19 Pandemic :

The American Chamber of Commerce in Bangladesh (AmCham)

Since Agriculture is one of the major pillars of our Economy and vital component to ensure the food security of the entire nation, we have taken such initiative focusing on the noble cause. The pandemic struck just before peak harvest season. During the lockdown, farmers watched prices and demand plummet in conjunction with breakdown of transportation systems. A rapid fall in income combined



has inaugurated the initiative on July 05, 2020 during this Pandemic.

with increased costs and inability to access essential supplies worsened



connected them with the department officials. These connections will help the farmers avail free training, get access to new technology and benefits for their existing business and new ventures.

- **Boosting sales through market linkage:** Produce and poultry were sourced from marginal farmers to prepare food packages that were distributed to vulnerable communities as part of SAJIDA's COVID response activities.

the conditions of small enterprise farmers across the country.

AmCham with the generous support of its members and its own fund initiated the project in association with SAJIDA foundation that has been a timely response to strengthen the resilience of the agricultural sector and address the immediate needs of marginal farmers. The project's primary location Sirajganj's economy is predominantly agricultural. Over four-fifths of land in rural areas are cultivated by marginal and small-enterprise farmers. With their small profit margins, heavy reliance on 'middlemen' to broker sales and increasing debt, the livelihoods of these farmers had become highly vulnerable due to the pandemic. At this beginning phase we started to help 1000 farmers and their families by providing financial resource to invest in agriculture and other sustainable livelihoods.

Project Activities:

We in collaboration with, SAJIDA foundation carried out the following activities since July 2020 till date:

- **Orientation of farmers:** All selected farmers went through an initial orientation by field officers

guided by agriculture experts. In the orientation, they received advice on how to effectively utilize the grant money along with advice on livelihood, business and agriculture.

- **Distribution of grant to selected farmers:** The financial support from the fund was disbursed as Grant to each farmer through bKash, a leading mobile money service.

- **One - One counselling to farmers on agricultural issues:** The farmers received counselling from field officers with agriculture background. The counselling focused on crops and cattle rearing, advice on their ongoing business and on resources and services they used to further develop their businesses. The officers have also monitored their activities and provided feedback as and when required.

- **Referral and linkages to Govt. agricultural institutions for other support/advice:** SAJIDA's agricultural unit officers have worked with all the farmers and informed them about the government services and resources they can avail. The officers have also formed liaison with horticulture center, Upazila agriculture office, Upazila agriculture training centers (ATC) and

We could have not done this much without the members' contribution and in this opportunity AmCham Executive Committee Members would like to convey heartfelt gratitude for the donations despite the difficult times we all are passing through and appeal to all members once more, **if you wish to join the noble cause, we're still open to accept your in-kind donations.**

AmCham meeting with Bangladesh Ambassador-designate to the USA:

In the backdrop of the ongoing spread of Pandemic and the new leadership in the USA, the government of Bangladesh has appointed Mr. M. Shahidul Islam as the Ambassador of Bangladesh to the USA based in Washington DC. AmCham, led by its President along with former President, Executive Committee colleagues, members representing leading sectors of the Chamber joined the virtual meeting on Tuesday 22nd December 2020 at 6.30pm.

Despite the existing issues, COVID-19 has severely disrupted



business operations both in Bangladesh and USA. Declining revenue earnings are impeding exports and commencement of new operations through FDI which Bangladesh needs to enhance more than ever before due to pandemic.

We had a quiet interactive session to identify opportunities of enhancing bilateral trade, persisting issues for commercial operation of American business in Bangladesh, expectations for strategic policy recommendations of branding Bangladesh as attractive business location increasing competitiveness compared to neighboring countries and avenues for enhanced inflow of FDI in various sectors that include Value Added Agriculture Processing , ICT & Digital Ecosystems, Green Capital

& Environmental Technology, Energy, Light Engineering , Pharmaceuticals and other

knowledge-based industry as priority sectors from the United States of America.



Implementing SDGs in Bangladesh: The Role of Local Institutions

■ Mustafa K. Mujeri, PhD



natural disasters and manmade calamities. Rising from the ashes, the country has now emerged as one of Asia's most remarkable phoenixes reflecting amassing and unexpected success stories of recent years.

Bangladesh's economic transformation over the last fifty years has largely been driven by social changes, while its agricultural modernization model characterizes the sequencing of chemicalization and mechanization. The

pattern of industrialization has been closely linked with urbanization; and the developments are more akin to the 'production cities' paradigm in contrast with the 'consumption cities' approach. The services sector has expanded rapidly along with the emergence of modern tradable activities, enriched by digital technologies. It is true that Bangladesh has shown remarkable catching-up records in recent years through raising economic growth and fostering overall development, but many development traps still remain in its future journey (see, Mujeri and Mujeri, 2020).

For achieving the SDGs, Bangladesh needs to build on the successes of and the lessons learnt from its past development experiences. Along with mobilizing the required resources, mastering the capacity to implement the comprehensive SDGs agenda, and ensuring access to sound knowledge, knowhow and technologies, a major challenge in implementation of SDGs is to push forward an inclusive structural transformation with focus on expanding domestic productive capacity, diversified production structure, and technological capacity; inclusive and sustained economic growth; reducing inequalities; and reaping the complementarities between investments in social, economic and climate change areas.

The key challenge for implementing the SDGs agenda in Bangladesh is the issue of adjustment costs to comprehensive reforms and globalization needed for the SDGs. It is more likely that the benefits of these adjustments will become visible over time while the short run burden of adjustments would fall more on the poor and disadvantaged sections in society. As such, Bangladesh needs to adopt measures to cushion the negative impacts of these adjustments otherwise adverse social and political reactions may cloud longer-term benefits. Obviously, the key to success in SDGs is good

1. Introduction

The agenda of the sustainable development goals (SDGs) provides a comprehensive framework of action for all countries in the world including Bangladesh to achieve sustained, equitable and inclusive development, protect the planet, and ensure prosperity for all through 'leaving no one behind'. Since independence in 1971, Bangladesh has achieved tremendous success in development over the past fifty years, which is full of development surprises and extraordinary resilience of the people in the face of frequent

national policies which will improve economic performance and enhance the welfare of the citizens.

2. Bangladesh's Progress in SDGs

Bangladesh has made remarkable progress in reducing poverty, supported by sustained economic growth. Further, life expectancy, literacy rates, per capita food production, and other social indicators have improved significantly. Progress has been underpinned by steady growth in GDP, which has crossed 8 per cent in recent years (for details, see Mujeri and Mujeri, 2020). Rapid growth has enabled Bangladesh to reach the lower middle-income country status in 2015. In 2018, Bangladesh fulfilled all three eligibility criteria for graduation from the UN's least developed countries (LDC) list for the first time and the country is on track for graduation in 2024.

To achieve the country's growth aspiration of becoming a high income country by 2041, the government is implementing sound policies to maintain prudent macroeconomic management and inclusive structural reforms, raise investments in human capital, increase women labour force participation, and enhance productivity. Improving infrastructure as well as the business climate and the governance are priorities of the government to allow new productive activities to develop and generate quality self and wage employment. The SDGs were integrated with the country's 7th Five Year Plan (7FYP, 2016-2020). A development results framework (DRF)--a robust and rigorous result based monitoring and evaluation framework-- was also embedded in the Plan for monitoring the 7FYP (Planning Commission, 2020).

Bangladesh has also developed the SDGs financing strategy which estimates the amount of required

resources including financing instruments and strategies. The estimates show that an additional amount over the current provision of investment related to SDGs by the public sector and external sources would be US\$ 928.48 billion at 2015-16 prices over the period between 2017 and 2030 (Planning Commission, 2017). The strategy takes into five potential sources of gap financing covering the private sector, public sector, public-private partnership (PPP), foreign aid and grants including FDI, and the NGOs. On average, public sector would account for 34 per cent of the financing requirement, whereas the private sector would have a share of 42 per cent during the 2017-2030 period.

The government has adopted the 'whole of society' approach towards implementing the SDGs. Within the approach, consultations on stakeholders' engagement on the SDGs implementation are undertaken with the representatives from the NGOs, CSOs, businesses, development partners, ethnic minorities, professional groups, labour associations, women network and the media to raise awareness, interest and commitment to create deeper engagement of all stakeholders towards attaining the SDGs.

Bangladesh is currently finalizing the 2nd Perspective Plan (2021-2041) and the 8th Five Year Plan (2021-2025) both of which aim to 'leave no one behind' (LNOB) and promote equitable and inclusive growth and development. Without quicker improvements among those who are lagging behind at present, the existing disparities will not narrow down and these groups/regions will continue to be left behind; hence the government's policy priority is to focus on 'endeavour to reach the furthest behind first'.

For Bangladesh, many of the SDGs present formidable challenges as these require a reversal of the past

trends, such as reducing inequalities, or promoting sustainable patterns of consumption and production and meeting the climate change impacts. It is, therefore, not realistic to expect that Bangladesh would make significant progress on the SDGs in the initial years since the country, and the global community at large, is five years into the SDGs in 2020. The key concern, however, is to ensure that Bangladesh has identified the right direction and gathered the required pace towards meeting the SDGs. Table 1 shows the progress of Bangladesh and other South Asian countries in terms of individual SDGs. Bangladesh and other South Asian countries are both at moderate or good level and on track in meeting SDG1. For the SDGs for which the performance is moderate and shows some improvement, the current rate of progress needs to be accelerated to meet the goals. Most countries also show stagnation or no progress for several SDGs.

Moreover, the status of the SDGs (as shown in Table 1) indicates that even with optimistic assessments for the indicators, most of the 17 SDGs may be missed by Bangladesh and other South Asian countries at the current rate of progress (ESCAP, 2019). The key for these countries is to address the constraints imposed by inequalities of income, power, access to services, and citizen's entitlements, which affect all SDGs. Despite the relatively low Gini coefficients of consumption inequality, these countries suffer from a complex and intersectional system of hierarchy and discrimination in which ethnic and gender discriminations are distinct and highly visible. The existing unequal socioeconomic status significantly influences the opportunities for employment and income, affects access to housing, basic social services including health and education and amenities like clean water, sanitation and energy. Thus, reducing inequalities is a critical cross-cutting goal for Bangladesh as well as for South Asia;

and right strategies of addressing this goal will significantly change the implementation outcomes of SDGs towards achieving the 2030 Agenda in the South Asian countries.

