

Staff Reporter



The International Chamber of Commerce, Bangladesh (ICC, B) has urged the policymakers to take the lead in bringing both public and private sector leadership together nothing that Bangladesh economy is under threat due to COVID-19.

"Bangladesh in the past has demonstrated its ability and resilience in combating the aftermath of a natural calamity and we hope, we shall be able to overcome this impending danger together with courage and fortitude," said ICC, B President Mahbubur Rahman.

In a statement on Monday, he said ICC Bangladesh believes the country is in the danger of not responding promptly and robustly enough to the impending challenges.

"Therefore, there is a pressing need for our government and business to agree on an overarching policy framework in the face of growing uncertainty and volatility. We are resolute in our believe that only coordinated action will be effective in tackling a threat that, by its very nature, knows no borders," he said.

The World Health Organization (WHO) officially declared the coronavirus (COVID-19) outbreak a global pandemic on March 11, which has now spread to 170 countries and territories and infected over 330,000 people.

This number does not adequately show the scale and magnitude of this global crisis, which not only related to public health but also the health of the global economy, said the ICC,B President. He said economists are grappling and trying to predict the aftermath of this massive disaster.

"No one knows exactly what will come tomorrow and thereafter and how the society, government, healthcare and the economy will change."

Rahman said it is obvious that the marginal and growing economies will be severely affected.

"Therefore, it is of great concern for Bangladesh as more than 70% of its total export destinations are USA, UK, Canada and EU countries."

The veteran business leader said Bangladesh's export earnings fell by 4.8% in the first eight months of the current fiscal year -- to \$26.24 billion from \$27.56 billion in the same period of the prior fiscal year -- and this downward trend might exacerbate in the coming months in the face of wholesale cancellation of export orders.

On the other hand, he said, China is Bangladesh's largest trading partner and the highest contributor to its supply chain, which feeds into both export and import production.

"Thus, Bangladesh's economic activities may hinder because of direct impact on production, supply chain and market disruption as well as impact on firms and financial markets," said the ICC,B President.

Financial sector, specifically the banking sector in Bangladesh, can be the most affected sector and Bangladesh's remittances is likely to slow down, he said.

Rahman said it is still too early to properly assess what damage the virus will have on the Bangladesh economy, since the situation is evolving every day, economic estimates can only provide a magnitude of the impact.

He said the actual ramification will depend on the extent of the spread and length of the duration of the outbreak and how quickly policymakers can take action to mitigate the health and economic damage.