

## Country: Bangladesh

### Background:

**Type of body:** There are two types of TF bodies:

WTO Negotiations on trade facilitation support group; and  
National Trade Facilitation Committee

**Official name:** There are two TF bodies:

Working Group on Trade Facilitation and Customs Valuation; and  
National Trade Facilitation Committee.

### Motivation for its establishment:

Regarding the Working Group, the Ministry of Commerce has established seven Working Groups on seven specific WTO issues, including TF, in order to implement various WTO Agreements and also ensure effective participation in negotiations. The main motivation behind establishing these working groups is to involve and consult all the relevant stakeholders of both public and private sector in the process.

Regarding the National Trade Facilitation Committee, an initiative was launched in 2013 to set up a TF body with membership from all stakeholders. This initiative counted with the support from the Asian Development Bank, International Finance Corporation and UNCTAD.

### Year of establishment:

The Working Group on Trade Facilitation and Customs Valuation was established in 2007.

The National Trade Facilitation Committee was established in 2013.

**Other national bodies dealing with WTO issues and/or with Trade Facilitation:** As mentioned above, there are seven issue-specific working groups on various issues, like Non-agricultural Market Access, Services, Trade-related Aspects of Intellectual Property Rights, etc.

**Former multi-agency group/committee:** The Working Group on Trade Facilitation was the first of its kind. There was no previous multi-agency body/committee before establishing this working group on Trade Facilitation. It was basically established to formulate country position on Trade Facilitation negotiating issues.

### Current status of the working group (running, pilot phase, not functioning, etc):

The Working Group is in operation and meetings are being held regularly.

The National Trade Facilitation Committee is in pilot phase.

### Institutional Framework:

#### Degree of institutionalisation:

The Working Group was established through a notification from the Ministry of Commerce and the decision was taken by the highest level of the Ministry of Commerce.

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The National Trade Facilitation Committee is not yet institutionalized.

## **Type of organisation (ad hoc group, legal entity/organisation, etc):**

The Working Group has been established by the Ministry of Commerce through issuing a notification. The Ministry has legal mandate to establish such working group or committee in order to perform its mandated duties or activities in the area of trade.

The National Trade Facilitation Committee is not formally institutionalized. Thus, it works on ad hoc basis.

## **Scope/mandate:**

The main mandate of the TF Working Group is to formulate country position on various negotiating issues of TF. The Working group is entrusted with the responsibilities of recommending on the issues relating to trade facilitation and customs valuation.

The overall mandate of the National Committee is to provide border agency officials and stakeholders with a forum for consultative dialogue on Bangladesh's trade facilitation objectives and reform initiatives

## **Terms of reference:**

The Working Group has specific terms of reference mainly relating to on-going TF negotiations such as:

to identify periodically the current position of Bangladesh in the light of standards of negotiation;

to explore and identify the need of the exporters of the country;

to verify and analyse proposals of the member countries;

To identify whether there are any controversial issues that may have adverse effects or may be contrary to Bangladesh's perspectives.

The National Committee also counts with terms of reference, in which the Committee shall carry out the following tasks:

To lead the implementation of agreed reform programme;

To provide stakeholders a platform for suggesting new ideas;

To get feedback/input on proposed changes;

To share information and experiences.

**Coordinating agency:** The working group has been established by the Ministry of Commerce, but it is headed by Member (Customs), the senior most Customs official in the country from National Board of Revenue. The coordination is done by Ministry of Commerce.

## **Working structure of the group:**

The Working Group is led by a senior Customs official (Member-Customs, National Board of Revenue) and sub-groups/core groups are being formed for specific functions.

The National Committee will be chaired by the Chief Customs Officer from the National Board of

Revenue. Committees or Sub-Committees may be formed with specific Terms of reference.

## **Permanent technical secretariat:**

There is no permanent technical Secretariat for the Working Group on TF. However, the WTO Cell of the Ministry of Commerce provides secretarial services to all the seven working groups established on various WTO issues.

The National Committee's Secretariat will be set up by the National Bureau of Revenue.

## **Funding:**

**Budget:** No, there is no exclusive budget for the operations of the Trade Facilitation working group. Costs associated with holding meetings and other activities of the working group are being borne from the general budget of the government.

## **Objectives / Focus:**

### **Objectives:**

The main objective of the working group is to formulate the country's position and strategy on various negotiating issues through consulting all the stakeholders and analyzing existing regime in the country.