In reality, industrialisation (SDG 9) and economic growth (SDG 8) are critical to extreme poverty elimination (SDG 1) and other SDGs in Bangladesh. Although the country has emerged as one of the fastest growing countries in the

in the informal sector. The structural transformation in Bangladesh has moved from agriculture to services largely bypassing the industry sector; precluding the realisation of the opportunity of harnessing the substantial backward and forward linkages of industry for job-creation. A well-coordinated industrialisation strategy is needed to leverage the spillovers of manufacturing across other sectors and for creating productive capacities across the

transport infrastructure (SDG 9), basic infrastructure such as access to drinking water and sanitation (SDG 6), electricity (SDG 7), and ICT. Investments in human development through universal health coverage (SDG 3) and quality education and vocational training opportunity to all (SDG 4) can create the capacity for the country to reap the demographic dividend from its youthful population. Such investment will also allow Bangladesh to bridge the global skill

Table 1: Progress in SDGs Implementation: Bangladesh and South Asia

SDG	Bangladesh	Bhutan	India	Nepal	Pakistan	Sri Lanka
1 No poverty	Moderate, on track	Good, on track	Moderate, on track	Moderate, on track	Moderate, on track	Good, on track
2 Zero hunger	Moderately poor, improving	Poor, improving	Poor, improving	Poor, improving	Poor, improving	Poor, improving
3 Good health and wellbeing	Moderately poor, improving	Poor, stagnating	Poor, improving	Poor, improving	Poor, stagnating	Poor, improving
4 Quality education	Insufficient data	Moderate, maintaining	Insufficient data	Insufficient data	Poor, stagnating	Poor, improving
5 Gender equality	Moderately poor, improving	Poor, stagnating	Poor, improving	Poor, stagnating	Poor, stagnating
6 Clean water & sanitation	Insufficient data	Insufficient data	Poor, improving	Insufficient data	Insufficient data	Good, on track
7 Affordable & clean energy	Moderately poor, improving	Insufficient data	...	Poor, improving	Poor, improving	Poor, stagnating
8 Decent work & economic growth	Poor, stagnating	Insufficient data	Moderate, on track	Poor, improving	Poor, improving	Good, on track
9 Industry innovation and infrastructure	Moderately poor, improving	Insufficient data	Poor, improving	Poor, improving	Poor, improving	Poor, improving
10 Reduced inequalities	Insufficient data	Insufficient data	Insufficient data	Insufficient data	Insufficient data	Insufficient data
11 Sustainable cities & communities	Poor, stagnating	Insufficient data	Poor, stagnating	Poor, stagnating	Poor, worsening	Poor, stagnating
12 Responsible consumption & production	Insufficient data	Insufficient data	Insufficient data	Insufficient data	Insufficient data	Insufficient data
13 Climate action	Poor, stagnating	Good, maintaining	Poor, stagnating	Moderate, stagnating	Moderate, stagnating	Good, maintaining
14 Life below water	Poor, stagnating	Insufficient data	Poor, improving	Insufficient data	Poor, stagnating	Poor, improving
15 Life on land	Very poor, worsening	Poor, maintaining	Poor, stagnating	Poor, stagnating	Poor, worsening	Poor, improving
16 Peace justice & strong institutions	Poor, stagnating	Insufficient data	Poor, stagnating	Poor, stagnating	Moderate, stagnating	Poor, worsening
17 Partnerships for goals	Poor, stagnating	Poor, maintaining	Poor, stagnating	Poor, improving	Insufficient data	Poor, worsening

Source: UN SDG Index and Dashboards Report 2018

world, Bangladesh's growth is not creating adequate number of decent and productive jobs for its youthful population. More than 85 per cent of the country's labour force works

economy along with linkages with regional and global value chains.

Bangladesh is also characterized by wide infrastructure gaps in

deficits. Social protection strategies and financial inclusion are smart investments for poverty elimination (SDG 1) and to reduce inequalities (SDG 10).

Bangladesh needs to scale up its currently working models of social protection which have evolved over the past decades based on income/food support, employment guarantees and conditional cash transfers. Besides expanding and scaling up microfinance programmes, leveraging of the new innovations, such as digital and mobile financial services and agent banking can significantly enhance financial inclusion of the poor and excluded populations. Food security and eradication of hunger (SDG 2) is a key development challenge in Bangladesh. Policy action is needed to eradicate extreme poverty to ensure better access to food and reduce inequality, combat the high levels of anemia and vitamin A deficiency, extend social protection programmes to improve household incomes and consumption and increase the productivity of the small farmers.

Despite achieving gender parity in education, Bangladesh lags behind in economic and social empowerment of women as well as in many other dimensions of gender equality (SDG 5). Promotion of women's entrepreneurship and employment in the formal economy can be a potent catalyst for women's economic empowerment and can be promoted through adopting gender-responsive policies and 'one-stop shops' for information and guidance, incentivizing credit availability, and capacity building besides replicating good practices.

Bangladesh's policies for transformative development will have to reengineer growth towards sustainable development pathways given the country's high degree of vulnerability to climate change. Changing the energy mix in favour of renewable sources viz. hydro, solar and wind; moving towards cleaner fuels such as gas-based energy, and employing new technologies for reducing emissions from conventional energy generation

will need to form an important component of the decarbonization strategy of Bangladesh. Industry needs to move towards sustainable production through enhanced energy efficiency, waste recycling, and cogeneration. Lifestyle changes including 3-R (reduce, reuse and recycle) practices and sustainable solid waste management need to be adopted as a part of sustainable consumption. The expected rapid rise in urban population in Bangladesh over the next three decades provides the country with opportunities to leapfrog to greener and more resilient buildings and urban infrastructure, and urban transport systems in sustainably smart cities.

2.1 Covid-19 and SDGs in Bangladesh

As discussed above, the present progress of Bangladesh towards achieving the SDGs suggests that accelerated actions are needed in most areas in future to attain the global goals. In particular, recent evidence shows that, although poverty is declining, its pace has slowed down and unless this can be reversed Bangladesh could miss the target of ending poverty (Mujeri and Mujeri, 2020). In respect to most other social targets, the need is to accelerate the rate of achievements and strengthen national policies in respective areas to support sustainable and inclusive development.

Moreover, the onset of the Covid-19 pandemic since the beginning of 2020 has brought unprecedented challenges for Bangladesh (as in other countries of the world) and has disrupted the progress towards many of the SDGs. Bangladesh now faces the parallel threats of health, economic and social crises along with struggling to contain the epidemic and provide immediate relief to the affected people especially the poor and disadvantaged. The pandemic threatens to reverse years of progress

in all key areas including poverty, hunger, health care and education. The crisis has touched all segments of the population, all sectors of the economy, and all regions of the country.

Bangladesh faces significant challenges in combating Covid-19 as it is a densely populated country and also houses more than a million Rohingya refugees from Myanmar in sprawling refugee camps that are conducive to the spread of the epidemic. A significant number of people have also returned from Covid-19 affected countries across Europe, the Middle East and other parts of the world where they used to work as migrant workers.

So far, the impact has been all-encompassing and unprecedented, but its degree is uncertain since the intensity of the pandemic is yet to be fully felt in the country. Overall, it is clear that the expected GDP growth will be lower than the projected growth for the fiscal year (FY) 2019-20. The current estimate has down scaled the GDP growth rate to 5.24 per cent (from its original target of 8.2 per cent) for FY 2019-20; and has projected 8.2 per cent growth for FY 2020-21, assuming a very rapid post-Covid-19 recovery (GoB, 2020). It may be noted that the World Bank has projected a GDP growth rate between 2 to 3 per cent in FY 2019-20 and between 1.2 to 2.9 per cent in FY 2020-21 (World Bank, 2020a). In June 2020, World Bank forecast suggests a growth rate of 1.6 per cent in FY 2019-20 and 1.0 per cent in FY 2020-21 (World Bank, 2020b). While these projections vary widely presumably due to their widely differing assumptions, the possibility of a deep recession looms large, especially if the current situation is not resolved within a short period.

As the Covid-19 crisis unfolds in Bangladesh, it is apparent that the workers remain exceptionally vulnerable to the economic and labour market shocks of the

pandemic. Many of these workers have lost their jobs and face poverty and food insecurity as the disease intensifies in the country. In particular, the absence of regulatory, policy, and legislative structure to reach informal workers also makes it more challenging for the government to provide assistance and take measures to restore their basic livelihoods at this time of emergency. Women and children are also bearing the brunt of the crisis. Many women are facing increased economic insecurity and surge in violence against women and girls. Moreover, women—who bear a disproportionate burden of unpaid care work in the country—are further disadvantaged with the additional care work due to the closure of schools and day-care centres. Being on the front lines in fighting the coronavirus also puts women at greater risk as they account for more than 80 per cent of health and social workers in Bangladesh.

Disruptions in the health care system and limited access to food and nutrition could also result in additional under-5 and maternal mortality and prolonged absence from schools could contribute to lower retention and graduation rates and worsened learning outcomes for the students. As more households face the risk of falling into poverty, the children in these vulnerable households are also likely to face greater chances of child labour, child marriage and child trafficking. In short, the crisis is likely to result in life-altering consequences for a large number of vulnerable households in Bangladesh.

No doubt, the Covid-19 pandemic has created unprecedented threats to sustaining the past progress and accelerating future progress towards achieving the SDGs in Bangladesh. However, it is important to acknowledge that the SDGs are also critical to acquiring the capacity to successfully manage future pandemics and other disasters for

Bangladesh. The key for Bangladesh is to attain a transformative recovery from the Covid-19 pandemic that simultaneously reduces the risk of future crises and equips the country to meet the SDGs. The focus of Bangladesh's development has to be on four integrated pillars--growth, inclusion, equity and sustainability. The Covid-19 pandemic has made it clear that, for achieving the SDGs, Bangladesh's current development paradigm needs to evolve and integrate practical ways to create an integrated disaster and development paradigm with capability to deal with similar future crises for the sake of survivability and sustainability.

3. Local Contexts of SDGs Implementation

When it comes to implementation, all SDGs are local since the achievement of these goals requires local action. The SDGs have targets that are directly or indirectly related to the daily work of the local government institutions (LGIs) and other local institutions (e.g. NGO-MFIs, cooperatives, CBOs etc.). These LGIs/institutions are not mere implementers of the SDGs, they are the local policy designers, catalysts of change, and are best-placed to link these global goals with the local communities. For ensuring effective implementation of the SDGs, one key element for the government is therefore to utilise the potential of local action to drive the development agenda and create appropriate legal and financial frameworks to support all local partners in playing their due role in implementing the integrated SDGs agenda.

Further, the integrated and transformative nature of the SDGs requires policies that systematically consider sectoral inter-linkages (synergies and trade-offs) between economic, social and environmental dimensions. This is fundamental to ensure that progress achieved in one goal (e.g. SDG on water) contributes to progress in other goals (e.g.

SDG on food security or SDG on health or SDG on sustainable cities). Conversely, the lack of coherence across the policy areas underpinning the SDGs creates the risk that progress achieved in one goal comes at the cost of progress in another goal. For example, an increase in the use of land for crop production to help end hunger (SDG2) could result in biodiversity loss and undermine progress on SDG 13 and other related goals. The key to avoiding the trade-offs and enhance synergies is to transform the SDGs into policies and concrete actions at the local level.

Let us consider the inter linkages that exist across the water-energy-food chains in reality in Bangladesh. The relevant SDGs can reveal some of the diverse types of interactions at the local level:

- Some targets would reinforce each other highlighting potential synergies, for example, target 6.4 (increase water-use efficiency across all sectors) will ensure that more of the irrigation water actually reaches plants, thereby helping to achieve target 2.3 (agricultural productivity).
- Conflicts and trade-offs may occur in case of others. For example, trade-offs will be apparent between the targets 2.1 (end hunger) and 7.2 (increase substantially the share of renewable energy by producing biofuels), if food crops and biofuel crops compete for the same land and/or irrigation water.
- Some targets are more likely to act as enablers. For example, target 6.1 (access to safe and affordable drinking water) is essential to achieve the health targets (e.g. target 3.2 end preventable deaths of new-born and children under five).

These types of sectoral interactions need to be considered to take coherent decisions in achieving the SDGs. This means that institutions concerned with a specific goal (education, health, or energy) will have to take into account targets that refer or are relevant to other goals. Thus inter sectoral analysis is critical to understanding as to how the SDGs are interconnected to ensure informed policymaking at the local level.

3.1 SDGs and Local Institutions

The issue of relevance of the SDGs to the local institutions is important since the interest of the local institutions in these goals depends on the key question: how do SDGs matter to the local institutions? We shall take the specific goals and explore their relevance to the local institutions in Bangladesh.

The SDG1 (end poverty) is about raising the incomes of the poorest, but it is also about ensuring access to basic services, and protecting everyone from human-made and natural disasters. Thus, SDG1 takes a multi-dimensional view of poverty and requires multiple, coordinated responses. For addressing the multidimensional challenge of poverty, the local level provides the ideal location to identify the people living in poverty and target assistance packages, resources, technology and information, and other services to help them escape the poverty trap. The local institutions which provide basic services, such as water and sanitation, are the key partners in achieving the SDG1. They are also the key actor's for developing and implementing local level strategies to create jobs and raise household incomes, build local infrastructure and institutions, and develop resilience and crisis coping capacities of the households and communities to shocks and disasters.

