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# CPD

## Quarterly

FROM  
the editor's desk

CPD's resume of activities during the first quarter of 2006 focused on a number of events that included initiatives to advance the cause of good governance in the country, promote better understanding among people of the region and build capacities in trade related areas. Organization of the Citizen's Forum entitled National Election 2007: Civil Society Initiative for Accountable Development on 20 March 2006 marked the beginning of a series of activities undertaken by CPD as part of its pre-election activism. These activities are geared towards contributing to the ongoing efforts in Bangladesh for a transparent and accountable democratic political culture and governance. One of the highlights of the aforesaid Citizen's Forum was formation of *Nagorik Committee 2006*—a citizens' group comprising of twenty-seven eminent people of the country representing various section of the society. *Nagorik Committee 2006* has been entrusted with preparing a Vision 2021 document for the country. CPD plans to organize a series of dialogues at district level to give voices to the common people on issues like holding of free and fair election, election of honest candidates and promotion of good governance in general.

The Sixth Policy Appreciation Workshop on WTO and Bangladesh held during 3-4 January 2006 was an important annual event for CPD. Organization of the workshop is part of CPD's continuing effort towards trade related capacity building in the country. The underlying objective of the workshop was to expose the participants to the various issues being discussed and negotiated within the ambit of the Doha Development Round (DDR). The participants of the workshop were also exposed to negotiation simulation exercises. The three-day workshop was followed by a dialogue entitled Hong Kong Ministerial Conference of the WTO: Outcome, LDC Interests and Bangladesh's Concerns. During this period CPD also organized an Indo-Bangladesh dialogue on Media and Culture. The dialogue focused on the role of print and electronic media in strengthening the bond of friendship among people of the two countries. Participated by leading lights from both the countries, this series of dialogues held alternatively in Bangladesh and India are geared to foster and promote Bangladesh-India cooperation in various fields of economics, resource management and culture.



## National election dialogue

Initiative to promote accountable development process

Centre for Policy Dialogue (CPD) launched its pre-election activities by organizing a citizens' dialogue entitled 'National Election 2007: Civil Society Initiative for Accountable Development' collaboratively with *Prothom Alo* and *The Daily Star*. The dialogue was held at Dhaka Sheraton Hotel on March 20th.

Speakers at the dialogue stressed that the civil society had an important role to play in ensuring parliamentary polls scheduled to be held in early 2007 are fair and credible. The need to impress upon the political parties to nominate honest and competent candidates in the elections and influencing the people to vote for such candidates were also underscored.

Professor Rehman Sobhan, Chairman of CPD, chaired the dialogue, while former Chief Adviser to the Caretaker Government Justice Muhammad Habibur Rahman was the Chief Guest.

Many other notable persons participated at the dialogue including Minister for Law Barrister Moudud Ahmed, Ganoforum President Dr Kamal Hossain, BNP law-maker Mushfiqur Rahman, Grameen Bank Managing Director Professor Muhammad Yunus, Awami League leaders Suranjit Sengupta and Motia Chowdhury.

*Nagorik Committee 2006*—a citizens'

group comprising of distinguished individuals of the country was formally announced at the dialogue. Professor Rehman Sobhan is the convenor of the Committee, while CPD Executive Director, Dr Debapriya Bhattacharya will act as member secretary. CPD will function as the secretariat of *Nagorik Committee 2006*. The Committee will prepare a medium-term vision document for Bangladesh up to 2021; the year country will celebrate its 50 years of independence. The Committee will also be engaged in conscientizing people with a view to mobilize support for transparent and accountable development process.

Speaking at the dialogue, Professor Yunus set out his 12-point formula for electing competent candidates to the parliament. He advocated that corrupt and incompetent candidates should be stopped from taking part in the elections. He called upon the citizens to be vigilant and not to vote for corrupt candidates. He detailed out his idea of the 'Movement for Competent Candidate', which he believed could put pressure on the political process to entrench a regime of honest and competent law-makers. He suggested that there could be a governing committee to run the movement and an executive body for conducting day-to-day affairs. A central nomination

(Continued on page 2)



## Implementation of labour laws must for safety of the industrial workers

Experts tell at CPD roundtable on workers' safety



MA Momen, President, Dhaka Chamber of Commerce and Industry is speaking at the dialogue on Security for Industrial Workers. S M Fazlul Haque, Annisul Huq and Rehman Sobhan are also seen in the picture.

**Speakers** at a dialogue on security issues at workplace suggested formation of an industry commission and a monitoring committee to ensure safety of the workers at workplaces. The dialogue entitled Security for Industrial Workers: Is There Anything We Can Do? was organized by CPD on March 13th at the CIRDAP Auditorium. CPD Chairman Rehman Sobhan presided over the dialogue. Participants of the dialogue included leaders of BGMEA, BKMEA, trade unions, workers, human rights activists and academics. In his introductory speech, CPD Executive Director Debapriya Bhattacharya spoke on the issue of workers' safety and security in work environment. He was concerned that a large number of workers are endangering their lives at workplaces because of unsafe conditions. Unfortunately, reliable data on such accidents or casualties are not available. He pointed out causes of accidents, shared his views on ways to prevent them, and existing laws related to the industrial sector. Referring to a study he mentioned that the workers had received only around five per cent of total export earnings in the last ten years, while the owners' share was about eight per cent. Annisul Huq, former President of Bangladesh Garments Manufacturers and Exporters Association (BGMEA), observed that conditions of factory buildings in the city area are not up to the mark, but there is no scope for relocation as there is hardly any supply of gas and power in other places. Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) President Fazlul Haque stressed that the factory owners have to be more cautious about hazardous working conditions. Eventually, it is them who have to grapple with big losses if a hazard does occur. Nasreen Khundker, Professor, University of

