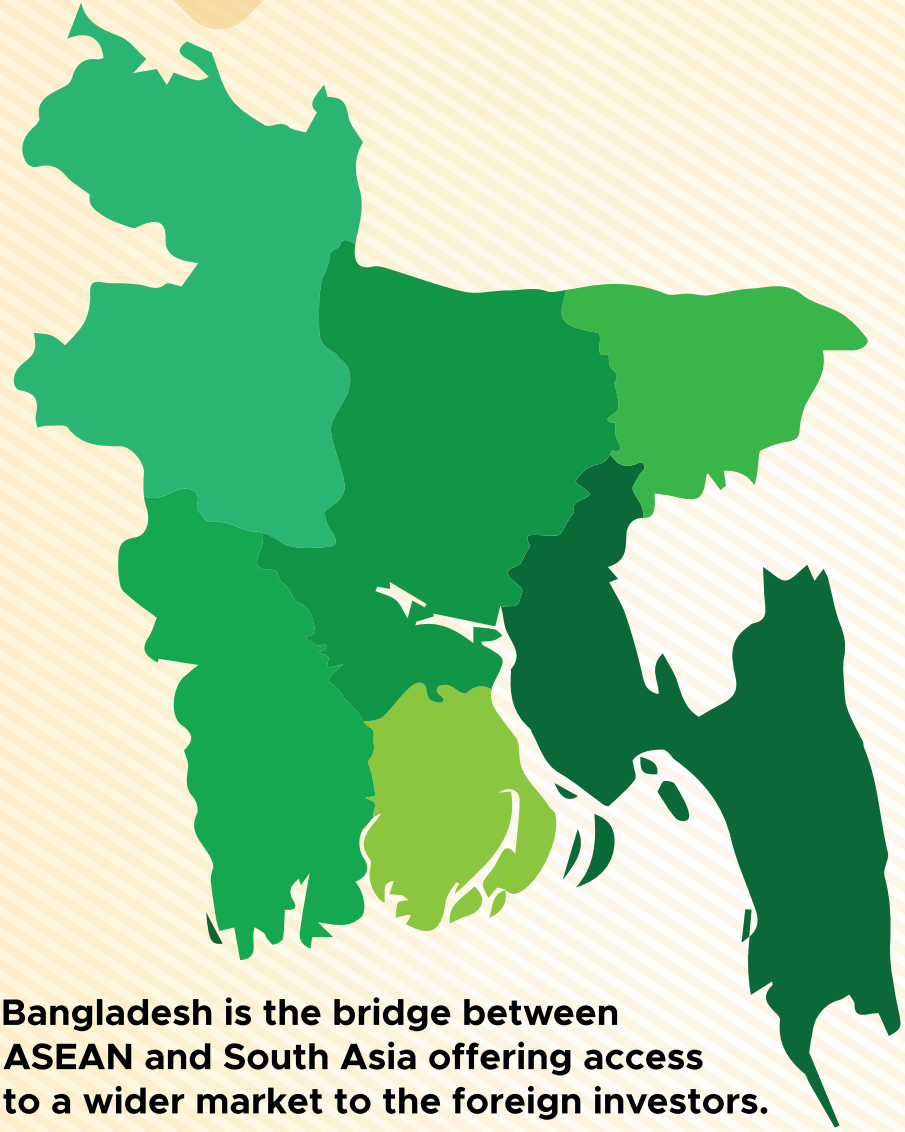
# INVEST BANGLADESH






**Bangladesh is the bridge between ASEAN and South Asia offering access to a wider market to the foreign investors.**
- Saber Hossain Chowdhury, MP

**Bangladesh: A Destination for Investment with a Robust Legal Framework and Conducive Environment.**
- Ambassador Mohammed Abu Zafar

**The Next Asian Tiger: Why Should You Consider Bangladesh Your Next Investment Destination?**
- B M Jamal Hossain, Consul General of Bangladesh, Dubai