The SDG2 (zero hunger) aims to ensure that everyone can enjoy a safe, nutritious and adequate

diet throughout the year. The management of natural resources in the rural areas, particularly land and water, underpins food security. Local level efforts can support agricultural production and local economic growth by strengthening transport infrastructure and markets to promote local food chains. Local efforts can use healthcare services and schools to identify and tackle child malnutrition. They can help manage collective resources and reform land tenure in ways that protect the rights of the poorer segments in society.

The SDG3 (healthy lives) is about helping people to live long and healthy lives for which the provision of clean water and sanitation is essential to lower infant, child and maternal mortality. Local institutions can provide education and information and services to prevent diseases, promote urban planning to reduce air pollution, foster healthy lifestyles and prevent deaths from road traffic accidents. They can contribute to reduction of deaths caused by water and soil pollution through effective natural resource management and environmental protection. For SDG4 (quality education), local institutions are well-placed to identify and address the barriers to school attendance in the communities. They can help integrate technical and vocational training programmes into the local development strategies to create job market opportunities. They can reach out to the vulnerable and marginalised households and communities to ensure their access to education and training.

In the case of SDG5 (gender equality), the local institutions can emerge as the role model for gender equality and empowerment of women through nondiscriminatory service provision to citizens and fair employment practices. The local institutions are also on the frontline of identifying and tackling violence

and harmful practices against women; and providing services to women affected by violence. They can identify and address the barriers to women's equal access to land and other resources and promote social and political empowerment. These institutions can mainstream gender equality across all areas of their work and in the local society in order to remove the multiple barriers to women's empowerment. The SDG6 (clean water and sanitation) is the responsibility of the local government, and relies on effective local governance, natural resource management, and local planning. Local government has a role to play in improving water quality through environmental protection measures and sustainable solid waste management. They are ideally placed to support integrated water resources and participatory management of water and sanitation by communities, including slum-dwellers.

For SDG7 (clean energy), local institutions are best placed to identify gaps in access to affordable energy among vulnerable groups in the communities. They can contribute to energy efficiency directly by encouraging investments in energy efficient buildings and green energy sources in institutions (e.g. offices, schools, etc.) and by popularising sustainability criteria into the procurement practices. In cities, local transport and urban planning policies, as well as new 'smart city' technologies, can have a significant impact on energy efficiency and carbon emissions which these institutions can advocate and popularise.

In the case of SDG8 (economic growth and decent work), local institutions can help generate growth and employment from the bottom up through local economic activities that harness the unique resources and opportunities in their areas of operation. They can identify children at risk of child labour and work

to ensure that they attend school. They can also work in partnership with the informal sector enterprises to improve working conditions and social protections, and encourage formalisation where appropriate. They can act as facilitators in providing safe and secure working environments, and in guaranteeing gender equality in wage payments. For SDG9 (industry and Infrastructure), local governments are particularly important in developing and maintaining infrastructure to serve the rural and urban areas. They can assist in developing local infrastructure and can include the promotion of cottage, micro, small and medium enterprises (CMSMEs) and start-ups in their programmes, taking into account local resources, needs and markets. They can identify gaps in access to ICT and the internet in communities and assist in taking steps to bridge them e.g. through provision in public spaces.

For SDG10 (reduced Inequalities), local institutions are the key players. More resources can be channeled to the deprived locations and communities through the local governments and their capacities can be used to identify and address poverty and exclusion. These institutions can themselves implement best practices in terms of equality and non-discrimination and promote these criteria at local levels e.g. through providing public services in a nondiscriminatory way. For SDG11 (sustainable cities and communities), the local governments can promote the use of public transport in urban areas in order to improve road safety and reduce emissions and provide citizens with safe, green public spaces, such as parks, squares and gardens. Sustainable solid waste management, with an emphasis on reuse and recycling, is also vital to the reduction of cities' environmental impact. The local governments can help in identifying and protecting tangible and intangible urban cultural heritage for future generations. It is vital that

the local governments take action to mitigate the effects of climate change especially in the coastal and disaster-prone areas and protect the most vulnerable from the effects of natural disasters.

In the case of SDG12 (responsible consumption and production), the local governments can support short supply chains, thereby reducing transport and carbon emissions, through land management, infrastructure, urban planning, education and training, and public markets. They can foster sustainable consumption and production of energy and water through pricing and other mechanisms. As consumers of goods and services, they can establish procurement criteria that take waste and carbon emissions from potential providers into account. Since they work closest to the people, they are well-placed to raise citizens' awareness on the importance of sustainable production and consumption and equip them with the knowledge and tools to reduce their environmental footprint.

The local institutions are on the frontline of dealing with the effects of climate change (SDG13). Local people have a history of leading from the bottom up in combating climate change and of raising awareness at the local level. It is essential that local institutions, particularly in the most vulnerable coastal areas, integrate climate change adaptation and mitigation into their planned activities to increase their resilience to environmental shocks. For SDG14 (life below water), most of the pollution in the oceans comes from land based activities. Urban sanitation and solid waste management are essential to reducing coastal zone pollution, as is collaboration between the local governments.

In the case of SDG15 (life on land), local institutions can work closely together especially in areas like water, sanitation, and solid waste

management along with their ability to incentivise behavioural change in local communities. They can ensure that biodiversity conservation is an integral part of local planning and development strategy. For SDG16 (strong institutions), the local institutions can work together to fight corruption and increase public's access to information. For SDG17 (partnerships), local institutions can help develop coherent policies at the local level to address the multiple challenges of poverty reduction and sustainable development. Further, they are in the ideal position to encourage and facilitate partnerships between public bodies, private sector and civil society in the communities. They can also generate reliable local data which are essential tools to monitor sub-national variations in progress and useful in targeting resources to make sure that no-one is left behind.

3.2 Local Institutions as Facilitators

In Bangladesh, the local institutions can play an important role as facilitators of SDGs implementation process through, for example, organising multi-stakeholder consultations and mapping exercises at the local level to identify sectoral interactions (synergies, trade-offs, complementarities and impacts) critical to achieving the SDGs in a given geographical location (e.g. upazilas/districts). For analysing the policy interactions and identifying the roles of diverse sectoral policies in SDGs implementation, local institutions should focus on four key areas:

- i) Make it mandatory to explicitly take into account the economic, social and environmental inter-linkages (synergies and tradeoffs) while designing specific local interventions.
- ii) Explicitly work out how the planned outputs would contribute to achieving the SDGs.
- iii) Indicate how the actions to

attain one SDG would support or hinder progress in other SDGs.

- iv) Evaluate if the decision making processes of the local institutions are progressively embracing issue-oriented agendas (e.g. food security)

needed to achieve the goals keeping in view the local contexts; (ii) develop clear and broadly accepted principles and operational objectives for achieving the SDGs aligned with the local characteristics; (iii) develop information flow loops (both horizontal and vertical) for

and the local institutions should emphasise several dimensions:

- Highlight involvement of local stakeholders in the formulation and implementation of the policies/programmes at the local level.

Table 2: Suggested Intervention Areas for Ensuring ‘SDGs-Aware’ Local Actions

Area of intervention	Suggested actions
Area 1: Apply an SDG lens to the local government’s strategies and policy/programme tools.	The evolution of the work programmes of all local institutions would reflect the SDGs through identifying and specifying specific areas where and how the proposed actions would contribute to the SDGs. The integration of SDGs perspectives into the work programme may also require revisiting their existing thematic strategies (e.g. innovation strategy, skills strategy, green growth strategy, poverty reduction strategy etc.) to make these strategies ‘SDGs-aware’, such that these would support the achievement of the SDGs in specific areas.
Area 2: Leverage the ground-level data and information of the local institutions to help analyse the implementation progress of the SDGs.	The LGIs and other local institutions including the NGO-MFIs have a huge reservoir of ground level data and information – both quantitative and qualitative – that can contribute to designing well targeted interventions, effective delivery mechanisms, developing monitoring and evaluation frameworks, and plan SDGs follow-up actions.
Area 3: Upgrade the in-house capacity for integrated planning and policy-making at the local level, and provide support to the local government to create a space for sharing mutual experiences on implementing the SDGs.	Explicitly recognise the role and ensure that all local institutions (including the NGO-MFIs and other nongovernment actors) such as, the union parishads, upazila parishads, municipalities/city corporations and other sub-national governments have active participation in the SDGs implementation process; support the building of networks and partnerships to foster cross-sectoral perspective on the SDGs at the local level; and enhance thematic programmes on service/support delivery, which will help foster inter-linkages across several SDGs at the local and regional levels.
Area 4: Raise awareness on the SDGs among the partners and across the people.	Provide support to the local institutions to improve their knowledge of SDGs, familiarise with the implications, opportunities and challenges in localising the targets, recognise their specific roles and inter linkages, and conceive/design/implement the needed actions to realise their perceived roles.

Source: Author’s compilation

instead of sectoral perspectives (e.g. agriculture, trade, investment, water, energy).

For charting out a coordinated journey by the local institutions, a common understanding and a reasonable degree of consensus is necessary among the various tiers of the local government institutions (LGIs) in Bangladesh as well as local partner organisations such as MGO-MFIs and other civil society organisations. The challenges towards implementing SDGs at the local level should highlight several key issues, such as: (i) start working from the very beginning towards building a consensus among the people, LGIs and local organisations, community leaders and other stakeholders on the conceptual underpinnings of sustainable development, SDGs, and policy/programme coherence

informed policy making/programme formulation and implementation at the local level; and (iv) emphasise local level policy/programme coherence in implementing the SDGs.

One critical issue that can undermine the efforts of the local institutions towards delivering on the SDGs is the absence of effective decentralised local government system in the country with the desired structure of decentralisation and devolution of political and economic powers. As a result, despite decentralisation efforts of local government in Bangladesh, the LGIs mostly provide services under a centralised system as under the traditional top-down approach (see, Mujeri, 2020). Despite these limitations, ensuring vertical coherence (across different governance levels) is a critical issue

- Support local authorities to increase or combine resources and capacities to formulate effective policy/programme responses for sustainable development.
- Develop partnerships with local implementers with clearly divided implementation responsibilities taking into account distinct competences and comparative advantage of the partners.
- Install mechanisms to ensure coordination and joint action of the involved partners.

In addition, monitoring mechanisms should be strengthened at the local level to ensure that policies/programmes can be adjusted in the light of their potential negative effects on sustainable development,

especially based on new and more credible information and changing circumstances.

4. Towards Integrated Local Implementation of SDGs

Given the rich and varied experience of the local institutions including the NGO-MFIs of working for grassroots development, four broad areas of action may be suggested in the context of the SDGs in Bangladesh (Table 2). The breadth of the SDGs means that there are many areas where the activities of the local institutions could contribute towards the SDGs, drawing on their specialisation and capacity. The proposed actions could also focus on fine-tuning existing activities of each local institution to make these more consistent and amenable to the SDGs. In practice, each local institution should work to highlight what it could do more of--or in a slightly different manner--so that the activities would have greater capacity to support the achievement of the SDGs.

The efforts should also create an advocacy platform to ensure an enabling environment for the localisation process, support local ownership, and ensure the integration of the SDGs in local development efforts. The activities should also identify the best practices that are reliable and replicable to promote efficient designing, implementation and monitoring of interventions in line with the SDGs.

These processes will lead to the empowerment of the stakeholders in the local development architecture, including the LGIs, NGO-MFIs, CSOs, and the private sector and other stakeholders. In particular, the NGO-MFIs can act as important conduits in localising development by taking into account local contexts in achieving the SDGs--from setting of local goals and targets, to determining the means of implementation and using indicators to measure and monitor progress. The process would help in putting the locations and their peoples' priorities, needs and resources at the centre of sustainable development.

5. Concluding Remarks

It is important to emphasize that the process of localisation in a country like Bangladesh does not necessarily mean the implementation of the SDGs at the local level by the LGIs or the NGO-MFIs or others. All the SDGs have targets directly related to the responsibilities of the local government. And the achievement of the SDGs in Bangladesh critically depends on the ability of the LGIs and local development partners (e.g. the NGO-MFIs) to promote integrated, inclusive and sustainable local development.

