

Bangladesh
Investment
Seminar
in Japan

2016

Creating Opportunities for Investors



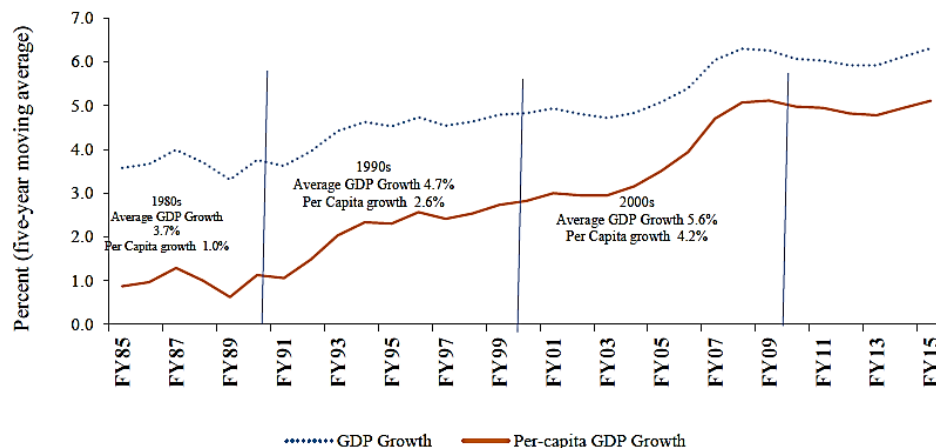
Investment Climate of Bangladesh

Nabhash Chandra Mandal

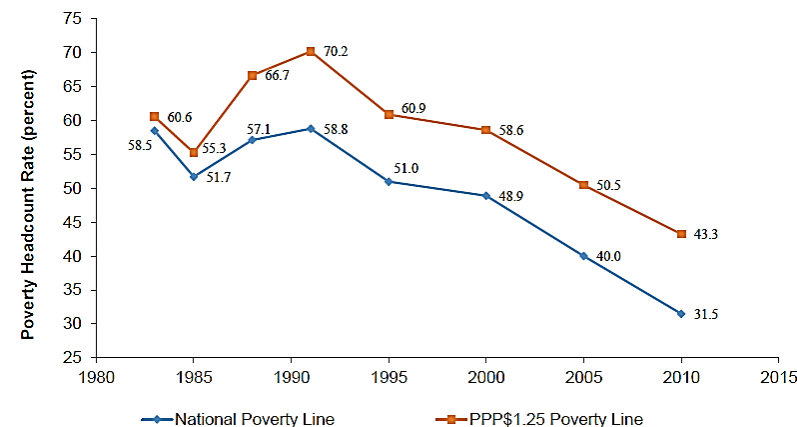
Executive Member, Board of Investment
Prime Minister's Office, Bangladesh

Bangladesh – a fast growing emerging market economy

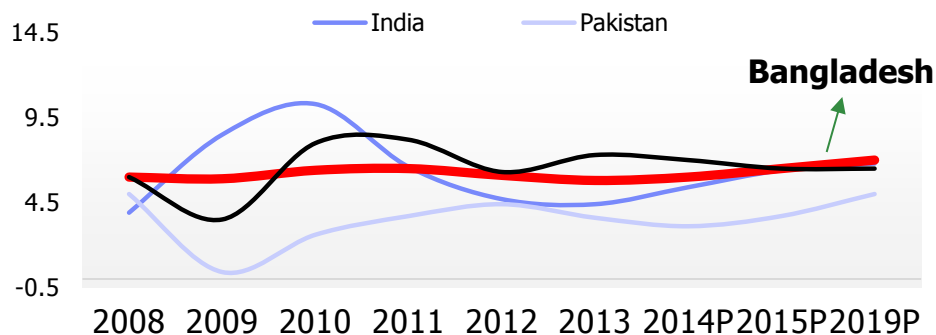
GDP Growth Trend (5 years moving average)



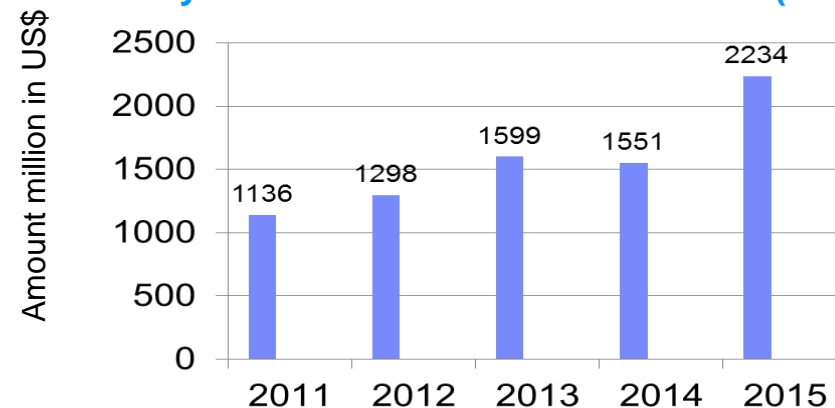
Poverty headcount rate (%)



