

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার
বাণিজ্য মন্ত্রণালয়
বাংলাদেশ রিজিওনাল কানেস্টিভিটি প্রকল্প-১
প্রকল্প পরিচালকের কার্যালয়
লেভেল-১২ (পশ্চিম পার্শ্ব) প্রবাসী কল্যাণ ভবন
৭১-৭২, ইস্কাটন গার্ডেন, ঢাকা-১০০০।

স্মারক নং-২৬.০০.০০০০.০৬৬.০৭.০৪৯.২৪- ৪৭৪

তারিখঃ ২৭ অক্টোবর ২০২৪

বিষয়ঃ আগ্রহব্যক্তকরণের অনুরোধ সম্বলিত (Request for Expression of Interest) বিজ্ঞপ্তি প্রকাশ।

প্রাপক

- ১। ম্যানেজার (বিজ্ঞাপন), দৈনিক জনকণ্ঠ, জনকণ্ঠ ভাবন, ২৪/এ রাশেদ খান মেনন সরক, নিউ ইস্কাটন রোড, জি পি ও বক্স নং- ৩৩৮০, ঢাকা-১০০০।
- ২। ম্যানেজার (বিজ্ঞাপন), The Daily Tribunal, সুমনা গণি ট্রেড সেন্টার (লেভেল-৪), পাশুপথ, ঢাকা ১২১৫।

উপর্যুক্ত বিষয়ে বাণিজ্য মন্ত্রণালয়গামী "বাংলাদেশ রিজিওনাল কানেস্টিভিটি প্রকল্প-১" এর আওতায় বর্ণিত ০৪ (চার) টি সেবা গ্রহণের জন্য ০৪ জন ব্যক্তি পরামর্শক নিয়োগের নিমিত্তে আগ্রহব্যক্তকরণের অনুরোধ সম্বলিত বিজ্ঞপ্তি আপনার বহল প্রচারিত পত্রিকার ভিতরের পাতায় সাদা কালো 12 Font single Space সাইজে আগামী ২৯ অক্টোবর ২০২৪ তারিখের মধ্যে প্রকাশ করার জন্য আপনাকে অনুরোধ করা হলো।

- ২। বিজ্ঞাপন প্রকাশের তারিখে আপনার সংবাদপত্রের একাধিক সংস্করণ প্রকাশিত হলে উক্ত সংস্করণের প্রতিটি কপিতে বিজ্ঞাপনটি প্রচারের নিশ্চিত ব্যবস্থা গ্রহণ করতে হবে।
- ৩। বিজ্ঞাপনটি প্রকাশের দিনই দুই কপি পত্রিকা নিরস্বাক্ষরকারীর দপ্তরে প্রেরণ করার জন্য অনুরোধ করা হলো।
- ৪। বিজ্ঞপ্তি প্রকাশের ০৭ (সাত) দিনের মধ্যে প্রকাশিত বিজ্ঞপ্তির ০২ কপি পত্রিকাসহ বিল দাখিল করার জন্য অনুরোধ করা হলো।

সংযুক্তিঃ ০২ (দুই) পাতা।

স্বাঃ
(শায়লা ইয়াসমিন)
প্রকল্প পরিচালক (যুগ্মসচিব)
বাংলাদেশ রিজিওনাল কানেস্টিভিটি প্রকল্প-১
বাণিজ্য মন্ত্রণালয়
ফোন: ৫৫১৩৮০২২

স্মারক নং-২৬.০০.০০০০.০৬৬.০৭.০৪৯.২৪-

তারিখঃ ২৭ অক্টোবর ২০২৪

অনুলিপি সদয় অবদতি ও পরবর্তী ব্যবস্থা গ্রহণের জন্য:

১. প্রধান নির্বাহী কর্মকর্তা, বাংলাদেশ পাবলিক প্রকিউরমেন্ট অথরিটি (বিপিপিএ), আইএমইডি বিভাগ, পরিকল্পনা মন্ত্রণালয়, শের-ই-বাংলা নগর, ঢাকা-১০০০ (ওয়েবসাইটে প্রকাশের অনুরোধসহ)।
৩. সচিবের একান্ত সচিব বাণিজ্য মন্ত্রণালয়, বাংলাদেশ সচিবালয়, ঢাকা-১০০০।
৪. সিস্টেম এনালিস্ট, আইসিটি শাখা, বাণিজ্য মন্ত্রণালয়, বাংলাদেশ সচিবালয়, ঢাকা-১০০০ (ওয়েবসাইটে প্রকাশের অনুরোধসহ)।
৫. ডাটা ম্যানেজমেন্ট কন্সালটেন্ট, বিআরসিপি-১, বাণিজ্য মন্ত্রণালয়, ঢাকা-১০০০ (ওয়েবসাইটে প্রকাশের অনুরোধসহ)।
৬. অফিস কপি।


(শায়লা ইয়াসমিন)
প্রকল্প পরিচালক (যুগ্মসচিব)

Government of the People's Republic of Bangladesh
Ministry of Commerce
Bangladesh Regional Connectivity Project-1
Office of the Project Director
Level-12 (West side), Probashi Kollayn Bhaban
71-72, Eskaton Garden Road, Dhaka-1000

Request for Expressions of Interest (REOI) for Individual Consultants

Memo No: 26.00.0000.066.07.049.24. **473**

Dated: October 27, 2024

1. The Ministry of Commerce is implementing the Technical Assistance Part of IDA financed Bangladesh Regional Connectivity Project-1, (BRCP-1) PART-2. The BRCP-1, MoC intends to apply a part of the IDA Credit for procuring consulting services from individual consultants for the following 4 individual consultant positions:

- (i) Package No. SD-41C: Study on Accession to RCEP including analysis of flexibilities allowed to Laos, Cambodia, Myanmar, Vietnam and advantages and disadvantages of acceding to RCEP,
- (ii) Package No. SD-41D: Study on Possibilities of FTA agreements with the MERCOSUR countries with special analysis of trade with Brazil and Argentina,
- (iii) Package No. SD-41E: Study on Review of D8 PTA and TPS-OIC Agreements and analyze how Bangladesh can be benefited from the existing coverage and measures can be taken for reaping more benefits out of the greater coverage, and
- (iv) Package No. SD-41F: Study on Prospect and Policy Recommendation of Gulf Co-operation Council (GCC) for the identification of prospective market access and area of cooperation.

2. The required academic qualifications and experiences for the above positions are same, which are as follows:

- (i) Post Graduate degree from reputed and recognized university in International Trade/ Economics/ Business Administration/ relevant discipline. Candidates having higher degrees will get preference;
- (ii) General experience of at least 07 years with a minimum 03 (three) years of experience in Government /Private sector/Development Partner/ NGO in the field of international trade/regional integration/ export-import/ investment and other trade-related issues;
- (iii) Consultant having trade related peer-reviewed journals on similar issues/ studies will get advantage.
- (iv) Experience on Tariff Structure/ Export-Import Policy and Procedures/ Trade Organization/ Measures and Standards/ Nontariff Barriers/ Regional, Multilateral and Bilateral Trade Agreement and Market Access Information will get preference;
- (v) Experience in conducting economic analysis/ economic modeling/ economic simulation/ quantitative analysis is required. Experience in (CGE and others) quantitative analysis on trade/FTA/Export related issues will an advantage.

3. Duration of each consulting service is maximum 30 (Thirty) Person Days (working days) which are spread over in 3 (Three) calendar months. Any interested qualified person can apply for only one position, if any person applies for more than one position, his /her all applications will be rejected/cancelled.

4. The attention of interested Consulting firms is drawn to paragraphs 3.14 to 3.18 of The World Bank Procurement Regulations for IPF Borrowers, Procurement in Investment Project Financing, Goods, Works, Non-Consulting and Consulting Services, July 2016 ("Procurement Regulations"), setting forth the World

3. Duration of each consulting service is maximum 30 (Thirty) Person Days (working days) which are spread over in 3 (Three) calendar months. Any interested qualified person can apply for only one package, if any person applies for more than one package, his /her all applications will be rejected/cancelled.

4. The attention of interested Individual Consultants is drawn to paragraphs 3.14 to 3.18 of The World Bank Procurement Regulations for IPF Borrowers, Procurement in Investment Project Financing, Goods, Works, Non-Consulting and Consulting Services, July 2016 ("Procurement Regulations"), setting forth the World Bank Group's policy on conflict of interest. An Individual Consultant will be selected in accordance with the Open Competitive Selection of Individual Consultants method set out in the said Procurement Regulations. Interested qualified individual person shall provide information indicating that they have the required qualifications and relevant experience to perform the services. Details of the Terms of Reference (TOR) are available on the websites: www.mincom.gov.bd and <http://brcp-1.gov.bd/>

6. Interested qualified individual persons are requested to send their Expression of Interest (EOI)/ Application in sealed envelope along with updated curriculum vitae (CV) and necessary documents in support of academic qualifications & experiences by **2:00 p.m. of November 14, 2024** to the undersigned. The applicant shall mention the name of the package number with description of the package on the top of the sealed envelope. The Procuring Entity reserves the right to accept or reject any or all of the EOIs without assigning any reason whatsoever.