The SDGs have issues that are directly or indirectly related to the daily work of the local governments and local institutions. For implementing the SDGs agenda, one important element will be to utilise the potential of local action to drive development from the grassroots and create appropriate legal and financial frameworks to support all local partners in playing their part in the achievement of the integrated and universal SDGs agenda.

In this context, the LGIs and NGO-MFIs in Bangladesh are the catalysts of change and are best placed to link the SDGs with the local communities. Hence, localising development is the process through which all local stakeholders will be empowered for making sustainable development more responsive, and therefore, more relevant to the local needs and aspirations. The overall development goals, and hence the SDGs, can be reached only if the local stakeholders fully participate, not only in the implementation, but also in the agenda-setting and monitoring of the development interventions. Such participation requires that all relevant stakeholders are involved in the decision-making process, through consultative and participatory mechanisms, at the local and national levels within the overall SDGs framework.

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Building Integrity – it is not a five-year project!

■ Manzoor Hasan OBE



The year 2020 will no doubt go down in history for COVID-19 pandemic. As a footnote, the US elections will no doubt take prominence for breaking established rules and norms. I was attending a conference in Panama City when Donald Trump got elected four years ago. Clairvoyance and concern prompted me to ask an American friend, 'Your institutions should be able to withstand this result?' He replied, 'I am not sure as a few individuals can do irreparable damage to our body politic'. The

last four years of American politics is a classic example of toxic partisan politics changing the course of political dialogue to such a confrontational level that citizens come on to the street with arms and ammunition to defend their respective positions. This piece is not about American politics or it's elections. It is about institutional integrity and state of governance.

After the end of the cold war in the late 1980s, and with

the prominence of free market ideology, the unmentionable word of 'corruption' together with other buzz words, such as, accountability, transparency, participation, rule of law came into everyday lexicon of governance discourse. Immense amount of research has been undertaken to diagnose the causes and symptoms of poor governance. Diagnostics have been conducted to analyse and compare different country scenarios. Such exercises have not always been seen as helpful by the political and business

elites, and the 'messengers' of such 'anti-state' news became easy targets of much hostility.

Despite such setbacks, the two decades from 1990 to 2010 have seen many innovative policies and practices, which have given 'voice' to citizens' demand for improved services. The theoretical framework is that good or good-enough governance can only be established if there is sufficient 'demand' and 'supply' for and of good governance. On the 'demand' side easy access to information plays a critical role as citizens are sent from pillar to post trying to get to the root of their everyday problems. Lack of information can create unnecessary 'gatekeepers' and give rise to both 'petty' and 'grand' corruption. Many examples can be cited – citizens have to pay bribes to get basic identity documents, for example, passports, ID cards, birth and marriage certificates. Similar practice can be found when it comes to receiving state benefits and entitlements, such as, old-age payments and retirement pension. Successful interactions with state institutions are also dependent on payments of bribe, such as, tax and VAT agencies.

Petty corruption is often justified by the existence of 'need' factor.

The logic is that when citizens are not being able to meet the daily requirements due to inadequate income, they resort to illegal means—extracting small payments for everyday services. Sometime they are referred to as ‘speed’ money or ‘commission’ or even seen as a form of income distribution. In some countries these petty corruptions have been addressed by introducing dual track service delivery system. Citizens pay a higher fee for quicker & speedier service, and the increased income is distributed among the civil servants, who are responsible for providing such services. But when petty corruption becomes endemic and widespread it can create huge public dissatisfaction and seriously debilitates the public sector.

Grand corruption, on the other hand, is invisible to the public as it happens in the inner sanctum of government, either solely or in collusion with the private sector and international actors. The amounts transacted can undermine the financial and fiscal stability of governments and can even bring governments down. Grand corruption is also associated with the notion of state capture. This is a state of affair when institutions of accountability are compromised to such an extent that a vested group becomes the dominant force and can undermine the ‘check and balance’ of the constitutional superstructure. Generally, the three organs of legislature, executive and judiciary are positioned in such a way that they keep each other in check. If any one or more of the three organs is undermined the equilibrium is disturbed and the governance system malfunctions.

In order to maintain the equilibrium, it is essential to maintain the rule of law. An effective rule of law is essential to deter malfeasance, whereas weak rule of law encourages a sense of impunity. If citizens and

policy makers go unpunished the norm then is to break the law, because the deterrent factor is missing. Robust anti-corruption laws are necessary, which have to be implemented objectively and effectively. In order to do maintain a low level of impunity, various state institutions have to function properly. These institutions are anti-corruption and law enforcement agencies, judiciary and ultimately the political leadership.

It is also well recognized that a society can’t just rely on the criminal justice system to maintain integrity in a society. It is incontrovertible that societies generally are law abiding and peaceful. Rather than relying on the deterrent factor of criminal law and prospect of punishment, it is far more cost effective to focus on the inherent positiveness of human nature. The underlying premise is that societal integrity needs to be nurtured and strengthened over a period of time. It is not a five-year project.

Bangladesh has also formulated its own national integrity strategy (NIS), known as ‘*Commitment for Golden Bengal: National Integrity Strategy of Bangladesh*’ and has been in place since October 2012. NIS defines integrity as follows:

Integrity generally means behavioural excellence influenced by ethics, morality and honesty. It also implies adherence to the time-tested societal norms, values, customs and principles. At the individual level, it means being duty-bound, ethical and honest.

The basic premise is that a country with 160 million people needs to enhance its ethical standards both in the informal and formal sectors. NIS also states:

The Government believes that it is the prime obligation of the

State to promote good governance, prevent corruption and ensure the highest integrity in all affairs of the state and society. Different institutions, laws, rules, regulations, policies, and a number of organisations established by the present Government, and different measures taken by it, are in operation to achieve these objectives. But enforcement of law and punishment may not suffice to eradicate corruption. A movement has to be launched so that the citizens become ethical in public and private lives and integrity prevails in all organisations of the State, business and civil society.

As the NIS states, the responsibility is not just with the state institutions but with the wider community. The NIS makes it very clear that family, secular and religious institutions and media have an equally important role to play to improve the quality of ethical standards in our society. Children get their values and behavioural instructions from their parents and teachers, which remain imprinted for the rest of their life. Therefore, parents and teachers have the onerous responsibility, which can’t be delegated to others. Modern society doesn’t give enough credence to this and is now paying a very high price. Bangladesh has recognized this factor and has addressed this issue in the NIS.

The other basic premise of NIS is the United Nations Convention Against Corruption (UNCAC). UNCAC was ratified by Bangladesh in 2007, and it envisages both taking preventive measures against corruption and creating an enabling environment for ensuring integrity in conducting public affairs and managing public property in the member-countries. The Convention delineates, *inter alia*, its purposes as: “to promote and strengthen measures to prevent and combat corruption more efficiently

and effectively” and “to promote integrity, accountability and proper management of public affairs and public property.”

As I have referred to earlier, the quality of public life is ultimately regulated by the formal institutions, and I cited the case of the United States in the context of the election of Donald Trump in 2016, and how certain underlying forces were used by the President to push the American society to the present state of confrontational politics.

Bangladesh has also experienced this and some commentators will say that Bangladesh has yet to address some of the fundamental contradictions despite relative stability and growth. Globally, it has become imperative to focus on building individual and institutional integrity. COVID-19 has revealed many weaknesses in our societies and communities. It is about time that we rise to the challenges and make good use of the opportunities. It will require strong and visionary partnerships at different levels but the

implementation has to be achieved within a robust framework of integrity and good governance.

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COVID-19: Some Queries and Answers

■ Professor Dr ABM Abdullah



and queries popped up in the mind of mass people. Easy and palatable answers of such questions or myth are described briefly as follows:

1. Coronavirus is more dangerous than the seasonal flu is it right?

Yes, COVID 19 is about 10 times deadlier than the seasonal flu. SARS-COV-2 or Nobel Coronavirus is a new virus in the 'Coronaviruses' family. This may cause illness

in animals or humans. In humans, several coronaviruses are known to cause respiratory infections ranging from the common cold to more severe diseases. At the beginning of the disease, many physicianseven the general people used to think that corona infection is just like seasonal flu or simple common cold and also sometimes the involvement of lung causing atypical pneumonia, responsible for death in some cases. Upto now, it is seen that it can affect all organs, in all the systems in the body like heart, lung, brain, liver, kidney and even blood, finally ends with death in some cases.

COVID-19 caused by SARS-COV-2, formerly known as novel coronavirus, is announced as the pandemic by WHO on 11th March 2020. We have been living with this virus since the outbreak started in December 2019, in Wuhan, China. Around 215 countries of the world have been experiencing the disastrous danse macabre due to this virus. So far, this pandemic has caused the highest number of infections and deaths within the shortest period throughout the world in the history of mankind.

Although people have been struggling to survive every day to cope with this virus, many questions

2. Does it spread through the air?

This topic is still controversial. However, some scientists still believe probably COVID-19 may spread through the air. That is why people of 215 countries of the world are affected so quickly in a short period.

3. Does hot or cold weather influence the spread of COVID-19?

Earlier, it was thought that COVID-19 epidemic is more in cold weather and less in a hot environment. Actually, while it started in Wuhan, the weather was very cold at that time. However, in those countries where the environment is hot, can't escape from COVID-19 disaster. Even the countries where the weather is neither hot nor cold also affected by COVID-19. But, probably there is every chance of increasing incidence in cold weather as COVID-19 virus survives longer in a cold environment.

4. Many people still believe that COVID-19 infections mean death penalty—is it true?

Not at all. Most people, about 80%, who are infected with COVID-19 have mild or moderate symptoms, 10 to 20% cases are severe, only 1 to 5% needs ICU supports. Fortunately, it is possible to treat most of the cases in their home. Usually, recover



only with symptomatic treatment and supportive care. However, in the elderly person or anyone having comorbidities such as diabetes, hypertension, liver, kidney or heart disease, stroke, bronchial asthma, COPD, obesity and who are suffering from cancer or on treatment with chemotherapy or radiotherapy etc. are usually at risk. These patients should be hospitalized.

5. Is COVID-19 transmission possible from a COVID positive person with no symptoms?

Yes, COVID-19 may be transmitted to others from someone with no symptoms. It is not yet known how often it happens. However, it is a highly contagious disease spread by the patients' cough or personal close contact within three to six feet.

6. How can we protect others and ourselves if we don't know who is infected?

The key steps to prevent and protect coronavirus spread are using a mask whenever going outside the house, washing hands frequently and maintaining a physical distance.

7. Is it possible to be affected by COVID-19 again after recovering from the first attack?

Yes, some patients suspected of the second infection are seen recently who have completely cured of the first attack. The antibody which is produced after the first infection doesn't give protection for more than three to five months. Anyone who is infected may have the second attack, so must not be reluctant about health protecting measures.

8. Is it compulsory to do a repeat RT PCR test after disappearing the signs and symptoms?

Previously, two consecutive negative RT-PCR results were essential to declare a patient as COVID-19 free or allow him or her to discharge from the hospital or no need for continuing isolation.

However, according to the latest WHO guideline, no test is necessary to declare a patient as COVID-19 free. These criteria apply to all COVID-19 cases regardless of isolation or disease severity. Criteria

for discharging patients from hospital or free from isolation are as follows:

- For symptomatic patients: 10 days after symptom onset, plus at least 3 additional days without symptoms (including without fever and respiratory symptoms).
- For asymptomatic cases: 10 days after a positive test for COVID-19.

8. How long RT PCR tests may remain positive? In many patients, it remains positive more than 5 or 6 times, even after one to two months of cure. Why this happens and what should be done?

In some cases, it has been seen that RT PCR remains positive for a long time even after disappearing signs and symptoms. It is probably due to the presence of a dead particle of the virus that is detected by the PCR test. So, it doesn't mean there is reinfection or second infection or any active disease. So nothing to be worried even if it is positive after two weeks. To avoid this, one should

follow the new and updated guideline which has mentioned that a negative test result is not necessary to label one as COVID free.