Dhaka, emphasized the need to set up an industry commission and a management committee to look into the issue of workers' safety. Garment Industry Workers Federation President Touhidur Rahman added that the monitoring committee should be constituted of people from various segments of the society. Kabir Ahmed Chowdhury, Deputy Director, Labour Directorate, remarked that workers should be made more aware of their rights. Laila Rahman Kabir, former President of Bangladesh Employers Federation, reiterated the demand for amendment of Factory Rules 1979 and recommended hiring of inspectors from the private sector to monitor the industrial units. Nazma Akhter, General Secretary of Awaz Foundation, an organization of garment workers, felt that the workers are scarcely making their ends meet although the garment sector of the country is booming. Bangladesh Institute of Labour Studies (BILS) Secretary Kabir Hossain demanded exemplary punishment of those who are responsible for allowing houses with weak structures to be rented out as factories. Abul Hossain, President of Textile Garment Workers Federation, highlighted the absence of a worker-friendly government in the country, while President of Women Entrepreneurs Association of Bangladesh Nasreen Awal Mintoo felt that incidents like fire accidents could be avoided by establishing RMG pallis (villages). Among others, Terri-Towel Exporters' Association President Anisuzzaman, Kormojibi Nari President Shirin Akhter, General Secretary of Bangladesh Trade Union Kendra Wajedul Islam Khan, Dhaka Chamber President Abul Momen and Joint Secretary of Commerce Ministry Golam Hossain spoke on the occasion.

## National election dialogue

committee should declare a panel of candidates comprising of at least one man and one woman for every constituency. The candidates would then put forward their agenda in the media of defeating corrupt and incompetent candidates.

Justice Habibur Rahman was critical about the major political parties for not implementing their key election pledges, including separation of judiciary, wiping out corruption and strengthening of local government. He expressed his discontent at the killing of people under crossfire or in the name of encounter, which he thought was unlawful. He pointed out that it would be interesting to investigate how nepotism and quasi-monarchic system has evolved in this country. He urged members of the civil society to play a proactive role in the development of the country.

Barrister Moudud Ahmed stated that the campaign should be vigorous enough to compel the politicians to follow suggestions propounded by the civil society for electing honest candidates. Dr Kamal Hossain asked the civil society to work together with the politicians to keep electoral process free of black money, muscle power and violence.

Dr Debapriya Bhattacharya, Executive Director of CPD, presented the rationale for such an initiative. CPD had prepared policy briefs with short and long term frames in mind in 2001 for the newly elected government and reviewed implementation of the recommendations in 2003. This time, prior to national elections of 2007, CPD would like to be involved in developing a 'vision for Bangladesh' for the next fifteen years, which would be prepared by the *Nagorik Committee 2006*. He hoped that this 'vision', along with its time bound roadmap, would eventually become a part of our national manifesto. He elaborated on CPD's forthcoming endeavours to reach out to a large number of people through regional dialogues along with wide scale media campaign to promote informed policy debate and accountable development process.

Professor Rehman Sobhan stated in his concluding remarks that the civil society can mobilize public opinion, encourage someone to do good things or criticize them for wrongdoings, but it cannot be an alternative to 'Jatiya Sangshad'. He cautioned that violence linked with the activities of ultra-religious groups is threatening the liberal democratic process. He further added that unhealthy political practices have polluted public educational institutions, civil society and even professional groups, making corruption endemic.



## Developing countries role at WTO comes under criticism

Speakers at CPD dialogue on the WTO outcome



Shishir Priyadarshi, Senior Counsellor, WTO Secretariat in Geneva, presenting the keynote paper. Debapriya Bhattacharya, Reaz Rahman, Rehman Sobhan, Barbara Richardson, Mustafizur Rahman are also seen in the picture.

**Businessmen** and civil society members criticized Sri Lanka and Pakistan for opposing preferential market access for Bangladeshi apparels at the Ministerial conference of the WTO held in Hong Kong in December 2005. The dialogue entitled Hong Kong Ministerial Conference of the WTO: Outcome, LDC Interests and Bangladesh's Concerns was organized by CPD at the CIRDAP Auditorium on January 5th. Shishir Priyadarshi, Senior Counsellor, World Trade Organization Secretariat in Geneva, presented the keynote paper at the dialogue presided over by CPD Chairman Rehman Sobhan. Reaz Rahman, Advisor to the Ministry of Foreign Affairs, was present as the Chief Guest, while Barbara Richardson, Canadian High Commissioner in Dhaka was the Special Guest. Shishir Priyadarshi pointed out that duty-free and quota-free (DFQF)

access was the most critically important issue for all the least developed countries (LDCs) in the Hong Kong Ministerial. Some of the developed and developing country members expressed their opinion with respect to universal coverage regarding all LDCs and all products. According to the Ministerial declaration, developed countries will provide DFQF access to 97 per cent of products from LDCs by 2008 at the earliest. The percentage of products given access will be defined at the tariff line level and not in terms of volume or money.

