



Bangladesh
Investment
& POLICY
SUMMIT 2016



Creating Opportunities for Investors

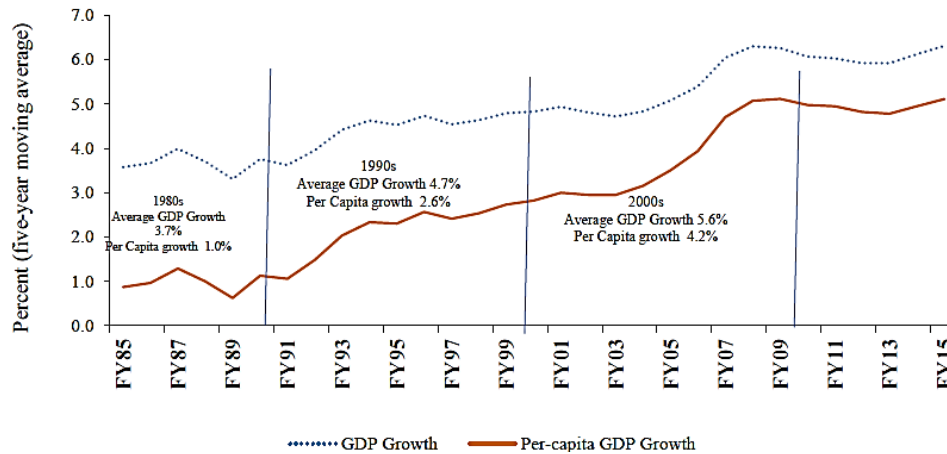
Investing in Growth OPPORTUNITIES BOUNDLESS

Dhaka, January 24, 2016

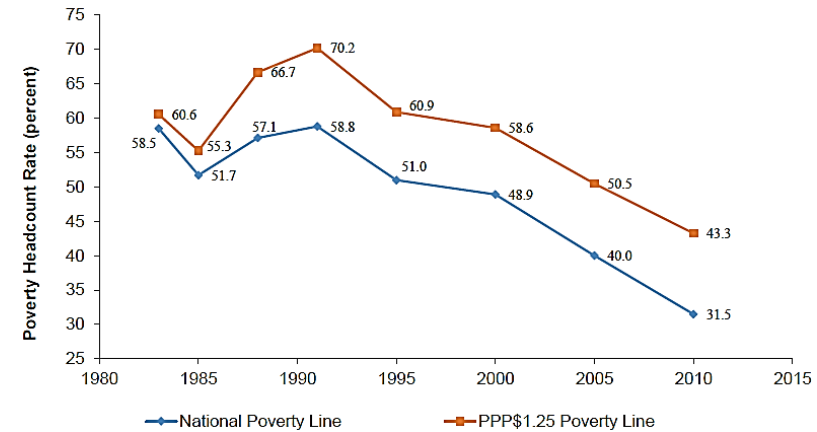
Md. Abul Kalam Azad
Principal Secretary, Prime Minister's Office, Bangladesh

Bangladesh – a fast growing emerging market economy

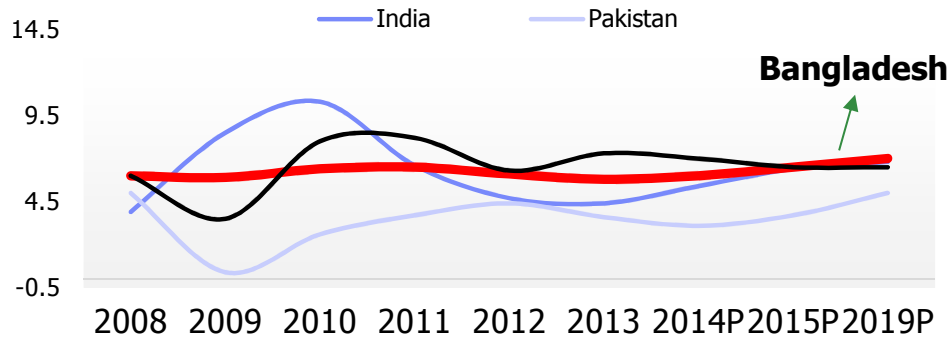
GDP Growth Trend (5 years moving average)



