

7th EU-Bangladesh Business Climate Dialogue

Thursday, 23 June 2022

Venue: Intercontinental, Dhaka

Joint Statement

The EU-Bangladesh Business Climate Dialogue held its 7th plenary meeting since its creation in May 2016. The BCD aims to jointly facilitate trade and investment from the EU, Bangladesh's number one trading partner and the second largest source of FDI to Bangladesh. Bangladesh's exports to the EU amounted to around €16 billion in 2021 calendar year, while the EU exports to Bangladesh were to the tune of €3 billion.

The plenary was co-chaired by the senior Secretary Commerce, Mr. Tapan Kanti Ghosh and by the EU Ambassador, Mr Charles Whiteley. It was attended by EU Heads of Diplomatic Missions in Dhaka - Denmark, France, Germany, Italy, Netherlands, Spain, and Sweden. Numerous Government authorities including the Bangladesh Investment Development Authority (BIDA), Ministry of Shipping, the National Board of Revenue (NBR) and Bangladesh Bank participated to the dialogue, as well as some representatives from the EU private sector.

Both sides took stock of discussions in three priority fields, namely: Tax and Customs, Shipping and logistics, and Green business practices, and agreed on the following next steps:

1. Under the Tax and Customs, a joint committee may be constituted to examine the challenges and opportunities to simplify the customs clearance process for both express and non-express air cargoes.
2. In the Shipping and logistics, it has been agreed to accelerate the removal of idle containers from the Chittagong Port premises in order to increase cargo-handling capacities and improve health and safety situations in the Port, which is the largest gateway for Bangladesh's trade with the EU.
3. In addition, approval would be issued for interchange of empty containers between Dhaka rail and river terminals.
4. Bangladesh has agreed as suggested by the EU to launch a few months ago a survey to assess the costs and benefits of up to 100% foreign direct investment (FDI) in Bangladesh's logistics sector.
5. The "green business practices" is a new topic in the Business Climate Dialogue, under which the EU side informs the Government of Bangladesh about the upcoming supply chain due diligence requirements in Europe and encourages adaptive actions with a view to ensure smooth trade with the EU as the number one market for Bangladeshi exports.

In addition to the actions taken in these 3 fields, the EU side informed the meeting about two upcoming initiatives. First, the “EU-Bangladesh Meaning Business”, which is conceived in the context of the 50th anniversary of the European Union (EU’s) diplomatic relations with Bangladesh established in 1973. It aims to showcase commercial sectors which are underexplored and where closer collaboration between Bangladesh and Europe could be mutually beneficial.

Second, the establishment of a Eurocham in Bangladesh - a European Union (EU) Chamber of Commerce. It aims to build bridges between the Bangladeshi and EU private sectors and serve as a centre of excellence connecting Bangladeshi public and private sectors with investors from Europe, to the benefit of smooth and sustained business relations between Bangladesh and the EU. It would also help to navigate Bangladesh’s transition to post-EBA trade regime in the EU.

Finally, the Heads of Mission expressed their desire to continue working constructively in improving trade and investment relations with in Bangladesh. The next plenary is scheduled for the first semester of 2023.