Former President of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Annisul Huq criticized the role of Sri Lanka and Pakistan in the Hong Kong meet and stated that this is likely to have a negative impact on LDCs. Former Commerce Secretary Syed Alamgir Farouk Chowdhury and Sharifa Khan of WTO Cell of the Commerce Ministry also echoed such concerns. However, diplomats of Sri Lanka and Pakistan defended their country positions. Gamini Munasinghe, High Commissioner of Sri Lanka in Dhaka, pointed out that their apparel industry might have been adversely affected if preferential market access was given to Bangladesh. Commercial Secretary of Pakistan High Commission in Dhaka, Roubina Taufic Shah explained Pakistan's stance in Hong Kong.

Rehman Sobhan highlighted that export of readymade garment has contributed to poverty reduction but felt that in the long run it is not advisable for Bangladesh to depend only on RMG. Reaz Rahman expressed Bangladesh's disappointment at the final declaration of the Hong Kong Ministerial and underscored the need to work further on the modalities of market access, diversification of production and strengthening of the Bangladesh Foreign Trade Institute.

CPD Executive Director Debapriya Bhattacharya felt that the current year, more specifically the period following October, would be crucial for Bangladesh as a Caretaker Government would be in charge. He cautioned that such governments have refrained from participating in important summits. Nevertheless, Bangladesh will need to energetically participate in the negotiations in Geneva over the coming months since it will be the final lap of the Doha Round.

## Not everyone could take full advantage of economic growth

Economists tell at CPD discussion

**Bangladesh** has been able to achieve an impressive growth in recent years; however the results of this growth have not always reached the poor. This was observed at a dialogue on Growth and Equity in South Asia: How has Bangladesh Performed? organized by CPD at the CIRDAP Auditorium on February 20th. CPD Chairman Rehman Sobhan presided over the dialogue. Bangladesh Bank Governor Salehuddin Ahmed was the Chief Guest; former Advisor of the Caretaker Government Wahiduddin Mahmud, former Bangladesh Bank Governor Fakhruddin Ahmed and Visiting Professor of BRAC University S R Osmani were among the discussants.

Shantayanan Devaranjan, Chief Economist, South Asia, The World Bank, presented one of the two keynote papers entitled 'Economic Growth in South Asia: Promising, Unequalizing... Sustainable?', which he co-authored with his colleague. CPD Executive Director Debapriya Bhattacharya presented the other keynote paper entitled 'Macroeconomic Performance in South Asian Economies: A Comparative Perspective on Bangladesh', which he prepared with Senior Research Fellow of CPD Fahmida Khatun. Debapriya Bhattacharya mentioned that although Bangladesh is the only country in South Asia that experienced macroeconomic stability over the last one and a half decades, her growth is lower compared to some of the other South Asian countries including Bhutan, which did not enjoy such stability. He observed that a large part of the investment went into sectors which did not create employment opportunities for the poor. Shantayanan Devaranjan highlighted that despite various obstacles, South Asia has achieved impressive economic growth and poverty reduction in the past decade mainly due to economic reforms of the 1990s. Salehuddin Ahmed noted that the relatively high economic growth experienced by Bangladesh over the last decade did not reach the poor to the desired extent. He emphasized the need for structural reforms to promote distributive justice in the society.



Fakhruddin Ahmed, Managing Director, PKSF is addressing the dialogue. Salehuddin Ahmed, Rehman Sobhan, Wahiduddin Mahmud, Fahmida Khatun, Ijaz Nabi are also seen in the picture.

Fakhruddin Ahmed pointed out that focus should be on productivity and technology adoption to attain faster growth in the economy. S R Osmani focused on a number of methodological issues and underscored the importance of identifying the degree of instability a country is capable of accommodating.

A M A Muhit and M Syeduzzaman, former Finance Ministers; Hafizuddin Khan, former Advisor to the Caretaker Government; Abdur Razzaque, Member of Parliament; Q S Alam, former Cabinet Secretary; MM Akash, Professor of Dhaka University; Naimuddin Chowdhury of Adhunka Angan; Momtaz Uddin Ahmed, Director of Research, CIRDAP; A K M Shamsuddin, former President of FICCI; SK Maqsood Ali, former Member, Planning Commission; Syed M Ahsan, WBI Resident Economic Advisor in Bangladesh Bank; Latifur Rahman, Metropolitan Chamber of Commerce and Industries President; and M A Momen, Dhaka Chamber of Commerce and Industries President also presented their points of view.



## Call for greater interaction to remove mutual suspicion

Indo-Bangladesh dialogue on Media and Culture

**Speakers** from Bangladesh and India called for wider and objective coverage of the news in the two neighbouring countries to remove mutual suspicion and to booster and promote cooperation at a dialogue entitled Indo-Bangladesh Dialogue on Media and Culture. The dialogue was jointly organized by India International Centre (IIC) and Centre for Policy Dialogue (CPD) of Bangladesh on January 16th at New Delhi, India. Inaugurated by Indian Minister for Culture Joypal Reddy the dialogue was participated among others by India's Member of Parliament Hannan Mollah, CPD Chairman Rehman Sobhan, Columnist George Verghese and *News Today* Editor Reazuddin Ahmed.

Taking part in the discussion as a keynote speaker *The Daily Star* Editor Mahfuz Anam observed that if Bangladesh's perception of India was marked by ignorance and suspicion then Indian perception of Bangladesh was marked by ignorance and arrogance. According to him, the Indian media mostly covers news from Pakistan and China, whereas Bangladesh media is not inward looking to that extent. He suggested taking a South Asian approach to improve the situation by giving an unbiased coverage of what was happening in Bangladesh. He also requested the media of both the countries to take an

independent and well-founded view.

