Enabling Quality and Standard Infrastructure in Bangladesh -a Case of Bangladesh India Trade

By

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June 2017
### Abbreviations

<table>
<thead>
<tr>
<th>Acronyms</th>
<th>Abbreviations</th>
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<tbody>
<tr>
<td>AMEG</td>
<td>Asia Middle East Economic Growth Best Practices Project</td>
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<tr>
<td>APEDA</td>
<td>Agricultural and Processed Food Products Export Development Authority</td>
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<td>APLAC</td>
<td>Asia Pacific Laboratory Accreditation Cooperation</td>
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<td>ASEAN</td>
<td>Association of Southeast Asian Nations</td>
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<td>ASEAN</td>
<td>Association of South East Asian Nations</td>
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<td>BAB</td>
<td>Bangladesh Accreditation Board</td>
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<td>BIS</td>
<td>Bureau of Indian Standard</td>
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<td>BSTI</td>
<td>Bangladesh Standards And Testing Institution</td>
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<td>BUILD</td>
<td>Business Initiative Leading Development</td>
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<td>CIH</td>
<td>Certified Industrial Hygienist</td>
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<td>CIS</td>
<td>Commonwealth of Independent States</td>
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<td>EAC</td>
<td>East African Community</td>
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<td>EIC</td>
<td>Export Inspection council</td>
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<td>EPC</td>
<td>Energy Performance Certificate</td>
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<tr>
<td>FICCI</td>
<td>Federation of Indian Chambers of Commerce &amp; Industry</td>
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<td>FMCS</td>
<td>Federal Mediation and Conciliation Service</td>
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<td>FSSAI</td>
<td>Food Safety and Standards Authority of India</td>
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<td>ICP</td>
<td>Integrated customs ports</td>
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<td>IEC</td>
<td>International Electrotechnical Commission</td>
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<td>ISO</td>
<td>International Organization for Standardization</td>
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<td>ITC</td>
<td>International Trade Commission</td>
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<td>MOU</td>
<td>Memorandum of understanding</td>
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<td>MRA</td>
<td>Mutual Recognition Agreements</td>
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<td>NABCB</td>
<td>National Accreditation Board for Certification Bodies</td>
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<td>NTB</td>
<td>Non Tariff Barriers</td>
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<td>RMG</td>
<td>Ready Made Garments</td>
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<td>SARSO</td>
<td>South Asian Regional Standards Organization</td>
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<td>SDoC</td>
<td>Supplier Declaration of Conformity</td>
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<td>SMEF</td>
<td>SME Foundation</td>
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<td>SOPs</td>
<td>Standard Operating Procedure</td>
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<td>SPS</td>
<td>Sanitary and Phytosanitary Measures</td>
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<td>SSCB</td>
<td>SAARC Standard Coordination Board</td>
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<tr>
<td>STCs</td>
<td>Sectoral Technical Committees</td>
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<tr>
<td>TBT</td>
<td>Technical Barriers to Trade</td>
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<td>USAID</td>
<td>United States Agency for International Development</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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1. Introduction

With gradual decay of tariff barriers, non tariff barriers (NTBs) are taking a mammoth role while entrepreneurs get ready to export products. Technical regulations, conformity assessment standards of the importing countries are to be known clearly to have a quality pass mark to the manufacturing and processes of a specific product. The countries, as per WTO rules are allowed to protect their human, animal, plant lives and health from pests and disease by putting a reasonable standard without discriminating or inhibiting as a barriers for others and maintaining a national treatment. Enabling quality and standard infrastructure plays a supportive role for the exporters. The nature, types of certification, testing requirements, standards are diversified and continuously changing. In this thread, it is of course true that standard setting exercises are to be driven by the industries while government has to play a neutral role, a total standard eco system is the result of a collaborative efforts of both public and private sector bodies, instruments and intuitions. Has there any such collaborative approach in the country so that exporters are fully prepared with all related information of regulatory environment of the importing country, standard related issues, procedural bottlenecks, privately accepted standards and other necessary requirements etc.

While Bangladesh economy is doing good in terms of GDP growth, per capita income and poverty alleviation, export diversification remains a botch area for long. As Bangladesh economy is transiting from one phase to another, there is an urgent need to set priorities where standards setting issues would need to be looked into with utmost importance. India recently has been working to bring changes in their trade policy to meet USD 900 billion export by 2020. Bangladesh as one of the important SAARC countries has targeted to export $54 billion by 2020 as per its 7th Five Year Plan against USD 82 billion by 2021 as per its Perspective Plan(2010-2021). India’s export target is more than 11 time than that of Bangladesh.

With the emerging new changes in the global economy, rise of protectionism, uncertainty in the mega trade blocks, risks of changing globalization pattern, and fall in the global aggregate demand in the international level we need to be serious in formulating national policies. In the national front, deep fall in export income and remittances, increase in imports and continuously changing tax policies, Bangladesh would need to think seriously for its trade policy synchronization. Bangladeshi exports is heavily concentrated in a very few markets and a few products, a single-product export RMG is the main hope. Bangladesh needs to realign its trade policies both at home and international level with the new changes.

Along with the need for reformed trade policy to cope with the new changes, there is an immense requirement for export market to be demand driven instead of supply driven. Exporters need to understand the need of the market willing to enter. Bangladeshi products are exporting into some developed countries where average tariffs are going down from 1-2%, but advalorem equivalence implications of Technical Regulations is about 11%. Unless products are fully ready to meet these Technical Regulations it is impossible to capture a new markets with a new products. Technical Regulations are mandatory standards which are set by the government of a country, but there are Conformity Assessment(CA) standards which are to be taken as a priority. CA refers to control, inspection, testing and certificate approval procedures maintained by the importing countries before

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1. Mr Pandey, Joint Secretary, Department of Commerce, Government of India
giving permission for an entry of a product into the country as they like to safeguard the health and safety of the consumers.

Technical requirements define a product characteristics, technical specifications of a set of a product or production process while testing is the determination of one or more of an object or product’s characteristics performed by a laboratory. Certification is the provision by an independent body of a written assurance while inspection describes regular checking of a product to make sure it meets specified criteria. In order to meet the requirements of the above a country sets its Standards infrastructure. Along with these, there are some procedural obstacles as can work as an impediments for exports. An exporter has to be aware of all these issues before preparing for exporting a product into a market. There remains always huge information and knowledge gaps, as responsibilities of government organization, private sector stakeholders, laboratories, inspecting and accrediting agencies and many other related organizations and institutions are not properly transported.

BUILD in association with Confederation of Indian Industry( CII) and USAID initiated a research to address Conformity Assessment standard related issues usually known as non-tariff barriers and identified six sectors that have bigger exports to India and also faced standards-related challenges, the products are; Textiles, Jute and Jute products, Plastics, Leather and Agro and Agro-processing products, Fisheries and Marine. The products are taken considering its export potential in the market of India and present trends of exports. It seems that there are demands on these products in the Indian market provided it caters to the need of the standards requirement of the market.