GDP Growth of South Asian Countries



Yearly Time Series Data of FDI Inflows (Net)



Growth of Bangladesh: 2015

Parameters	As of now (2015)
Per capita (USD)	1466
Population under the poverty line (%)	23
Literacy Rate (%)	70
Female Literacy Rate (%)	77
GDP growth (%)	7.0
Export (USD bn)	31
FDI (USD bn)	2.0
Forex Reserve (US\$ bn)	28.0 (March'2016)
Electricity Gen. Capacity (MW)	14500 MW

Bangladesh – an attractive investment location

Bangladesh production/sourcing base

- Ability to consistently meet product
- Educated & motivated youth
- Increasing trade integration
- Increasing urbanization

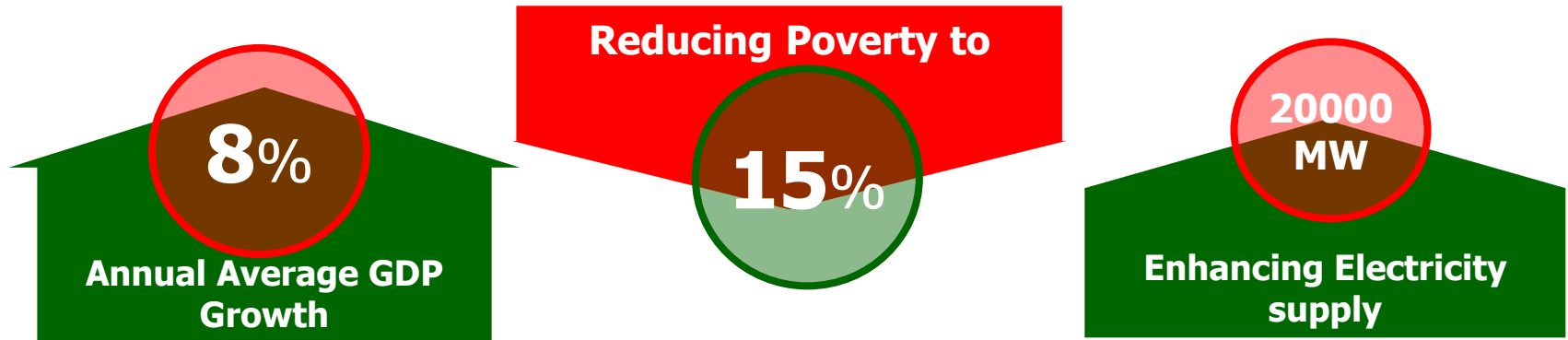
Figure 10. Factors most positively influencing sourcing and investment decisions in GVCs (Lead firms' survey, response percent, 2013)