(Shaila Yasmin)
27-10-2024

Project Director (Additional Charge)
Bangladesh Regional Connectivity Project-1 [Part-2]
and Joint Secretary (Planning), Ministry of Commerce
Phone: +8802- 55138022
E-mail: pdbrcp1moc@gmail.com

Package No. SD-41C

Terms of Reference (TOR) for selection of Individual Consultant for

Study on "Accession to RCEP including analysis of flexibilities allowed to Laos, Cambodia, Myanmar, Vietnam and advantages and disadvantages of acceding to RCEP"

Bangladesh Regional Connectivity Project-1 (BRCP-1), Ministry of Commerce (MoC)

1. Introduction:

The Government of the People's Republic of Bangladesh has received an SDR 150 million Credit from the International Development Association (IDA) – a member of the World Bank Group – for financing the cost of the Bangladesh Regional Connectivity Project 1 (BRCP-1), being jointly implemented by the Bangladesh Land Port Authority (BLPA), National Board of Revenue (NBR) and Ministry of Commerce. The second component of this umbrella project is being implemented by the Ministry of Commerce as a separate technical assistance project. The overall objective of this technical assistance project is to strengthen trade related institutional capacity in order to ensure active and sustainable cooperation among trade related stakeholders and economic empowerment of women traders.

This technical assistance project consists of following three (3) components:

- Component A: Develop (pilot) programs to support female traders and entrepreneurs. This component will pilot activities to help address barriers to women becoming more integrated into regional and global supply chains and trading opportunities.
- Component B: Capacity Development Support for the National Trade and Transport Facilitation Committee. The inter-ministerial National Trade Facilitation Committee (NTFC) has been set up during the preparation of the proposed Project to coordinate all trade and transport-related policies and activities in Bangladesh, and will also serve as the Advisory Committee for the Project.
- Component C: Improvements to Bangladesh Trade Portal and to set up a National Enquiry Point for Trade. The Bangladesh Trade Portal (BTP) was launched in March 2016. This component will support further up gradation of the BTP to expand its functionality to include information of relevance to potential Bangladesh exporters and to ensure that content is kept up to date. This component will also set up the National Enquiry Point for Trade, which will help Bangladesh to meet a key requirement of WTO Trade Facilitation Agreement.

This technical assistance project intends to apply a part of the IDA Credit for procuring consultancy services from qualified individual consultants to conduct relevant studies which will enhance trade facilitation and promote Bangladesh's export to targeted markets.

2. Background of the Assignment

Bangladesh Regional Connectivity Project-1 (BRCP-1) of the Ministry of Commerce, Government of the People's Republic of Bangladesh has under taken an initiative to conduct a study on "Accession to RCEP including analysis of flexibilities allowed to Laos, Cambodia, Myanmar, Vietnam and advantages and disadvantages of acceding to RCEP" by hiring an individual consultant with the objective to

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conduct an analysis about Bangladesh's potential accession to one of the largest regional economic blocs, RCEP and its advantages and disadvantages.

Bangladesh is a rapidly growing economy and has set a Vision to become Upper Middle-income country by 2030 and a developed country by 2041. Bangladesh has also been implementing SDGs. Currently, Bangladesh, as an LDC, has been enjoying duty-free & quota-free (DFQF) market access in many developed and developing countries. However, Bangladesh is going to graduate from the LDC status soon and the process of graduation starts by fulfilling UN criteria for graduation. After graduation, Bangladesh will not be entitled to enjoy LDC-specific facilities, like DFQF market access.

Bangladesh attaches great importance to trade as an engine of growth. Importance of trade in its economy is progressively increasing and trade has been directly contributing to over-all development of the country. Trade is not only increasing business activities; it is also:

- generating employment opportunities for millions
- attracting foreign investment
- creating opportunities for international exposures of our businessmen and entrepreneurs

Regional trade agreements give preference to certain countries in commercial relationships, facilitating trade and investment between the home country and the foreign country by reducing or eliminating tariffs, import quotas, export restraints and other trade barriers.

The key reasons for fostering regional trade relationships include reducing trade barriers, such as tariffs, non-tariff, and para-tariff measures. These partnerships aim to enhance economic cooperation and integration, increase productivity and competitiveness, attract investment, and generate job opportunities.

In order to create more trade opportunities for achieving various development goals set nationally and internationally, and also to face the post-LDC situation, currently, Bangladesh has been considering to expand regional trade with a number of trade blocks, such as: RCEP, MERCOSUR, D-8 PTA, TPS-OIC and GCC.

The Regional Comprehensive Economic Partnership (RCEP) is a free trade agreement (FTA) between the ten member states of the Association of Southeast Asian Nations (ASEAN) (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Vietnam) and its five FTA partners (Australia, China, Japan, New Zealand and Republic of Korea). RCEP as the trade bloc accounts for about 30% of the world's population (2.2 billion people) and 30% of global GDP (\$26.2 trillion), making it the largest trade bloc in history. It is the first free trade agreement among the East Asian countries including China, Japan, and South Korea, three of the four largest economies in Asia. It would be a great opportunity for Bangladesh to expand trade and investment if the country can be member of RCEP. Bangladesh is considering the possibility of joining the world's largest trading bloc, the Regional Comprehensive Economic Partnership (RCEP), in principle as the move is expected to unlock numerous trade and investment benefits for the country.

A feasibility study "*Bangladesh's Accession to RCEP*" conducted by Bangladesh Trade and Tariff Commission (BTTC) found that there will be positive impact on GDP, global trade and bilateral Trade of Bangladesh with RCEP members. Most of the domestic industries may suffer (except Wearing Apparels and beverage- tobacco) as some of the industry output shows negative growth. Investment is expected to increase by 3.36%. RCEP is a comprehensive agreement covering issues beyond trade in goods. Therefore, before proceeding, sector wise assessment and country position needs to be determined through stakeholder consultation specifically in case of service, investment, and intellectual property.

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3. Objective of the study:

The study aims to:

- Provide a detailed understanding of the advantages and disadvantages of Bangladesh's potential accession to RCEP.
- Analyze the experiences of comparable nations such as Laos, Cambodia, and Vietnam within the agreement.
- Offer an in-depth analysis of the economic, trade, and strategic implications of joining RCEP.
- Inform policymakers and stakeholders through evidence-based findings.
- Support an informed decision-making process regarding Bangladesh's participation in RCEP, highlighting potential outcomes and challenges.

4. Scope of the Study:

Comparative analysis (quantitative using economic modelling and further validated through qualitative data) of flexibilities allowed to Laos, Cambodia, Myanmar, Vietnam and advantages and disadvantages of Bangladesh of acceding RCEP;

1. Present historical trend of trade scenario between the RCEP countries and Bangladesh, including average tariff among the countries.
2. Identify agreement specific flexibilities/ benefits allowed to Las, Cambodia and Vietnam after joining RCEP trade bloc and make a comparison whether Bangladesh may also be eligible for the same benefits if it joins RCEP.
3. Review the list of trade diversification prospects of at least 10 diversified product (HS code wise) and product wise strategy in the RCEP country's as potential export destination by using the Economic Analysis;
4. Identify the possibilities for Comprehensive Economic Partnership Agreement (CEPA) with RCEP countries including the potential service and investment sector.

Applicable sensitivity analysis for Bangladesh's accession to RCEP involves evaluating how liberalization may impact vulnerable sectors, identifying potential risks, and balancing these against the benefits of market access and economic cooperation. As a part of the analysis, the consultant is expected to cover the following, but not limited to, pertinent issues:

Economic Compatibility: Assess the economic compatibility of potential FTA partners under RCEP, considering industries, products, and services that complement Bangladesh's strengths and address its economic needs.

Market Access Opportunities: Assess the potential for increased market access for Bangladeshi goods and services within RCEP member countries. Identify sectors with comparative advantages and growth potential.

Tariff Reductions and Elimination: Summarize potential favorable terms for tariff reductions or eliminations on key exports, enhancing the competitiveness of Bangladeshi products in RCEP markets (Example of Viet Nam Cambodia, Laos can come under this).

Non-Tariff Barriers: Address non-tariff barriers that may affect trade, including regulatory standards, technical barriers, and other obstacles to ensure a smooth flow of goods and services.

Customs and Rules of Origin: Understand and comply with customs and rules of origin requirements to ensure that Bangladeshi products qualify for preferential treatment within the RCEP framework.

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Investment Promotion and Protection: Seek provisions for investment promotion and protection to attract foreign direct investment (FDI) into Bangladesh, contributing to economic development and technology transfer.