2.0 Export of these products to India

Export of Ready Made Garments(RMG)

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<tr>
<td>Total</td>
<td>1.33</td>
<td>1.13</td>
<td>1.18</td>
<td>2.43</td>
<td>4.09</td>
<td>6.46</td>
<td>16.06</td>
<td>41.83</td>
<td>53.65</td>
<td>86.65</td>
<td>112.27</td>
<td>132.65</td>
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<tr>
<td>Growth (%)</td>
<td>-15.00</td>
<td>4.41</td>
<td>105.41</td>
<td>68.44</td>
<td>57.90</td>
<td>148.55</td>
<td>160.41</td>
<td>28.24</td>
<td>61.52</td>
<td>29.57</td>
<td>18.15</td>
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In year 2016, Bangladesh exported RMG goods worth $140.35 million to India among which $101.68 million comprised of Woven garments and $38.68 million was Knitwear. The figure shows a consecutive decline in the growth of export of these sectors.

Export of Leather and Leather Goods

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<tr>
<td>Total</td>
<td>0.86</td>
<td>1.08</td>
<td>1.31</td>
<td>0.82</td>
<td>1.37</td>
<td>0.89</td>
<td>1.99</td>
<td>0.76</td>
<td>2.14</td>
<td>3.87</td>
<td>11.28</td>
<td>13.95</td>
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<tr>
<td>Growth (%)</td>
<td>26.05</td>
<td>21.41</td>
<td>-37.48</td>
<td>67.40</td>
<td>-35.16</td>
<td>123.62</td>
<td>-61.92</td>
<td>182.17</td>
<td>81.18</td>
<td>191.47</td>
<td>23.65</td>
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2 Export of five priority products to India by Dr Selim Raihan, Professor of Economics, Dhaka University and Executive Director, SANEM.
3 Data Source ITC Trade Map
4 Data Source –ITC Trade Map
5 Data Source-ITC Trade Map
Leather and Leather Goods is another promising sector showing upward growth trend, according to Export Promotion Bureau (EPB) Bangladesh earned total $851.33 million from leather Export in July-March, 2015-16. The sector is willing to reach to the level of USD 1 billion, but export to India is a minimal even though showing slightly an increasing trend.

**Export of Agro-Agro-processed products**

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<tr>
<td>Total</td>
<td>12.64</td>
<td>15.01</td>
<td>31.85</td>
<td>24.81</td>
<td>60.18</td>
<td>34.51</td>
<td>69.34</td>
<td>155.29</td>
<td>132.47</td>
<td>131.11</td>
<td>113.62</td>
<td>79.67</td>
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<tr>
<td>Growth (%)</td>
<td>18.78</td>
<td>112.19</td>
<td>-22.10</td>
<td>142.53</td>
<td>-42.65</td>
<td>-100.93</td>
<td>123.95</td>
<td>-14.69</td>
<td>-1.03</td>
<td>-13.34</td>
<td>-29.88</td>
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Growth of agro and agro processing product is negative, if this trend continuous it would risks for the country, there is a need also to find out reasons why this declining trend continuous.

**Export of Plastic Products**

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</thead>
<tbody>
<tr>
<td>Total</td>
<td>1.17</td>
<td>1.84</td>
<td>1.51</td>
<td>1.05</td>
<td>2.14</td>
<td>2.40</td>
<td>3.97</td>
<td>6.62</td>
<td>7.31</td>
<td>5.33</td>
<td>9.10</td>
<td>9.35</td>
</tr>
<tr>
<td>Growth (%)</td>
<td>57.23</td>
<td>-17.79</td>
<td>-30.77</td>
<td>104.78</td>
<td>-12.09</td>
<td>65.31</td>
<td>66.89</td>
<td>10.42</td>
<td>-27.10</td>
<td>70.72</td>
<td>2.71</td>
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Plastic products shows a slightly increasing trend but amount is very insignificant.

**Export of Jute and Jute Goods**

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</thead>
<tbody>
<tr>
<td>Total</td>
<td>19.69</td>
<td>16.85</td>
<td>50.16</td>
<td>49.76</td>
<td>26.20</td>
<td>59.35</td>
<td>76.31</td>
<td>137.70</td>
<td>123.34</td>
<td>99.77</td>
<td>83.66</td>
<td>128.98</td>
</tr>
<tr>
<td>Growth (%)</td>
<td>-14.43</td>
<td>197.73</td>
<td>-0.81</td>
<td>-47.35</td>
<td>126.53</td>
<td>28.58</td>
<td>80.45</td>
<td>-10.43</td>
<td>-19.11</td>
<td>-16.15</td>
<td>54.17</td>
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The total export of these 5 products was USD 235.62 million in 2015 which was about 45% of the total export to India, which was USD 527.6 million in this year. The standard and quality infrastructure of food and non-food items are very much different in nature, as people consider food products as very sensitive for the need of the health and human being.

### 3.0 The Research and Organization of Workshops

BUILD in collaboration with USAID organized its first workshop on Non Tariff Barriers in Dhaka in December 2016. After having a research and the workshop held in Dhaka, it was found that among the nontariff barriers, rules of origin, antidumping, conformity assessment and trade facilitation contributes significantly and inspire of addressing these issues appropriately it is difficult to increase trade between Bangladesh and India.

### 3.1 Findings of the 1st Dialogue

Some of the findings of the 1st Dialogue from the points of views of Bangladeshi stakeholders are as follows:

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6 ITC Trade Map

7 ITC Trade Map
Express Shipment Courier (1st dialogue *)

- Set and respect de minimis duty threshold per WCO agreements
- The cost of collecting duties should not be greater than the revenues derived from the duty collection;
- Study the elasticity of demand related to the anticipated decline landed price as well as the likely Input or government revenue and broader economic activities;
- Increase penetration of credit cards for expansion of e-commerce.
- Benapole-Petrapole does not have an express facility. Currier cannot clear the shipment. In 2009, DHL tried express shipment, but failed because countries at the border has no express lane/processing - NBR’s understanding in that respect is not clear.
- Poor understanding within the private sector about express courier and its economic importance.
- In order to make the trade as a legal as possible, detention, demurrage and pilferage should be stopped immediately. Otherwise the customers have to bear extra costs. Pilferage is occurring due to customs delays. The use of the term legal above implies that these extra charges should be stopped in order to regularize legal, above-board trade through the border crossing. Otherwise, illegal activities will continue – e.g., informal payments and whatever else is going on.
- Loading and un-loading time is enormous and depends on the desire of the customs.
- Tk 1500 per consignment as holiday charge, which must be stopped at once, as we are exporting 150 trucks of goods to Petrapole, India on Sunday, where we are not required to pay any holiday charge though the same day is also a holiday in India.
- If anybody is unable to unload the trucks within 48 hours, it is required to pay to LPA (Land Port Authority) an amount of Tk 2500 as demurrage change per truck, Shipping agent an amount of USD 8000 per day if the goods are not unloaded within a fixed time.
- Under the agreement of BBIN, several vehicles carrying passengers and goods will directly move between Bangladesh and India as well as with the introduction of duel rail line between Mongla-Khulna-Jessore. Then it will be easier for the Indian business people and Bangladesh can earn a transit fee.
- There is no BSTI branch office at Benapole port. BSTI takes so much of time for providing a report. In this situation, who will pay port demurrage and extra bank interest for the long delay? That is why a private sector lab in Benapole is an urgent need. BSTI is a great non-tariff barrier. Corrective measures be taken through a public private partnership.