9. Is wearing a mask necessary while performing physical exercise?

People should not wear masks when exercising, as using masks may reduce the ability to breathe comfortably. Moreover, breathing is more difficult while masks become wet by sweating. So, maintaining a physical distance of at least 3 feet from others is the key to prevent viruses infection during exercise.

10. Does the prolonged use of a medical mask may lead to CO₂ intoxication or O₂ deficiency?

No, the prolonged use of medical masks does not lead to CO₂ intoxication nor oxygen deficiency. However, it can be uncomfortable. While wearing a medical mask, make sure it fits properly and tight enough to breathe normally. However, those who are suffering respiratory problem such as bronchial asthma, COPD, chronic bronchitis etc. should use mask cautiously.

11. Can thermal detector frequently used in any entry point of any office, hospital or institution etc. identify the people infected with the COVID-19?

No, thermal detector can't identify any virus itself. Rather, it can identify increased body temperature due to any cause even with SARS Cov-2 infection. However, this cannot detect people who are infected but asymptomatic or no fever. However, because of the pandemic of COVID-19, the thermal detector is used to detect fever so that the affected person is isolated and tested for COVID-19.



12. Is it possible to prevent COVID-19 patient with a hot bath?

Probably no. Taking a hot bath will not prevent COVID-19 infection.

13. Can drinking hot or warm water help to prevent COVID-19?

There is a misconception among many persons that drinking water every 15 minutes will wash down any virus from the throat into the stomach, where the acid will kill it. However, there is no scientific evidence that this process works against any virus. But generally drinking water and staying hydrated is a good habit for health.

14. Does holding the breath for 10 seconds indicate one is free from COVID-19?

This process is not effective to prove oneself COVID free. This approach may be helpful to identify disease in the lung such as COPD, chronic emphysema or chronic bronchial asthma.

15. Antibiotics are effective in preventing and treating the new coronavirus?

No, antibiotics do not work against viruses. It is effective against secondary bacterial infection, that may be associated with COVID-19 infection.

16. Are there any specific drugs to prevent or to treat COVID-19?

There is no specific drug to prevent or treat COVID-19 till now. There are some drugs which are used to treat other viral or other diseases, probably they may help to some extent in COVID-19 infection e.g. ivermectin, doxycycline, hydroxychloroquine, azithromycin, favipiravir, remdesivir, dexamethasone and even plasma therapy etc. However, all these drugs are in experimental use in COVID-19.

17. Which group of people are at higher risk for COVID-19 infection?

People of all ages can be infected. However, older people above 60 years and also those who have other pre-existing diseases called comorbidities are at higher risk. These are bronchial asthma, COPD, diabetes, hypertension, heart disease, liver or kidney disease, stroke, cancer or patient getting chemotherapy, smoker or obese patient etc.

18. Can kids or children be affected by the COVID-19?

Usually, kids are less affected than adults. However, more recent studies show that kids or children may be infected and even there are some death reports among the children in many countries of the world.

19. Why recently young people are also becoming more affected?

The reason is older people remain inside the home most of the time. On the contrary, young people mostly go outside because of their works, education, sports etc. Even the young going outside for enjoying in park, restaurant, shopping mall, pub, bar, roaming around. Moreover, many of young generation live indisciplined life, for example, many of them are smoker, alcoholic or even drug-abuser. All these factors are more prone to getting exposure and infection by COVID-19.

20. In some studies, it has been found that the death rate is more in male than female throughout the world--why?

Scientifically, it is very difficult to explain the cause behind this. However, probable reasons are:

- Most female maintain good disciplinary life, they used to go outside less than male. But, on the contrary, male used to go outside more because of jobs or works and for many unnecessary reasons like going to pub, restaurant and roaming around especially in the western world.
- It is also true that men have many bad habits (e.g. smoking, alcoholism, drug-abusing) which increases the chance of exposure and infection by COVID-19.
- Some diseases are more common in male such as diabetes, high blood pressure, ischemic heart disease, stroke etc. These type of patient with such co-morbidities are at risk of infection with higher mortality.
- Probably, body resistance is more in female because of

the natural presence of some hormones in their body.

21 Do vaccines against pneumonia or influenza protect against COVID-19?

There is no proven study that these vaccines are protective against this virus. However, some people still believe these vaccines are effective against this virus.

22. BCG vaccine for tuberculosis may help to prevent COVID-19 infection. Is it true?

No, probably BCG has no role in preventing COVID-19 as was thought previously.

23. Is there any chance of getting the infection through letter or package?

People receiving any package or letter are not at the risk of contracting the infection. Because this virus doesn't survive on surfaces for a long time.

24. Can COVID-19 spread through newspaper or magazine?

Reading newspaper is safe. Many people stopped taking the newspaper during this corona pandemic with false belief that coronavirus may be spread from these sources.

25. Does eating garlic soup prevent infection with COVID-19?

Garlic is a healthy food that may have some antimicrobial properties. However, no evidence is available that eating garlic soup can prevent coronavirus. Actually, it is a Chinese herbal food culture.

26. Does spray bleaching or other disinfectants on the body

directly, through devices or tunnels help to prevent?

Though it is commonly seen at most of the entry points of markets, offices, institutes or even multi-storied buildings. It has no benefit, rather harmful for health. It is not necessary to spray or introduce bleach or any other disinfectant on the body under any circumstances. These substances can be poisonous if ingested and cause irritation and damage to skin and eyes. Even inhaling these substances may cause problems in the lungs.

26. Can the upcoming vaccine against COVID-19 be able to protect infection?

The vaccine should be safe, effective, affordable and available for all. It is difficult to say, how far the vaccine will give protection. Till now some vaccine is at the final trial. Still, it is not sure which vaccine is safe and effective, how many doses will be required and how long it will give protection in a vaccinated person. However, even we will get a vaccine, it is not possible to vaccinate all the people of the world at the same time. Rather it will require a longer time to vaccinate 760 crore people of the whole world.

To conclude, rather waiting for an effective vaccine, everyone must be careful to follow the health protection measures such as using the masks, washing hands and maintain physical distancing. The protective measures are equally as effective as a vaccine. So instead of getting exposure with COVID-19 virus, we and people around us should follow the health instructions. Because 'prevention is better than cure'.

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Challenges & Opportunities of Textile Industry: A Pandemic Perspective

■ Kutubuddin Ahmed



Background:

For the last ten years Bangladesh has recorded an almost linear increase in Ready Made Garment (RMG) export (BGMEA, 2020). The growth took a downward turn in 2020, which has been marred by Covid-19 pandemic. Soon after the first cases were reported in December 2019, the disease spread all over the world. To ensure social distancing many countries imposed restrictions on

free movement. This chain of events caused a massive decline in clothing sales. According to McKinsey & Company, the global garment industry will see a 30 percent decline in sales revenue in 2020 (Tribune Desk, 2020). Consequently, Bangladesh's apparel export in 2019-2020 fiscal year reduced to 27949.19 million USD from 34133.27 million USD a year earlier (BGMEA, 2020). It comes as a blow to our economy, as RMG and textile industry are the major contributors to the country's GDP.

This article intends to discuss the effect of pandemic on both national and global level with focus on the textile industry of Bangladesh. We will also be using statistics from the garment and knit manufacturing industry as all these units are closely related and part of the apparel value chain.

There are 1461 mills listed with Bangladesh Textile Mills Association, BTMA. About 90 percent of the yarn required for knit RMG and 35-40 percent of the yarn demand for woven RMG are met by the local mills. According to the latest reports, annual yarn spinning capacity of the

mills present in Bangladesh is 2964 million kgs (BTMA, 2020). Apart from direct employment, the textile sector serves as a conduit for widespread economic activities. Overall, the contribution of the textile sector in Bangladesh's GDP is more than 12 percent (BTMA, 2020). Due to Covid-19 export-oriented spinning and weaving mills of Bangladesh faced order cancellation of about 1.4 billion USD (BTMA, 2020). Local business-oriented mills also suffered as there were no significant sales during national festivals, e.g., Pohela Boishakh, Eid ul Fitr and Eid ul Adha. It resulted in a market loss of tk. 20-25 thousand crore (BTMA, 2020).

Our neighbouring country India's economy is also hit hard by the pandemic. India is one of the leading exporters of apparel to the US and the EU. Buyers from these regions have either cancelled orders or delayed shipment (Khan, 2020). Thus, the apparel export segment suffered a loss of 10.36 billion USD for the financial year ending April 2020 (Textile Value Chain, 2020). Similar downfall of earnings is observed in other exporting economies in close proximity, e.g. Sri Lanka, Myanmar (Rodrigo, just-style, 2020). These countries have also struggled to cope with drastic changes brought forward by the pandemic (Abdulla, 2020). Bangladesh's close competitor

Vietnam also suffered from order cancellations but this Southeast Asian country responded better against Covid-19. The country exported 13.18 billion worth of textile and garments in the first six months of 2020 (Fashionating World, 2020). During the same period Bangladesh exported readymade garments of 11.92 billion USD. (Ovi, 2020).

Challenges:

Order cancellations and deferred shipments are the more highlighted effects caused by the pandemic. The real driver behind these actions is consumers' demand. Changes in consumer behaviour reflects how people adapted to living in the pandemic. For example, people stopped buying clothes for luxury. Decreasing order from foreign fashion houses is a direct result of such change. Not only there is scarcity of orders, but also a backlog of unpaid bills. Due to Covid-19, backward linkages, e.g. fabric, yarn manufacturers have fallen at odds with the banks (Hossain, 2020). Member mills of BTMA are facing payment delays of exported textile goods (BTMA, 2020). Banks are not responding generously to disburse stimulus packages though the central bank is continuously giving them reminders.

Backward & Forward linkage industries of RMG sector employ more than five million people, of which 80% are female (BTMA, 2020). The decline in export has adversely affected the livelihood of garment workers (Ahmed, 2020). According to Bangladesh Institute of Labour Studies more than 300,000 garment workers lost their job (Tribune Report, 2020). It is a great challenge for both the government and mill owners to ensure the safety of the remaining workforce. Except for large establishments others are facing difficulties in implementing the safety guidelines in a cost-effective manner (Fair Wear, 2020).

The traditional norm of buyers inspecting the production facility or supplier physically visiting the buyers' office is no longer viable. Suppliers' are now in pressure to display the merchandise online and

engage buyers in the digital space. Still, buyers are unsure of making big investments due to uncertain future. Noticeable changes in new orders are drop in order amount and lower target prices compared to previous orders (Barrie, 2020). For example, export to the US market has become more price competitive. Unit price per square meter is 10–15 percent less than what it was in 2019 (Lu, 2020).

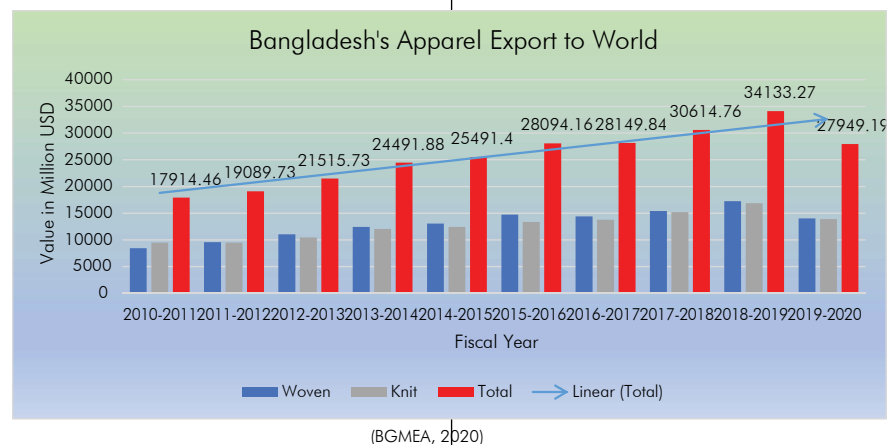
Opportunities:

The textile industry supply chain is in need to be reset in light of the global pandemic. To survive beyond the Covid-19 means diversifying the sourcing and manufacturing.

