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The Ticfa Math

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The equation of Trade and Investment Cooperation Framework Agreement (Ticfa) deal is becoming complex by day. According to media reports, the government is going to sign Ticfa with the US to retain the GSP facility. But, later Commerce Minister GM Quader has said that the signing of Ticfa is not conditional, the deal will create a platform to settle trade disputes between the two countries.

The United States and Ticfa partners consult on a wide range of issues related to trade and investment at least once in a year. Before May 13, commerce minister was of the view that the government agreed in principle that it would sign the treaty with the US to resolve trade disputes as the trade issues couldn't be discussed under the purview of the existing partnership dialogue between the US and Bangladesh.

To finalise the draft, the copy of the agreement was sent to the Cabinet on May 13, which turned it down because Foreign Minister Dipu Moni was absent in the highly important meeting. Ratifying the draft by the Foreign Ministry is important because this ministry is a party in the agreement on behalf of Bangladesh government, although Commerce is the lead ministry.

The denying of approval of the treaty by the cabinet sparked a heated debate as there are people both in favour and against the deal. Moreover, there are reports that the government is signing Ticfa to retain GSP facility.

Retaining GSP (Generalised System of Preferences), a duty-waiver scheme by the US government introduced in 1976, to the US market, the single largest export destination, is very important. In its effort, Bangladesh also attended an emergency hearing of the USTR, the chief trade negotiating body for the US president on March 28, when the US's largest trade union American Federation of Labour and Congress of Industrial Organisation (AFL-CIO) along with some senators threatened to cancel the GSP after the Tazreen fire incident in Ashulia, where 112 workers were killed. The Rana Plaza collapse, where 1,127 workers died, just intensified the reasons for discontinuation of GSP.