

Trade talks, virus treatment help markets post fresh gains

AFP, Hong Kong

Asian and European markets mostly rose Tuesday with investors taking reassurance from news that China and the US had agreed to press on with their trade pact, while hopes for a virus treatment provided extra support.

The gains followed yet another record day on Wall Street as cases appear to be slowing in the United States, but also as Europe sees a worrying surge and as Hong Kong researchers identified what they said was the first confirmed case of reinfection.

China and the US provided dealers with some much-needed cheer after announcing top representatives had held phone talks on their trade agreement signed in January.

There had been concerns about the future of the deal as the superpowers' relationship grows increasingly fraught over various issues including Hong Kong, the virus, Huawei and TikTok.

But on Tuesday, the commerce ministry said Vice Premier Liu He spoke to US Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin, and both sides "agreed to create conditions and atmosphere to continue to push forward the implementation of the phase-one of the China-US economic and trade agreement".

The US side added in a separate



statement that the two had discussed steps China had agreed to address in the agreement, including intellectual property and forced technology transfer.

"The parties also discussed the significant increases in purchases of US products by China as well as future actions needed to implement the agreement. Both sides see progress and are committed to taking the steps necessary to ensure the success of the agreement," it added.

While there was an expectation the deal would remain intact, the news will take away one key matter of concern for investors.

Tokyo, Seoul and Singapore all jumped more than one percent, while Sydney gained 0.5 percent and Taipei put on 0.9 percent with Mumbai gaining 0.1 percent. Manila, Bangkok and Jakarta were also higher.

London, Paris and Frankfurt all rose at the open.

However, Hong Kong and Shanghai were slightly lower. Markets were already buoyant on growing optimism that a vaccine for the coronavirus is close, with Donald Trump said to be considering fast-tracking an experimental treatment from Britain that could be ready for use by November.

Navigating New Waters: a guideline for post LDC graduation

FROM PAGE B4

It is a proven fact in the history of humankind. Let us also think about the post-graduation scenario of the trade.

First, the country will face stiff competition in the same markets from peer countries, especially Vietnam, Cambodia and Pakistan.

It is estimated that the country will lose 5 per cent of its trade every year because of graduation.

It will also annually lose \$2 billion in trade in international arenas.

So, it is a big loss for any country as it will put pressure on employment and the overall economy. So, we need to bolster the economy.

"Navigating New Waters" Unleashing Bangladesh's Export Potential for Smooth LDC Graduation has vividly described these issues. It is like a guideline for our economy.

We can form regional trade blocs like Greater Seattle Partner. Here the northern side of the US signed agreements with Canadian companies despite having bilateral trade agreements.

We can also think of regional versus country-specific trade agreements to yield trade benefits.

Bangladesh will have to choose some stringent policy options once the country graduates.

Firstly, the country will have to sign free trade agreements (FTA) with potential trading partners or comprehensive economic partnership agreements for the continuation of preferential trading systems.

Until now, Bangladesh could not sign any FTA with any country in the world although perhaps a few million US dollars have been spent for lobbying purposes and travel expenses by bureaucrats over the last four decades.

Secondly, if the country fails to sign the FTAs, it will have to try to obtain the GSP Plus status to gain the trading benefits.

In this case, Bangladesh will have to improve dramatically in four important areas: environment, good governance, labour rights and human rights. So, the country will also have to ratify 27 important conventions of the UN.

In this case, if Bangladesh fails to satisfy the EU with the improvements, the latter might not grant the GSP Plus status.

The EU suspended the GSP Plus status to Sri Lanka because the South Asian country failed to improve the conditions stipulated by the bloc.

Thirdly, Bangladesh needs to diversify markets and products by improving the quality of goods to compete with other countries under a new trade regime without any preferential treatment.

In this case, Asian countries like

Japan, India and China might be better options apart from the existing export destinations.

The other inside options are to strongly develop the private sector by providing them with a lot of opportunities like policy support and other incentives such that they can cope up with the international competing countries and can sustain their businesses.