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8 Trip Report, AMEG-IPEC Phase III: Development of Express Shipments Pilot Blueprint
There is a huge backlog of trucks because of processing them, release times averaged 7.76 days and ranged between a low of 6 days and a high of 10 days.

### 3.2 2nd Dialogue on Conformity Standard

It was mooted that in order to understand the Conformity assessment issues correctly, there is a need for a close dialogue between the importers and exporters of the country and also the policy makers and professional and support service providers to have a detailed dialogue in this regard.

2nd Dialogue Workshop on Conformity Standards was held in New Delhi, the primary objective of this workshop was to sensitize Bangladeshi private sector members and relevant government officials about the various standards and technical requirements, such as sanitary and phytosanitary measures (SPS), Technical Barriers to Trade (TBT) applied by India to goods being imported from Bangladesh. Complying with these requirements is necessary if Bangladeshi exporters want to expand their space in the Indian market.

In total about 70 private and public sector participants of India and Bangladesh including policy makers, researchers, professionals, private business entrepreneurs put forward their opinions on how to resolve the operational and understanding gaps between these two countries. There is a perceived understanding that Bangladeshi products are discriminated in the borders in terms of testing and conformity standards which of course needs documentary evidence as was viewed in the Dialogue program. The event was facilitated by the trainers who have expertise in conformity assessment/standards and cover all the vital aspects of how Bangladeshi exporters can comply with the Indian Standards regime. Bangladeshi and Indian participants have identified some specific areas in which they can continue to work together to address standards issues after the workshop. Some of the areas are; labeling for the non food sectors, nature of voluntary standards and mandatory standards and how to deal with these issues, counter freight manufacturing items and enforcement of laws in that respect, sample import, foreign manufacturing certificate, harmonization with Codex standards in the food sector exports, capacities of laboratories maintained by different ministries, collaboration with Food and Safety Authority of India (FSSAI) and of Food Safety authority of Bangladesh for Equivalence in regard to food safety, organic food standards etc. An appropriate action with time-bound implementation deadlines is one of the answers but for that concerned organization need to play a vital role.

The idea of this workshop grew out of multiple consultations which took place between India and Bangladesh in regard to address the trade gaps. India can play a role as a future standard setter, especially in South Asia. Opportunities for engaging in greater investment and trade. The partnership between the two countries can be strengthened by establishing a platform of mutual understanding about the conformity assessment, standard and regional growth.

There is a serious need of trust building between the two countries which comes from the fair play of trade, observed by the joint Secretary, Department of Commerce, Government of India. Underlining the commonalities of language and culture between India and Bangladesh, there is reason why they cannot also prosper as common markets, he viewed. In case of capacity building there are some emerged ideas and joint initiatives are required.

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9 In the reference section some names have been given
3.3 The participants

The aim of the workshop was to identify ways to reduce the barriers to trade not to reduce this trade gap between two countries also sensitizing Indian importers and Bangladeshi exporters (and associated government officials) about the applicable technical requirements, standards, and sanitary and phytosanitary measures that impact the flow of goods and services into India from Bangladesh. Such understanding is crucial for any cross-border trade to successfully reach Indian markets. If these barriers are taken away, trade between two countries can increase which is presently heavily balanced in favour of India.

The Dialogue brought together policymakers, regulators and representatives of standards, accreditation and conformity assessment bodies from India and Bangladesh in an open and constructive atmosphere. This workshop gave the participants an opportunity to share their experiences with standards and conformity requirements and exchange views on orientations for good practice that bolsters open markets. Confederation of Indian Industry (CII) was the counterpart of BUILD, worked under the Asia & Middle East Economic Growth Best Practices (AMEG) project of USAID.

3.4 Identifying issues for the respective sectors

Among the identified issues, non-acceptance of test certificates, strict labeling, certification requirements and some procedural obstacles. The question to be addressed was whether Bangladeshi exporters face problems conforming to these standards. Also, if they find any discrepancies in conformity assessment on the Indian side. Regarding standards capabilities in terms of international versus national standards is another issue which depends on the capacity and infrastructure building by setting up testing labs and smoothening the certification process. A significant proportion of Bangladesh-India trade are being done through land ports, there are infrastructural gaps in these ports in both sides. Exporters requested for testing labs in the proximity so that samples are not required to be sent far adding costs. However, amount of goods required for tests are not huge, may not offset the need for establishment of a lab and its maintaining costs. Some sectoral issues are given below:

Problems of Jute Sector

Among the conformity Issues in the jute sector, labeling and marking tops the most, compulsory labeling drives up the transaction cost. While there is no real problem with doing this as it acts as branding for Bangladeshi products. However, Indian exporters who use Bangladeshi sacking bags prefer not to have the labels as they use them for exporting Indian products abroad. Issues regarding Rules of Origin is another concerns. There are buyer standards in jute products. While there is no issue as regards to quality, there is an issue regarding quantity and pricing. Indian domestic producers have the advantage in this area as they use machine production rather than handloom production. This makes diversified Bangladeshi jute products uncompetitive in the Indian market despite being highly competitive in foreign markets. There is rejection of products at the end-buyer stage due to issues regarding licensing. There is also need for higher information dissemination amongst Bangladeshi

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10 Reports of CII on Dialogue Workshop on Conformity Standards, 25 May, New Delhi, India
producers in terms of the necessary Indian standards. There are some tariff based issues also, recently Bangladesh has been facing an Antidumping on several Jute Goods making the situation more worse, some discussion are going on to address Jute goods issues, while some exporters by this time have dropped the idea of exporting jute goods to India.

There are some general issues other than standards and conformity assessment needs. While there is enough export of raw jute, there is barely any of diversified jute products from Bangladesh to India. The reason identified was that Indian processed jute products are cheaper as there is mechanized production. Most of Bangladeshi processed production is, however, hand-made, and therefore costs more making them non-competitive in the Indian market. There is transfer of technical know-how from Indian to Bangladesh in the RMG and other sectors, this does not happen in the jute sector. Loading and unloading takes longer at the Indian borders which drives up transaction costs.

**Textile and Ready made Garments(RMG)**

Readymade garments account for a significant proportion of India's total imports from Bangladesh. While the large Bangladeshi enterprises export mainly to the US and the European Union, the small and medium ones export to India. Readymade garments account for a huge share of 80 percent of Bangladesh’s total annual exports. Some SMEs are exporting RMG products to India, there are issue like non-payment by Indian buyers, e.g.; specific case of Lilliput has distorted the confidence. Sale of counterfeits of Indian brand products by Bangladeshi manufacturers (Raymond) is another example. In regard to tariff issues there are examples of countervailing duties on cotton, viewed as a non tariff barriers hampering growth.

