

Terms of Reference

LCG "PSD-Trade" Working Group

January 2012

1. BACKGROUND

The Government of Bangladesh (GoB) and its Development Partners (DPs) meet regularly through the Local Consultative Group (LCG) mechanism to discuss development priorities in Bangladesh based on national development plans, sectoral strategies and policies. The LCG mechanism is underpinned by several GoB-DP working groups (WG) covering the key development sectors and themes in the country. The LCG WG on PSD-Trade provides a forum for information exchange, coordination and collaboration among GoB and DPs in the area of PSD (private sector development) and trade.

2. OBJECTIVES

The objective of the LCG PSD-Trade WG is to contribute towards effective and coordinated implementation of national policies, strategies, plans and programmes in the relevant sectors in Bangladesh through joint results targets and a monitoring framework.

3. ORGANIZATIONAL SET-UP

The organisational and operational arrangements for LCG PSD-Trade WG are as follows:

- a) The LCG PSD-Trade WG will be Co-Chaired by Secretary, Ministry of Commerce (MoC) and a DP.
- b) The DP Co-Chair will be nominated by consensus from the DP members of the LCG PSD-Trade WG. The term of position is one year with the option of one year extension on consensus from DP members.
- c) Meetings will be held either at the MoC or at the office of the DP Co-Chair, or any other location agreed by the WG.
- d) The Co-Chairs will be responsible for organising the meetings, setting of the agenda, preparing documentation, writing the minutes, maintaining membership lists, and any other tasks deemed necessary. Draft minutes will be circulated to all members after each meeting. Members unable to attend any or all of the meetings will be kept informed of the proceedings of the meetings, and their inputs and suggestions will be solicited as feasible.
- e) The LCG PSD-Trade WG will meet quarterly. Ad-hoc meetings, if required, may be called for by either of the Co-Chairs. Draft minutes will be circulated after each meeting.
- f) The outputs of the LCG PSD-Trade WG are to be defined in annual work plans prepared by the Chair and Co-Chair and approved by all the members.
- g) The LCG PSD-Trade WG will regularly report on its activities to the LCG Plenary. The LCG PSD-Trade WG will also collaborate with the LCG Aid Effectiveness WG in matters related to the implementation of the Joint Cooperation Strategy and reform of the LCG.
- h) The ToR of the LCG PSD-Trade WG will be revised annually under the guidance of the Co-Chairs, and approved by the members of the sub-group.

4. TASKS AND RESPONSIBILITIES

The LCG PSD-Trade WG will focus on the following tasks and responsibilities:

- **To facilitate common understanding on the country's PSD-trade related issues.** This will require exchange of information on PSD-trade related matters, including a regularly updated inventory of GoB and DP activities in this area. Topics for discussion will include results and recommendations emerging from different studies as well as activities and progress under DP funded assistance programs.
- **To promote harmonisation and alignment of activities** as well as joint work/programmes, analyses to enhance aid effectiveness, avoid duplication and encourage complementarity in programming. Accordingly, the LCG PSD-Trade WG will provide feedback to the GoB, concerned agencies, and the LCG Plenary, as deemed necessary. The WG will also prepare an annual plan, tentative agenda and year-end summary and present those at the Bangladesh Development Forum.
- **To provide a forum for establishing consensus on PSD-Trade priorities.** The PSD-Trade WG will seek ways of translating the commitments of the GoB while taking into account Paris and Accra in the context of Bangladesh.
- **To promote the "Enhance Integrated framework (EIF)" mechanism** that Bangladesh recently joined in 2009 so to ensure greater aid effectiveness applied to the country's trade sector under the "Aid for Trade" theme.
- **To support communication and dissemination of best practices** in operational approaches/ practices with demonstrable, measurable and effective impact.
- **To prepare a matrix outlining GoB's reform plans and individual DP commitments and support to broader PSD-trade aspects.** The matrix is intended to promote coherence of support and engagement between GoB and DPs for improved performance in the areas of PSD-trade. Simultaneously, the WG will **monitor and provide support to ensure effective and efficient implementation** of intended activities.
- **To prepare PSD-trade results indicators.** The LCG PSD-Trade WG will contribute in formulating the PSD-trade related indicators to the joint Development Results Framework between GoB and DPs.
- **To discuss implementation or any other emerging issues related to PSD-Trade.** These discussions can be related to DP funded projects and programs, but can also be related to GoB's activities. The group may agree on common action to address these issues.
- **To establish an action-oriented character,** the LCG PSD-Trade WG will have smaller thematic task teams or sub-groups to help achieve its objectives. Currently there exist four sub-groups (namely – (i) Investment Climate and PPP, (ii) EIF/Trade, (iii) SME Development, and (iv) Access-to-Finance) and one Task Force (on "Food Safety and Fisheries") under the LCG PSD-Trade WG.

5. MEMBERSHIP

Members of the PSD-Trade WG are representatives of GoB and self-selected DPs with an interest to work towards improved PSD-Trade in Bangladesh. In addition to the regular members, resource persons and consultants may be invited with agreement of the members.

6. VISIBILITY AND WEBSITE

The LCG PSD-Trade WG will give access in due time to all relevant documents, links and related activities of the WG's respective, as well as the ongoing activities matrix and DPs/programme matrix. The web site to be used: <http://www.lcgbangladesh.org/> under the link "Private Sector Development and Trade" (N°13 of Annex 3 of the JCS)