Fortunately or unfortunately, economic growth of the Asian economies is largely export-led.

Bangladesh is not an exception.

The export-led economic growth has a lot of vulnerability because of externalities, which have manifested in different occasions over more than a decade.

Moreover, the domestic economy can also affect export-led growth. This is why Bangladesh needs to strengthen the domestic economy as well.

Some countries like Malaysia and Vietnam were at the level of Bangladesh in the race of economic development.

These two countries are glowing examples of success stories. Their exports contributed to their employment and economic development.

The right policy support and implementation of planning aided their economic growth sustainability. Bangladesh has many things to learn from these two countries.

The reform programme of Vietnam Doi Moi is very much remarkable as it showed the steps taken by the Vietnamese governments for developing a war-ravaged country within a short period.

In most of the cases, the Bangladesh government's plan of action for boosting exports was not correctly implemented.

As a result, the same work had to be done repeatedly consuming valuable time and money.

Such kind of bureaucratic red tape and unskilled or lethargic thinking only enhance exporters' dependency on government cash incentives.

In Bangladesh, export is highly incentivised although the potential sectors have been taking money from the government year after year.

But they are not becoming capable of showing their performance and only one apparel sector's contribution to the national export has been increasing.

In fiscal 2018-19, the government paid \$623 million in cash incentives against the export receipts of \$36 billion.

So the question arises as to what the exporters are doing, whether they are doing business with their foreign trading partners or doing business with the government for receiving the cash incentives against the export

receipts.

The highly spoon-fed exports-led development might not be sustainable for the country as the pandemic exposed this weakness. The sudden emergence of coronavirus exposed the country's weaknesses in different sectors.

All the aforementioned issues of the country's economic progress over the years, how the country came to a new global economic position now after a four-decade-long journey in export and what the country needs to do after the graduation have been nicely written and presented in the book "Navigating New Waters" Unleashing Bangladesh's Export Potential for Smooth LDC Graduation.

The book has been edited by Mohammad Abdur Razzaque, a former head of International Trade Policy at the Commonwealth Secretariat in London.

In it, he nicely presented the contribution of different sectors for graduation and also suggested what needs to be done afterwards.

In September 2017, Bangladesh Enterprise Institute (BEI), a local think-tank working closely with the private sector, requested Abdur Razzaque to lead a research project to provide a fresh perspective on the issues of export competitiveness and diversification to prepare practical recommendations for the policymakers.

In the process and over the next two years or so, several papers and analysis were undertaken.

As Bangladesh's graduation from the group of LDCs became a critical issue, Razzaque and his co-authors utilised the research undertaken to develop this comprehensive volume on LDC graduation.

Along with the statistical analysis, the preparation of the book involved extensive consultations with relevant stakeholders.

Mangetout was always a winter harvest. Now it can be grown all year round

FROM PAGE B4

This year, the two planted 45 pieces of seeds.

Now, they are used to collecting 70-80 kilograms of mangetout from the land every week.

Bean has a huge demand in the local market and it is sold at Tk 120 a kg, he said.

The two have so far sold mangetout worth Tk 1 lakh and hope to earn Tk 1 lakh more, Mia added.

The seed has not yet been marketed and the agricultural university has a plan to spread its cultivation across the country, said Sreenibash Debnath, additional director of DAE's Sylhet divisional office.

Garment factories in SME category to get cash incentive

FROM PAGE B4

The government has already disbursed Tk 10,500 crore to the garment sector for paying wages and allowances to workers since April this year because of the coronavirus pandemic.

Moreover, the government has allocated Tk 33,000 crore for large industrial units, Tk 20,000 crore for the cottage, micro and small and medium industries and other policy support to face the fallouts of the pandemic.

Tilting vessel now stable but denied departure

FROM PAGE B1

The 186-metre-long vessel had a total of 1,260 TEUs of export-laden and empty containers on board at the time.