Intellectual Property Rights (IPR): Align Bangladeshi intellectual property laws with international standards to ensure the protection of intellectual property rights, fostering innovation and creativity.

The consultant should also cover key challenges to accession to the RCEP, keeping the challenges faced by similar economies in mind: Key challenges may include, but not limited to.

Competitive Pressure: Increased competition from the diverse economies within RCEP could pose challenges for certain industries in Bangladesh, particularly if they are not sufficiently competitive.

Tariff Reductions/ Elimination: The need to reduce or eliminate tariffs on imports from RCEP member countries may impact certain domestic industries, potentially leading to economic adjustments and shifts.

Compliance with Standards: Meeting the standards and regulations set by RCEP, particularly in areas such as product quality, safety, and environmental standards, may require significant adjustments and investments.

5. Methodology:

- a. **Agreement Review:** The agreement review will focus on examining the provisions and flexibilities granted under the RCEP, analyzing specific benefits to member countries like Laos, Cambodia, and Vietnam, and assessing how Bangladesh's accession could align with these terms or present unique challenges.
- b. **Document Review:** The studies will have a large number of document reviews to do analysis and comparison among regulatory regimes. This review will also lay the foundation of drafting the questions for the KII and FGDs. The consultant needs to incorporate a list of document/ articles/ reports to be reviewed under this assignment in the inception report.
- c. **Economic Modelling/simulation/analysis:** The quantitative assessment for this assignment should be based on data driven economic modelling/ forecast/ simulation/ analysis which will give credibility of the recommendations of this assignment. The consultants may propose relevant economic modelling frameworks with proper justification and rationale as per the ToR of this assignment.
- d. **Questionnaire:** The questionnaire will be developed and agreed with the related implementing agency (*ies*). Questionnaire will be used for data collection purposes through KII and FGDs. Different questionnaires may need to be developed for different stakeholders. No survey will be conducted for this assignment
- e. **Key Informants Interviews:**
To verify data collected from beneficiaries, group or individual interviews with informants will need to be organized. Approach to selecting KII and guide is to be elaborated by the

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firm. At least 10 KIIs need to be conducted. The list of KIIs need to be approved from the PIU.

f. Focus Group Discussion:

The FGDs will complement the data generated from the qualitative and quantitative methods. At least one FGD need to be conducted, engaging 8-10 participants from relevant stakeholder. Detailed documentation of the proceedings of the FGDs will be maintained. Necessary costs including honorarium for the participants of the FGD need to be borne by the project.

g. Data Analysis and reporting

Quantitative data should be processed in STATA/SPSS/Excel or similar data processing software or Economic simulation software (as applicable).

The consultant must propose other economic modelling software/ modeling (i.e. Economic Modeling /gravity equation) as deemed necessary for this assignment.

The qualitative data should be analyzed by using NVIVO or other similar software. Privacy of primary data will be strictly maintained by the consultant/firm. Transcripts of all KII and FGDs need to be submitted to the PIU. Record of any large-scale data collection (if any) through any instruments must be submitted to the PIU.

Consultant's proposed methodology, data collection methods and analysis frameworks will be further discussed/negotiated during the negotiation phase and finalized after the inception workshop (engaging different stakeholders and subject matter specialist) for this assignment.

6. Duration:

The assignment needs to be completed within 3 months of contract signing.

7. Institutional Arrangement:

The Consultant will work under the direct supervision of the Project Director. He/she will submit report and deliverable to the Project Director.

8. Deliverables:

Consultant will coordinately work with the National Trade Expert, BRCP-1 and is expected to deliver a comprehensive report (A tentative Table of Content for the report is attached in Annex-1). A tentative timeline of key activities and deliverables to be submitted are summarized below:

Sl no	Activity/ Deliverable	Timeline
01	Submission of Inception Report including background research findings, approach and methodology to conduct the study	Within 03 week of contract signing
02	Inception meeting engaging key stakeholders to finalize the scope, methodology, data collection	Within 04 week of contract signing

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	instruments and workplan. (Necessary costs including honorarium for the participants of the FGD need to be borne by the project.)	
03	Research and data collection phase	04-06 weeks from contract signing
04	Data analysis and report writing	06-09 weeks from contract signing
05	Submission of Draft Report to the PIU	09 th week
06	Revision and submission of Final Draft Report to the PIU	09- 12 week

All cost associated with conducting the research, including data collection, engagement of research assistants, printing of reports will be borne by the consultant. However, PIU will organize a validation workshop from BRCP-1 to validate the findings of the study where they consultant needs to deliver a keynote presentation.

9. Education and experience:

- i. Post Graduate degree from reputed and recognized university in International Trade/ Economics/ Business Administration/ relevant discipline. Candidates having higher degrees will get preference;
- ii. General experience of at least 07 years with a minimum 03 (three) years of experience Government /Private sector/Development Partner/ NGO in the field of international trade/regional integration/ export-import/ investment and other trade-related issues;
- iii. Consultant having trade related peer-reviewed journals on similar issues/ studies will get advantage.
- iv. Experience on Tariff Structure/ Export-Import Policy and Procedures/ Trade Organization/ Measures and Standards/ Nontariff Barriers/ Regional, Multilateral and Bilateral Trade Agreement and Market Access Information will get preference;
- v. Experience in conducting economic analysis/ economic modeling/ economic simulation/ quantitative analysis is required. Experience in (CGE and others-) quantitative analysis on trade/FTA/Export related issues will an advantage.

10. Selection Method:

Selection of the Individual consultant will follow the procedures for selecting Individual Consultants described in the World Bank's Procurement Regulations for IPF Borrowers, July 2016, updated in 2020.

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Mohammad Shamsul Arefin Anif
Procurement Specialist
Bangladesh Regional Connectivity Project-1
Ministry of Commerce

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(Shaila Yasmin)
Project Director (Joint Secretary)
(Additional Charge)
Bangladesh Regional Connectivity Project-1
Ministry of Commerce

Package No. SD-41D

Terms of Reference (TOR) for selection of Individual Consultant for

Study on “Possibilities of FTA agreements with the MERCOSUR countries with special analysis of trade with Brazil and Argentina”

Bangladesh Regional Connectivity Project-1 (BRCP-1), Ministry of Commerce (MoC)

1. Introduction:

The Government of the People’s Republic of Bangladesh has received an SDR 150 million Credit from the International Development Association (IDA) – a member of the World Bank Group – for financing the cost of the Bangladesh Regional Connectivity Project 1(BRCP-1), being jointly implemented by the Bangladesh Land Port Authority (BLPA), National Board of Revenue (NBR) and Ministry of Commerce. The second component of this umbrella project is being implemented by the Ministry of Commerce as a separate technical assistance project. The overall objective of this technical assistance project is to strengthen trade related institutional capacity in order to ensure active and sustainable cooperation among trade related stakeholders and economic empowerment of women traders.

This technical assistance project consists of following three (3) components:

- Component A: Develop (pilot) programs to support female traders and entrepreneurs. This component will pilot activities to help address barriers to women becoming more integrated into regional and global supply chains and trading opportunities.
- Component B: Capacity Development Support for the National Trade and Transport Facilitation Committee. The inter-ministerial National Trade Facilitation Committee (NTFC) has been set up during the preparation of the proposed Project to coordinate all trade and transport-related policies and activities in Bangladesh, and will also serve as the Advisory Committee for the Project.
- Component C: Improvements to Bangladesh Trade Portal and to set up a National Enquiry Point for Trade. The Bangladesh Trade Portal (BTP) was launched in March 2016. This component will support further up gradation of the BTP to expand its functionality to include information of relevance to potential Bangladesh exporters and to ensure that content is kept up to date. This component will also set up the National Enquiry Point for Trade, which will help Bangladesh to meet a key requirement of WTO Trade Facilitation Agreement.

This technical assistance project intends to apply a part of the IDA Credit for procuring consultancy services from qualified individual consultants to conduct relevant studies which will enhance trade facilitation and promote Bangladesh’s export to targeted markets.

2. Background of the Assignment

Bangladesh Regional Connectivity Project-1 (BRCP-1) of the Ministry of Commerce, Government of the People’s Republic of Bangladesh has under taken an initiative to conduct a study on “Possibilities of FTA agreements with the MERCOSUR countries with special analysis of trade with Brazil and Argentina” by hiring an individual consultant with the objective to conduct an analysis about Bangladesh’s potential accession to one of the promising regional economic blocs, MERCOSUR and its advantages and disadvantages.

Bangladesh is a rapidly growing economy and has set a Vision to become Upper Middle-income country by 2030 and a developed country by 2041. Bangladesh has also been implementing SDGs. Currently,

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Bangladesh, as an LDC, has been enjoying duty-free & quota-free (DFQF) market access in many developed and developing countries. However, Bangladesh is going to graduate from the LDC status soon and the process of graduation starts by fulfilling UN criteria for graduation. After graduation, Bangladesh will not be entitled to enjoy LDC-specific facilities, like DFQF market access.