Joypal Reddy stressed the need for cooperation between India and Bangladesh regarding media and culture. Hannan Mollah suggested about an initiative to form an India-Bangladesh parliamentary forum in the upcoming Indian parliamentary session. B G Verghese expressed his concern over negative coverage of Bangladesh and India in each other's media and added that there is a lack of communication.

Rehman Sobhan pointed out under-reporting in India as the result of lack of information flow about Bangladesh. Reazuddin Ahmed termed suspicion as the biggest barrier to better relations between the two countries. Siddharth Varadarajan, Deputy Editor of *The Hindu*, mentioned that India is north-India and Delhi centric rather than South Asian. He suggested exchange of sub-editors and reporters for better reporting of events between the two neighbouring countries.

Among others, CPD Board of Trustees Member Anisuzzaman, Amar Desh Executive Editor Shaukat Mahmood, renowned singer Rizwana Chowdhury Banya, Ananya Editor Tasmeema Hossain and The Mainstream Editor Amit Chakraborty also participated in the discussion.

## Low foreign aid, declining FDI major economic concerns

CPD observed in their assessment report of Bangladesh



Debapriya Bhattacharya is briefing the media on IRBD 2006. Mustafizur Rahman, Anisatul Fatema Yousuf and Fahmida Khatun are also present.

**Declining** trend in net foreign investment and low foreign aid were identified by CPD as key concerns during July-October of fiscal year 2006 in its First Reading of Independent Review of Bangladesh's Development (IRBD) 2006. The report entitled State of the Bangladesh Economy in FY06: Early Signals and Immediate Outlook was released on January 7th at the CPD Dialogue Room. CPD Executive Director Debapriya Bhattacharya exchanged views with the journalists subsequent to the presentation of the report.

The review mentioned that the overall balance of payment situation had deteriorated significantly during the early months of FY06 as total budget deficit during the July-October period of FY06 stood at 3.1 per cent of GDP, compared to 2.3 per cent during the corresponding period of FY05; a deficit in the overall balance stood at \$123 million as against a surplus of \$490 million during the same period of the previous year. The reason for both the deficits was identified as less than programmed inflow of foreign aid. Domestic sources contributed 90.6 per cent of the overall deficit financing, while foreign financing contributed only 9.4 per cent.

The review suggested a six-channel approach to tackle the situation. These included faster disbursement of quality project aid, mobilizing \$350-500 million from the international financial institutions for budgetary support, implementing foreign aid

packages for targeted use, inducing friendly Middle Eastern countries to keep a couple of billion dollars with the Bangladesh Bank to improve the forex reserve. Additionally, the government could liberalize foreign exchange regulations to attract foreign remittances and borrow foreign currencies from foreign banks for justified reasons if those are compatible with the Anti-Money Laundering Act. CPD also felt that the government should not take any steps which might jeopardize economic stability of the next Caretaker Government. The government also needs to revise its budgetary and Poverty Reduction Strategy Paper (PRSP) targets to provide a stable and secure foundation for the Caretaker Government.

Debapriya Bhattacharya observed that significant revision of provisional GDP figure has now become a tradition in Bangladesh. The provisional GDP growth figure of 7 per cent plus for the fiscal year 2006 projected by the Finance Minister will face a wide range of criticism. He cautioned that upward revision of growth rate has raised questions as regards empirical basis, estimation methodology and process transparency of the national income accounts. The predicted higher growth rate is not ensuring pro-poor growth as official figures indicated increase in income inequality; income differential between the poorest and the richest 10 per cent of Bangladesh's population increased from 20 times in 1999 to 24.5 times in 2004.

High inflation rate was found as another major concern for the current fiscal year. Dr Debapriya felt that the ADP should be streamlined. Government must slow down its borrowings and bring foreign financial aid worth US \$300-500 million to curb inflation. The National Board of Revenue (NBR) authority was praised for its performance in terms of revenue mobilization but the report also emphasized the need for ensuring continuity of this trend.

### In-house dialogue on

## State of the Bangladesh Economy in FY06: Early Signals and Immediate Outlook

CPD organized an in-house dialogue to receive feedback on the interim draft prepared on the early signals of the Bangladesh economy of the fiscal year 2006. A distinguished group of policy-shapers and professionals of the country were present on the occasion. The dialogue, held on January 2nd at the CPD Dialogue Room, was moderated by CPD Chairman Rehman Sobhan.



Debapriya Bhattacharya, Executive Director of CPD, presented the report entitled 'State of the Bangladesh Economy in FY06: Early Signals and Immediate Outlook (First Reading)'. The report focused on performance in the areas of real economy, banking and monetary policy, public finance and external sector. The dialogue was attended, among others, by Fakhruddin Ahmed, former Governor of Bangladesh Bank and Managing Director of PKSF; M. Syeduzzaman, Chairman of Bank Asia; Mirza Azizul Islam, Chairman of Securities and Exchange Commission; Mohammed Farashuddin, former Governor of Bangladesh Bank and President, Board of Directors, East West University; Khondkar Ibrahim Khaled, Managing Director of Pubali Bank; Saadat Husain, former Secretary of Cabinet Division; and Sajjad Zohir, Senior Research Fellow, BIDS. CPD senior staff members present at the dialogue included Research Director Mustafizur Rahman, Senior Research Fellow Uttam Kumar Deb, Senior Research Fellow Fahmida Khatun, Research Fellow Khondaker Golam Moazzem, Senior Research Associate Syeed Ahamed and Senior Research Associate M Golam Mortaza.

