

## Chapter-23

### Ministry of Commerce

#### 1.0 Introduction

- 1.1 World trade is constantly changing and expanding due to globalization and the evolution of competitive free market economies. The main objective of the Ministry of Commerce is to make the economic activities of Bangladesh dynamic and export oriented to respond to the rapidly changing competitive world trading system. Trade and commerce is the main driving force for socio-economic development. One of the main objectives of the government is to boost employment and income generation for the huge population, and to reduce the current poverty level by half, through expansion of trade. The Ministry of Commerce has been working to further involve women more in trade expansion activities and reduce the disparity between males and females in commercial activities.
- 1.2 Ministry of Commerce plays a key role in facilitating internal and foreign trade, expansion of export trade, increasing capacity and stabilizing the prices of essential commodities. The Competition Commission has already started its work under The Competition Act, 2012 to maintain a sound competitive environment in the existing trade and commerce of the country. Committees on Consumers' Rights Protection have expanded their activities in 61 districts. The Business Promotion Council is playing an active role by introducing and implementing appropriate programs for export diversification. Through signing the TICFA contract multilateral, regional and bilateral negotiations duty-free market were created, under TPS-OIC the Rules of Origin was finalized including duty and quota free (DFQF) access of Bangladeshi goods in the markets of Chile, Thailand, China, India, South Korea, Australia and Japan. The tenure for all types of intellectual property rights of TRIPS were increased from 01 July 2013 to 01 July 2021. Special preference has been declared for the least developed countries in the service sector under the WTO. Preferential Market Access in the service sector has already been declared by 25 countries. As a result, export in the service sector of Bangladesh will be increased. Duty and quota free access to Indian markets is allowed for all Bangladeshi commodities with the exception of 25 related to tobacco and wine and four border haats at Bangladesh-India border have been established. Besides, the purchase limit per customer at the border hat has been increased to \$100 from \$50 after amending the list of saleable goods to make the border haat more active. Bangladesh and Bhutan have signed a Trade Agreement for five years and trade has been started through Tamabil and Burimari land port. Bangladesh as a LDC is getting the duty free quota free access (DFQF) facility to all developed countries except USA, Russia and Ireland under the

policy of WTO. By the government's efforts Bangladeshi 5054, 4802 and 6998 number of products have also obtained duty-free access in the market of China, South Korea and Thailand respectively. The government of Chile has also offered duty-free access to all Bangladesh products except wheat, wheat flour and sugar.

## **2.0 Major Functions of the Ministry**

- ❖ All matters relating to domestic and external trade and the World Trade Organization (WTO);
- ❖ Formulation and implementation of Import Policy Orders and Export Policies;
- ❖ Domestic Market management and price monitoring of daily necessities and protection of the right of the consumer;
- ❖ Secure improved market access for Bangladeshi products in foreign markets through multi-lateral, regional and bi-lateral trade negotiations and agreements;
- ❖ Formulation of Tariff Policy and determination of tariff rates;
- ❖ Registration and control of trade associations;
- ❖ Registration of new trade/industrial establishments, registration and renewal of imports and exports organizations.
- ❖ All issues related to tea cultivation, production, export and research.

## **3.0 Strategic objectives of the Ministry and Their Relevance to Women's Advancement**

- 3.1 **Business friendly environment:** At present, women's participation in business management is increasing remarkably. Women's participation will increase further with the simplification of the establishment/operation of new business processes which will benefit them.
- 3.2 **Price stability for essential commodities through adequate supply:** Women comprise half of the population of Bangladesh. Stability in the prices of essentials will impart on women's advancement as well.
- 3.3 **Enhanced market access for Bangladeshi exports:** Readymade garment industry is the main source of Bangladeshi export. 85 percent of the employees in this sector are women. By increasing exports, this industry will develop more and will create greater opportunities for the employment of women.
- 3.4 **Protecting rights and interests of consumers:** The women are the consumers of essential commodities and other items. If the rights and interests of the consumers are protected, the women will be equally benefitted from it.

#### 4.0 Roles and Responsibilities of the Ministry for Women's Advancement and Rights

The action plan stated in the National Digital Commerce Policy, 2018, specifically focuses on training for women entrepreneurs in expansion of digital commerce. The provision will facilitate women's involvement in digital commerce and facilitate women's employment opportunities.