Bangladesh attaches great importance to trade as an engine of growth. Importance of trade in its economy is progressively increasing and trade has been directly contributing to over-all development of the country. Trade is not only increasing business activities; it is also:

- generating employment opportunities for millions
- attracting foreign investment
- creating opportunities for international exposures of our businessmen and entrepreneurs

Regional trade agreements give preference to certain countries in commercial relationships, facilitating trade and investment between the home country and the foreign country by reducing or eliminating tariffs, import quotas, export restraints and other trade barriers.

The key reasons for fostering regional trade relationships include reducing trade barriers, such as tariffs, non-tariff, and para-tariff measures. These partnerships aim to enhance economic cooperation and integration, increase productivity and competitiveness, attract investment, and generate job opportunities.

In order to create more trade opportunities for achieving various development goals set nationally and internationally, and also to face the post-LDC situation, currently, Bangladesh has been considering to expand regional trade with a number of trade blocks, such as: RCEP, MERCOSUR, D-8 PTA, TPS-OIC and GCC.

The Southern Common Market—known as Mercosur in Spanish, is one of the world's leading economic blocs, fifth-largest economy. Mercosur is an economic and political bloc of the big economies of South America consisting of Argentina, Brazil, Paraguay and Uruguay. The group encompasses 295 million people and has a combined GDP of nearly \$2 trillion. Mercosur also counts Bolivia, Chile, Colombia, Ecuador, Guyana, Peru, and Suriname as associate members. The bloc also has a number of free-trade agreements (FTAs) with third parties, including Chile, Colombia, and Peru, as well as Israel, Egypt, Lebanon and the Palestinian Authority. A trade agreement that doesn't involve all Mercosur members would contravene the group's rules. In FY 2021-22, Bangladesh exported USD163.33 million to Mercosur countries, mostly the RMG products. In addition, Bangladesh exported non-leather footwear and headgear to those countries. Bangladesh may consider signing a free trade agreement (FTA) with the Mercosur having a great opportunity to explore new areas of trade and investment. Bangladesh has taken initiative to sign Preferential Trade Agreement (PTA)/ Free Trade Agreement (FTA) with MERCOSUR for enhancing trade cooperation.

Bilateral relations between Argentina and Bangladesh have remained friendly since the establishment of diplomatic relations in 1972. In 2021, Argentina exported \$677M to Bangladesh. The main products exported from Argentina to Bangladesh were Soybean Oil (\$564M), Corn (\$61.6M), and Wheat (\$51.2M). In 2022, bilateral trade with Bangladesh was US\$765 million. Argentine exports reached US\$742.9 million and imports from Bangladesh totalled US\$22.1 million. A trade surplus for Argentina of US\$720.8 million was registered in 2022. During the last 26 years the exports of Argentina to Bangladesh have increased at an annualized rate of 7.7%, from \$98.4M in 1995 to \$677M in 2021. In 28 February 2023, Bangladesh signed a memorandum of understanding (MoU) with Argentina in order to increase bilateral trade and investment between the two countries.

On the other hand, Bangladesh and Brazil have huge potential for bilateral trade in a number of sectors, however barrier to this is having both countries resolve trade barriers, especially Brazil's imposing 30%-

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35% tariff on Bangladeshi products. The main products exported from Brazil to Bangladesh were Raw Sugar (\$575M), Raw Cotton (\$430M), and Soybeans (\$410M). During the last 26 years the exports of Brazil to Bangladesh have increased at an annualized rate of 11.4%, from \$110M in 1995 to \$1.82B in 2021. In 2021, Bangladesh exported \$129M to Brazil.

3. Objective of the study:

The study aims to provide a nuanced understanding of the potential economic benefits and challenges for Bangladesh in establishing Free Trade Agreement (FTA) partnerships with MERCOSUR countries, with a focused analysis on trade dynamics with Brazil and Argentina.

Through in-depth analysis, the study seeks to investigate specific trade facilitation measures, sectoral impacts, and comparative advantages to formulate strategic recommendations for enhancing bilateral trade relationships and fostering economic cooperation between Bangladesh and MERCOSUR, with a nuanced emphasis on the Brazilian and Argentine markets.

4. Scope of the Study:

The scope of this study will primary be:

1. Present historical trend of trade scenario between the MERCOSUR countries and Bangladesh, including average tariff among the countries.
2. Product/ sector wise export and import of Bangladesh to and from MERCOSUR countries (total and top 20 products- HS Code wise) and identify the market size;
3. Comparison with Bangladesh export (top 20 products/sector) and MERCOSUR countries import and duty impact with those countries;
4. Review the list of trade diversification prospects of at least 20 diversified product and product wise strategy in the MERCOSUR country's as potential export destination by using the Economic Analysis;
5. Conduct economic modelling to assess the economic benefits of forging Free Trade Agreement (FTA) partnerships with MERCOSUR countries;
6. Possibilities of FTA agreements with the MERCOSUR countries with special analysis of trade with Brazil and Argentina;
7. Identify the possibilities for Comprehensive Economic Partnership Agreement (CEPA) with MERCOSUR countries including the potential service and investment sector ;

As a part of the analysis, the consultant is expected to cover the following, but not limited to, pertinent issues:

1. **Economic Compatibility:** Assess the economic compatibility of potential FTA partners under MERCOSUR, considering industries, products, and services that complement Bangladesh's strengths and address its economic needs.
2. **Evaluate Economic Opportunities:** Assess the potential economic benefits for Bangladesh through Free Trade Agreements (FTAs) with MERCOSUR countries, focusing on Brazil and Argentina.
3. **Analyze Trade Dynamics:** Conduct a detailed analysis of historical and current trade relations between Bangladesh and MERCOSUR, with a special emphasis on trade patterns with Brazil and Argentina.
4. **Tariff Reductions and Elimination:** Summarize potential favorable terms for tariff reductions or eliminations on key exports, enhancing the competitiveness of Bangladeshi products in MERCOSUR markets (Example of Brazil and Argentina can come under this).
5. **Non-Tariff Barriers:** Address non-tariff barriers that may affect trade, including regulatory standards, technical barriers, and other obstacles to ensure a smooth flow of goods and services.

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6. **Identify Comparative Advantages:** Identify and analyze sectors where Bangladesh holds comparative advantages in trade with MERCOSUR countries, highlighting potential areas for increased cooperation.
7. **Explore Market Access Opportunities:** Investigate the market access opportunities that an FTA with MERCOSUR can provide for Bangladeshi goods and services, with a specific focus on trade facilitation measures.
8. **Examine Legal and Regulatory Frameworks:** Examine the legal and regulatory frameworks within MERCOSUR, and assess the potential challenges and opportunities for Bangladesh in aligning with these frameworks.
9. **Assess Technology Transfer Possibilities:** Evaluate the potential for technology transfer and collaboration in research and innovation between Bangladesh and MERCOSUR countries, particularly Brazil and Argentina.
10. **Understand Sectoral Impacts:** Conduct a sector-specific analysis to understand the potential impacts of FTAs on key industries in Bangladesh, considering the specific economic landscapes of Brazil and Argentina.
11. **Identify Challenges and Risks:** Identify potential challenges and risks associated with negotiating and implementing FTAs with MERCOSUR, taking into account cultural, regulatory, and economic differences.
12. **Evaluate Lessons from Other FTAs:** Analyze lessons learned from other countries that have engaged in FTAs with MERCOSUR, drawing insights applicable to Bangladesh's potential agreements.
13. **Examine Flexibilities in Trade Agreements:** Investigate the flexibilities allowed to member countries within MERCOSUR agreements and assess how these flexibilities can be leveraged in favor of Bangladesh.
14. **Understand Stakeholder Perspectives:** Collect and analyze perspectives from key stakeholders, including government officials, industry representatives, and experts, to gauge their views on the potential FTA agreements.
15. **Estimate Economic Impact:** Estimate the potential economic impact on Bangladesh, including GDP growth, job creation, and other economic opportunities resulting from FTA agreements with MERCOSUR.
16. **Propose Strategic Recommendations:** Develop strategic recommendations for policymakers in Bangladesh based on the study's findings, emphasizing areas of priority and potential strategies for successful FTA negotiations.

5. Methodology:

- a. **Agreement Review:** The agreement review will focus on examining the provisions and flexibilities granted under the MERCOSUR, analyzing specific benefits to member and assessing how Bangladesh's potential FTA with MERCOSUR could align with these terms or present unique challenges.
- a. **Document Review:** The studies will have a large number of document reviews to do analysis and comparison among regulatory regimes. This review will also lay the foundation of drafting the questions for the KII and FGDs. The consultant needs to incorporate a list of document/articles/reports to be reviewed under this assignment in the inception report.