**UAE Tax Policy**
Mohsena Khanom; FCCA, Co-Founder, de tempête

**Tech Transformation & Disruption**
Shariar Pavel, Chief Experience Officer, Huawei Tech (UAE) FZ-LLC

**Investment Prospects in Bangladesh**
Ashish Kumar Sarkar, Commercial Counsellor, Bangladesh Consulate General, Dubai

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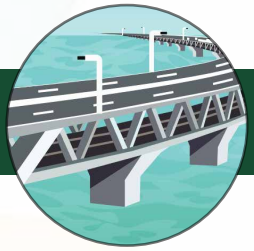


**Consulate General of Bangladesh**
Dubai & Northern Emirates
**May 2024**

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Seminar Memories

# Editor's Message



It is with great pleasure that I present to you this special edition of our magazine, dedicated to the seminar titled "Investment Prospects in Bangladesh: Tech Transformation and Disruption and UAE Tax Policy" organized by the Consulate General of Bangladesh in Dubai. We are pleased to feature the keynote speeches and insights shared by distinguished guests and speakers at the seminar. Our focus is to highlight the abundant investment opportunities in Bangladesh and the transformative power of technology in reshaping industries on a global scale and within Bangladesh.

Bangladesh's economic trajectory has reached a pivotal stage, setting the stage for transformative growth and offering a wealth of investment prospects across diverse industries. The nation thrives with a robust economy, a dynamic and young workforce, and investor-friendly policies. This trifecta of strengths creates an incredibly conducive environment for both local and foreign investors seeking opportunities in the country.

Chief guest of the Seminar, H.E. Saber Hossain Chowdhury, MP, Minister for Forest, Environment, and Climate Change, highlighted the country's strategic geographical position as a bridge between South Asia and ASEAN, enhancing its appeal as a regional hub for trade and investment. This unique positioning offers investors not just access to the Bangladeshi market but also to neighboring markets, providing a significant competitive advantage. Our special guest in the seminar, H.E. Md Abu Zafar, Ambassador of Bangladesh to the UAE, eloquently emphasized the vast potential for foreign direct investment in Bangladesh. With an ambitious vision to become a middle-income country by 2026 and a developed nation by 2041, Bangladesh is paving the way for substantial growth in key sectors such as textiles, IT, renewable energy, infrastructure, agribusiness and what not.

The seminar explored themes of tech transformation and disruption, with Shariar Pavel, Chief Experience Officer at HUAWEI, offering insights into how big data, artificial intelligence, and the Internet of Things are revolutionizing industries. Bangladesh, with its digital economy projected to reach USD 23 billion by 2025, embraces these innovations for growth. Mohsena Khanom, FCCA, shed light on the UAE's corporate tax regime, emphasizing compliance and strategic planning for Bangladeshi businessmen and investors. Ashish Kumar Sarkar, Commercial Counsellor at the Consulate General of Bangladesh in Dubai, showcased Bangladesh's investment landscape, highlighting regulatory reforms, investment-friendly policies, and enhanced infrastructure. The presence of global brands and special economic zones with world-class facilities further emphasize Bangladesh's potential as a lucrative destination for foreign investors. Mr. Mahtabur Rahman, CIP, Chairman of NRB Bank Ltd., revisited the ample opportunities Bangladesh offers to foreign investors, highlighting the investor-friendly environment with incentives, including loan facilities from the local banking sector.

By organizing this seminar, the Consulate General of Bangladesh in Dubai has facilitated knowledge-sharing, networking, and the creation of a supportive business community. This seminar serves as a platform to explore the synergies between investment opportunities in Bangladesh and the technological advancements driving global economic transformation. We aim to inspire UAE investors to explore the immense investment opportunities in Bangladesh and contribute to the country's journey towards sustainable development and economic prosperity.

I hope that our readers, especially UAE-based businessmen and investors, will find this publication to be a valuable resource. May it inspire you to explore the exciting investment opportunities in Bangladesh.