#### 5.0 Priority Spending Areas and Benefits for Women's Advancement

Serial No.	Priority Spending Areas/Programmes	Impact on Women Development (direct/indirect)
1	2	3
1.	Enhancement of exports and income through diversification of national exports	Currently women's participation in export oriented trade and commerce is rapidly increasing. This will be further enhanced by the setting up of new trade and industry with simple procedures. As a result, the overall pace of women's development will increase.
2.	Keeping market price of essential commodities within the purchasing power of consumers	Half of the Bangladeshi population is women. Women bear major burden of the domestic responsibilities more than man. If the price of essential commodities is kept stable it in turn will be reflected in women development.
3.	Protection of consumers' rights and interest	About half of the consumers of the country are women. If it is possible to ensure the quality of commodities and their prices, then it contributes to the betterment for women.
4.	Establishment of the foundation of open and equality-based competition suitable for the expansion of trade and industry and reduction of business cost.	Women's participation will be increased if setting up of new trade and industry becomes easier. As a result, overall women's development will be accelerated.

#### 6.0 Women's Share in Ministry's Total Expenditure

(Taka in Crore)

Description	Budget 2019-20			Revised 2018-19			Budget 2018-19			Actual 2017-18		
	Budget	Women Share		Revised	Women Share		Budget	Women Share		Actual	Women Share	
		Women	percent		Women	percent		Women	percent		Women	percent
Total Budget	523190	161247	30.82	442541	136036	30.74	464573	136938	29.48	321861	88441	27.48
Ministry Budget	632	119	18.87	490	54	10.97	556	39	6.95	161	13	8.04
Development	412	92	22.28	275	26	9.57	347	34	9.73	3	0	1.54
Operating	220	27	12.47	214	27	12.77	209	5	2.34	159	13	8.16

Source: RCGP database

#### 7.0 Success in Promoting Women's Advancement

- ❖ Under the project "**Promotion of Social and Environmental Standards in the Industry-III (PSES-III)**", providing training of women working in the RMG sector, creating appropriate work environment and health awareness are on going. About

70 percent beneficiaries of this project are women. As a result, the project is playing an important role in improving the quality of lives of women workers engaged in garments industry.

- ❖ Under the project "**E-Banijjo Korbo, Nijer Babosa Gorbo**" the process of creating entrepreneurship has been started by providing training to more than 5000 member of women across the country on e-commerce. Among them 1200 people are from Dhaka, 800 people are from Chattagram and remaining 3,000 women from other departments are being provided with trainings. Through this project, encouraging women to e-trade and increase the number of women entrepreneurs, making women as skilled entrepreneurs to meet the increasing unemployment problem in the country, making women self-reliant by providing them with full knowledge about the use of ICT technology using e-commerce to make the unemployed women population earning more foreign currency as per national achievement and providing assistance to get loan activities are going on.
- ❖ Under the project "**Bangladesh Regional Connectivity Project-1 MOC Component**" training for capacity building of women entrepreneurs regarding internal and international trade, and WTO are being provided. To promote women entrepreneurs, various workshops, seminars are being conducted as piloting activities including trainings (ICT, cut flowers). The main beneficiaries of this project are women.
- ❖ The project titled "**Economic Opportunities and Sexual and Reproductive Health and Rights-A Pathway to Empowering Girls and Women in Bangladesh**" has already been implemented of which majority beneficiaries are women. The main objective of this project is to provide comprehensive support to operate business in the domestic and international markets. In addition, , the priority of women entrepreneurs has been confirmed in the project titled "**Agribusiness for Trade Competitiveness (ATCP)**"

#### **8.0 Recommendations for Future Activities**

- ❖ Incentives for exports are provided in the favor of exporters of specific sectors irrespective of gender equality. In this case, special incentives for women entrepreneurs can be considered. As a result women will be interested in business;
- ❖ In order to make women entrepreneurs interested in participating in export fairs, up to 10 percent of the total store all categories and up to 50 percent store can be allocated with reduced rate to women;

- ❖ The National Consumers' Rights Protection Department can take initiative to build a good relationship between the consumers and the sellers. Women consumers may be given priority in this process.
- ❖ Women quota for dealerships may be reserved by the Trading Corporation of Bangladesh (TCB) on the basis of experience, efficiency and qualification at all district headquarters of 'A' category districts and at least in the metropolitan cities.
- ❖ At present, 65 percent of the employees at tea gardens are women laborers, and those who pluck tea leaves are 100 percent women. So, Bangladesh Tea Board should undertake appropriate program for the welfare of those employees.
- ❖ Initiatives may be taken to enhance the professional efficiency and managerial capability of women entrepreneurs through management training.
- ❖ Projects may be taken to train women entrepreneurs on domestic and international trade.
- ❖ Steps can be taken to make the work environment women friendly in the garment industry sector.