The cargo that could not be sent in time would now probably miss the connecting mother vessel at Singapore, said Khairul Alam Sujon, director of the Bangladesh Freight Forwarders Association.

Contacted, CPA Secretary Md

Omar Faruk said that although the vessel seems to be in stable condition, the authorities need to ensure that the vessel is fit for operation.

To that end, the department of shipping is investigating with the help of ship surveyors to find if there are any technical faults with the vessel.

"As soon as they give the nod, the OEL Hind can set sail," he added.

Two more projects see allocation increase

FROM PAGE B4

Under the project, four 33/11 KV substations would be set up and three existing substations would be renovated. Besides, smart grid systems would be introduced in the DPDC areas on a pilot basis.

The project would improve the power distribution system in Dhaka and Narayanganj city corporation areas, according to a proposal.

Ecnec approved a project to set up 11 Sheikh Kamal IT Training and Incubation Centres. Bangladesh Hi-tech Park Authority would implement the project.

Under the project, secondary school certificate (SSC) and equivalent-level students would be turned into a skilled workforce in IT. It will develop entrepreneurs in the IT sector and support start-ups.

The centres would be established at Tk 798.9 crore between July this year and June 2025 in Sirajganj, Joypurhat, Dinajpur, Manikganj, Kishoreganj, Narayanganj, Chandpur, Bandarban, Bhola, Kushtia and Meherpur districts.

Answering to a question, Mannan said that the government would not spend any money illogically.

"Rather we will spend more money logically, because if we reduce spending money, then the economy will collapse. But we will have to ensure that the spending is utilised properly and there is no misuse," he said, according to state news agency BSS.

The government has to ensure that the project implementation gets its desired pace and there is no misuse of fund.

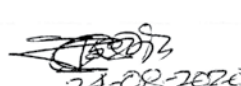
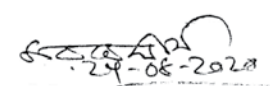
Consultancy services, vehicles, foreign trips and training are needed for project implementation as those could not be denied.

But, the executing agencies would have to ensure that foreign trips and training do not become pleasure trips.

Giving approval to a project does not mean that it is giving a blank cheque, he added.

The government has directed the ministries and divisions to pick high-priority projects from the list of the unapproved schemes in the annual development programme as development work has been hamstrung by revenue shortage caused by the coronavirus pandemic.

Revenue collection in the just-concluded fiscal year dropped 2.3 per cent.