I extend my heartfelt gratitude to all the distinguished speakers, contributors and participants who made this seminar a success. Their expertise and dedication have made this event, and above all, this magazine, a rich source of knowledge and inspiration.

Happy reading, and here's to the continued economic prosperity of our nations!

Warm regards,

**B M Jamal Hossain**
Consul General of Bangladesh, Dubai & Northern Emirates

Concept Paper

# Investment Prospects in Bangladesh: Tech Transformation & Disruption & UAE Tax Policy

Bangladesh, known for its immense potential, is at a critical stage in its economic development. The country has seen significant economic growth and transformation in recent years. With a GDP growth rate consistently above 6 percent over the last decade, Bangladesh's economic rise is impressive. The Economist has recognized it as the emerging Asian Tiger, a view shared by many prospective investors.

This seminar, titled "Investment Prospects in Bangladesh: Tech Transformation and Disruption and UAE Tax Policy," will explore investment opportunities, technological advancements, and tax policies that influence business in both Bangladesh and the UAE. It will also clarify UAE tax policies for Bangladeshi-owned businesses in the region. The goal is to provide UAE-based investors with the knowledge and tools to take advantage of the growing investment opportunities in Bangladesh.

Bangladesh offers a plenty of investment opportunities, supported by its robust economic performance, dynamic young population, and stable political environment conducive to trade and investment. The country's economic vision, articulated by Honorable Prime Minister Sheikh Hasina, aims for Bangladesh to achieve middle-income status by 2026, upper-middle-income status by 2030, and developed nation status by 2041. Key sectors for investment include



textiles, leather, IT, infrastructure, renewable energy, tourism, the blue economy, and many others.

The textiles and ready-made garments (RMG) industry is a cornerstone of Bangladesh's economy, being the second-largest exporter globally and significantly contributing to its export earnings. The IT sector is also poised for substantial growth, with 28 hi-tech parks already established and plans to create 1 million jobs by 2026. Investment in renewable energy, particularly solar and hydropower, offers high returns and aligns with global sustainability goals. Infrastructure development, exemplified by mega projects like the Padma Bridge and the Metro Rail, is enhancing connectivity and efficiency, further attracting foreign investment. Additionally, the agribusiness market is projected to reach USD 8 billion by 2024, supported by significant government incentives. Many other sectors are emerging and ripe for investment.

Moreover, as the world is undergoing a technological transformation, Bangladesh is at the forefront of embracing and integrating new technologies. The digital economy is projected to reach USD 23 billion by 2025, with significant advancements in big data, artificial intelligence (AI), the Internet of Things (IoT), and smart technologies. The transformative potential of these technologies is reshaping industries, disrupting traditional business models, and creating unprecedented opportunities. However, this rapid change also presents challenges that need to be navigated with foresight and adaptability. While Bangladesh is not yet ready for full smart city development, incremental digital transformations are paving the way for future advancements.

Investment in education and workforce development is crucial to prepare the population for the demands of the digital economy. The role of big data and AI in driving this transformation cannot be overstated, as these technologies offer powerful tools for innovation and growth.

On the other hand, understanding the UAE's corporate tax regime, which became effective on June 1, 2023, is crucial for UAE-based Bangladeshi businessmen to operate their businesses smoothly in the UAE, as well as for those looking for investment and business opportunities in the region. The new federal tax system applies to all businesses except natural persons, with specific exemptions for businesses involved in natural resource extraction and those operating in Free Trade Zones. The corporate tax rates are tiered providing a favorable environment for small businesses. The seminar will provide a comprehensive overview of the newly implemented corporate tax law for the small, medium and large enterprises in the UAE owned by the Bangladeshi expatriates.