### China: Global ascent and domestic dilemmas

An in-house dialogue on China: Global Ascent and Domestic Dilemmas was organized by CPD at the dialogue room on January 30th. The dialogue was chaired by CPD Chairman Rehman Sobhan. Borje Ljunggren, Swedish Ambassador in China, presented the keynote paper on the occasion. He discussed about China's exceptional economic rise and its possible consequences on the regional and international arena. He also spoke on China's economic transformation, its internal developments, dilemmas and reform process.

Among others, Workers' Party President Rashed Khan Menon, General Secretary of Communist Party of Bangladesh Mujahedul Islam Selim, President of Jatiyo Samajtantrik Dal Hasanul Haq Inu, Bank Asia Chairman M Syeduzzaman, former Ambassador to China A K M Farooq, Securities and Exchange Commission Chairman Mirza Azizul Islam, Professor of Jahangirnagar University Anu Muhammad and Rounaq Jahan of Columbia University were present on the occasion. CPD senior staff also attended the dialogue that included Research Director Mustafizur Rahman, Programme Director of Transport and Infrastructure M Rahmatullah and Senior Research Fellow Uttam Kumar Deb.

### Who is a clean candidate?



Debapriya Bhattacharya is presiding the dialogue on Who is a Clean Candidate?

CPD organized an in-house dialogue with young professionals as part of its pre-election activities in connection with the upcoming parliamentary elections of 2007. The dialogue titled Who is a Clean Candidate? was held in CPD dialogue room on March 12th and was moderated over by Debapriya Bhattacharya Executive Director of CPD.

Moin Ghani of Dr Kamal Hossain and Associates; Asif Nazrul, Professor of Dhaka University; Shahjada M Akram, Research Officer, TIB; Sanjeeb Drong, Secretary of Bangladesh Adivasi Forum; and Anwar Hossain Belu of Purnima Hotel were present on the occasion. They spoke on various issues regarding the term 'clean candidate' and gave their suggestions on the legal, political and moral contents of the term. They also highlighted the need for nominating clean candidates in the forthcoming national elections. Various media personalities were also present in the dialogue. They included *Prothom Alo* News Editor Sanaullah, *The Daily Star* Assistant Editor Zafar Sobhan, *The New Age* Deputy Editor Zayd Almer Khan, *The Daily Star* News Editor Inam Ahmed and *Samakal* Senior Reporter Dewan Hanif Mahmud. Research Director Mustafizur Rahman, Additional Director (Dialogue and Communication) Anisatul Fatema Yousuf, Senior Research Fellow Fahmida Khatun and Research Fellow Khondaker Golam Moazzem of CPD were also present on the occasion.

### Trade policy appreciation workshop



Debapriya Bhattacharya is speaking at the workshop, while Anisatul Fatema Yousuf, Mustafizur Rahman, Fahmida Khatun and Swarnim Wagle are looking on.

CPD organized Policy Appreciation Workshop, sixth of its kind under the TPA programme, on WTO and Bangladesh from 3-5 January at the CIRDAP Auditorium, Dhaka. The workshop themes were: i) Multilateral Trading System, ii) Doha Development Round Work Programme, iii) Agreement on Agriculture, iv) Current Developments in NAMA, v) General Agreement on Trade in Services (GATS), vi) Development Dimensions in the WTO (Aid for Trade, Trade Capacity Building, S&D, Implementation related issues), and vii) Planning and Managing Trade Negotiations with simulation on negotiations (case study on granting of duty-free and quota-free market access to LDCs). 35 participants from government organizations, NGOs, trade bodies, academics, and civil society organizations attended the workshop. Along with senior CPD officials the workshop was conducted by Shishir Priyadarshi, Counsellor, WTO Secretariat, Geneva and Swarnim Wagle, Programme Specialist, UNDP, Regional Centre in Colombo.

### YSSS

Golam Mortaza, Senior Research Associate of CPD, presented his thesis entitled 'Female Labour force participation in Developed and Developing Countries: Consideration of Canada and Bangladesh' at the CPD dialogue room under the Young Scholars' Seminar Series (YSSS) programme. The Thesis analysed cross-national variation in the participation of female labour force in developed and developing countries using Canada and Bangladesh as examples. The general findings of the study were that participation of female labour force in Bangladesh largely depends on education, religion and age of the respondents. In Canada, women's age and presence of young children are found to be consistent with the female labour force participation. In Bangladesh, the paid employment of women is affected by their marital status, years of education, religion, presence of young children and responsibility of women for domestic duties, whereas in Canada, women's paid employment is mostly responsive to the presence of young children and spending time with family and friends.

## Distinguished personalities visiting CPD



Renata Lok Dessallien, Resident Representative, UNDP and Karen Dunn Senior Poverty Advisor and Team Leader, UNDP visited CPD on Sunday 26 February 2006.



Australian High Commissioner Douglas Foskett visited CPD on Wednesday 15 March 2006 and met CPD senior staff members.



Debapriya Bhattacharya is presenting crests to the visiting 27-member Nepalese Government Delegation, Sunday 2 April 2006.