Government of the People's Republic of Bangladesh					
Office of the Additional Chief Engineer, RHD					
Mechanical Wing, Sarak Bhaban, Tejgaon, Dhaka-1208					
International Re-Tender for Procurement of Goods					
01.	Ministry/Division		Ministry of Road Transport and Bridges/Road Transport & Highways Division.		
02.	Agency		Roads & Highways Department.		
03.	Procuring entity name		Project Director.		
04.	Procuring entity code		Not used at present.		
05.	Procuring entity district		Dhaka.		
06.	Invitation for		Package No. GD-02.		
07.	Invitation Ref. Number		Road Transport & Highways Division's Memo No. 35.00.0000.032.014.75.15(Part)-216, Date: 19-03-2020 Chief Engineer, RHD, Dhaka's Dairy No. 938-CE, Date: 23-03-2020		
08.	Tender Notice No.		02/PD-PE&M(LoC-II)/(Re-Tender)/2019-2020		
09.	Date		24-08-2020		
KEY INFORMATION					
10.	Procurement method		Open Tendering Method (International).		
FUNDING INFORMATION					
11.	Budget and source of funds		Line of Credit (LoC) Agreement dated: March 09, 2016 for USD 2 billion signed between the Government of Bangladesh & Export-Import Bank of India (Ref: ERD-09.00.0000.183.24.051.16-401, date: 06 November 2016).		
12.	Development partners		India		
PARTICULAR INFORMATION					
13.	Project/program code		224086800 (Old 5344).		
14.	Project/program name		Procurement of Equipment and Machineries for Construction, Repair and Maintenance of Road Infrastructure.		
15.	Tender package number		GD-02.		
16.	Tender package name		Procurement of 3-Ton Truck for RHD under Indian Line of Credit in completely built-up condition with 10% spare parts and related services.		
17.	Tender publication date		27-08-2020		
18.	Tender last selling date		29-09-2020 up to 4.00pm BST.		
19.	Tender submission date & time		30-09-2020 at 12.00 Noon BST.		
20.	Tender opening date & time		30-09-2020 at 3.00pm BST.		
21	Name and address of the office(s)				
(a)	- Selling tender documents (principal)		Executive Engineer, RHD, Procurement & Storage Division, Tejgaon, Dhaka.		
(b)	- Selling tender documents (others)		1. Executive Engineer, RHD, Planning Division-1, Sarak Bhaban, Tejgaon, Dhaka. 2. Executive Engineer, RHD, Equipment Control Division, Sarak Bhaban, Tejgaon, Dhaka.		
(c)	- Receiving tender documents		1. Additional Chief Engineer, RHD, Mechanical Wing, Sarak Bhaban, Tejgaon, Dhaka-1208. 2. Superintending Engineer, RHD, Equipment Control & Procurement Circle, Sarak Bhaban, Tejgaon, Dhaka. 3. Executive Engineer, RHD, Procurement & Storage Division, Tejgaon, Dhaka.		
(d)	- Opening tender document		Office of the Additional Chief Engineer, RHD, Mechanical Wing, Sarak Bhaban, Tejgaon, Dhaka-1208.		
22.	Place, date & time of pre-tender meeting (optional)		Office of the Additional Chief Engineer, RHD, Mechanical Wing, Sarak Bhaban, Tejgaon, Dhaka-1208 on 09-09-2020 at 11.00am BST.		
INFORMATION FOR TENDERERS					
23	Eligibility of tenderer/manufacturer		Tenderers are limited to Manufacturers from India only. Other eligibility criteria are described in tender document.		
24.	Brief description of goods		Brief description of goods has been described in the Sl. No. 27 indicating the Column named "Identification of the Package." More description of goods & spare parts and related services are described in tender document.		
25.	Price of tender documents (Tk)		For the Package No. GD-02 price will be BD Tk 10,000.00 (ten thousand) only.		
26.	Tenderer's criteria		Tender security must be submitted by the tenderer/manufacturer. Other Tenderer's criteria are described in tender document.		
27.	Package No.	Identification of the package	Location (delivery point)	Tender security amount in foreign currency of US\$ (USD in lakh)	Completion time
	GD-02	3 (three) Ton Truck	RHD, Procurement & Storage Division, Tejgaon, Dhaka	0.37	06 (six months)
28.	Name of official inviting tender		Md. Rafiqul Islam.		
29.	Designation of official inviting tender		Additional Chief Engineer, RHD, Mechanical Wing, Sarak Bhaban, Tejgaon, Dhaka-1208.		
30.	Address of official inviting tender		RHD, Mechanical Wing, Sarak Bhaban, Tejgaon, Dhaka-1208.		
31.	Contact details of official inviting tender		Telephone # 88-02-8878122, Fax # 88-02-8878123 E-mail address: acemw@rhd.gov.bd		
32.	The procuring entity reserves the right to accept or reject any or all tenders.				
N.B.: If under any unavoidable circumstances last selling, receiving or opening day of tender is disturbed, the next working day will be applicable for the same respectively.					
 Nur Mohammed Assistant Engineer, RHD Mechanical Wing, Sarak Bhaban Tejgaon, Dhaka  Md. Rafiqul Islam Additional Chief Engineer, RHD Mechanical Wing and Project Director Procurement of Equipment and Machineries for Construction, Repair and Maintenance of Road Infrastructure Under LoC-II Project Sarak Bhaban, Tejgaon, Dhaka					
GD-1329					