The seminar on "Investment Prospects in Bangladesh: Tech Transformation and Disruption and UAE Tax Policy" serves as a platform to explore the investment opportunities in Bangladesh. By understanding and leveraging these opportunities, businessmen can drive sustainable development, foster economic growth, and create a positive impact on both nations. This comprehensive concept paper highlights the interconnected themes of investment, technology, and tax policy, providing a roadmap for stakeholders to navigate the dynamic economic landscape of Bangladesh and the UAE.



**Objectives:**

- ***To explore the investment prospects in Bangladesh's thriving sectors and highlight the technological disruptions and transformations shaping the industries.***
- ***To provide a comprehensive understanding of the UAE's tax policies and their implications for Bangladeshi businesses operating in the country.***
- ***To facilitate networking and knowledge-sharing among UAE-based Bangladeshi businessmen, fostering potential collaborations and partnerships.***

**Target Audience:**

The seminar is primarily targeted towards prospective entrepreneurs, investors, and professionals with an interest in doing business in Bangladesh or exploring investment opportunities in Bangladesh's thriving sectors.

All interested participants are invited to join us for this insightful event, where you will gain valuable knowledge, network with like-minded individuals, and gain practical insights to navigate the Bangladesh's investment landscape successfully.

## ICT Prospects In Bangladesh

Industries engaged in the production of computer hardware, automation & robotics design, manufacturing including parts & components, artificial intelligence based system design and/or manufacturing, nanotechnology based products manufacturing are entitled to reduced-tax benefits for 5 or 10 years depending on locations.

100% tax exemption for income derived from software development & Information technology enabled services (ITES)



2% duty on ICT related hardware imports

Access to 10% cash incentive for exports

Fully subsidized customized training program for technical and managerial skills.

Full repatriation of capital & dividend: No restrictions on foreign equity holding

# Welcome Address

## Ashish Kumar Sarkar
Commercial Counsellor



Honorable Minister of the Ministry of Environment, Forest, and Climate Change, Government of the People's Republic of Bangladesh, His Excellency Mr. Saber Hossain Chowdhury, MP, His Excellency, Muhammad Abu Zafar, Ambassador of Bangladesh to the UAE, Excellencies, Ladies and Gentlemen, esteemed guests, and distinguished participants, welcome to the seminar on **"Investment prospects in Bangladesh: tech transformation and disruption & the UAE tax policy".**

From the title of today's seminar, it is clear that we are addressing three different but interconnected issues. It is truly a pleasure to see such a gathering of insightful minds here.

To start with, the investment prospects of Bangladesh: the country is often regarded as a land of opportunities and stands at a critical juncture in its economic trajectory. Bangladesh offers a plethora of investment opportunities due to a strong economy, a youthful workforce, and a government committed to fostering growth and development. Today, we will discuss real opportunities for investors in Bangladesh, ranging from booming industries like textiles, leather, and IT to projects in infrastructure, renewable energy, tourism, and the blue economy. There is significant potential for profit.

As you embark on this journey of exploration and discovery, let us keep in mind the transformative power of investment. Beyond the mere pursuit of profit, investment can improve neighborhoods, empower individuals, and drive sustainable development. There are ample chances for positive change in Bangladesh, as investment has a noticeable effect on every aspect of life and society.

Moving on to the tax policy of the United Arab Emirates: a strong and forward-thinking tax policy is currently under process. As we examine the UAE tax framework, we may gain valuable insights into the mechanisms that drive economic growth and prosperity of this vibrant nation. From the introduction of value-added tax to the implementation of progressive corporate tax policies, the UAE's approach to taxation exemplifies a delicate balance between fiscal responsibility and business-friendly incentives.

As you navigate through the intricacies of the UAE's tax policy, let us not forget its broader implications for businesses, investors, and society at large. Taxation, beyond being a tool for revenue generation, serves as a catalyst for socio-economic development, facilitating investment in critical infrastructure, healthcare, education, and other essential services. All these issues will be discussed in detail at today's seminar.