## CPD professionals overseas

**Professor Rehman Sobhan**  
Chairman, CPD

- ♦ Participated at the Indo-Bangladesh Dialogue in New Delhi from 17-18 January 2006. The dialogue was organized by India International Centre (IIC).
- ♦ Participated at the seventh Global Development Conference in St. Petersburg, Russia from 19-21 January 2006. The Conference was on Institutions and Development: at the Nexus of Global Change' which was organized by Global Development Network (GDN).
- ♦ Participated at the Conference which was on 'A Creative Conceptualization of Cooperation in our Region' from 10-11 March 2006 in India International Centre (IIC), New Delhi. The conference was organized by the Indian Council for South Asian Cooperation.

♦ Attended the Kolkata Group Meeting in Hotel Taj Bengal in Kolkata from 31 March-1 April 2006. It was organized by Pratiche Trust, India.

**Debapriya Bhattacharya**  
Executive Director

- ♦ Participated at the Indo-Bangladesh Dialogue in New Delhi from 16-18 January 2006. The Dialogue was organized by India International Centre (IIC).
- ♦ Participated as a discussant at the ILO session at the seventh Global Development Conference in St. Petersburg, Russia from 19-21 January 2006. The conference was organized by Global Development Network (GDN).
- ♦ Attended a preparatory Workshop for the 3rd Regional Trade Policy Course in Hong Kong, China from 6-8 February 2006. The workshop was arranged by WTO in association with University of Hong Kong Geneva, Switzerland.
- ♦ Participated at the IDRC-ITC Roundtable on the Hong Kong outcome in Ottawa, Canada from 2-3 March 2006. The roundtable was hosted by International trade Canada jointly with International Development Research Centre.
- ♦ Visited Washington DC, Brussels and London to join a distinguished panel of speakers in a series of meetings from 5-10 March 2006. The meetings were organized by International centre for Trade and Sustainable Development (ICTSD) in Geneva, the German Marshall Fund of the United States and the Royal Institute of International Affairs, London.
- ♦ Attended the Launch event of the Community of Practice on Managing for Development Results from 22-23 March 2006. This was organized by Asian Development Bank (ADB) in Manila, Philippines.

**Mustafizur Rahman**  
Research Director, CPD

- ♦ Participated at the seventh Global Development Conference in St. Petersburg, Russia on 6 January 2006. The conference was organized by Global Development Network (GDN).
- ♦ Is on a sabbatical leave with University of Warwick, UK affiliated with Centre for the Study of Globalization and Regionalization (CSGR), for 5 months.

**Uttam kumar Deb**  
Senior Reserch Fellow

Presented a paper titled 'Rules of Origin and Non-Tariff Barriers in Agricultural Trade: Perspectives from Bangladesh and Cambodia' and participated at the 'Regional Seminar on Agriculture Negotiations for Asia-Pacific Economies' organized by WTO/ESCAP/ARTNet, held in Xian, China from 29-31 March 2006.

**Syed Ahamed**  
Senior Research Associate

Presented a paper titled 'SAFTA: Revenue Compensation, Technical Assistance and Dispute Settlement Mechanism' at the 'Conference on SAFTA: Business Opportunities and Challenges' which was held at Federation House in New Delhi, India on 13 March 2006.

**Kazi Mahmudur Rahman**  
Senior Research Associate

Presented a paper titled 'Agenda for Trade liberalisation in South Asia: Perspective from WTO and SAFTA' at the Symposium on Trade Liberalization in South Asia on 10 March 2006 at Thimpu, Bhutan which was organized by SAARC Chamber of Commerce and Industry (SCCI) in collaboration with Bhutan Chamber of Commerce and Industry (BCCI).

**Sanjida Shamsheer Elora**  
Senior Research Associate (SRA)

Attended the Installation meeting of 'The Third Chamber' as a member of the third Chamber in Utrecht, Netherlands from 22-26 February 2006. The meeting was organized by NCDO (International Cooperation for Sustainable Development).



## Research divisions reports

### Policy Briefs

Debapriya Bhattacharya, Executive Director, Professor Mustafizur Rahman, Research Director, Dr Uttam Kumar Deb, Senior Research Fellow and Dr Fahmida Khatun, Senior Research Fellow, CPD prepared the policy brief titled 'Hong Kong Ministerial of the WTO: Reflections on the outcomes from Bangladesh perspective'.

The brief examines the decision of the sixth Ministerial Conference of the WTO, negotiated under the single undertaking principle of the WTO, covering some of the key areas of Bangladesh's interest and presents an assessment from the perspective of Bangladesh and other LDCs. The Brief articulates a number of strategies that Bangladesh should pursue in future negotiations in the context of the Ministerial decision. The policy brief entitled 'Hong Kong Ministerial decision on the Market Access for the LDCs: strategies for Bangladesh' was prepared by professor Mustafizur Rahman, Research Director and Asif Anwar, Research Associate, CPD under the TRRPD Programme.

The brief looks at the Annex F of the Hong Kong Ministerial text and attempts to prioritise some negotiating stand points for Bangladesh as regards Duty free-Quota Free market Access to the developed countries. The Policy Brief focuses on three areas: (a) Bangladesh's overall strategies in view of the DFQF initiative of the WTO; (b) Strategies for negotiations with Japan and (c) Strategies for negotiations with USA.