**Leather & Plastic**

There is a common perception that tests of consignments from Bangladesh happen more often. This may decrease exporter confidence. Health Certification requirements cause delays. It appears that there is mandatory testing of goods. In regard to certification requirements there is lack of information at the ports about recognized certificates based on MRA’s. There are not enough certified labs closer to the Bangladesh – India border than Kolkata. This increases transaction costs due to conformity requirements acting as a non-tariff barrier to trade. No clarity on the requirement for SGS certification from the states even though it is not a buyer requirement (plastics industry).

In regard to licensing under Bureau of Indian Standard (BIS) Foreign Manufacturers Certification Scheme (FMCS), licenses are granted for a period of one year. The Bangladeshi private sector delegates felt that the license could be issued for a longer period of time (up to 3 years) and the cost reduced.

Additionally, loading and unloading is a perpetual problems which causes delays in terms of getting the products to markets. On average, only three consignments are cleared per day. The requirement felt is for 5 so as to reduce time costs. Costs also go up taking products from one state to another. It is hoped that after the introduction of GST from July 2017, things will improve. An MOU has been signed between Bangladesh and India during the visit of the Hon’ble Prime Minister of India. There has been a MoU signed regarding conformity and standards, which needs immediate implementation.

11 Internet
12 Taken from the Report on the Dialogue Workshop by the CII
Agro and Agro processing sector

In regard to food sector India has got relevant authority working under the Food Safety Act, Food Sector Safety Authority(FSSAI) plays a great role in this respect. Recently announced Food Safety Act in Bangladesh has established Food Safety Authority(FSA) too. A national Committee has also been formed, through which some sort of coordination with the ministries and organization to work in the food sector have been established. After having a full fledged quality infrastructure within the country, it should start working to maintain liaison with the international quality organizations and forums to know the gaps and find out ways on how to bridge the gaps.

There is a serious need to establish a close link between these two authorities so that standard and conformity assessments requirements are known each others. Experiences from the workshop reveals that there are huge understanding gaps among the stakeholders and government organizations of the two countries. There is a serious need to engage concerned ministries, departments to coordinate each other for contributing for an appropriate quality control and standard setting issues. The whole standards and regulations regime is an interdepartmental, inter ministerial, administration controlled process that needs to adhere to International Standard Organization(ISO), International Electrotechnical Commission(IEC) and WTO agreements and guidelines.

In Bangladesh, Ministry of Industries and its departments is supposed to play a prime role in maintaining standards for non food items. There is a serious need to develop a coordination mechanism among other Ministries dealing with Non Food items, these are Ministry of Jute and Textiles and similar other ministries dealing with these items. While Ministry of Agriculture, Fisheries, Ministry of Food, Ministry of Health, Ministry of Science and technology and Ministry of Commerce and its relevant departments would need to have a good coordination to deal with the development of quality standard infrastructure for food items.

A flow chart of standard setting bodies of food and non-food sector is shown below:
Quality Infrastructure of Food and Non Food Sector of Bangladesh

Notes: Non Food sector issues are mostly taken care by the Ministry of Industries and concerned organization working under the Ministry, some of the important ones are as follows:

Bangladesh Standard and Testing Institute (BSTI)\textsuperscript{14}, Bangladesh Accreditation Board (BAB)\textsuperscript{15} are the main organizations looking after the standard and testing issues. Concerned websites has given the full description of their activities. There are other organizations under the Ministry, such as;

\textsuperscript{13} Author’s own research
\textsuperscript{14} BSTI Website
\textsuperscript{15} Website of BAB
Bangladesh Institute of Management (BIM), Department of patent Design and Trade Marks (DPDT), Bangladesh Small & Cottage Industries Corporation (BSCIC), Bangladesh Sugar and Food Industries Corporation (BSIFIC), looks after different aspects and working under the Ministry of Industries. Department of textiles also looks after some textile related products.

In case of Food sector also there are a number of organization working to look after these issues. At least 7-8 Ministries are involved, there is a need for coordination. BSTI sets Mandatory and Voluntary standards. In the Mandatory Standard list of 155 products there are about 62 food products for which Ministries and organizations looking after these products would need to maintain full contacts. There are technical committees in which all these Ministries have representations, these committees needs enough research and follow-up and maintain contacts with the relevant organizations of the importing countries to upgrade standards of the products and process being exported to different countries.

4.0 Policies for maintaining Quality and Standard of Products –a Comparison

Bangladesh Standard and Testing Institute (BSTI) should also maintain its full communication with its counterpart organization of Bureau of Standard Standards of India (BIS). Bureau of Indian Standards Act of 1986 has been recently replaced by BIS Act 2016, they have new rules also, these version seeks to broaden its ambit, and allow the central government to make it mandatory for certain notified goods, articles and processes to carry the standard mark. BSTI should have all these updated information to keep it posted with the Bangladeshi entrepreneurs. BIS also introduced and operating a Foreign Manufacturers Certification Scheme (FMCS) since 2000, under this scheme, a license is granted for the use of a standard mark which indicates that a product is compliant with Indian standards.

Food Safety and Standard Authority of India (FSSAI), under the ministry of health looks after food safety regulations based on scientific evidence and risk assessment. Bangladesh Food Safety Authority has just been established under the Ministry of Agriculture needs to maintain a close collaboration with FSSAI to follow the changes they are going to put in together with their standards.

India has also issued its latest amendment in its Plat Quarantine Order 2003 and amended it as 2016. The plat quarantine order stipulates that no plants and products and other regulated articles shall be imported into India without complying the phytosanitary conditions included in this order. Bangladeshi Plant Quarantine wing under Ministry of agriculture would need to maintain a full contact with them so that any new emerging issues are instantly be brought to the notice of the concerned business entrepreneurs.

Beyond these, Ministry of Steel, Ministry of Electronics & Information Technology, Ministry of road transport and highways, central drugs control organization, Export inspection council, Agricultural and Processed Food Export Development Authority (APEDA), Ministry of Environment, Forests and Climate Change, Department of Industrial Policy and Promotion, Department of Telecom are contributing in their respective areas in India to make the quality and standard infrastructure in a strong footing.

Requirements of standards infrastructure for food and non food sectors are a bit different in nature. In order to reach new and diversified markets, with the selection of products, there is a strong need to understand the quality policy and structure of the concerned country, public private collaboration and public public coordination to address these complex and dynamic issues are also important, otherwise export diversification targets would remain a far cry in the paper only.

Bangladesh is one of the fast moving developing country aspires to be a middle income country soon, but the country is lagging behind in several aspects, one of these is maintaining a good quality policy and
its infrastructure to ensure standards of produced in the country. Maintenance of quality and standards of a product, process as per the regulations and policies of the country is a priority. People usually considers it as non tariff barriers (NTBs) and one of the protectionist mechanism, because importing country imposes burden of different conformity assessment standards before allowing goods from other countries. As an export-led manufacture-based country Bangladesh will have to go a long way in developing a standard quality infrastructure.

Conformity assessment involves Testing, Certification and Inspection. It is also highly related to the Technical requirements which refers to product-specific properties are legally binding and usually set by the country where the product is exported to (or imported from) as opposed to voluntary standards. Technical requirements define product characteristics, technical specifications of a set of a product or the production process and post-production treatment. Technical regulations include sanitary and phyto-sanitary measures which are generally implemented to protect human, animal and plant life and health from pests and diseases.