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- b. **Economic Modelling/simulation/analysis:** The quantitative assessment for this assignment should be based on data driven economic modelling/forecast/simulation/analysis which will give credibility of the recommendations of this assignment. The consultants may propose relevant economic modelling frameworks with proper justification and rationale as per the ToR of this assignment.
- c. **Questionnaire:** The questionnaire will be developed and agreed with the related implementing agency (ies). questionnaire will be used for data collection purposes through KII and FGDs. Different questionnaires may need to be developed for different stakeholders.
- d. **Key Informants Interviews:**
To verify data collected from beneficiaries, group or individual interviews with informants will need to be organized. Approach to selecting KII and guide is to be elaborated by the firm. At least 10 KIIs need to be conducted. The list of KIIs need to be approved from the PIU.
- e. **Focus Group Discussion:**
The FGDs will complement the data generated from the qualitative and quantitative methods. At least one FGD need to be conducted, engaging 8-10 participants from relevant stakeholder. Detailed documentation of the proceedings of the FGDs will be maintained. Necessary costs including honorarium for the participants of the FGD need to be borne by the project.
- f. **Data Analysis and reporting**
Quantitative data should be processed in STATA/SPSS/Excel or similar data processing software or Economic simulation software (as applicable).

The consultant must propose other economic modelling software/ modeling (i.e. Economic Modeling /gravity equation) as deemed necessary for this assignment.

The qualitative data should be analyzed by using NVIVO or other similar software. Privacy of primary data will be strictly maintained by the consultant/firm. Transcripts of all KII and FGDs need to be submitted to the PIU. Record of any large-scale data collection (if any) through any instruments must be submitted to the PIU.

Consultant's proposed methodology, data collection methods and analysis frameworks will be further discussed/negotiated during the negotiation phase and finalized after the inception workshop (engaging different stakeholders and subject matter specialist) for this assignment.

6. Duration:

The assignment needs to be completed within 3 months of contract signing.

7. Institutional Arrangement:

The Consultant will work under the direct supervision of the Project Director. He/she will submit report and deliverable to the Project Director.

8. Deliverables:

Consultant will coordinately work with the National Trade Expert, BRCP-1 and is expected to deliver a comprehensive report (A tentative Table of Content for the report is attached in Annex-1). A tentative

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timeline of key activities and deliverables to be submitted are summarized below:

SI no	Activity/ Deliverable	Timeline
01	Submission of Inception Report including background research findings, approach and methodology to conduct the study	Within 03 week of contract signing
02	Inception meeting engaging key stakeholders to finalize the scope, methodology, data collection instruments and workplan. <i>(Necessary costs including honorarium for the participants of the FGD need to be borne by the project.)</i>	Within 04 week of contract signing
03	Research and data collection phase	04-06 weeks from contract signing
04	Data analysis and report writing	06-09 weeks from contract signing
05	Submission of Draft Report to the PIU	09 th week
06	Revision and submission of Final Draft Report to the PIU	09- 12 week

All cost associated with conducting the research, including data collection, engagement of research assistants, printing of reports will be borne by the consultant. However, PIU will organize a validation workshop from BRCP-1 to validate the findings of the study where they consultant needs to deliver a keynote presentation.

9. Education and experience:

- i. Post Graduate degree from reputed and recognized university in International Trade/ Economics/ Business Administration/ relevant discipline. Candidates having higher degrees will get preference;
- ii. General experience of at least 07 years with a minimum 03 (three) years of experience Government /Private sector/Development Partner/ NGO in the field of international trade/regional integration/ export-import / investment and other trade-related issues;
- iii. Consultant having trade related peer-reviewed journals on similar issues/ studies will get advantage.
- iv. Experience on Tariff Structure/ Export-Import Policy and Procedures/ Trade Organization/ Measures and Standards/ Nontariff Barriers/ Regional, Multilateral and Bilateral Trade Agreement and Market Access Information will get preference;
- v. Experience in conducting economic analysis/ economic modeling/ economic simulation/ quantitative analysis is required. Experience in (CGE and others) quantitative analysis on trade/FTA/Export related issues will an advantage.

10. Selection Method:

Selection of the Individual consultant will follow the procedures for selecting Individual Consultants described in the World Bank's Procurement Regulations for IPF Borrowers, July 2016, updated in 2020.

Moehammad Shamsul Anis Anif
Procurement Specialist
Bangladesh Regional Connectivity Project-1
Ministry of Commerce

Shaila Yasmin
27.10.2024

(Shaila Yasmin)
Project Director (Joint Secretary)
(Additional Charge)
Bangladesh Regional Connectivity Project-1
Ministry of Commerce

**Terms of Reference (TOR) for selection of Individual Consultant
for**

Study on “Review of D8 PTA and TPS-OIC Agreements and analyze how Bangladesh can be benefited from the existing coverage and measures can be taken for reaping more benefits out of the greater coverage”

Bangladesh Regional Connectivity Project-1 (BRCP-1), Ministry of Commerce (MoC)

1. Introduction:

The Government of the People’s Republic of Bangladesh has received an SDR 150 million Credit from the International Development Association (IDA) – a member of the World Bank Group – for financing the cost of the Bangladesh Regional Connectivity Project 1 (BRCP-1), being jointly implemented by the Bangladesh Land Port Authority (BLPA), National Board of Revenue (NBR) and Ministry of Commerce. The second component of this umbrella project is being implemented by the Ministry of Commerce as a separate technical assistance project. The overall objective of this technical assistance project is to strengthen trade related institutional capacity in order to ensure active and sustainable cooperation among trade related stakeholders and economic empowerment of women traders.

This technical assistance project consists of following three (3) components:

- Component A: Develop (pilot) programs to support female traders and entrepreneurs. This component will pilot activities to help address barriers to women becoming more integrated into regional and global supply chains and trading opportunities.
- Component B: Capacity Development Support for the National Trade and Transport Facilitation Committee. The inter-ministerial National Trade Facilitation Committee (NTFC) has been set up during the preparation of the proposed Project to coordinate all trade and transport-related policies and activities in Bangladesh, and will also serve as the Advisory Committee for the Project.
- Component C: Improvements to Bangladesh Trade Portal and to set up a National Enquiry Point for Trade. The Bangladesh Trade Portal (BTP) was launched in March 2016. This component will support further up gradation of the BTP to expand its functionality to include information of relevance to potential Bangladesh exporters and to ensure that content is kept up to date. This component will also set up the National Enquiry Point for Trade, which will help Bangladesh to meet a key requirement of WTO Trade Facilitation Agreement.

This technical assistance project intends to apply a part of the IDA Credit for procuring consultancy services from qualified individual consultants to conduct relevant studies which will enhance trade facilitation and promote Bangladesh’s export to targeted markets.

2. Background of the Assignment

Bangladesh Regional Connectivity Project-1 (BRCP-1) of the Ministry of Commerce, Government of the People’s Republic of Bangladesh has under taken an initiative to conduct a study on “Review of D8 PTA and TPS-OIC Agreements and analyze how Bangladesh can be benefited from the existing coverage and

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measures can be taken for reaping more benefits out of the greater coverage” by hiring an individual consultant with the objective to conduct an analysis about the advantages and disadvantages of the D8 PTA and TPS-OIC Agreements and the way forward.

Bangladesh is a rapidly growing economy and has set a Vision to become Upper Middle-income country by 2030 and a developed country by 2041. Bangladesh has also been implementing SDGs. Currently, Bangladesh, as an LDC, has been enjoying duty-free & quota-free (DFQF) market access in many developed and developing countries. However, Bangladesh is going to graduate from the LDC status soon and the process of graduation starts by fulfilling UN criteria for graduation. After graduation, Bangladesh will not be entitled to enjoy LDC-specific facilities, like DFQF market access.

Bangladesh attaches great importance to trade as an engine of growth. Importance of trade in its economy is progressively increasing and trade has been directly contributing to over-all development of the country. Trade is not only increasing business activities; it is also:

- generating employment opportunities for millions
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- creating opportunities for international exposures of our businessmen and entrepreneurs

Regional trade agreements give preference to certain countries in commercial relationships, facilitating trade and investment between the home country and the foreign country by reducing or eliminating tariffs, import quotas, export restraints and other trade barriers.

The key reasons for fostering regional trade relationships include reducing trade barriers, such as tariffs, non-tariff, and para-tariff measures. These partnerships aim to enhance economic cooperation and integration, increase productivity and competitiveness, attract investment, and generate job opportunities.

In order to create more trade opportunities for achieving various development goals set nationally and internationally, and also to face the post-LDC situation, currently, Bangladesh has been considering to expand regional trade with a number of trade blocks, such as: RCEP, MERCOSUR, D-8 PTA, TPS-OIC and GCC.