Next, we address the issues of tech transformation and disruption. As we meet here today, we find ourselves at the center of a technological revolution, on the verge of a new era with unprecedented opportunities and possibilities. From artificial intelligence and machine learning to blockchain, the Internet of Things, and beyond, the tools at our disposal are more powerful and transformative than ever before. As we know great power comes with great responsibility. The transformative potential of technology has profound implications for businesses, governments, and individuals alike. It reshapes industries, disrupts traditional business models, and creates both unparalleled opportunities and daunting challenges.

Even though things are changing quickly, one thing remains clear: we need to adapt and embrace new ideas. Those who are brave enough to accept change, flexible enough to adapt to the unknown, and creative enough to see the full potential of new technologies will be successful in this age of tech disruptions and changes.



Throughout the course of this seminar, I encourage each of you to engage actively, share your insights, and ask pertinent questions. Take this opportunity to build genuine relationships, collaborate, and plan for success and growth.

Once again, on behalf of the Commercial Wing of the Bangladesh Consulate General in Dubai and the Northern Emirates, I extend my heartfelt gratitude to all of you. May this gathering be a catalyst for inspiration, collaboration, and innovation as we navigate the exciting frontiers of investment, tax policy, tech transformation, and disruption.

**Thank you.**



# Understanding UAE TAX Policy




Businesses in the UAE became subject to Corporate Tax from the beginning of their first financial year that starts on or after 1 June 2023. The UAE Corporate Tax ('CT') has proposed to tax income of all persons, except natural persons. Income earned by natural persons (individuals) shall not be subject to tax, except in certain circumstances.

**Scope of UAE Corporate Tax and Exemptions**

The UAE has implemented a federal tax system applicable to all businesses and commercial activities across the seven emirates, with certain exceptions:

***1. Businesses involved in natural resource extraction will continue to be governed by the respective Emirate's tax decrees.***
***2. Individuals earning income in their personal capacity, such as salaries or investment income, are exempt as long as their income-generating activities do not require a commercial license.***
***3. Businesses operating in Free Trade Zones are exempt, provided they meet all regulatory requirements and do not conduct business with Mainland UAE.***

Notably, the foreign banking sector, previously governed by Emirate-level Bank tax decrees, will now fall under the UAE Federal Tax Law. This change marks a significant transition for branches of foreign banks, which will need to adapt to the new law, and for local banks, which will now be subject to corporate tax like other businesses. The detailed impact of this change on the Emirate-level banking tax decrees will be communicated in due course.

Under the UAE corporate tax regime, certain types of income will generally be exempt from taxation. This includes dividend income earned by a UAE company from its qualifying shareholdings, capital gains, profits from group reorganizations, and profits from intra-group transactions. Additionally, there will be no withholding tax on either domestic or cross-border payments. The anticipated law is expected to feature a participation exemption or similar provisions commonly seen in international tax frameworks. Businesses will need to assess whether they can meet the required conditions to benefit from these exempt income provisions.

**Corporate Tax Rates**

The UAE's corporate tax system features a tiered structure. A standard tax rate of 9% is imposed on profits that exceed AED 375,000. For businesses with profits below this threshold, a 0% tax rate applies, effectively exempting them from corporate tax. Additionally, businesses operating within free

zones can benefit from a 0% tax rate on qualifying income, while any non-qualifying income earned by these entities will be taxed at the standard 9% rate.



### Timeframes for Corporate Tax Registration

Businesses must register through the EmaraTax portal and obtain a taxpayer registration number. They must also file annual tax returns and prepare financial statements in accordance with International Financial Reporting Standards (IFRS). The deadlines for registration vary based on the issuance month of the business license.

| Month of License Issuance (The year the license was issued is irrelevant) | Deadline to Apply for Corporate Tax Registration |
|---|---|
| January or February | May 31, 2024 |
| March or April | June 30, 2024 |
| May | July 31, 2024 |
| June | August 31, |
| July | September 30, 2024 |
| August or September | October 31, 2024 |
| October or November | November 30, 2024 |
| December | December 31, 2024 |

### Small Business Relief

The UAE CT Law provides tax relief for small businesses. A tax resident person may elect to be treated as not having derived any taxable income where the revenue for the relevant and previous tax periods does not exceed AED 3 million during each relevant tax year.

