

## 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 massive population, and to reduce the current poverty level to half, through expansion of trade. The Ministry of Commerce is working to further involve women 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 his 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. Import policy order 2015-18, export policy 2015-18, Multi-Level Marketing Activities (Regulation) Act 2013, Tea Workers' Welfare Fund Rules have been enacted. Besides, The TICFA contract was signed, through multilateral, regional and bilateral negotiations duty-free market were created, under TPS-OIC the Rules of Origin was finalized including duty and quota free access of Bangladeshi goods in the markets of Chile and Thailand. The tenure of TRIPS for all types of merit, were increasing from 01 July 2013 to 01 July 2021, and for the patent case of medicine from 01 January 2015 to 01 January 2033. 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 4 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. According to the World Trade Organization's policy, Bangladesh as a LDC is getting the duty-free access facility in the 38 countries market namely European Union, Canada, Australia, Norway, Switzerland, New Zealand, Japan, Russia, Belarus etc. By

government's efforts Bangladeshi 5054, 4802 and 6998 products also obtained duty-free access in the market of China, South Korea and Thailand. The Chilean government also offers duty-free access to all Bangladeshi products except wheat, wheat flour and sugar.

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

- ❖ All matters relating to domestic and external trade and World Trade Organization (WTO);
- ❖ Formulation and implementation of import and export policy;
- ❖ 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 merchant/trade associations;
- ❖ Administrative matters of Commercial Wings in the missions abroad and BCS Trade Cadre including export development
- ❖ Registration of new trade/industrial establishments, registration and renewal of imports and exports.

## **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 and open market sales:** Women comprise half of the population of Bangladesh. Stability in the prices of essentials will assist with women's advancement
- 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 further progress 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 equally benefit from it.

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

The project titled Promotion of Social & Environmental Standards in the Industry (PSES-II) is going on for providing training, creating suitable working environment and health awareness of the women workers in the RMG sector. Around 70 percent beneficiaries of the project are women. Moreover, the issue of giving priority of the women entrepreneurs is mentioned in the Agri-business for Trade Competitiveness Project (ATC-P).

#### 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 within means 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	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 2018-19			Revised 2017-18			Budget 2017-18		
	Budget	Women Share		Revised	Women Share		Budget	Women Share	
		Women	percent		Women	percent		Women	percent
Total Budget	464574	136938	29.48	371495	86169	23.2	400266	112019	27.99
Ministry Budget	556	43	7.73	313	21	6.69	612	39	6.37
Development	347	37	10.79	130	7	5.52	438	20	4.57
Operating	209	6	2.64	182	14	7.54	174	19	10.92

Source: RCGP database

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

- 7.1 Readymade garment industry is the main source of Bangladeshi exports. It is the largest industrial sector of Bangladesh. About 85 percent of the employees in this sector are women. Skills development training has been provided to 2.14 lac employees of the garment industries. 90 percent trainees are female workers. In future scope of this training will be increased. Women workers will be able to bring a change in their lifestyle by earning additional wages through these advanced skill development training.
- 7.2 The overall development of garments industry has been supported by the project titled "Promotion of Social and Environment Standards in the Industry (PSES)". 500 mid-level managers, employed in the industry, have been trained and given other supports under this project. As a result, this project is playing an important role in improving the living standard and working environment of 85 percent female garment workers.
- 7.3 Women entrepreneurs are being helped in skill development necessary for trade and commerce under the project titled Economic Opportunities and Sexual and Reproductive Health and Rights-A Pathway to Empowering Girls and Women in Bangladesh .It will assist in enhancing capacity on carrying out business in domestic and international markets as well as building competitive capacity. All the beneficiaries of this project are women. Besides, women entrepreneurs have been given priority under the Agri-Business for Trade Competitiveness Project (ATCP).

## **8.0 Recommendations for Future Activities**

- ❖ Special financial incentives for the Women entrepreneurs may be considered in export and import. As a result, they will be more interested in trade and commerce.
- ❖ To make the businesswomen interested in participating in export fairs, 10 percent of the total stalls of the fair, according to its category, may be kept reserved and women may be charged 25 percent less fees for the reserved stalls.
- ❖ The National Consumers' Rights Protection Department can take initiative to build a good relationship between the consumers and the sellers. Women's 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 programme for the welfare of those employees.
- ❖ Local women representatives should be included in the efforts to create equal opportunities and ensuring partnership of Women at the local market and business. Furthermore, continuous publicity is needed to allow women for equal opportunities and partnership in market and business.
- ❖ Small businesses women entrepreneurs will be provided loans with lowest interest rate.
- ❖ Initiatives may be taken to enhance the professional efficiency and managerial capability of women entrepreneurs through management training.