As a member of the WTO, south Asian countries are obliged to notify WTO on regulations that are proposed or adopted by these countries. A simple example shows that in respect of Technical Barriers to Trade (TBT) India issued 8 notification, in respect of Sanitary and Phytosanitary Measures (SPS) the number of notifications is 45 in 2016, while Bangladesh has not yet issued a single notification, in comparison, Afghanistan issued 2 TBT and 3 SPS notifications, Pakistan issued 18 TBT notifications, Sri Lanka 1 TBT and 6 SPS, Nepal issued 4 SPS notification. Bangladesh, Bhutan and Maldives are absent in this respect. Bangladesh has its TBT Focal point in BSTI and SPS focal point in Ministry of Commerce, these Focal points have to be re-anchored with special type of infrastructure and logistics to build their capacities, to track the notifications on a day to day basis put out by WTO in their website or circulate through International Standard Organization (ISO), otherwise cheap low graded product will have a strong inflow in the country, while our products in the foreign markets will face hard competition.

Similar to Bangladesh, Indian business entrepreneurs have also been facing challenges because there is a surge of standards and notifications and technical regulations of different government and private standards. India tracks the notifications put out by WTO which is about 3000 in a year, and government responds to these notifications and gets regular inputs from the stakeholders by having inputs from them. Bangladeshi stakeholders and government organizations would also need to work together to improve capacities to tackle the NTBs. There are 6 Export Promotion Council working in Bangladesh under the Ministry of Commerce, can work to collect information from importing countries for the exporters issued by the regulator of these countries, following examples of Export Inspection Council (EIC) in India.

Recently on April 3, Food Safety and Standard Authority in India (FSSAI) in a gazette notification as per relevant clauses of their Food Safety and Standards Act 2006 and Food Safety and Standards (Food

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16 Back Ground paper for Private Sector Stakeholders and Government Officials
import) regulations 2017 announced that BSTI in Bangladesh is authorized to issue certificate of test analysis for 21 food products, some of these are on fruit juice, jam, jelly, marmalade, pickles, chutney, food drinks, sauce, tomato ketchup etc. for which Bangladesh has got some strength and capabilities. Bangladesh would need to grab these opportunities immediately. There is an immediate need to consult with the new Food Safety and Standard regulations of 2017 as mentioned in the gazette notification and sit with the private stakeholders to know about their plan and help them to prepare accordingly.

Some may raise questions about the duration of certificates, as BSTI provides certificates for 3 years whether the same is to be agreed by FSSAI. From the side of Bangladesh it was also raised that while Bangladesh takes about 22 days for providing a certificate, what will happen when the number of consignments will increase, comparative figure in India is only 5 days. Number of accredited laboratories and its acceptance to the international level is also important. National Accreditation Board for Calibration Bodies (NABCB) accreditation equivalent and certificates with NABCB logo is acceptable internationally. Bangladesh also need to achieve this level.

Bureau of Indian Standard (BIS) has 12000 voluntary and about 250 mandatory standard. In parallel, Bangladesh has about 3900 voluntary and 155 mandatory standard which is to be enforceable through govt. act. In regard to International standards, BSTI adopted around 2000 standards of International Standard Organization (ISO), International Electrotechnical Commission (IEC) and Codex Standard. Bangladesh is a member of ISO since 1974 and in 2001 it became an affiliate member of IEC. The standard set by IEC and Codex is supposed to be reviewed in every 5 years as one of the requirements of WTO. In order to increase export from Bangladesh to India, Mutual Acceptance of Standards is important, Bangladesh and India could follow Codex standard. Harmonization with Codex equivalent standard will help increasing the possibility of acceptability, whether it is food or any other products, in that respect food safety, lab certificates etc. are important. In addition, a study can be initiated to analyze the differences of standard setting parameters, if there is any, action may be taken to bridge the gaps by adopting those parameters immediately.

Need for regulations, which a government of a country need to enact to protect the food, animal and plant of a country. There are differences of regulations, voluntary standard, mandatory standards, standards in response to buyers demand and also private standards. There are social and environmental standards, bio-logical standards etc. Regulations should have to give national treatment, as a country can challenge if it is the deviation of national treatment. So the industries need to be trained to follow the regulations of the importing countries carefully. Quality can not be regulated, it should be driven by the market. WTO encourages to follow the international standard. Extensive G-to-G dialogues is required to mitigate the understanding gaps.

Export Inspection Certificate (EIC) must meet the requirements of importing countries. Two very important documents are required; these are Certificate of Origin and Health certificate, these documents assured importers that regulatory authority has given certificates in that respect. India exports about USD 6 billion in year to Bangladesh, major items are cotton, vehicles & accessories, machinery, Iron and Steel, plastic articles. It also exports some food products, of which marine products is about USD 20 million, dairy products USD 17 million, rice 14.4 million and honey USD 1.2 million in 2016. Against these Bangladesh exports about USD 727 million, in which ready made garments, leather goods, plastic and some agro-products are important.
Private sector of Bangladesh would need to participate in the meetings of standard setting bodies both at national, regional and international level. Similarly in case of regional standard, technical committee meeting would need to be represented adequately. Giving comments on the draft notifications, continuous consultation is important. Similar is the case for international standard. BSTI would need to play their due role in that respect. Private sector involvement is an urgent need.

4.1 Examples of maintaining quality policy and Standard

Experiences also helped in thinking on how standards are at the same time can help bring opportunities, example of British Export of 6Billion pound within 5 years is a good example\(^{18}\). Private standard and specially buyers standards specially in respect of Textile, exporters would need to know these issues. In the whole EU country there is no mandatory standard while there is Suppliers Declaration of Conformity(SDOC), integrated market surveillance is helping them to avoid 3\(^{rd}\) party certificate and they by themselves maintaining standards in such a way so that no complains come.

The examples of Uganda\(^{19}\) is another experience for us, the Ugandan National Bureau of Standard UNBS) has mandated that an importer, or a manufacturer of any commodity for which a compulsory standard specification has been declared shall ensure that the commodity bears a distinctive mark for identified 12 sectors, these are toys, food, electrical and electronics, auto, chemical, mechanical, textile and leather, rubber, wood, paper and safety equipment. Any Bangladeshi entrepreneurs willing to export textile and leather from Bangladesh to Uganda need to know the information of having these compulsory licenses. Uganda has issued more than 30 notifications of petroleum products referring Americal Society for Testing and Materials(ASTM) norms, such measures are issued because of huge investment from USA.

Similar is the case for Taiwan\(^{20}\), their authorities have made it mandatory for exporters to mark the presence of restricted substances on the bodies, packages, stickers, or the instruction books for the commodities exported into Taiwan. The substances that have to be marked include lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls and biphenyl ethers. Bangladesh so far do not have export of these products.

China mandated the issuance of quarantine certificates for 11 notified pests, however, interestingly countries which do not have these pests have to also provide the quarantine certificates there by increasing compliance.

The Gulf Cooperation Council(GCC) issued a regulation stating that imported eggs will have to carry a mark while locally procured eggs will have a green mark. This was to let consumers know whether the egg was imported or local. Countries , including India protected stating that the colour choice may lead to confusion among consumers as red colour may denote rejection.