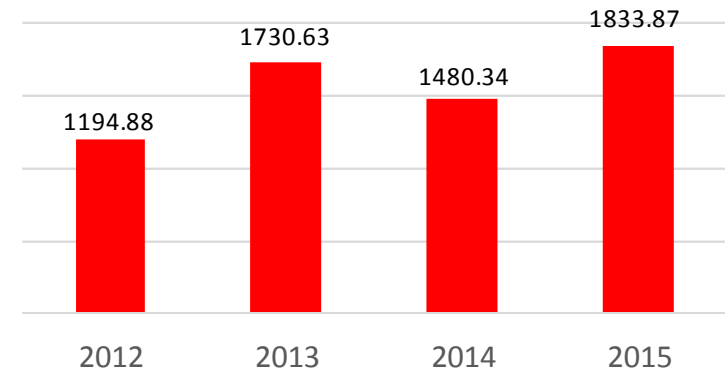
Poverty headcount rate (%)



GDP Growth of South Asian Countries



FDI inflow in Bangladesh \$mn



Bangladesh – an attractive investment location

Bangladesh offers a profitable location both as a market and a production/sourcing base

- Faster growth in industry (overtaken agriculture)
- Developing infrastructure – significant target for infra investment
- Export springboard – access to all the large markets of world
- High demand for technology transfer
- Continued business environment reforms
On global investors spotlight

Large educated and motivated youth

- 57% of the population is under 25 yrs old
- High literacy rate (72%) among youths aged 15-24
- Inspired young, hungry for work and growth
- 2 million youth entering in job market each year

Increasing trade integration

- Labor cost advantage (less than half the average of other Asian economies)
- Already the second largest garments exporter globally with other sectors coming up such as IT outsourcing, ceramics, light engineering, etc.
- Progress on SAFTA, BIMSTEC talks

Increasing urbanization

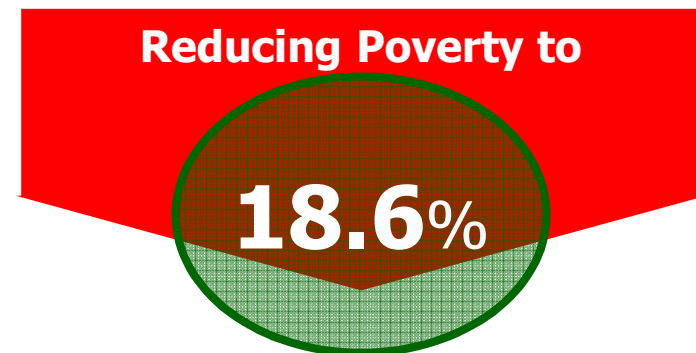
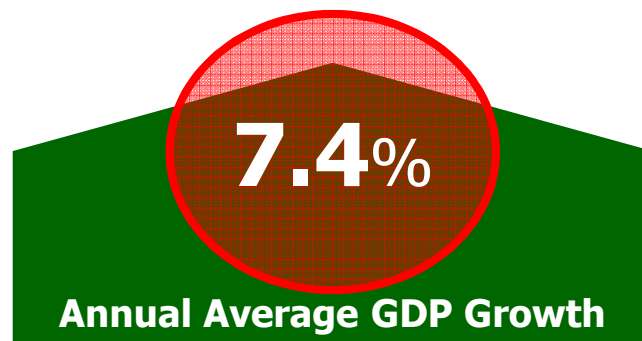
- Urbanization rate is fast; will double over the next four decades
- rapid industrialization, infrastructure development and demographic shifts
- Dhaka will be the world's 5th largest city with a population of 19 million by 2019 (UN forecasts)