Vision 2021

Bangladesh: A happy, prosperous & inclusive Middle Income nation

**Growth
Targets
2021**

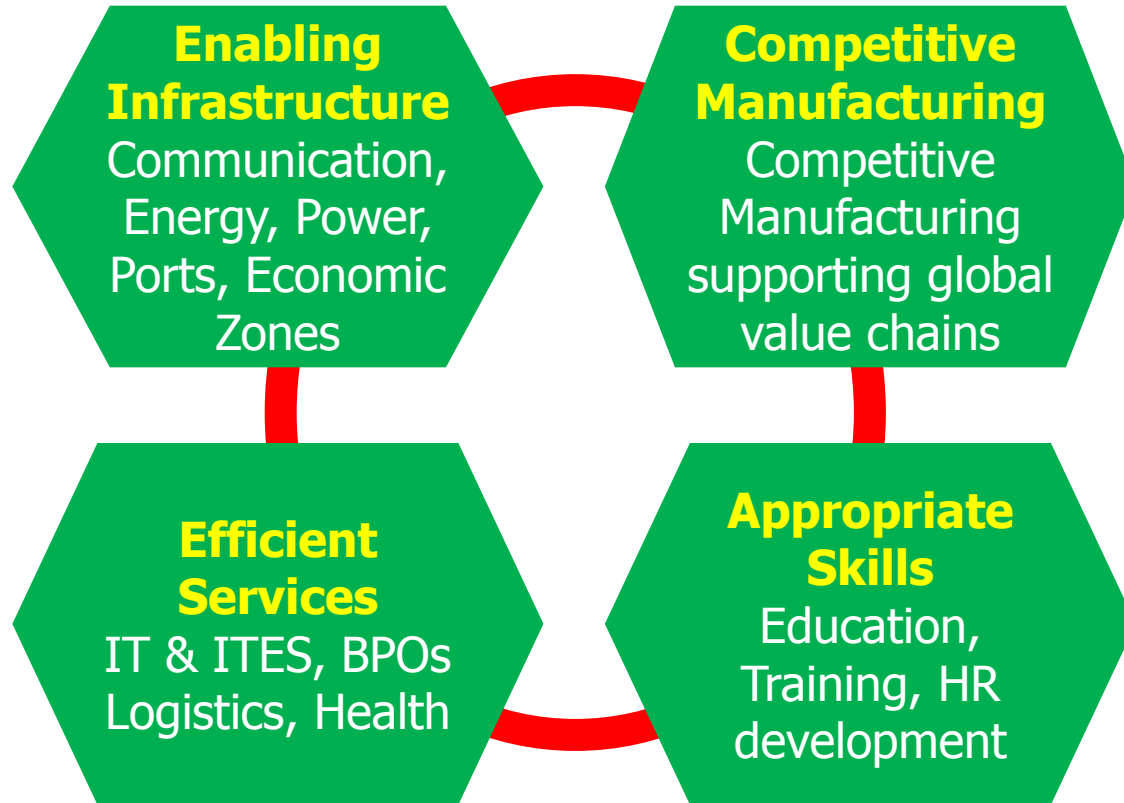


Raising the economy to the level of a middle-income country

Investment Promotion and Protection

- Foreign investment is secured by law
 - Local and Foreign investment is equally treated
 - 100% foreign equity is allowed.
 - All industrial sectors are open for foreign investors
 - Risk factors for FDI are the minimum
 - Bangladesh is a signatory to ICSID, UNCITRAL, OPIC, MIGA, WAIPA, WIPO and WTO.
- **Bilateral Investment treaties (BITs) signed with 31 countries including Japan**
 - **Double taxation treaties (DTTs) with 28 countries including Japan**

Opportunities Unbounded



All Modes of Investments

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

Opportunities Unbounded (Contd.)

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 10 yrs for selected sectors
- Upto 10 yrs for infrastructure
- Upto 12 years for Ezs & IT Park

Accelerated depreciation

- in lieu of **tax** holiday

Double tax avoidance under DTTs

Tariff concessions

- capital machinery
- import of raw materials

Bonded warehousing

Investment Incentives

Financial Incentives

Cash incentives

- Exporting selected products

Export Development Fund

Equity Entrepreneurship Fund

Access to infra fund facilities (IPFF)

Institutional Supports

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

Policy Coordination

Systematic Policy Coordination for Private sector Growth

PSD Policy Coordination Committee

- Only public sector platform
- All PSD related Secretaries are Members of PSDPCC
- Working since 2012
- PSDPCC had 8 meetings taken 50 decisions
- Implementation rate is 70%

PSDPCC aims

Private sector related policy coordination, review, identification of investment barriers & fostering public-private cooperation.





Japan- Bangladesh relations

- Bilateral Investment Treaty and Double taxation treaty signed
- Japan Bangladesh Public Private Joint Economic Dialogue
- 'Task Force' to create better environment for investment and to promote Japanese investment in Bangladesh formed and major reforms made
- Two Dedicated Desk for Japanese investor & Focal Point in Board of Investment
- Big –B initiatives



Investment from Japan up to 2015

Million US\$

Sector-wise proposed Investment:

Type of Investment Reg. with BOI	Unit	Prop. Investment (US\$ m)
100% Foreign Investment	44	95
J/V Investment	251	1264
Total	295	1359

Sector	Unit	Prop. Investment
Agrobased	25	44
Food & Allied	18	10
Textile	63	225
Printing, Publishing & Packaging	4	5
Tannery & Leather Products	18	11
Chemical	22	605
Glass & Ceramics	1	0.6
Engineering	51	133
Service	91	324
Others/Misc	2	0.9
Total	295	1359

**FDI
Received
from
Japan
from
2010-
2015**

2009	17.5
2010	22
2011	47
2012	30
2013	94
2014	96
2015	45

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

THANK YOU

For more information, Please visit: bangladesh.gov.bd
boi.gov.bd
pppo.gov.bd
beza.gov.bd