There is a growing harmonization in Africa, countries like Kenya, Tanzania, Rwanda, Uganda and Mauritius have issued product based standards for food products and non food products. If these information are not known to the exporters it is almost difficult for anybody to enter into these markets.

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\(^{18}\) Mr N Venkateswaaran, Director, National Accreditation Board for Testing & Calibration

\(^{19}\) Workshop on Standards and Conformity Assessment with Regards to Bangladesh-India Trade Relations, Taj Mahal Hotel, Mansing Road, 24-25 May, New Delhi India. Back ground paper for Private sector stakeholders and Government Officials

\(^{20}\) Ibid
As like as Africa, regional standard need to be enhanced and for a harmonized standard among all 8 SAARC countries SARSO could work. Trade and Industry should have adequate information which are generally available in the internet, but to give a better understanding on these technical issues, Export Promotion Bureau(EPB) should provide all information to the stakeholders. Information should be collected from the Food Safety Authority of India. Enquiry Point of this organization can be contacted to collect these information. All Enquiry Points of SAARC countries should have close contacts.

For building capacity of the Industries, SMEs, farmers to be able to meet the world standard of Food Safety and promote Exports, BSTI would need to develop SOPs differently for agricultural practices, manufacturing practices, storing practices and laboratory testing practices. In order to meet the Conformity Assessment issues, there is a need to increase the capacities of Bangladesh Accreditation Board(BAB), nonstop upgrading is required as international standards are refining continuously. There is accredited labs under different ministries, but their testing labs, standards of the technicians needs to be better-quality. Accreditation recognizes technical competence, ensure customer confidence, minimize risks, increases marketing advantage and international recognition etc. Industry needs upgradation and engage them in each and every stages of policy discussion and establish strong public private dialogues.

Globally goods trade is more than about 18 trillion US dollar, while service trade is USD 8 trillion, but growth of service sector is much higher, so not only goods standard, service standards would be a main concerns soon. Bangladesh is still much behind in service export but it needs to start thinking for this areas also.

Concerned standard setting organizations would now start working seriously to abide by the international rules and regulations at the same time be ready at the home front following examples of good practices, other wise export diversification would remain out of reach. Successful South Asian country’s examples could be a learning.

4.2 WTO Policies

The discussions on Food sector began with Components on WTO on Food Safety (SPS and TBT), Principles governing SPS and TBT Agreements and Special and Differential Treatments. The purpose of SPS was also expanded upon and the International Standard Setting bodies in Food, Animal and Plant safety were explained. The Basic principles governing SPS are – Transparency and Scientific Justification.

The WTO SPS Committee and Special & Differential Treatment (S&DT) functions for addressing Specific Trade Concerns (STCs) and strengthening implementation. An individual country has its commitment under the SPS, specifically, codex is the reference standard under WTO.

Understanding on the essential elements of a food control system is important. A food control system contains both strategic and regulatory elements. The need for strategic and regulatory elements were to be cleared among the stakeholders. More importantly, the common problems for decreases in exports and increases in imports can be traced to a lack of commitment to food safety, lack of awareness about international standards and a lack of training.

To combat these, the aim is to first understand the objectives of one’s food policy and based on the same frame a policy for food safety and set up a strategy for the country and regulatory mechanism. It also requires keeping updated and making use of codex standards, set up an infrastructure for food safety and invest in training.
India has increased its participation in the Codex and also tackle its domestic scenario which poses huge problems in terms of malnutrition, hunger, calorie deficiency etc. This step wise and strategic approach helped improve India’s situation including increases in food exports and decreases in measures of malnutrition, anemia etc. Bangladesh needs to establish its strategy and proceed step by step to accommodate WTO principles following examples of South Asian countries.

Some questions emerged that in order to be a safe domestic markets what are the steps needed to be taken. There is also a lack of awareness and training among manufacturers. The world is currently moving from products based standards to process based standards.

5.0 Identifying concrete areas that are currently impeding regional trade

Bangladesh is lagging a bit behind in global competitiveness and its export is highly concentrated on a single product on RMG. Though Bangladesh has a comparative advantage in many products, especially in the labor-intensive products the comparative advantage is different from competitive advantages, following are some examples.

Food and Non Food Sectors²¹:

<table>
<thead>
<tr>
<th>Food Sector</th>
<th>Organization Involved</th>
<th>Non Food Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active participation of Bangladeshi concerned organization in the Codex Meetings is important</td>
<td>BSTI</td>
<td>Labeling is one of the concerns for non-food sector( Textile, Leather, Jute and Plastic were present). These sectors would need to take a serious look for the labeling requirements of the destination market. “Made In Bangladesh” is one of seal used for sending goods from Bangladesh but usually does not get acceptability or face question.</td>
</tr>
</tbody>
</table>

²¹ Taken from the Report to the Chemonics by BUILD
<table>
<thead>
<tr>
<th><strong>Regional standard need to be enhanced and for a harmonized standard among all 8 SAARC countries SARSO could work to support exporters to be prepared for importing markets.</strong></th>
<th><strong>SARSO</strong></th>
<th>Voluntary standards are especially for jute manufacturing products, in order to establish better understanding among the entrepreneur capacity building among the private sector is important. Jute industry needs technological up gradation and produce more value added products. Capacity building in B2B level is another segment needs attention.</th>
<th><strong>BUILD &amp; CII</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Trade and Industry should have adequate information which are generally available in the internet, but to give a better understanding on these technical issues, Export Promotion Bureau(EPB) of Bangladesh should provide all information to the stakeholders and need to work as EIC in India. Information should be collected from the Food Standard and Safety Authority of India(FSSAI). Enquiry Point of the this organization can be contacted to collect basic information. All Enquiry Points of SAARC countries should have contacts.</strong></td>
<td><strong>FSSAI</strong></td>
<td>Counter Freight manufacturing is imposing burden to the legal jute import. Enforcement of Law is required.</td>
<td><strong>MOC, MOI, NBR &amp; Jute Ministry</strong></td>
</tr>
<tr>
<td><strong>The capacity of the Industries, SMEs, Farmers to be able to meet the world standard of Food Safety and promote Exports, BSTI would need to develop SOPs for Agricultural practices, Manufacturing Practices, Storing Practices and Laboratory Testing practices etc.</strong></td>
<td><strong>BSTI</strong></td>
<td>Sampling is done by the customs and designing for the sampling while importing, needs to take a better investigation.</td>
<td><strong>Customs</strong></td>
</tr>
<tr>
<td><strong>In order to increase export from Bangladesh to India Mutual Acceptance of Standards, Bangladesh and India could follow Codex standard. Harmonization with Codex will help increasing the possibility of acceptability, whether it is food or any other products, food safety, lab certificates etc.</strong></td>
<td><strong>FSSAI</strong></td>
<td>Foreign manufacturing certificate is another concern expressed by the exporters of Bangladesh.</td>
<td><strong>BUILD &amp; CII, BSTI &amp; BIS</strong></td>
</tr>
</tbody>
</table>
In order to meet the Conformity Assessment Issues of these identified sectors there is a need to increase the capacities of Bangladesh Accreditation Board (BAB), continuous improvement is required as international standards are also continuously changing.