Vision 2021

Bangladesh envisions a happy, prosperous & inclusive nation

Growth Targets 2021



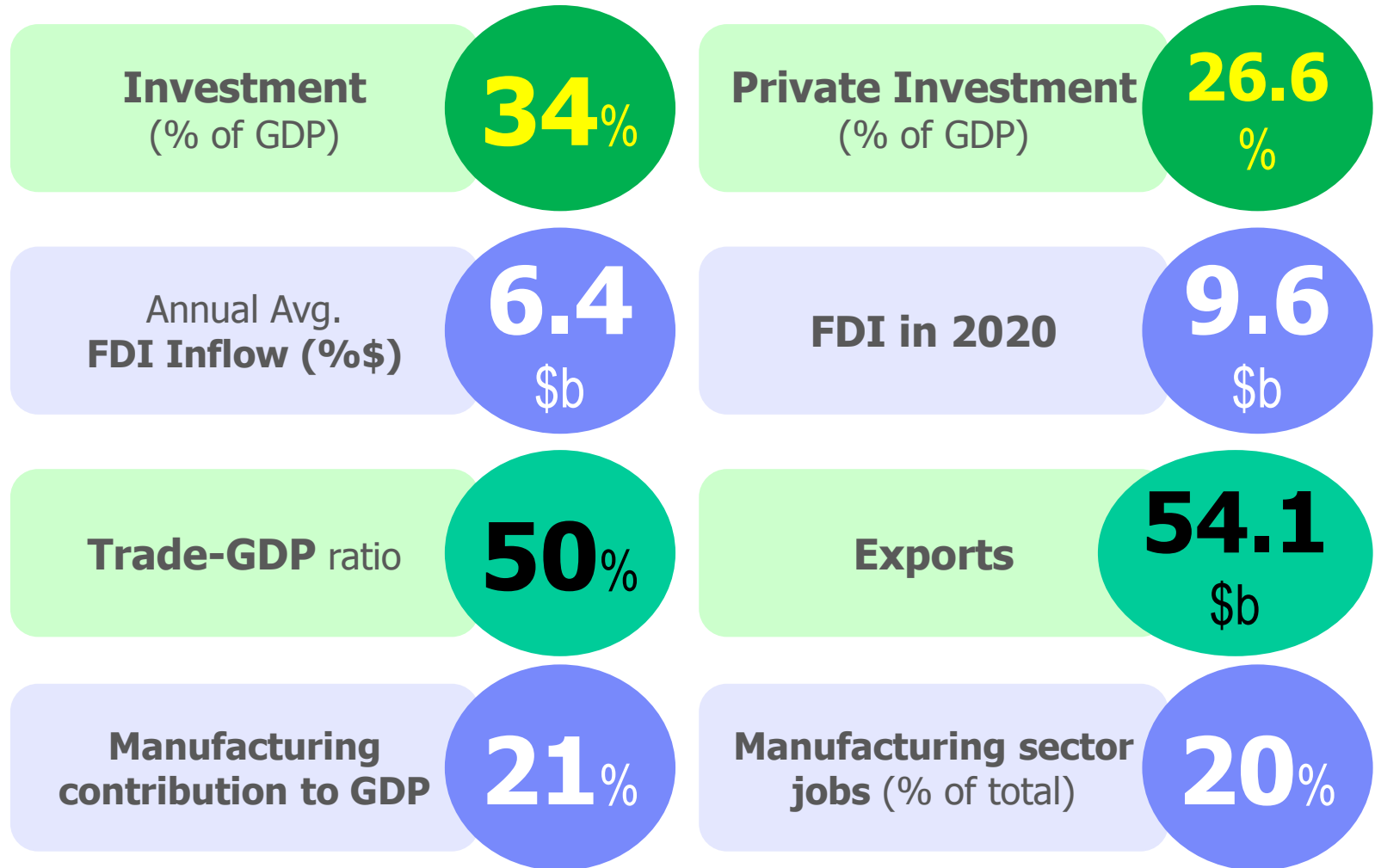
- Boosting economic growth rate to 8% and sustaining it till 2021
- Reducing head-count poverty to 18.6%
- Enhancing electricity supply to 23,000 MW
- Raising the economy to the level of a middle-income country

Follow-on detailed presentations in business sessions

Vision for a developed nation

Aiming for higher growth targets towards MIC status ...