The Framework Agreement on Trade Preferential System Among Organization of the Islamic Conference Member States (TPS-OIC) establishes the main principles for creating a trade preferential system among OIC members. Principal characteristics of the Agreement include the Most Favored Nation concept, equitable treatment of member nations, and preferential treatment for Least Developed members. Tariffs, Para tariffs, and non-tariff concessions are included in the preferences. The objectives are to enhance intra-OIC commerce via the exchange of trade preferences among OIC Member States. The TPS-OIC intends to provide preferential tariff concessions on specified items among the participating OIC nations. The TPS-OIC will become operational after at least ten OIC Member States have accepted the Protocol on the Preferential Tariff Scheme (PRETAS) and the TPS-OIC Rules of Origin (TPS-OIC RoO). The TPS-OIC Framework Agreement and PRETAS Framework Agreement entered into effect in September 2002 and February 5, 2010, respectively. As of May 15, 2022, 32 countries have ratified the TPS-OIC Framework Agreement, and 18 countries have ratified the Protocol on Preferred Scheme (PRETAS).¹

Recent ratifications of the TPS-OIC RoO by Saudi Arabia, Somalia, and Syria bring the total to nine (9) Member States. Malaysia, Jordan, Oman, Qatar, Turkey, and the UAE are the other Member States that have ratified TPS-OIC RoO. The establishment of TPS-OIC will allow the countries to get preferential tariff treatment for certain items on the markets of participating countries and to acquire a competitive advantage over comparable products from non-participating nations. Bangladesh signed the concerned

¹ <https://www.comcec.org/wp-content/uploads/2022/10/TPS-OIC-Imza-Onay-durumu-ENG.pdf>

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Rules of Origin on 25 February 2011 and ratified it on 23 June 2011 under the Framework Agreement on Trade Preferential System among OIC Members (TPS-OIC). Furthermore, in February 2012, Bangladesh delivered an offer list of 476 products. Following the signature of this agreement, Bangladesh will be able to enhance exports to other member nations by exploiting the 30% priority provided under the Rules of Origin as an LDC.

D-8, often known as Developing-8, is an association of Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan, and Turkey for development cooperation. The Eight emerging OIC countries agreed to join a regional bloc aiming at trade and economic cooperation on June 15, 1997, in Istanbul, Turkey. On May 13, 2006, the D-8 Member States signed the Preferential Trade Agreement (PTA), which went into effect on August 25, 2011, after being ratified by four countries: Turkey, Malaysia, Iran, and Nigeria. Bangladesh ratified the preferential trade agreement in 2017. Except Egypt, all member governments have accepted the pact to date.

The aims of the D-8 Organization for Economic Cooperation are to strengthen the position of member nations in the global economy, diversify and create new possibilities in trade connections, increase involvement in international decision-making, and raise living standards. Organization for Economic Cooperation (D-8) is a forum that has no negative influence on the bilateral and multilateral obligations of its member nations, which are a result of their participation in other international or regional organizations.

The cooperation areas of D-8 are Agriculture & Food Security (Fertilizers, Animal Feed, Seed Security, Trade Standards & Issues, Marine & Fisheries); Trade, Transportation (Civil Aviation, Shipping); Industrial Cooperation (Automotive, Energy, Food Industry, Technology Cooperation, Chemical and Petrochemicals, Cement, Iron-steel, Textile, Standardization and Accreditation, SMEs, Electronics, ICT, Machinery, Ceramic and Glass, Pharmaceuticals and Medical Equipment); and Agriculture & Environment Travel, Other (Health, status of legal documents).

Bangladesh government issued gazette notification on July 2022 for implementation of the PTA. In the notification Bangladesh offered a schedule of concession in 356 HS codes. Indonesia issued the gazette notification in October 2022 while Iran issued in July 2016, Malaysia in December 2013 and Turkey in April 2011. Nigeria and Pakistan haven't issued any gazette notification for implementation of the PTA yet.

According to the Rule 2(b) of the agreement, a product shall be deemed to be originating if not less than '40' % of ex works price of its content originates from a Contracting Member. Finished product eligible for preferential treatment under the D-8 PTA shall be considered as products originating in the territory of a Contracting Member where working or processing of the finished product has taken place provided that the aggregate D-8 Contracting Members originating content on the final product is not less than 40%.

The 6th meeting of the Supervisory Committee formed under D-8 PTA was held virtually on 26 January 2021. Besides, on 16 November 2021 the 5th round of Expert Meeting on Trade Facilitation Strategy was held virtually where a draft Trade Facilitation Strategy Paper has been finalized. The 10th D-8 Summit was held virtually on 8th April 2021 where the text of Dhaka Declaration 2021 was formulated. Dhaka Declaration 2021 commended various significant initiatives taken by the member countries to expedite the mutual cooperation which includes establishment of the D-8 International University, activation of the D-8 Chambers of Commerce and Industry and adoption of its statute, establishment of the D-8 Research Center for Agriculture and Food Security, initiation of the D-8 Health and Social Protection Programme and establishment of the programme office in Abuja, establishment of the D-8 Project Support

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Fund, establishment of the D-8 Network of Pioneers for Research and Innovation (D-8 NPRI), introduction of the D-8 Designated Airports, articulation of the D-8 Guiding Principles for Investment and Reforms, initiation of the D-8 Barter Trading System and establishment of the D-8 Creative Economy and Financial Center:

The 7th meeting of the supervisory committee formed under D-8 PTA was held on 05 March 2024 in Dhaka. Meeting opined that the five Contracting Members i.e., Bangladesh, Indonesia, Iran, Malaysia, and Türkiye may start implementation and operationalization with immediate effect if not already done so. Egypt, Nigeria, and Pakistan would complete their necessary internal procedures and start implementation of the PTA when they are ready. In addition, in order to boost intra D-8 trade, all member states agreed in principle to increase the coverage of the offer lists. However, the member states were also of the view that the agreement must be implemented first by all member states. The Meeting also recommended the Protocol on Dispute Settlement Mechanism (DSM) of the D-8 PTA, Trade Facilitation Strategy and Dhaka Declaration on D-8 Trade Cooperation to be adopted by the D-8 Trade Ministers Council in its 3rd session held in Dhaka on 5 March 2024.

Objective of the study:

The objective of this study is two folds:

1. Evaluate the effectiveness of D8 Preferential Trade Agreement (PTA) and Trade Preferential System of the Organization of Islamic Cooperation (TPS-OIC) agreements, and assess how Bangladesh can optimize existing coverage, proposing strategic measures to enhance and maximize the benefits derived from broader coverage.
2. Conduct a comprehensive review of the D8 PTA and TPS-OIC agreements, aiming to identify opportunities for Bangladesh to leverage the current provisions, while formulating actionable recommendations to further exploit the expanded coverage for heightened economic advantages.

3. Scope of the Study:

The scope of this study will primary be:

1. Present historical trend of trade scenario between the D8 PTA and TPS-OIC countries and Bangladesh, including average tariff among the countries.
2. Conduct economic modelling to assess economic benefit of enhanced trade with D8 PTA and TPS-OIC for Bangladesh
3. Details of existing coverage of mutual benefits in terms of trade and services among the D8 and TPS-OIC countries;
4. Product wise export and import of Bangladesh to and from **D8 PTA and TPS-OIC** countries (total and top 20 products);
5. Analyze how Bangladesh can be benefited from the existing coverage and measures can be taken for reaping more benefits out of the greater coverage;
6. What should be the strategy of Bangladesh after graduation in the two treaties;

As a part of the analysis, the consultant is expected to cover the following, but not limited to, pertinent issues:

1. **Evaluate the Current Impact:** Assess the current impact of the D8 Preferential Trade Agreement (PTA) and the Trade Preferential System of the Organization of Islamic Cooperation (TPS-OIC) on Bangladesh's trade dynamics.

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2. **Examine Provisions and Coverage:** Conduct a comprehensive review of the specific provisions and coverage offered by the D8 PTA and TPS-OIC agreements, identifying the extent to which they apply to Bangladesh.
3. **Identify Trade Trends and Patterns:** Analyze historical trade trends and patterns between Bangladesh and D8 member countries, as well as OIC nations, to discern existing trade dynamics and areas of potential growth.
4. **Assess Utilization of Preferences:** Evaluate the extent to which Bangladesh has utilized the preferential trade arrangements provided by the D8 PTA and TPS-OIC, identifying sectors with maximum and minimum utilization.
5. **Identify Market Access Opportunities:** Identify and analyze market access opportunities created by the agreements, focusing on products/sectors where Bangladesh can enhance exports and promote economic growth.
6. **Analyze Competitiveness:** Conduct a competitiveness analysis to understand how Bangladesh compares with other D8 and OIC member countries in terms of product quality, pricing, and market share.
7. **Examine Compliance and Regulations:** Review the compliance requirements and regulatory aspects of the agreements, identifying any barriers or challenges that Bangladesh may encounter in fully utilizing the preferential terms.
8. **Analyze Challenges in Tariffs and Non-Tariff Measures:** Assess challenges related to tariffs, including tariff structures and adjustments, and non-tariff measures, such as regulatory barriers, standards, and certification requirements.
9. **Propose Measures for Optimization:** Formulate strategic measures and recommendations to optimize Bangladesh's utilization of existing coverage, suggesting specific actions to overcome challenges and enhance trade benefits.
10. **Foster Stakeholder Engagement:** Engage with key stakeholders including government officials, industry representatives, and trade experts to gather insights and perspectives on how to improve the effectiveness of the D8 PTA and TPS-OIC agreements for Bangladesh.
11. **Consider Economic and Social Impacts:** - Evaluate the broader economic and social impacts of enhanced trade under these agreements, considering factors such as employment generation, income growth, and overall economic development.
12. **Develop a Roadmap for Implementation:** - Develop a comprehensive roadmap outlining actionable steps and timelines for the implementation of proposed measures, ensuring a systematic approach to realizing the benefits of the extended coverage.