| BAB | MoU signed on Standard and Conformity Assessment when the Hon’ble Prime Minister of India visited Bangladesh. Both the countries would need to work together on how to implement the MoU. |
| CII & BUILD |

In Bangladesh there are accredited labs under different ministries, but their testing labs, standards of the technicians need to be improved. Some participants in the program can take the responsibilities to convey these messages to the concerned bodies.

| Task force participants | Plastic products need SGS certification. Documentation evidence can be shared with BUILD for taking up the case with CII by the concerned stakeholders. |
| Concerned Stakeholders |

Discussion with FSSAI can be initiated for Equivalence in regard to food safety, organic food standards etc. Industry needs up gradation and engage them in each and every stages of discussion as they are the ultimate target to improve their capacities, SME Foundation in Bangladesh can take these responsibilities while other concerned ministries for large industries can work.

| SMEF FSSAI | In case of Conformity Assessment testing for leather, there is a perception that testing for leather goods faces discrimination. It is a case of violation of MFN treatment. Study can be initiated. |
| Business Promotion Council(BPC) |

| Integrated Custom Port (ICP) is available only in three ports in India. This system also needs to be implemented among other 25 ports. BUILD could come up to take a stock of the ports for which ICP is required. In that respect participants of the program would compile information for submission to BUILD |
| BUILD & Taskforce participants |

Training for 17021(Requirements for Management System; 17025(Requirements for Testing & Calibration labs) and other standards

| BAB |
6.0 How to move forward

Cost of Health certification for leather goods through Health Quarantine department to be looked into keeping in mind for requirement of Health Safety aspects. Bangladeshi entrepreneurs wanted to see more accredited labs in the port through which Bangladeshi goods are being exported to India. There is a need to initiate a study to see the amount of exports through these ports to justify the case for establishing accredited lab testing facilities. Current stock of standards in BSTI and BIS can be evaluated and a process of signing of MRAs can be initiated on these products where standards are same, so that acceptance of goods are expedited.

Following the experiences of India, Bangladesh can strengthen its TBT and SPS Focal points in Standard and Testing Institute(BSTI) and Ministry of Commerce to track the notifications on a day to day basis put out by WTO in their website or circulate through ISO. Following examples of Export Inspection Council(EIC) in India, Bangladesh Export Promotion Bureau(EPB) can be involved to collect information from importing countries for the exporters issued by the regulator of these countries. In regard to food related information enquiry points of India and Bangladesh can have a good contact.

Private sector of Bangladesh would need to participate in the meeting of standard setting bodies both at national, regional and international level. At the national level BSTI is the standard setting body has also the responsibilities to circulate draft notifications through their websites and inform concerned stakeholders so that before setting an standard full transparency can be maintained. Similarly in case of regional standard, technical committee meeting would need to be represented adequately. Giving comments on the draft notifications, continuous consultation with the stakeholders is important. Similar is the case for international standard.

Bangladesh would also need to consult notification of WTO for other countries. So far Bangladesh has not been able to send any notification to the WTO. It would help ensuring transparency in the standard setting process and create awareness so that exporters are well informed ahead of time before notification has been made public and prepared accordingly. At the same time Bangladesh would need to be ready to respond to the notification which are not justifiable for Bangladesh. In that respect Bangladesh need to develop enough capacities.

Quality Infrastructure has four specific pillars, these are standard, Conformity Assessment, Meteorology(Measurement), Accreditation. Coordination among these bodies to act properly is important. Harmonization of regional standard is another issue for which more and more consultation is required. Private standard and buyers requirements specially in respect of Textile, exporters(e.g, Social Audits) would need to be known by the exporters.

6.1 Exploring the creation of a Forum

During the discussion it was also felt for a need of establishing a Forum to raise consolidated voice. The Forum will of course underline conformity assessment tools such as standards, testing, inspection, and certification and cross border transportation to facilitate the reduction of trade restrictions between the two nations and bridge information gaps among stakeholders. As the second step, we can promote inter-regional connectivity by developing mutual collaboration between governments and industry stakeholders from both sides in a bid to reducing non-tariff barriers to trade in Bangladesh and India.

Forum comprised of policymakers, regulators and representatives of standards, accreditation and conformity assessment bodies initially from India and Bangladesh can be created. Taking the outcome
and necessity of the Forum into account, it can also be represented by other South Asian countries in future.

**Next Steps of the Forum**

I. Organizing dialogues for filling information gaps among stakeholders and knowledge-sharing of good practice for regulatory reform;

II. Providing practical policy recommendations on how countries, either unilaterally or through a regional process where there might be gains from cooperation, can remove existing NTBs as well as discipline the development of new ones;

III. Harnessing regional integration more effectively as regional integration offers the prospect of improved access to neighboring markets;

IV. Advocacy for consultation with the trading partners before implementing any import bans, quotas, permits and licensing;

V. Reducing bureaucratic requirements, streamlining border management procedures and implementing trade facilitation measures, including one-stop border posts to lower border crossing times and reduce transport costs, at least along the main land ports;

VI. Controlling new NTBs;

The Secretariats (CII and BUILD) of the Forum would be responsible for the policy direction that the Forum takes from time to time. CII and BUILD can be vested with the authority and responsibility to exercise control over all the activities conducted by the Forum. In addition, the Forum can be designed as a sustainable platform for action-oriented tool that simplifies the process of export and import by working closely with the two governments. It can also feature focused public-private dialogue, backed by rigorous analysis and advocacy to ensure that concrete and results-based reforms are implemented.

Steering Committee that the Forum would develop to be a leader in providing training in capacity building, and acts as the platform for groups to share their best practices to enable them learn from each other. The ultimate goal is to empower both importers and exporters so that they sensitise themselves including government stakeholders about the applicable technical requirements, standards, and sanitary and phytosanitary measures.

The formation of the Forum can be as follows;

<table>
<thead>
<tr>
<th>NTB Forum</th>
<th>India</th>
<th>Bangladesh</th>
</tr>
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<tbody>
<tr>
<td>Secretary (Co-chair)</td>
<td>Ministry of Commerce</td>
<td>Secretary (Co-chair)</td>
</tr>
<tr>
<td>Ministry of Commerce</td>
<td></td>
<td>Ministry of Commerce</td>
</tr>
<tr>
<td>Public Sector Members may include</td>
<td>Bureau of Indian Standards/Industries Ministry (Member)</td>
<td>Public Sector Members may include</td>
</tr>
<tr>
<td>Food Safety and Standard Authority of India</td>
<td></td>
<td>Ministry of Industries</td>
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<td></td>
<td></td>
<td>Ministry of Agriculture</td>
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<tr>
<td></td>
<td></td>
<td>Bangladesh Standards And Testing Institution</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Business Promotion Council</td>
</tr>
</tbody>
</table>
If the Forum can be launched and supported by both the countries, there is a tremendous opportunity to see some improvement in addressing the NTBs and bridging the understanding gaps and thus reducing trade gaps among SAARC countries in general and Bangladesh-India in particular.