7th Five Year Plan





Vision for a developed nation

Aiming for higher growth targets towards MIC status ...

Aligning with the Sustainable Development Goals

SDGS

Goal 9:

Industrialization, Innovation and Infrastructure

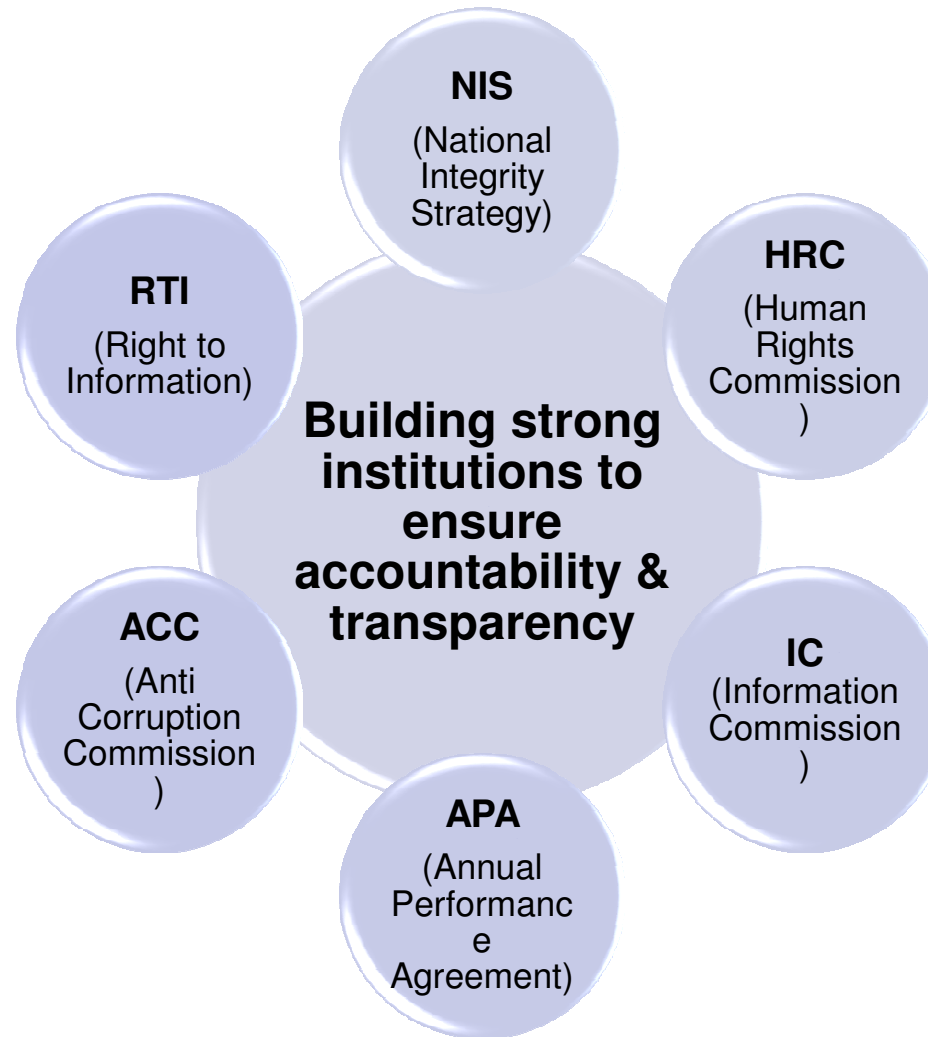
Target 9.2:

- **Promote inclusive and sustainable industrialization by 2030**
- **Increase manufacturing share to 40%**
- **Frame conducive policies to attain SDG**



Vision for a developed nation

Continuous enhancements in transparency & accountability ...