4. Methodology:

- a. **Document Review:** The studies will have a large number of document reviews, including the review of relevant agreements, to do analysis and comparison among regulatory regimes. This review will also lay the foundation of drafting the questions for the KII and FGDs. The consultant needs to incorporate a list of document/articles/reports to be reviewed under this assignment in the inception report.
- b. **Economic Modelling/simulation/analysis:** The quantitative assessment for this assignment should be based on data driven economic modelling/forecast/simulation/analysis which will give credibility of the recommendations of this assignment. The consultants may propose relevant economic modelling frameworks with proper justification and rationale as per the ToR of this assignment.

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c. **Questionnaire:** The questionnaire will be developed and agreed with the related implementing agency (ies). questionnaire will be used for data collection purposes through KII and FGDs. Different questionnaires may need to be developed for different stakeholders.

d. **Key Informants Interviews:**

To verify data collected from beneficiaries, group or individual interviews with informants will need to be organized. Approach to selecting KII and guide is to be elaborated by the firm. At least 10 KIIs need to be conducted. The list of KIIs need to be approved from the PIU.

e. **Focus Group Discussion:**

The FGDs will complement the data generated from the qualitative and quantitative methods. At least one FGD need to be conducted, engaging 8-10 participants from relevant stakeholder. Detailed documentation of the proceedings of the FGDs will be maintained. Necessary costs including honorarium for the participants of the FGD need to be borne by the project.

f. **Data Analysis and reporting**

Quantitative data should be processed in STATA/SPSS/Excel or similar data processing software or Economic simulation software (as applicable).

The consultant must propose other economic modelling software/ modeling (i.e. Economic Modeling /gravity equation) as deemed necessary for this assignment.

The qualitative data should be analyzed by using NVIVO or other similar software. Privacy of primary data will be strictly maintained by the consultant/firm. Transcripts of all KII and FGDs need to be submitted to the PIU. Record of any large-scale data collection (if any) through any instruments must be submitted to the PIU.

Consultant's proposed methodology, data collection methods and analysis frameworks will be further discussed/negotiated during the negotiation phase and finalized after the inception workshop (engaging different stakeholders and subject matter specialist) for this assignment.

5. Duration:

The assignment needs to be completed within 3 months of contract signing.

6. Institutional Arrangement:

The Consultant will work under the direct supervision of the Project Director. He/she will submit report and deliverable to the Project Director.

7. Deliverables:

Consultant will coordinately work with the National Trade Expert, BRCP-1 and is expected to deliver a comprehensive report (A tentative Table of Content for the report is attached in Annex-1). A tentative timeline of key activities and deliverables to be submitted are summarized below:

Sl no	Activity/ Deliverable	Timeline
01	Submission of Inception Report including background research findings, approach and methodology to	Within 03 week of contract signing

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	conduct the study	
02	Inception meeting engaging key stakeholders to finalize the scope, methodology, data collection instruments and workplan. <i>(Necessary costs including honorarium for the participants of the FGD need to be borne by the project.)</i>	Within 04 week of contract signing
03	Research and data collection phase	04-06 weeks from contract signing
04	Data analysis and report writing	06-09 weeks from contract signing
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06	Revision and submission of Final Draft Report to the PIU	09- 12 week

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8. Education and experience:

- i. Post Graduate degree from reputed and recognized university in International Trade/ Economics/ Business Administration/ relevant discipline. Candidates having higher degrees will get preference;
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Selection of the Individual consultant will follow the procedures for selecting Individual Consultants described in the World Bank's Procurement Regulations for IPF Borrowers, July 2016, updated in 2020.

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Mohammad Shamim Arifin Arif
Procurement Specialist
Bangladesh Regional Connectivity Project-1
Ministry of Commerce

Shahla Yasmin
Project Director (Joint Secretary)
(Additional Charge)
Bangladesh Regional Connectivity Project-1
Ministry of Commerce

Package No. SD-41F

Terms of Reference (TOR) for selection of Individual Consultant for Study on “Prospect and Policy Recommendation of Gulf Co-operation Council (GCC) for the identification of prospective market access and area of cooperation”

Bangladesh Regional Connectivity Project-1 (BRCP-1), Ministry of Commerce (MoC)

1. Introduction:

The Government of the People’s Republic of Bangladesh has received an SDR 150 million Credit from the International Development Association (IDA) – a member of the World Bank Group – for financing the cost of the Bangladesh Regional Connectivity Project 1 (BRCP-1), being jointly implemented by the Bangladesh Land Port Authority (BLPA), National Board of Revenue (NBR) and Ministry of Commerce. The second component of this umbrella project is being implemented by the Ministry of Commerce as a separate technical assistance project. The overall objective of this technical assistance project is to strengthen trade related institutional capacity in order to ensure active and sustainable cooperation among trade related stakeholders and economic empowerment of women traders.

This technical assistance project consists of following three (3) components:

- Component A: Develop (pilot) programs to support female traders and entrepreneurs. This component will pilot activities to help address barriers to women becoming more integrated into regional and global supply chains and trading opportunities.
- Component B: Capacity Development Support for the National Trade and Transport Facilitation Committee. The inter-ministerial National Trade Facilitation Committee (NTFC) has been set up during the preparation of the proposed Project to coordinate all trade and transport-related policies and activities in Bangladesh, and will also serve as the Advisory Committee for the Project.
- Component C: Improvements to Bangladesh Trade Portal and to set up a National Enquiry Point for Trade. The Bangladesh Trade Portal (BTP) was launched in March 2016. This component will support further up gradation of the BTP to expand its functionality to include information of relevance to potential Bangladesh exporters and to ensure that content is kept up to date. This component will also set up the National Enquiry Point for Trade, which will help Bangladesh to meet a key requirement of WTO Trade Facilitation Agreement.

This technical assistance project intends to apply a part of the IDA Credit for procuring consultancy services from qualified individual consultants to conduct relevant studies which will enhance trade facilitation and promote Bangladesh’s export to targeted markets.

2. Background of the Assignment

Bangladesh Regional Connectivity Project-1 (BRCP-1) of the Ministry of Commerce, Government of the People’s Republic of Bangladesh has under taken an initiative to conduct a study on “Prospect and Policy Recommendation of Gulf Co-operation Council (GCC) for the identification of prospective market access and area of cooperation” by hiring an individual consultant with the objective to conduct an analysis

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● about Bangladesh's enhanced trade and economic cooperation with one of the largest regional economic blocs, GCC and its advantages and disadvantages.

Bangladesh is a rapidly growing economy and has set a Vision to become Upper Middle-income country by 2030 and a developed country by 2041. Bangladesh has also been implementing SDGs. Currently, Bangladesh, as an LDC, has been enjoying duty-free & quota-free (DFQF) market access in many developed and developing countries. However, Bangladesh is going to graduate from the LDC status soon and the process of graduation starts by fulfilling UN criteria for graduation. After graduation, Bangladesh will not be entitled to enjoy LDC-specific facilities, like DFQF market access.

Bangladesh attaches great importance to trade as an engine of growth. Importance of trade in its economy is progressively increasing and trade has been directly contributing to over-all development of the country. Trade is not only increasing business activities; it is also:

- generating employment opportunities for millions
- attracting foreign investment
- creating opportunities for international exposures of our businessmen and entrepreneurs

Regional trade agreements give preference to certain countries in commercial relationships, facilitating trade and investment between the home country and the foreign country by reducing or eliminating tariffs, import quotas, export restraints and other trade barriers.

The key reasons for fostering regional trade relationships include reducing trade barriers, such as tariffs, non-tariff, and para-tariff measures. These partnerships aim to enhance economic cooperation and integration, increase productivity and competitiveness, attract investment, and generate job opportunities.

In order to create more trade opportunities for achieving various development goals set nationally and internationally, and also to face the post-LDC situation, currently, Bangladesh has been considering to expand regional trade with a number of trade blocks, such as: RCEP, MERCOSUR, D-8 PTA, TPS-OIC and GCC.