2027 (Fortune Business Insights, 2020). PPE is now the new export item of Bangladesh (Mirdha, The Daily Star, 2020). Another point to note is that fibers used in medical textile may vary from natural fiber such as cotton, silk, to, Man-Made Fibers (MMF) like polyester, polyamide etc. Therefore, it creates an opportunity for artificial fiber production facilities in Bangladesh.

Way forward:

To cope with the loss incurred, Bangladesh government announced a stimulus package of tk. 5000 crore in March for providing wages and benefits to RMG workers (BTMA,



A significant number of supply chain leaders are in the process of moving sourcing and manufacturing out of China (Russell, Just-Style, 2020). It will be beneficial to attract those businesses to set up shop in Bangladesh. One such country is Japan, where the Japanese government has declared a fund of 23.5 billion yen for Japanese firms who will shift base of operations from China to any other country (Isabel Reynolds, 2020).

The demand for protective masks and other medical textile products increased during the pandemic. China's textile (non-clothing) exports were up 3.2 percent for the first half of the year due to an increased demand for Personal Protective Equipment, PPE (Russell, Just-Style, 2020). The global PPE market was worth 52.43 billion USD and expected to grow at 7.4 percent (CAGR) to reach 92.86 billion in

2020). It was intended to support export-oriented manufacturers. Whereas more than 250 spinning and 500 weaving mills operating on local demand faced shortage of liquidity. To help such establishments the government announced a tk. 30000 crore fund. (Harmachi, Bdnews24, 2020); but majority of the mills continue facing difficulty in accessing funds. To make it easier for the mills, credit evaluation processes need to be relaxed. Coordination between BTMA and the government can help in restructuring Internal Credit Risk Rating System policies.

We need to mitigate the backlash from cancellation of orders by brands of major exporting destinations (EU, North America). It comes at a time when Bangladesh's garment manufacturers are in effort to widen their business with Asian countries. According to the Export Promotion Bureau, Japan was the first country to

import more than 1 billion USD worth of apparel from Bangladesh (Mirdha, The Daily Star, 2019). China recently waived tariff on 97 percent of products imported from Bangladesh. A total of 8,256 items will come under the tariff free scheme (Noyon, 2020). The opportunity to expand business comes as production cost becomes higher in China. More and more Chinese consumers are entering the middle class and Bangladeshi manufacturers can gain significantly by catering to this segment (Cheng, 2019).

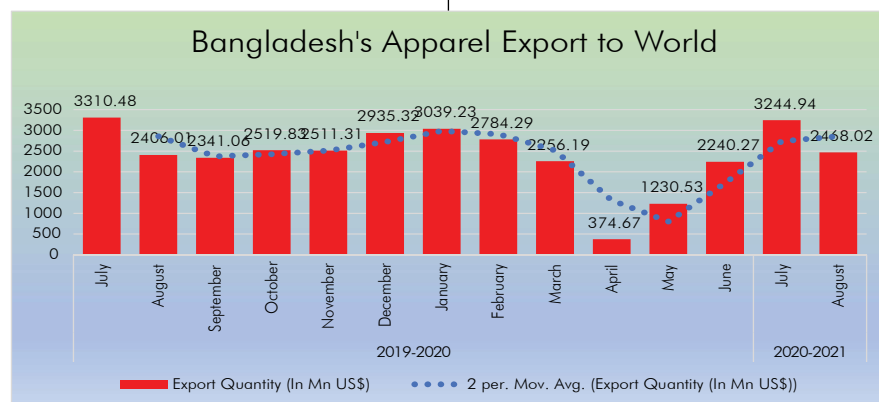
Another important destination could be in Africa, the 49 country ACFTA common market. We should also

Understanding the need Bangladesh government kept provision for tax holiday in Budget 2020-2021 to attract investment in the MMF industry (BTMA, 2020). Bangladesh Garment Manufacturers & Exporters Association (BGMEA) president, Rubana Huq stated that foreign direct investment along with government's incentive can help grow the MMF segment (Textile Today, 2020).

As mentioned before, Bangladesh wants to be an apparel sourcing destination for the businesses who are moving out of China. To do so we have to ensure better infrastructure. We have been constantly marked as below average in the "Ease of

friendliness. Bangladesh has come a long way in ensuring eco-friendly production (Karmokar, 2020), but it's not the end. When we develop the product ourselves, it is possible to set the price while maintaining a good profit margin.

Every stakeholder in this industry has their own role to play to stabilize the pandemic situation. Brands and buyers are the most important of them. The brands can follow the best practices such as, purchasing the product that was already produced, pay the payment in due time and not cancel previous orders. These steps will help the manufacturers to run the business without interruption.



(Export Promotion Bureau, 2020)

partner with comparatively smaller markets, like the one being done with Bhutan (Rejaul Karim Byron, 2020). Although export to Bhutan can in no way be compared with export to bigger economies, such steps can bring in small work orders which will keep the small apparel manufacturers active throughout the year. Bangladesh consulates in different nations along with relevant government institutions, e.g. Export Promotion Bureau can help such plans to come into reality.

Our product portfolio needs to be diversified and we have to look for novel ways to add value to the existing items. Investing in Man-Made Fiber can help us do so by capturing a larger portion of the \$150 billion global MMF apparel market (Textile Today, 2020). Not to mention, the segment of medical textile is expanding as PPEs start to become part of our daily clothing.

doing business" index, 168th out of 190 countries (Wikipedia, 2020). Among several problems for a business to run in Bangladesh is lack of consistent and quality electric power. To avoid machine failure due to electricity fluctuations, mills have to buy generators as backup. This is again a big capital investment which increases unit price of products. Another requirement for textile producers' is Effluent Treatment Plant, ETP. If the economic zones authority of Bangladesh (BEZA) can set up common ETP at their site premises, businesses will focus more on product development than compliance.

The pandemic has brought new requirements in product development. Demand for virus and bacteria resistant fiber and finished fabrics are on the rise (Rodrigo, Just-Style, 2020). Up until now the focus of R&D units of textile manufacturers was on sustainability and environment-

Although the situation is grim, recent data gives us hope of an economic recovery. Figures of July and August 2020 show an increase in export following the slump in last three months of 2019-2020 fiscal year. Foreign exchange reserve also has gone up, reaching towards an all-time high of 40 billion dollars (Harmachi, bdnews24, 2020). (Export Promotion Bureau, 2020)

Conclusion:

Due to the pandemic, the whole world is now struggling. We are passing through a turbulent time and stressed about an unforeseen future. The disease has adversely affected the economic status of developed countries like the USA, UK and also developing countries like Bangladesh. When it comes to the economic prosperity of Bangladesh, textile industry plays a vital role as it can be considered the backbone of our RMG sector. Not only apparel, almost every manufacturing and service industries are facing adversities, which is being termed as the 'new normal'. Bangladesh needs to discover new opportunities and find ways of moving forward through this new normal.

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The Burden of Lesser Known Non Fatal Injuries in Rural Bangladesh

■ Dr. Lamisa Ashraf



global challenge for many years, however, in LMICs like Bangladesh the problem is magnified due to lack of population-based data collection, hospital records reporting injuries and a lack of awareness among people about these injuries. Additionally, rapid urbanization has converted work from manual to machine-led for many occupation groups, e.g. farmers, resulting in more machine injuries.^{1,2}

Study on 'lesser-known' injuries

injuries, unintentional poisoning, machine injuries, electrocution, injuries by blunt objects, and suffocation, in rural Bangladesh. The term 'lesser-known injuries' was used since these injuries are not widely discussed in existing literature, which focuses largely on major injuries such as, road traffic injuries, drowning, falls, burns etc. The study focused on non-fatal injury events.

This study utilized large-scale population-based data of about 1.18 million respondents, collected as part of the Saving of Lives from Drowning (SoLiD) project in Bangladesh in 2013. The main objective of the SoLiD project was to test the effectiveness of two drowning prevention interventions, namely creches (daycare centers) and playpens, in reducing drowning deaths among under-5 children. As part of the SoLiD project, a baseline survey was conducted across 51 unions from seven sub-districts of the country namely, Matlab North, Matlab South, Daudkandi, Chandpur Sadar, Manohardi, Raiganj and Sherpur. The survey involved collection of socio-demographic information, information about cases of

The problem

Around 90% of the burden of unintentional injuries, both fatal and non-fatal, is borne by low- and middle income countries (LMICs).^{1,2} In 2017, lesser-known injuries such as, cut injuries, poisoning, suffocation, and electrocution, resulted in a large number of deaths and disabilities in Bangladesh.³ The burden of unintentional injuries has been a

A team of researchers at the Johns Hopkins International Injury Research Unit, collaborated with researchers from Center for Injury Prevention and Research, Bangladesh (CIPRB) and International Centre for Diarrhoeal Disease Research, Bangladesh (icddr,b) to conduct a study aimed at describing the socio-demographic and injury characteristics of unintentional, lesser-known injuries, namely—cut

drowning and characteristics of other injuries such as cuts, falls, suicide, injury by blunt objects, etc. from every household in the 51 unions.^{1,4} Two rounds of interviews were conducted- the first round collected socio-demographic data and information about incidents of injuries, while the second round of interviews were only conducted for those households which reported

out of 1,17,8256) of the people suffered one of the six non-fatal injuries, with a morbidity rate of 6877.9 injuries per 100,000 population per year.

Injury Characteristics

a. Cut injuries

A total of 26,311 (22.1%) people

from 1-4 years of age had more occurrences of unintentional poisoning than other age groups. Transport workers had higher morbidity rates resulting from unintentional poisoning compared to other occupation groups. The most common product causing unintentional poisoning was pesticides (28.7%), followed by medicines and kerosene. 80%

Table 1. Characteristics of non-fatal injuries by place of injury						
	Injuries (n*=40520, %)					
Place of injury	Cut injuries	Unintentional poisoning	Machine injuries	Electrocution	Injury by blunt objects	Suffocation
Home and surroundings ¹	14634 (56.0)	70 (80.0)	291 (23.0)	625 (73.0)	4777 (41.0)	168 (88.0)
Place of education ²	589 (2.0)	0	3 (0)	14 (2.0)	1476 (13.0)	2 (1.0)
Roads/ Highway	1451 (6.0)	3 (3.0)	88 (7.0)	33 (4.0)	1418 (12.0)	9 (5.0)
Railway, water reservoir, ferry, launch station	1006 (4.0)	2 (2.0)	33 (3.0)	6 (1.0)	385 (3.0)	1 (1.0)
Agricultural field	6382 (24.0)	8 (9.0)	386 (30.0)	41 (5.0)	1230 (10.0)	2 (1.0)
Industry/ Factory/ Workshop	393 (1.0)	1 (1.0)	307 (24.0)	33 (4.0)	479 (4.0)	0
Others ³	1856 (7.0)	3 (3.0)	181 (14.0)	103 (12.0)	2021 (17.0)	10 (5.0)

an incident of injury during the six-month study period.¹

The number of non-fatal injuries and morbidity (non-fatal outcome involving suffering of injured persons) rates were reported for each socio-demographic factor, such as, age, sex, education, occupation, and marital status, and for each sub-district. Additionally, the circumstances of each injury type were also described in the main study.

Findings from the study

Socio-demographics

More than half (51.5%) of the study population comprised of females, and 43.4% respondents were in the 25–64 years age group. About 35% had primary level of education and 35% were either retired or unemployed. About 3.4% (40,520

in the study population suffered from cut injuries. Agricultural workers had the highest rate of cut injuries compared to people in other occupation groups. People with no education and males had the highest rates of cut injuries. Cut injuries mostly occurred in and around homes (Table 1).

“Boti/Da” caused the highest number of cut injuries (37.9%), while other objects like sickle, broken glass etc. also caused cut injuries. For more than half of the events, the injured person was working with a sharp instrument when the injury occurred (Table 2).

b. Unintentional poisoning

Unintentional poisoning was more common among females (51.7%), compared to males. Children

of the unintentional poisoning incidents occurred in homes.