Greater hopes and optimism

Inspiring hopes and confidence of the people, drives the nation ...

WIN/Gallup International's Annual global End of Year survey 2015
Reveals **BANGLADESH** as



The Most **Hopeful**
nation of the world

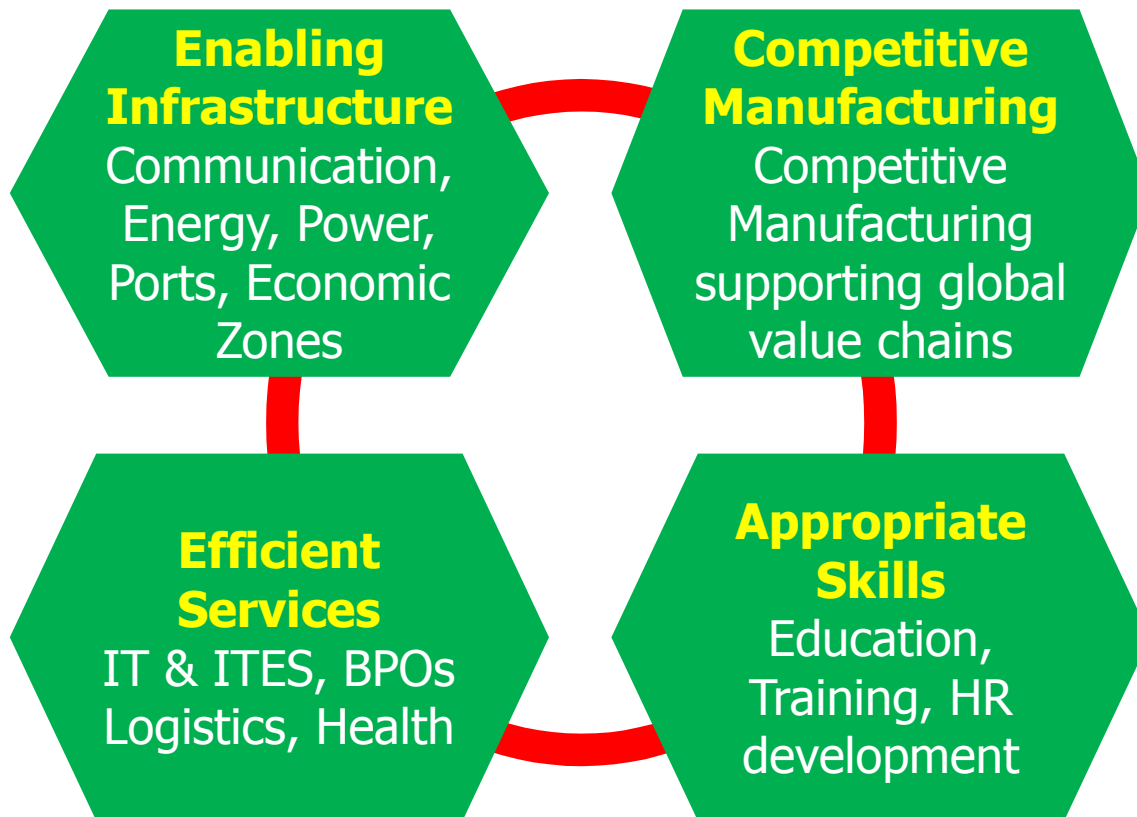
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Most **Economically Optimist** nation
than China and Vietnam

Source: WIN/Gallup International Annual Global Poll/ EOY, December 2015

Opportunities Unbounded

In this growing Bangladesh, investment opportunities are unbounded, diverse and long-term