7.0 Concluding and Findings for Solutions

As long as the same mandatory requirement exists for national industry, labeling would have to be complied with regardless of buyer preference. If Indian industry feels that the requirement should be changed, then they would have to approach the government from their side.

There was concern over technological know-how and whether it could be addressed through more robust information dissemination and training. However, the Bangladeshi private sector must identify specific needs for the above to be done effectively. Bilateral cooperation between the Bangladeshi private sector and the Technology Development Board under the Department of Science and Technology of the Government of India could be encouraged.

Formal requests regarding the same would have to be made by those Bangladeshi industry members who wish for this transfer to occur. Visits could also be arranged for Bangladeshi industry members to their Indian counterparts. Technology transfers in value-added products could be encouraged to increase access to markets for diversified goods.

There is a perception that Bangladeshi leather products are tested more may be due to more random sampling and testing rather than any inherent bias. The same is true for RMG. There is no official study that states that such a bias exists.

If the argument is that border checks at the Indian border are more than at other world borders, then that is a matter of state prerogative. However, if the argument is that Bangladeshi products are tested more often than the same products from other countries, then a comparative study must be conducted and submitted to Indian authorities by Bangladeshi stakeholders, following due course.

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22 Short Survey done in the New Delhi Dialogue Workshop compiled by Kaitlyn Bacca
As far as the issue of setting up testing labs is concerned, in India, it is the private sector that takes up this task on behalf of the government. Labs are set up based on market requirements. A study into the testing lab requirements must be done. This would require looking into the volume of trade flows in the areas nearer the India – Bangladesh border. Stakeholder consultation would be required for the same.

The status of MRAs between accreditation bodies needs to be looked into. Especially as concerns were expressed in regard to acceptance by regulators of certifications for which equivalence has been established. From the experiences it is of course seen that a significant amount of time has been elapsed because of administrative procedures for getting a MRA. A deeper study of Bangladeshi standards may be conducted to create and negotiate substantive MRAs. This could be a collaborative effort between CII and BUILD so as to find products in which parallel standards exist.

It is important to understand that accreditation only facilitates acceptance of conformity assessment results. It does not guarantee this. If a sector is regulated, the concerned regulating authority has discretion in whether or not it accepts the test results. In order to address issues surrounding SGS certifications for the leather industry, the Bangladeshi private sector would have to provide specific orders and notifications to be taken up at the government to government level. Health certification concerns matter regarding SPS and cannot really be challenged. If issues are faced in conforming to the standards set, it may be alleviated through training and skills development.

Creating more Integrated Customs Ports (ICP’s) was one of the proposals. Presently there are only 3 ICPs out of 25 customs ports. Both the Indian and Bangladesh side would need to concentrate in this issues, at least there should be an efforts to identify most important ports which needs ICPs. There is a need for clarity in identifying ports which may be developed as Integrated Customs Ports (ICPs).

Non payment by buyers is another concerns, where Central Bank has a great role to play. There is a need here for government – to – government collaboration to get a solution. Finding government to government mechanisms for technological transfer is also important, making government more aware of industry issues is required and in that respect public private dialogue is important.

Building connectivity between counterpart labs, training on voluntary standards for Bangladeshi importers, better coordination through the International Laboratory Accreditation Cooperation(ILAC) and the Asia Pacific Laboratory Accreditation(APLAC), laboratory facility for testing; strengthening of lab capacities for accredited analysis, non-acceptance of test certificate were raised in several occasion. Identifying the correct agencies for training purposes and for this an information bank of experts may be created.

There is a need for extensive studies and research on the standards to be adopted which are important for the country based on the products on which we have competitiveness, some of these are ISO 17025, ISO 170001 and R&D – transfer of technologies & knowledge. Increase negotiation power for market access to avoid discrimination of trade between India & Bangladesh, bilateral agreement, more stakeholder engagement, negotiation, dialogues were some other prescription by the participants.

Exchange of information, awareness of standards and problems, transparency of procedures, market access, more positive signs from the govt, mutual acceptance of standards (e.g. BSTI & BIS should have equal standards), harmonization of international and regional standards (e.g. codex, SARSO), more standards for food products, fisheries sector are required. Agro products standard of BSTI should be
acceptable, BSTI supervision of agro foods such as vegetables, fruits is almost absent. BSTI should take initiative in this field.

Bangladesh –India trade has been discussed in several studies, workshops, seminars and in different government and private sector forums, but the problems remains in the same place. NTBs are also a debatable issues. India has given duty free quota free access to almost all products from Bangladesh, but the supply side constraints and market access barriers are still in place. Standard and quality related issues plays as one of the important NTBs in the South Asian countries, these issues are complex and need long term strategy to resolve. Bangladesh needs continuous discussion with all the concerned authorities of India to raise these issues in the right forum complying all official formalities, other wise Bangladesh-India trade will remain difficult to handle as it is the case presently.

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1. Presentation on International Equivalence of Accreditation & its Benefits, presented by National Accreditation Board for Certification Bodies (NABCB), May 24, 2017, Quality Council of India, New Delhi

2. Keynote Address by Mr Sudhanshu Pandey, Joint Secretary, Department of Commerce, Government of India

3. Foreign Manufacturers Certification Scheme by Shouvik Chanda, Scientist-C (FMCD)

4. Conformity Standards Challenges in South Asia: The Bangladesh Perspective by Dr Selim Raihan, Professor, Economics, Dhaka University, Executive Director, SANEM, presented in the Dialogue Workshop in New Delhi

5. Identifying the barriers that impede trade for India and neighbouring LDCs, J E J. (Ned) Gravel, Senior Standard Advisor, USAID Asia Middle East Economic Growth Best Practices Program (AMEG)

6. Presentation by T S Vishawnath, Principal Adviser, ASL, at the Dialogue Workshop on Conformity Standards, New Delhi, 24-25 May 2017


8. Export Quality Control and Inspection Procedures by Dr S K Saxena, Director, Export Inspection Council (IEC), Ministry of Commerce & Industry, Govt of India

9. Presentation by Mr Sanjay Dave, Former Chairman, Codex Alimentarious Commission and Advisor-FSSAI

10. Presentation by Ms Sashi Rekha, Director, National Accreditation Board for Certification Bodies (NABCB)

11. Export of five priority products from Bangladesh to India, by Dr Selim Raihan, Professor Dhaka University

12. Workshop on Standards and Conformity Assessment with Regards to Bangladesh-India Trade Relations, Taj Mahal Hotel, Mansing Road, 24-25 May, New Delhi India. Back ground paper for Private sector stakeholders and Government Officials


15. Trip Report, AMEG-IPEC Phase III: Development of Express Shipments Pilot Blueprint


19. Trade Map, ITC, Geneva

20. [www bab org bd](http://www.bab.org.bd), website of Bangladesh Accreditation Board

21. bfsa gov bd. website Bangladesh Food Safety Authority

22. Food Safety Act, 2013 on October 10, 2013, established the Bangladesh Food Safety Authority

23. Several Reports and Articles of BUILD and CII.

24. News Paper op-ed, articles and views, participants views and comments