Machine Injuries

A total of 1289 people (morbidity rate 218.8/100,000/year) suffered from machine injuries during the study period. People who had primary level education had the highest occurrences of machine injuries compared to those having higher levels of education. Married persons had higher occurrences (67%) of machine injuries compared to others. Shallow machines such as pumps resulted in the highest number of injuries, among agricultural machines.

Electrocution

Electrocutions occurred most commonly in retired/unemployed individuals, and among those

¹ Home and surroundings comprises of bedroom, living room, kitchen, bathroom, yard, veranda, one room dwelling

² Place of education comprises of school or other playground, hostel of academic institute and classroom

³ Others comprises of market, office, construction (with its categories), others and don't know.

Table 2. Circumstances of cut injuries.		
Circumstances of cut injuries		
	n*=26311	%
Type of sharp object that cut the person		
Knife	581	2.2
Boti/ Da	9,985	37.9
Sickle	2,996	11.4
Scissors	2,314	8.8
Broken glass	2,818	10.7
How the person was injured with the object		
Working	17,188	65.3
Playing	3,578	13.6
Fell on the object	4,794	18.2
Place where the sharp object was usually stored		
Kitchen and Dining area	8,522	32.4
Bedroom	8,914	33.9
Living area	374	1.4
Bathroom	251	1.0
Storage room	937	3.6
Single room dwelling	977	3.7
Veranda	873	3.3

*n represents total number of cut injuries with primary level education. Electrocuting injuries were mostly seen within homes (73.7%), particularly in bedrooms. The second most common location where electrocutions occurred was markets (26.7%).

Injuries by blunt objects

Injuries by blunt objects were more common in males, unskilled and domestic workers, and people with no formal education. More than half (61.6%) of injuries by blunt objects were caused by fixed blunt objects, at homes (Figure 1).

Suffocation

Suffocation injuries were more common among females, people with primary level education, retired/unemployed and married persons, compared to the respective counterparts. Most incidents of suffocation occurred in homes, because of choking on food items (52.2%) (Figure 2).

What we found VS what is already known

Overall, the study found that males suffered more from unintentional injuries than females which is consistent with findings from World Health Organization, United Nations Children's Fund, and the World Bank reports.

Unintentional

poisoning was more common among females. Unintentional poisoning occurred most in children 1-4 years of age. Prior studies have found ingestion of pesticides and kerosene to be common in rural Bangladesh, where these products are readily available in households for disinfection of crops and cooking purposes.^{5,6,7} These products are stored improperly, often in juice or drink bottles.⁸ This results in young children ingesting pesticides or kerosene unintentionally. Poor literacy and lack of awareness among elderly women in rural Bangladesh might explain the higher morbidity rates in females.

Electrocuting was more commonly seen in males and at homes. This is because in the local context, males

are more likely to initiate fixing of broken cables at homes.

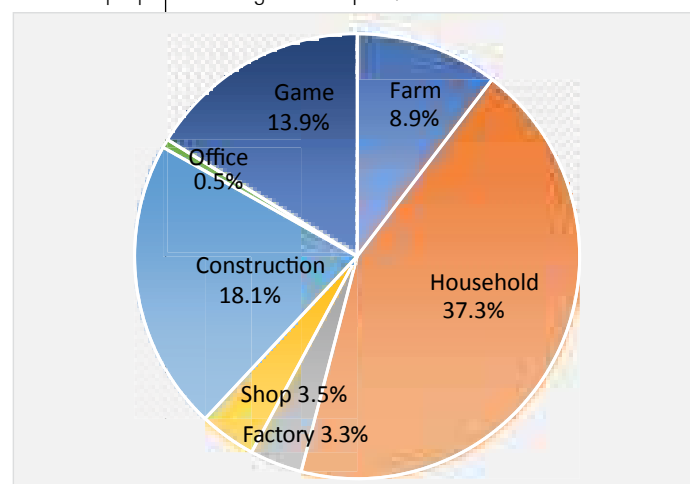
Studies from other LMICs have found machine injuries to be largely caused by agricultural machines, similar to our findings.^{11,12} Agricultural workers suffer more from these injuries due to lack of protective measures while using these machines, and lack of training in correct use.^{9,10} In addition to increased rates of cut injuries among farmers, the manual use of blunt tools has increased number of blunt injuries. Farmers are mostly injured as a result of tools slipping from their hands.¹²

Recommendations

Overall

Unintentional injuries described in this article may not result in a large number of deaths, however, they attribute to a fairly large burden of morbidities. Hospitalizations and long-term disabilities have financial implications for families, particularly if the breadwinner of the family is affected. Therefore, it is important to educate people

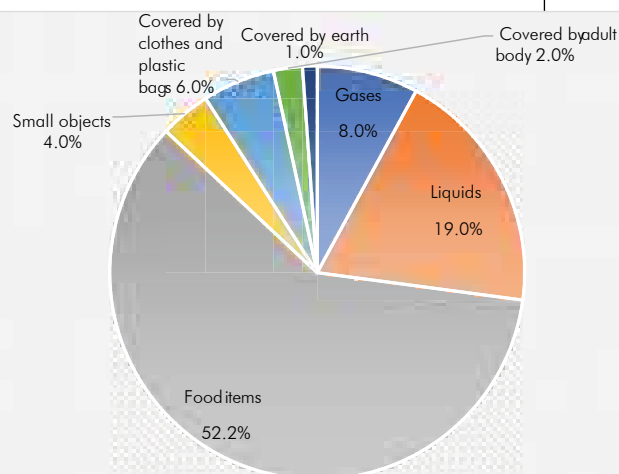
Figure 1. Description of circumstances of injuries by blunt objects-purpose of using blunt objects.



about these injuries and how to prevent and manage them, in addition to adopting and implementing policies to make homes and workplaces in rural Bangladesh safer, through multi-

sectoral support. Further research, allocation of funds and community

Figure 2. Types of suffocating agents.



engagement are necessary to reduce the burden of these 'lesser-known' injuries.¹³

Some specific recommendations

1. Pesticides and kerosene manufacturers should indicate the hazard associated with these chemicals in the form of pictures on packages, such that it is comprehensible even by people with no education.⁸
2. Agricultural workers should be given proper training in use of machines and manual tools and must use adequate protective gear. An emergency first-aid system should be set up to tend to occupational injuries sooner, in order to prevent long-term complications.¹⁰
3. Electric cables and wires at homes should be handled with caution.¹⁴

This report is a summary of the manuscript titled "Burden of Lesser-Known Unintentional Non-Fatal Injuries in Rural Bangladesh: Findings from a Large-Scale Population-Based Study" published

in the International Journal of Environmental Research and Public Health, on September 2019. The writer, Lamisa Ashraf, was the lead author of the manuscript, which was co-authored by Priyanka Agrawal, Dr. Aminur Rahman, Shumona Sharmin Salam, and Dr. Qingfeng Li.

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Foreign Exchange Reserves Management Using Foreign Exchange Reserves to Finance Infrastructure

■ Saad Ikram Saffat



In recent times, Bangladesh has witnessed phenomenal increase in FX Reserves hitting the USD 40 billion mark for the first time in October. As on October 28 2020, FX reserves stood at USD 41.03 billion. In Q1 (Jul-Sep) FY 21, current account surplus was USD 3.53 billion against USD 715 million deficit in Q1 FY 20. Substantial surge in worker's remittance of 48.5% along with

11.4% drop in imports and steady exports in Q1 have resulted in large current account surplus. Moreover, foreign assistance from supranational entities such as World Bank, ADB, IMF, AIIB have played pivotal role in taking the FX reserves to new heights.

Record level of FX reserves have prompted the discussion on efficient management of reserves and government announced its intention to use the

country's FX reserves to implement development projects following which, Bangladesh Bank made a policy decision to finance primarily power and port development projects from forex reserves. Earlier Bangladesh Bank gave out foreign currency loans to the country's national carrier airline through a state lender last year to procure aircrafts. It is reported that the

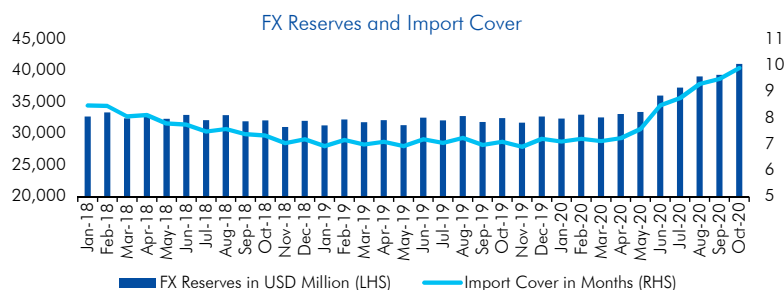
government will repay the loan in foreign currency and will be backed by government guarantee.

Economists have remained divided on using FX reserves for development projects as they have proposed to keep precautionary reserves buffer higher than rule of thumb of 3 months of import cover to account for external shocks such as financial crisis or a more recent phenomenon such as Covid 19 pandemic. The recent rise in FX reserves have brought about the question of how much buffer or precautionary reserves should be held and whether the excess reserves can be utilized in productive sectors. As of October 28 2020, the country's FX reserve is sufficient to cover 9.90 months of imports (average of last 12 months' import settlement).

Planning Minister has said that borrowing from FX reserves will help cut down on funding delays and cost overruns that the country has to face due to the loans being attached with conditions while borrowing from bilateral or development partners. The sharp drop in interest rate levels across

the world driven by the ongoing pandemic has further strengthened

withhold the shock. Moreover, with clean sovereign repayment record



the case for using FX reserves for development projects. Currently, the 1 year USD LIBOR rate is approximately 0.33% whereas 10 year US treasury yield is only 0.84%. As majority of Central Bank's FX reserve is invested in USD linked instruments, hence the FX reserves could yield higher return for the Central Bank from lending to government backed projects at a higher rate. At the same time, the government would be able to receive loans at a cheaper rate and easier terms compared to borrowing from a foreign lender.

and external debt balance of only 13.4% of GDP (as of FY 20) means any unforeseen deficit can be financed relatively easily compared to peer countries where external debt numbers are much higher.

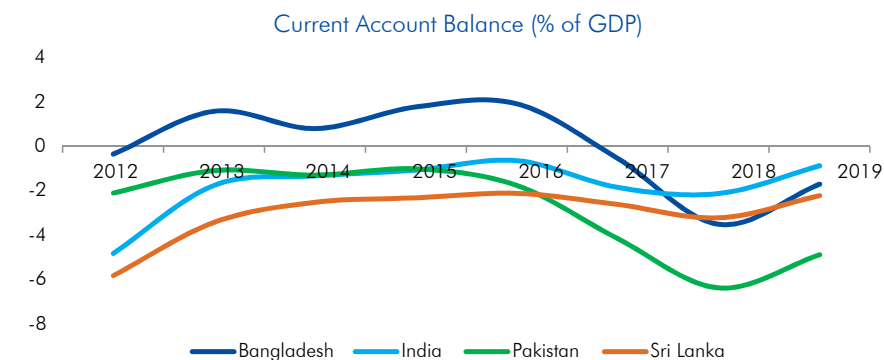
Foreign portfolio investment (FPI) also termed as hot money flows has been on the lower side as industry experts put the outstanding investment at approximately 2% of total market cap in Dhaka Stock Exchange. Whereas, in India, FPI is in the vicinity of 20% of market cap. Although higher FPI is much

on foreign borrowing. Moreover, FX reserve provides the central bank the ammunition to manage exchange rate volatility and contain inflation. Finance Minister said that the government would pick those projects for loans from FX reserve that would have a high rate of return so that it can repay the loans also in the foreign currencies. Economists have opined that the proposal to use foreign exchange reserves for investment in infrastructure must be examined with extreme care and caution and that FX reserves should only be used for high priority infrastructure projects that are in an advanced stage of completion.