The Cooperation Council for the Arab States of the Gulf also known as the Gulf Cooperation Council GCC is a regional, intergovernmental, political and economic union comprising Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates. The council's main headquarters is located in Riyadh, the capital of Saudi Arabia. The Charter of the GCC was signed on 25 May 1981, formally establishing the institution. The GCC Charter states that the basic objectives are to have coordination, integration and inter-connection between Member States in all fields, strengthening ties between their peoples, formulating similar regulations in various fields such as economy, finance, trade, customs, tourism, legislation, administration. Bangladesh enjoys bilateral relations with all GCC countries with significant mutual stake in terms of trade and commerce. Bangladesh expanded its ties with all GCC Countries and Trade volume has increased over the decades. Bangladesh export to GCC market amounting to US \$ 1265.75 Million and import from GCC amounting to US \$ 5845.30 Million in the year 2021-22 where trade imbalance stands to US \$4580.06.

The GCC is a premium market that Bangladesh wants to penetrate. Saudi Arabia recognized Bangladesh in 1974, Since then relations moved forward. The Kingdom is a major destination for labor exchange, trade and development. Bangladesh earns the lion share of its average 8 billion dollars' remittance income from Saudi Arabia. Bangladesh is one of largest exporter of readymade garments to Qatar. Qatar to increase investment in Bangladesh. Bangladesh to explore LNG import from Qatar. UAE and Bangladesh develop remarkable economic ties. The volume of trade exchange between the Bangladesh and UAE is US \$2508.44 million where import for UAE is US \$1644.20 and export to UAE US \$ 864.24 in the year

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● 2021-22. Abu Dhabi Group to invest nearly Dh7.3 billion (US\$2 billion) in Bangladesh's telecom, power, tourism, construction and healthcare sectors. Exports to Bahrain included frozen food, agricultural products, chemical products, Jute goods, other products like melamine, garment, fabric can be explored.

In 2021-2022 Bangladesh exported goods worth of US \$ 7.15 Million compared to US \$ 3.58 million in 2004-2005. Considerable potential for Bangladesh to make a niche in the Bahrain Bangladesh can explore ceramic, furniture, fabrics, flora and fauna, top soil, leather products etc to Bahrain and Geographical proximity allows the goods to be moved out from Bahrain easily across the border to Saudi Arabia, Qatar, Kuwait, Oman and UAE .At present Bangladesh and the Gulf Cooperation Council (GCC) have signed a memorandum of understanding (MoU) on 19 November 2022 in Bahrain . Under this MoU, both sides will hold regular consultations for political, economic, cultural, people-to-people contact, climate change, agriculture, food security, and environmental protection cooperation.

3. Objective of the study:

The objective of this study is to evaluate Bangladesh's economic prospects within the Gulf Cooperation Council (GCC) and propose strategic policy recommendations for enhancing market access and cooperation, aiming to foster mutually beneficial relationships and economic growth. Identify key sectors, assess regulatory frameworks, and recommend measures to streamline trade processes, contributing to the advancement of regional stability and sustainable partnerships between Bangladesh and the GCC.

4. Scope of the Study:

The scope of this study will primary be:

1. Product and country wise export and import analysis (historical trend) of the GCC countries and potential market for the diversified product, including tariff and non-tariff barriers
2. Comparison of the market share for top twenty products in GCC of Bangladesh products with India, China, Vietnam and Thailand.
3. Prospect and Policy Recommendation of Gulf Co-operation Council (GCC) for the identification of prospective market access and area of cooperation
4. Conduct economic modelling to assess economic benefit of enhanced trade and economic cooperation with GCC for Bangladesh
5. Opportunity for investment in Bangladesh of the GCC countries other than energy sector such as ports, textile and clothing, ceramic, pharmaceuticals, IT software and computer services, Banking and Finance, Real estates.
6. Identify the gap analysis of policy and legal framework and suggest how to harmonize with GCC framework.

As a part of the analysis, the consultant is expected to cover the following, but not limited to, pertinent issues:

1. **Evaluate Economic Prospects:** Assess the current and potential economic opportunities for Bangladesh within the Gulf Cooperation Council (GCC) member countries.
2. **Analyze Trade Relations:** Conduct an in-depth analysis of existing trade relations between Bangladesh and GCC nations, identifying patterns, strengths, and areas for improvement.
3. **Identify Market Access Opportunities:** Identify and evaluate prospective market access opportunities for Bangladeshi goods and services in the GCC region, considering tariff and non-tariff barriers.
4. **Examine Investment Potential:** Explore the potential for investment collaboration between Bangladesh and GCC countries, analyzing key sectors for mutual benefit.

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5. **Assess Sectoral Cooperation:** Evaluate specific sectors with high potential for cooperation, such as energy, technology, infrastructure, and healthcare, outlining strategies for collaborative ventures.
6. **Study Regulatory Frameworks:** Examine the regulatory frameworks in GCC countries, identifying challenges and proposing policy recommendations to enhance trade facilitation.
7. **Analyze Cultural and Social Dynamics:** Investigate cultural and social factors influencing business interactions between Bangladesh and GCC nations, proposing strategies for effective cross-cultural engagement.
8. **Develop Policy Recommendations:** Formulate comprehensive policy recommendations for the Bangladeshi government to enhance diplomatic, economic, and trade relations with the GCC, considering the unique dynamics of each member country.
9. **Propose Trade Facilitation Measures:** Suggest measures to streamline trade processes, reduce bureaucratic hurdles, and facilitate smoother transactions between Bangladesh and GCC member states.
10. **Consider Environmental Sustainability:** - Assess the environmental impact of potential collaborations and recommend sustainable practices in line with both Bangladesh's and GCC's environmental goals.

5. Methodology:

- a. **Document Review:** The studies will have a large number of document reviews, including review of the agreement, do analysis and comparison among regulatory regimes. This review will also lay the foundation of drafting the questions for the KII and FGDs. The consultant needs to incorporate a list of document/articles/reports to be reviewed under this assignment in the inception report.
- b. **Economic Modelling/simulation/analysis:** The quantitative assessment for this assignment should be based on data driven economic modelling/forecast/simulation/analysis which will give credibility of the recommendations of this assignment. The consultants may propose relevant economic modelling frameworks with proper justification and rationale as per the ToR of this assignment.
- c. **Questionnaire:** The questionnaire will be developed and agreed with the related implementing agency (ies). questionnaire will be used for data collection purposes through KII and FGDs. Different questionnaires may need to be developed for different stakeholders.
- d. **Key Informants Interviews:**
To verify data collected from beneficiaries, group or individual interviews with informants will need to be organized. Approach to selecting KII and guide is to be elaborated by the firm. At least 10 KIIs need to be conducted. The list of KIIs need to be approved from the PIU.
- e. **Focus Group Discussion:**
The FGDs will complement the data generated from the qualitative and quantitative methods. At least one FGD need to be conducted, engaging 8-10 participants from relevant stakeholder. Detailed documentation of the proceedings of the FGDs will be maintained. Necessary costs including honorarium for the participants of the FGD need to be borne by the project.
- f. **Data Analysis and reporting**

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Quantitative data should be processed in STATA/SPSS/Excel or similar data processing software or Economic simulation software (as applicable).

The consultant must propose other economic modelling software/ modeling (i.e. Economic Modeling /gravity equation) as deemed necessary for this assignment.

The qualitative data should be analyzed by using NVIVO or other similar software. Privacy of primary data will be strictly maintained by the consultant/firm. Transcripts of all KII and FGDs need to be submitted to the PIU. Record of any large-scale data collection (if any) through any instruments must be submitted to the PIU.

Consultant's proposed methodology, data collection methods and analysis frameworks will be further discussed/negotiated during the negotiation phase and finalized after the inception workshop (engaging different stakeholders and subject matter specialist) for this assignment.

6. Duration:

The assignment needs to be completed within 3 months of contract signing.

7. Institutional Arrangement:

The Consultant will work under the direct supervision of the Project Director. He/she will submit report and deliverable to the Project Director.

8. Deliverables:

Consultant will coordinately work with the National Trade Expert, BRCP-1 and is expected to deliver a comprehensive report (A tentative Table of Content for the report is attached in Annex-1). A tentative timeline of key activities and deliverables to be submitted are summarized below:

Sl no	Activity/ Deliverable	Timeline
01	Submission of Inception Report including background research findings, approach and methodology to conduct the study	Within 03 week of contract signing
02	Inception meeting engaging key stakeholders to finalize the scope, methodology, data collection instruments and workplan. (Necessary costs including honorarium for the participants of the FGD need to be borne by the project.)	Within 04 week of contract signing
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Procurement Specialist
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Ministry of Commerce

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(Shaila Yasmin)
Project Director (Joint Secretary)
(Additional Charge)
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Ministry of Commerce