### Rules of Origin and Non-Tariff Barriers in Agricultural Trade: Perspectives from Bangladesh and Cambodia

Uttam Kumar Deb, Senior Research Fellow of CPD has completed a research on 'Rules of Origin and Non-Tariff Barriers in Agricultural Trade: Perspectives from Bangladesh and Cambodia'. The study was conducted for the World Trade Organization (WTO) and the Asia-Pacific Research and Training Network on Trade (ARTNeT). This report deals with the rules of origin (RoO) applied and non-tariff barriers (NTBs) imposed by developed and developing countries for importing agricultural products from least developed countries (LDCs). The study considered two LDCs (Bangladesh and Cambodia), three developed countries (EU, USA and Japan) and two developing countries (India and Thailand). The study revealed that agricultural export items of Bangladesh and Cambodia have been facing stringent rules of origin in the developed and developing country markets. Both developed and developing countries more commonly use a number of NTBs. The study concludes that in order to serve the interests of LDCs in agricultural trade, developed and developing countries should ease preferential rules of origin as well as lower the extent of NTBs. On the other hand, LDCs would have to undertake a number of interventions in their domestic policies and engage more proactively at the WTO negotiations.

### Bangladesh 2020: An Analysis of Growth Prospect and External Sector Behaviour

CPD Occasional Paper 56: Debapriya Bhattacharya, Executive Director of CPD and Uttam Kumar Deb, Senior Research Fellow of CPD, published a paper entitled 'Bangladesh 2020: An Analysis of Growth Prospect and External Sector Behaviour'. External factors such as export, import, remittances and foreign aid have always played important roles to Bangladesh's economy, though the relative importance of various external factors has changed over time. This study has analysed the trend, structure and changing features of the external sector of Bangladesh. Based on the past performance and changes in the global economy, the study has projected the growth prospect and likely behaviour of Bangladesh's external sector under three scenarios: (i) optimistic scenario (8% GDP growth per annum), (ii) business as usual scenario (6% GDP growth per annum), and (iii) base case scenario (4% GDP growth per annum). Under these three

scenarios, the study has projected the level of total GDP and per capita GDP of Bangladesh till FY2020. Projections are made about the required level of exports, imports, remittances, foreign aid and foreign investment to attain a consistent GDP growth at the rate of 4%, 6% and 8% up to the year 2020. The paper has also put forward the implications of the findings for policies related to the external sector of Bangladesh. The paper suggests that Bangladesh needs a steady growth based on foreign investment, service income and trade. The report adds that future growth of Bangladesh will depend on promoting export, sustaining remittances, and triggering export. Bangladesh will require a breakthrough in the performance of the external sector. According to the report, the key to the breakthrough lies in effective integration of Bangladesh's economy with the global economy which will ultimately depend on the ability of political leadership to undertake necessary policy reforms and institution building measures.

### Increasing the Market Access for Agricultural Products from Bangladesh to the EU

CPD Occasional Paper 56: Jorge Nufiez Ferrer, a consultant of CPD, published the paper entitled 'Increasing the Market Access for Agricultural Products from Bangladesh to the EU'. This paper analyses the present developments and future prospects for increased agricultural trade for Bangladesh with the EU. The trade relationship with the European Union (EU) is seeing important changes in recent years. The EU has unilaterally eliminated in 2001 tariff barriers for products originating in Less Developed Countries through the Everything But Arms (EBA) agreement, which includes the highly protected agricultural products. This creates important export opportunities for Bangladesh. The paper analyses in detail the export trends for major agricultural products from Bangladesh and other countries in the region to look for any evidence of an impact from the EBA. Despite the short period analysed, there are indications of some positive impacts. However, these are often rather weak and at times there are none where expected. Analysing the trends of regional competitors, the paper implies that even with EBA Bangladesh lacks price competitiveness in some products, and most importantly a lack of marketing strategy directed towards EU consumers. For the future, the impact of the EBA will also depend on a number of other factors, such as any progress in the farm liberalisation negotiations at WTO, amendments in the Sanitary and Phytosanitary rules and the reform of the EU's Common Agricultural Policy. All of these factors have the potential to erode the benefits of the EBA considerably. The paper also addresses some important strategic aspects to improve import opportunities, from marketing to taking advantage of the trade related assistance offered by the EU to the less developed countries.

### Survey on Business Competitiveness Environment in 2006

CPD initiated the Executive Opinion Survey on Bangladesh Business Competitiveness Environment 2006 during the first quarter of this year. CPD along with the World Economic Forum (WEF) has been carrying out the survey on a regular basis since 2001. Results of these surveys provide inputs to the Global Competitiveness Report (GCR). Major issues that are highlighted in the survey are: government and public sector, public institutions, technology, infrastructure, human resource, financial development, domestic competition, company operations and environmental and social responsibility. Additionally, changes in production, employment, impact of rising inflation and interest rates, etc at company level are also focused in the survey. A study team at CPD, led by CPD Executive Director Debapriya Bhattacharya, is involved in this initiative. A research report on Business Competitiveness Environment in Bangladesh based on the findings of these surveys will be published in September 2006.