Diversifying FX Reserve Currency Components

According to newspaper reports, Bangladesh Bank has invested 85% of its FX reserves in different top-rated commercial banks and the Federal Reserve, which are tagged to US Dollar. The remaining reserve has been invested in

Sustainability of FX reserves is another critical factor that needs to be considered prior to using FX reserves for development projects. Bangladesh's FX reserves have grown over the years through accumulating current account surpluses. During years of deficits, the gaps were plugged through borrowing on Financial Account. Compared to other neighboring countries, Bangladesh's current account volatility has been lower. Bangladesh had current account surplus during 2012-16 period. After being in the red territory for 3 years, current account has again turned positive in 2020 (Q1 FY 21: 3.53 billion). During this period, the largest deficit was 3.49% in 2018 as per IMF. This is likely to give confidence to the government to move forward with their plan of borrowing from FX reserve as the current FX reserve is sufficient to



desired, but the existing low level also means a sudden withdrawal of funds by investors will not have much bearing on country's FX reserve, which lends support to overall reserve stability.

It is critical to be mindful that stock of FX reserve provides protection against potential balance of payments crisis, strengthens sovereign credit outlook and lowers country-risk premium charged

Pound Sterling, Australian Dollar, Canadian Dollar, Singapore Dollar, Chinese Renminbi and Japanese Yen.

As per IMF Q2 2020 update, globally USD continues to be the dominant currency held by central banks with 61.25% share, while the Euro represents 20.27%. Holdings of the JPY and the GBP stand at about 5% whilst the Canadian dollar, Renminbi and

the Australian dollar represent around than 2% each. As U.S. has issued unprecedented 3 trillion U.S. dollars in economic stimulus during the pandemic, Federal Reserve's balance sheet topped USD 7 trillion for the first time in July. Considering the stimulus pipeline, analysts think it could hit USD 10 trillion mark next year.

Considering the rising USD risks, countries are considering diversifying its FX reserve component currencies. The below correlation table shows that, EUR, GBP and Gold (XAU) have high negative correlation with USD index (DXY), which implies that prices move in opposite direction, which will provide protection against USD downside risk. On the other hand, JPY, CHF and CNY have positive correlation with USD and tend to move in the same direction. By rebalancing the FX reserves investment into different currencies

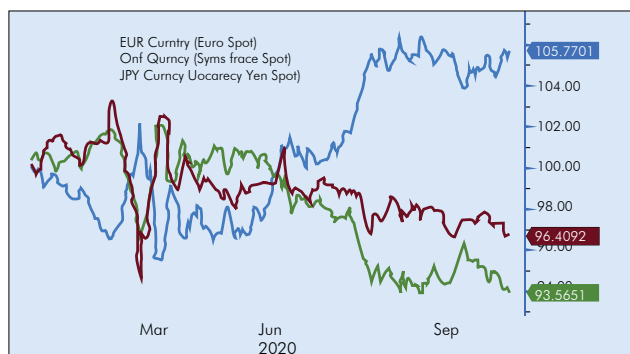
basket of reserve currencies in 2016. As of end 2019, there are approximately 70 central banks around the world that hold RMB in their reserves, up from 60 at the end of 2018. In addition, China is emphasizing on using Renminbi for trade, lending, borrowing and investing. China is Bangladesh's major trade and development partner in terms of imports and FDI and there is USD 18 billion loan in the disbursement pipeline over the coming years for various infrastructure projects. Hence, increasing the share of Renminbi in Bangladesh's FX reserves warrants contemplation as it would provide a natural hedge against the loan liabilities.

Gold in Reserves Portfolio

According to IMF, monetary gold is not covered in the foreign exchange reserves reported in Currency Composition of Official Foreign

central banks across the world have announced unprecedented amount of fiscal and monetary stimulus. Central Banks have resorted to interest rate cuts to stimulate borrowing and spending. As visible from the chart below, gold prices and USD interest rates (US 10 year Treasury bond rate) have an inverse relationship. With drop in level of real interest rate, the value of the dollar decreases relative to other currencies around the world and the price of gold increases in U.S. dollar term. In 2020, US 10 year treasury yield plummeted to 0.84% in October from 1.92% in December 2019. During the same period, gold price soared above USD 1,900/ oz from USD 1,517/ oz as investors and central banks have rushed to buy gold. With the flattening of the yield curve and interest rates at record lows, gold has a competitive edge as it bears no interest of its own and investors don't sacrifice lost interest income

Currency Movements Relative to USD (Based to 100)



Source: Bloomberg

Correlation Matrix

Security	DXY	EUR	GBP	JPY	CHF	CNY	XAU
11) DXY	1.000	.0969	-0.626	0.517	0.795	0.565	-0.549
14) EUR	-0.969	1.000	0.558	-0.431	-0.766	-0.514	0.467
13) GBP	-0.626	0.558	1.000	0.093	-0.312	-0.484	0.107
14) JPY	0.517	-0.431	0.093	1.000	0.581	0.234	-0.716
17) CHF	0.795	-0.312	0.581	1.000	1.00	0.398	-0.292
16) CNY	-0.549	0.467	-0.484	0.234	0.398	1.000	-0.292
17) X4U	-0.467	0.467	0.107	-0.716	-0.534	-0.292	1.000

Source: Bloomberg

Chart based on correlation of last 5 years on a quarterly basis

DXY: The Index of the value of the United States dollar relative to a basket of foreign currencies

XAU: Gold

A positive correlation indicates that two currency pairs move in the same direction

A negative correlation indicates that two currency pairs move in the opposite direction

by examining the returns, risks and correlation, the Central Bank could protect the reserves against concentration risk and possible value erosion.

While deciding on FX reserve component currencies, countries also consider the degree of bilateral foreign currency transaction. CNY (Chinese Renminbi) was added to IMF's

Exchange Reserves (COFER), but gold is part of reserves assets. Gold has traditionally been considered "safe haven" asset during times of stress such as recession or even pandemic. Safe-haven assets typically perform well during downturns and financial crises when riskier assets underperform.

To revive the economy amid the pandemic, governments and

by holding it when bond yields and savings rates are low or near zero.

Currently, Bangladesh Bank holds 13.96 tonnes of gold, which is worth marginally over 2% of total FX reserves. Since the 2008 financial crisis, a large number of central banks have expanded their gold reserves to mitigate the risks deriving from the fiat currency system. According to the

2020 Central Bank Gold Reserves (CBGR) survey, 20% of central banks intend to increase their gold reserves over the next 12 months, compared to just 8% of respondents in the 2019 survey. As the pandemic drags on, the path of global recovery is still uncertain. This implies it may take years before interest rates and economic activity reach new equilibrium. Against the backdrop, it may be beneficial to develop a framework to invest reserves into gold in a prudent manner.

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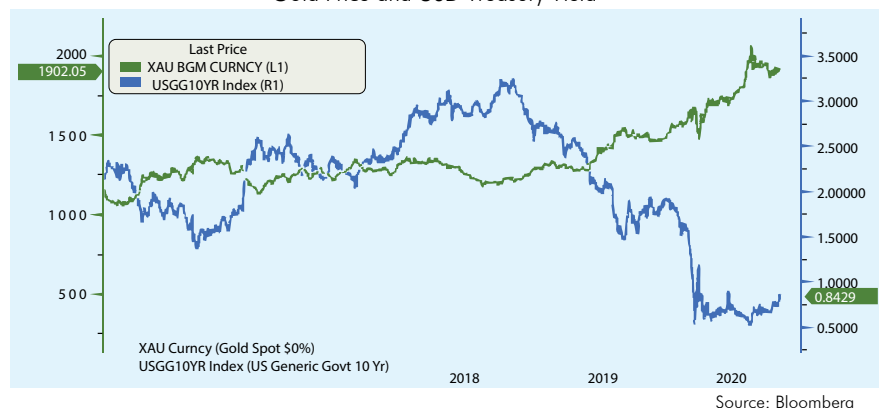
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With a view to standing together with government, communities and associations during this unparalleled global health and humanitarian crisis in the form of COVID-19, Coca-Cola International Beverages Private Limited supported at least 18 government nominated public and private hospitals and care/control centres by donating more

than 1.3 million bottles of Kinley water and other beverages to the healthcare professionals, patients and marginalized people in the communities for 5 months starting from April to August 2020 in many districts including Dhaka, Narayanganj, Gazipur, Rajshahi, Rangpur and Bogura in cooperation with Directorate General of Health Services,

Bangladesh Red Crescent Society, TMSS, Swapno Chaka Foundation and others.

Coca-Cola IBPL also continued its support by donating PPE to healthcare system by contributing through FICCI's initiative and financial assistance to marginal farmers in Sirajganj through an initiative undertaken by AmCham and Sajida Foundation.





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The Coca-Cola System in Bangladesh committed TK 11.5 crores towards helping the healthcare system and communities

through vital health kits, food and dignity packages and beverages to healthcare professionals and patients fighting Covid-19. The relief

programs initiated by the company in Bangladesh aims at benefitting and positively impacting over 5.0 million lives across the country.



Know your history. Know yourself

A nation's identity is defined by its history and, with Bangladesh, this is especially the case. Our history is diverse, full of extraordinary events, spanning across 49 years, a testament to our ability to survive and thrive no matter what troubles we may face.

It is unfortunate, however, that so many of us do not have the knowledge necessary to truly know our country. It is indeed tragic that there are so many people, especially the youth, who do not have a clear understanding of the history that led to the birth of small yet great nation, and provided them with the identity they now represent.

Little do they know of the millions of people whose sacrifices led to the creation of Bangladesh. But that is just the beginning. Once Bangladesh was created, there were more sacrifices to come, from feeding the ultra-poor to reviving the economy to dealing with those who stood against our values.

It is on the shoulders of the ones who made such incredible sacrifices that we built the nation we see around us, from the metro rail project to Digital Bangladesh. The country we now live in would not and could not have come into existence without their incredible tenacity and resilience.

But what are these values on which the country was founded? If we do not know our history, how would we know that Bangladesh was founded on values of democracy and social justice, on ensuring that every single citizen was provided for? How would we know of the language and culture contributed to by some of the greatest artists, writers, and poets and their works?

Would it not be a shame to forget?

But that is exactly what many of us have allowed to happen. An entire generation of people has been raised under a shroud of ignorance whose lack of knowledge has nurtured a confused sense of identity.

And without knowing our history, can we truly claim to know ourselves? Without knowing our country, can we truly claim to love it? Without knowing the reasons to be patriotic, can we truly claim ourselves to be patriots?

Where, then, will our future leaders come from, willing to make the same sacrifices as their forefathers so that Bangladesh continues to move forward on the path to prosperity? We must educate our country on its past so that we may better prepare for the future. We must ensure that our nation's great history is not allowed to die.

Unlocking history

This is where Bangladesh Unlocked comes in. Bangladesh Unlocked is a trivia-based Facebook Instant game launched by BanglaCAT with the aim of educating the population of Bangladesh with its history.

BanglaCAT's goal has always been to contribute to a sustainable future for Bangladesh through its principled approach to the economy, investing in long-term values which truly benefit the Bangladeshi nation and its people. It has been the largest provider to the energy,

power and infrastructure development sectors in Bangladesh, their generators accounting for almost 40% of the national grid's electricity production.

It is based on these values that Bangladesh Unlocked was created, the first time ever that a corporate entity has launched a Facebook Instant



Game. With the tagline "Know your country. Know yourself", the purpose of Bangladesh Unlocked is provide a seamless, digitized and, subsequently, efficient medium through which the population of this country can receive knowledge.

The game's placement in Facebook is also meant to increase accessibility to the game. As of January 2019, 20% of Bangladesh's population were users of Facebook – a whopping 33 million people. Through the questions it asks, Bangladesh Unlocked provides an easy and unique opportunity for Bangladeshis across the world to learn about their own country and stands as a beautiful representation of Bangladesh globally.

And, more importantly, this newfound knowledge amongst the people may, one day, inspire a whole new generation of leaders who will drive Bangladesh into a future of prosperity.



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