All Modes of Investments

- 100% FDI
- Joint Ventures
- Partnerships
- PPPs
- Non-equity modes
(Technology transfer, licensing
Franchising, Contracting etc)
- Foreign Lending
- NRB preferences

Opportunities Unbounded

Almost all the sectors are open to FDI

Energy & Infrastructure

- Power
- Ports and Logistics
- Economic Zones
- Oil and gas
- Tourism
- Transport Infrastructure

ICT & Electronics

- ICT and ITES
- Computer software & ICT goods
- Electronics
- Light engineering incl. automobiles

Textile & Clothing

- Home Textiles
- Textiles industry
- Readymade garments industry
- High value added RMG

Agribusiness & Food processing

- Agro-based & agro-processing
- Jute & Jute goods
- Flower cultivation
- Commercial plantation
- Horticulture
- Silkworm & Silk Industry
- Furniture
- Handicrafts
- Integrated shrimp cultivation
- Frozen Food

Pharma & Chemicals

- Pharmaceuticals
- Herbal medicines
- Plastics • Ceramics
- Leather & leather goods
- Textile Dye & chemicals
- Basic chemicals

Healthcare & Others

- Health care
- Footwear
- Cosmetics and toiletries
- Jewelry and diamond cutting polishing

Reserved Sectors

1. Arms & ammunitions
2. Nuclear Power
3. Security printing and minting
4. Afforestation and Mechanize Extraction within the boundary of reserved forest.



Attractive Incentives Schemes

Bangladesh offers most attractive investments incentives across sectors and locations

Fiscal & Tax Incentives

Tax holiday

- 5 to 7 yrs for selected sectors
- Upto 10 yrs for infrastructure
- Upto 12 years for EZs

Accelerated depreciation

- in lieu of **tax** holiday

Double tax avoidance under DTTs

Tariff concessions

- capital machinery
- import of raw materials

Bonded warehousing

Investment Incentives

Others

Fast Track Approvals

Citizenship

Permanent Residency

Quick Immigration

Skilled Work Permits

NRB Preferences

Financial Incentives

Cash incentives

- Exporting selected products

Export Development Fund

Equity Entrepreneurship Fund

Access to infra fund facilities (IPFF)

Capable Institutional Supports

Extending investor's approval and facilitation services by a host of professionally capable institutions

Key Services

Counseling/ Advisory
Regulatory Approvals

Operational facilitation
Visas & Work Permits
Foreign borrowing
Investors aftercare



Key Services

Policy Advocacy
Investment promotion
Match-making
Sector briefings

Project Structuring
Transaction Advisory

Special Projects
Fast Track Services
Inter-ministerial Coordination
Public-Private Dialogue

Structured Policy Coordination

Systematic Policy Coordination for Private sector Growth

PSD Policy Coordination Committee (PSDPCC)

- Working since 2012
- Only public sector platform for private sector related policy coordination, review, identification of investment barriers & fostering public-private cooperation.
- Reform proposals are sector / economy driven advocated by the Chambers/Associations
- PSDPCC utilizes BUILD (the national PPD platform) as the Technical Secretariat to support with fact-based, research-backed reform proposals

PSDPCC aims to

Help improve enabled policy environment for PSD

Help to coordinate both public-private sector for improved doing business

Review implementation progress and improve



- All PSD related Secretaries are Members of PSDPCC
- Leading Chambers represents the private sector
- Since 2012, PSDPCC had 8 meetings taken 50 decisions
- Implementation rate of 70%

Bangladesh – a winning combination

Bangladesh is a winning combination with its competitive business-friendly environment and cost structure that can give you best returns.

Locate and Invest in Bangladesh

Be a partner of Bangladesh's inspiring growth story



CREATING OPPORTUNITIES FOR INVESTORS

THANK YOU

bangladesh.gov.bd ♦ boi.gov.bd ♦ pppo.gov.bd ♦ beza.gov.bd ♦ buildbd.org