The objective of the National Committee is to promote mutually beneficial collaboration and fruitful discussions on trade facilitation including leading the implementation of reforms to improve the trading environment'. The principal aim of this committee is to facilitate implementation of TF measures as per loan agreement between Bangladesh and Asian Development Bank under South Asia Subregional Economic Cooperation's initiative.

### **Working plan:**

As it mainly deals with on-going TF negotiations, the work plan is to analyse new proposals and revised texts and undertake actions depending on the developments in the negotiations.

The National Committee does not count with a working plan.

### **Monitoring and evaluation:**

The Working Group's tasks are related to the on-going negotiations. Thus, the Working Group's progress is very much dependent on the negotiations progress. Nonetheless, some time-bound tasks are done either by the Working Group or by the core groups set up by the working group. In case of such time-bound tasks, the progress is easily visible.

The monitoring mechanism of the Bangladesh-Asian Development Bank loan Agreement is used to monitor the performance of the Committee.

### **Reporting form and supervisory authority:**

The Working Group reports to the Ministry of Commerce. The Ministry may inform about the Committee's activities or outcomes, when necessary, to the High-Powered Committee on WTO

issues, led by the Minister for Commerce. The High-Powered Committee on WTO issues examines reports from all working groups for final approval.

As the National Committee is being established, the accountability mechanism is not set up yet. It is expected that the Committee will report to Ministry of Finance and the Ministry of Commerce.

## **Membership / Composition:**

**Public or quasi-public agencies:** Three categories of representative participate in the working group. One group is from all relevant government ministries/agencies, the second group is from the private sector (trade bodies/chambers/associations) and the third group is from independent research organisations.

Members from the public sector include:

Member (Customs), National Board of Revenue, Dhaka (Convener);

Deputy Secretary, Ministry of Shipping, Dhaka;

Deputy Secretary, Ministry of Civil Aviation and Tourism, Dhaka;

Representative, Bangladesh Land Port Authority, Dhaka;

Representative, Chittogong Port Authority, Dhaka;

Representative, Mongla Port Authority, Dhaka;

Representative, Civil Aviation Authority, Dhaka;

Deputy Secretary (Import-1), Ministry of Commerce, Dhaka;

Director, Export Promotion Bureau, Dhaka;

Representative, Imports & Exports Department, Dhaka;

Representative, Bangladesh Tariff Commission, Dhaka;

Deputy Director, WTO Cell, Ministry of Commerce, Dhaka;

Director, WTO Cell, Ministry of Commerce, Dhaka. (Member Secretary)

The National Committee is composed of representatives from:

National Board of Revenue (Bangladesh Customs – Member Customs Policy to Chair the Committee);

Ministry of Commerce;

Ministry of Shipping;

Ministry of Communication;

Ministry of Civil Aviation;

Ministry of Foreign Affairs;

Ministry of Home Affairs;

Ministry of Agriculture;

Ministry of Food;

Ministry of Forestry and Environment;  
Prime Minister's Office;  
Cabinet Division;  
Internal Resources Division;  
External Relations Division;  
Department of Narcotics Control;  
Bangladesh Standards and Testing Institution;  
Bangladesh Tariff Commission;  
Bangladesh Foreign Trade institute;  
Export Promotion Bureau;  
Chief Controller of Import and export;  
Bangladesh Bank;  
Board of Investment;  
Directorate of Quarantine;  
Atomic Energy Commission;  
Bangladesh Council of Scientific and Industrial Research;  
Ministry of Industry;  
Copyright Office;  
Patent and Trademarks Office;  
Border Guard Bangladesh;  
Coast Guards;  
Bangladesh Police;  
Department of Immigration and Passport;  
Bangladesh Navy;  
Chittagong Port Authority;  
Bangladesh Inland Water Transport Authority;  
Bangladesh Computer Council;  
Bangladesh Land Port Authority;  
Bangladesh Railway;  
Department of Explosives.

**Private associations or entities:** The Working Group is composed of representatives from:

Metropolitan Chamber of Commerce & Industries (MCCI);  
Dhaka Chamber of Commerce & Industries (DCCI);  
Bangladesh Garments Manufacturers & Exporters Association (BGMEA);  
Knitwear Manufacturers & Exporters Association (BKMEA);

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Centre for Policy Dialogue (CPD-Research Organisation);

Federation of Bangladesh Chambers of Commerce & Industries (FBCCI).