**Publications:**

**Publications with UPL**

- ♦ *Monitoring the Implementation of Bangladesh's Development Policies: Civil Society's Review Reports 2003* (February 2006)
- ♦ *Dbqb bmmZgijv ev eqq b ejsjv 'ki AMmiz* (2006)



**CPD Special publications**

- ♦ *mekf emYR² ms vi nsKs m sj b l ejsjv 'ki emYR² bmmZ* (February 2006)

The book is co-authored by Debapriya Bhattacharya, Mustafizur Rahman, Uttam Deb and Fahmida Khatun and contains ten articles, as well as interviews, on the business policy of Bangladesh. It analyses the agreements made at the Hong Kong Round of WTO conference in the context of current business interests and development necessities of Bangladesh and presents a set of policy recommendations.



- ♦ *ejsjv 'ki mii" ² ubimb K kjc (icAviGmnc):jg-cizCj² I ev eqq bi P²y j²* (March 2006)

The monograph is the outcome of an ongoing engagement by civil society to exercise oversight over a major policy initiative by the Government of Bangladesh. Ever since the PRSP process was initiated in 2000, civil society institutions have kept track of the process in order to establish local ownership over the exercise.



**CPD Occasional Paper Series**

**Governance and Economic Reforms**

- ♦ *Paper 55 State of the Bangladesh Economy in FY06: Early Signals and Immediate outlook* (January 2006)
- ♦ *Paper 56 Bangladesh 2020: An Analysis of Growth Prospect and External Sector Behaviour* (January 2006)

**WTO, Trade and Globalisation**

Paper 57 *ejsjv 'k e tkK newb qv Mi MmZ dKiz Ges A\_bmmZ Z Gi d'ive* (February 2006)

- ♦ *Fish Trade Liberalisation in Bangladesh: Implications of SPS Measures and Eco-Labeling for the Export Oriented Shrimp Sector*, Research Monograph, CPD, February 2006.



The book explores the effect of technical barriers, sanitary and phytosanitary (SPS) measures, and eco labelling on the export-oriented shrimp sector of Bangladesh.

- ♦ *mekf emYR² ms vi nsKs Nvlyv : ejsjv 'ki c w l Ki Yiq, Db qb mng²ly*, BIDS, February 2006.
- ♦ *Hong Kong and LDCs—Little to Cheer!, Trading Up*, Centad, Oxfam, Vol 2 Issue 1, March 2006.
- ♦ *Les r²sultats de Hongkong : Une Øvaluation partir de la perspective des PMA*, published in PASSERELLES entre le commerce et le d²veloppement durable, ICTSD and Enda Tiers Monde, Vol VII, No. 1, January-February 2006.

**Other Activities:**

**CPD Retreat**

CPD Retreat programme was organized for three days from 26-28 January 2006 at the Jamuna Resort in Sirajganj where all CPD staff went with their family members. The CPD Strategic Planning Meeting was held there where many important issues were discussed by the CPD staff. Improvement on Institutional and programme targets were considered

and suggestions were given to improve CPD's organizational strength, activities and performance and financial solvency based on a three year plan which will be reviewed every year.

New avenues for research where CPD's involvement maybe considered were explored. Action-based research, research on social development and social science sectors, diversified research issues such as governance, health, education, urbanization, institutional capacity building, minerals and renewable energy were all suggested.

CPD's role to undertake training programmes on national and international issues, project planning, appraisal and evaluation policy analysis especially in macro-economic planning and management were taken into account.

Furthermore, the effectiveness of CPD in the following areas were discussed and the related problems were addressed :

- ♦ Inadequate pre-publishing support, in-house editor, lack of planning were identified as some of the constraints which had a significant effect on performance in research areas and publishing research outcomes on reputed journals needed more attention.
- ♦ Strengthening the policy brief series and publishing them as policy features through media with reference of CPD were considered, to communicate with a wider audience.
- ♦ Corporate culture and maintaining staff efficiency through balance between office and family responsibilities were needed to be established in CPD for an efficient institution building purpose.
- ♦ The prospects of CPD's young staff (PA, RA, SRA) needed more focused involvement in various activities which would be possible if different activities under research division were conducted separately through different groups comprising of SRF/RF, SRA, RA, PA and Intern. For example, Macroeconomy section working with its own group of SRF/RF, SRA, RA, PA and Intern.
- ♦ More staff and Intern needed to be recruited to share burden of the researchers.
- ♦ Group/team approach for assigning work was identified as an essential method for easier distribution of workload and responsibility and volunteers could be involved in particular assignments where needed.
- ♦ Provision for training of young researchers on application of econometrics and other softwares such as Microfit, SPSS etc was needed for effective research.
- ♦ Administrative matters regarding office equipment use and replacements, salary structure, work environment, holiday and office timing were also discussed and finally common citizens participation in CPD's policy-making were also considered. The meeting was followed by several exciting events which included cultural programme, boat ride, indoor and outdoor sports events.

**Ekushey Boi mela**

Ekushey Boi Mela was held in February 2006 at Bangla Academy Premises. As over the last few years, CPD participated at the fair and sold books worth Tk 62,917.

**International Women's day**

The International Women's day was celebrated on 4 March 2006 at the dialogue room in CPD where Dr Mustafizur Rahman honoured all the female employees with flowers which was followed by a short discussion on women's role in our society.

**RESEARCHERS' CORNER**

Publications from Syeed Ahamed, Senior Research Associate of CPD:

- ♦ 'Conceptual Debates on Policy Process and Law Making Policy in the Australian Parliament'. Bangladesh Journal of Law, Vol 9(1-2)
- ♦ 'Socio-Economic Impact of Mature Age Unemployment in Australia'. Journal of International Affairs, Vol 9(1-2)