The National Committee is composed of:

FBCCI;

DCCI;

MCCI;

Chittagong Chamber of Commerce & Industry (CCCI);

BGMEA;

BKMEA;

Bangladesh Economic Association (BEA);

Bangladesh Textile Mills Association (BTMA);

Business Initiative Leading Development (BUILD);

Bangladesh C & F Agents Association;

Dhaka/Chittagong/Benapole/Mongla C & F Agents;

Freight Forwarders Association;

Shipping Agents Association;

Bangladesh Cargo Vessel Owners Association.

**Level of seniority of participants:** Both TF bodies are chaired by senior officials. Members are mainly mid-level officers who are working on TF issues in their respective organisations.

## **Participation:**

### **Frequency of meetings:**

The Working Group does not meet very often. However, whenever any new issue/proposal/text for discussion comes up for negotiations in Geneva, the working group meets to discuss and formulate Bangladesh's position.

The National Committee will meet once every two months. The Chairman may convene special meeting or teleconferences when circumstances demand.

**Level of participation:** Regarding the Working Group, participation of all key stakeholders has always been ensured through consultation with them.

As for the National Committee, participation has been very high taking into consideration that this body was recently established. This reflects the eagerness of all stakeholders.

## **Promotion / Communication:**

### **Communication channels to keep stakeholders informed of TF meetings:**

Regarding the Working Group, the Ministry of Commerce and the National Board of Revenue keep the stakeholders informed of the developments through (a) regularly sending copies to them of the



minutes of the working group meetings, and (b) sending copies of the documents relating to developments in the WTO and of information published in international reports on TF situations in Bangladesh, etc.

Regarding the National Committee, notices and agendas should be distributed at least 7 days before the meeting. Minutes are issued within 10 days of the meeting.

**Interface with other working groups/committees on similar issues:** Besides the working groups, a high-level Committee was set up. This is composed of all working groups, including the Working Group on Trade Facilitation, and also representatives from other organisations. Indeed, this High-level Committee is the highest forum and decision making body on WTO issues.

**Undertake information sessions to stakeholders or general public:** There are no special sessions for the general public to inform about the Working Group's outcomes. Nonetheless, the Working Group may organise or participate in workshop on TF issues.

## **Benefits:**

**Impact:** Since many organisations and stakeholders are involved in TF issues, the working group provides the opportunity for better coordination and formulation of negotiating positions in consultation with all the stakeholders.

**Benefits for the country's responsiveness to the WTO negotiation process:** As mentioned, the main objective of the Working Group is currently to formulate the negotiating position by considering all the proposals and other factors. The work generated by the group provides effective inputs to the country's negotiators, and, therefore, certainly benefits the country's representativeness to the WTO negotiation process.

**Concrete operational outcomes:** All the negotiating positions that Bangladesh is currently pursuing are formulated by the Working Group.

## **Lessons learned:**

**Success factors:** Crucial success factors are mainly:

- active involvement and participation of the key stakeholders, including private sector;
- coordination among the stakeholders;
- awareness of the necessity of improved trade facilitation system both for imports and exports.

**Greatest obstacles:** As for the Working Group, the main obstacles are:

- The working group is not yet as active as expected;
- Meetings could not be arranged on a regular basis; and
- Understanding and concepts of TF issues under current negotiations are not yet very clear to many stakeholders; capacity both in terms of human and institution is not adequate.

As for the National Committee, the main obstacle are:

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Not Active participation by the members of the NTFC;  
Lack of ownership;  
Lack of proper link between plan and priorities;  
Limited human resources capacity; and  
Vulnerability of feuds among members/stakeholders.

## **Lessons learned from your experience:**

The Working Group, through its actions over the years, has been in a position to accurately identify the position of Bangladesh in the area of TF and the needs and the exigencies in terms of enhancing the facilitation of its trade environment. The knowledge and experience, it has gathered, will be of crucial importance once the draft of the WTO TF negotiation is complete and the TF Agreement comes into force.

As for the National Committee, active participation from all the members/stakeholders is the key.

## **Future plans:**

**Plans for further development:** The Working Group's future plans are:

to strengthen and intensify the activities of the working group;  
to analyse the latest developments in the Trade Facilitation negotiations;  
to assess the draft implementation plan on Trade Facilitation, formulated through the UNCTAD study; and  
to identify the next course actions for negotiations as well as for overall development of the Trade Facilitation system of the country.

## **Contact information:**

**Contact Information:** Chairman of the working group:

Member (Customs), National Board of Revenue, Government of Bangladesh

Tel: (+8802) 8353633 or (+8802) 8319121