### Qualifying Freezone Persons

Companies and branches that are registered in a Free Zone (hereafter referred to as “Free Zone Persons”) will be within the scope of the UAE Corporate Tax and subject to tax return filing requirements. The UAE Corporate Tax regime has committed to honor the tax incentives currently being offered to Free Zone Persons that maintain adequate substance and comply with all regulatory requirements.

Qualifying income for UAE corporate tax purposes includes several specific categories. This encompasses income from transactions with other Free Zone entities, except for income generated from "excluded activities." It also covers income from transactions with non-Free Zone entities, provided these are related to "qualifying activities" that do not fall under "excluded activities." Additionally, income derived from the ownership or exploitation of Qualifying Intellectual Property qualifies. Finally, any other income can be included, as long as the Qualifying Free Zone Person (QFZP) meets the de minimis requirements.

### Tax Groups

UAE group entities can choose to form a Tax Group if they meet specific criteria:

***1. The UAE parent entity must own at least 95% of the share capital, voting rights, and entitlement to profits and net assets, either directly or indirectly.***

***2. All group entities must share the same financial year and use the same accounting***

***standards for their financial statements.***
***3. Neither the parent company nor the subsidiary should be an Exempt Person or a Qualifying Free Zone Person, which would otherwise be subject to a 0% UAE corporate tax rate.***

Despite the exclusion of Exempt Persons, subsidiaries where a Government Entity holds at least 95% of the share capital, voting rights, and entitlement to profits and net assets can form a Tax Group, subject to certain conditions. When a Tax Group is established, the parent entity is responsible for administrative tasks, including submitting a single consolidated tax return and settling the tax liability for the group. The joint and several liability within the group can be restricted to specific members, provided approval is obtained from the relevant Authority

**Transfer Pricing**

The UAE Corporate Tax Law introduces transfer pricing (TP) rules and regulations that align with international standards. These regulations, effective from the same date as other tax provisions, require both cross-border and domestic transactions between Related Parties, including Free Zone entities, to adhere to the arm's length standard. This means transactions must be conducted as if they were between independent parties under similar conditions. Additionally, payments and benefits to Connected Persons must be at Market Value, determined by applying the arm's length principle.

**Penalties**

The UAE imposes various penalties for violations of tax laws, primarily outlined in Cabinet Decision No. 49 of 2021, which amends Cabinet Decision No. 40 of 2017. An administrative penalty of AED 10,000 is levied for failing to submit a corporate tax registration application within the specified timelines. Similarly, a penalty of AED 10,000 is imposed on businesses that fail to maintain proper records and information as required by tax laws, with a subsequent violation resulting in a doubled penalty of AED 20,000. Additionally, a penalty of AED 10,000 is applicable when a taxable person fails to submit a registration application within the mandated timeframe.

Businesses that do not provide tax documents and records in Arabic when requested by the authority face a penalty of AED 20,000.

**Need for Corporate Tax Registration in UAE**

The UAE government and the Ministry of Finance have established a corporate tax structure and laws that offer several benefits to compliant businesses. By registering for corporate tax, companies can ensure they remain in line with current tax regulations and stay updated on any legislative changes. This compliance helps identify and prevent malicious tax practices, ensuring adherence to world-class tax standards.

Corporate tax registration also plays a crucial role in optimizing a company's after-tax revenue, thereby enhancing returns to shareholders. This is particularly significant for individuals with direct shareholdings as well as indirect shareholders through private pensions or investment funds. Moreover, paying corporate tax offers more advantages to business owners compared to paying additional personal income tax, providing a more favorable financial framework for business growth and shareholder returns.

Managing the paperwork required under UAE corporate tax law can be a daunting task for business owners. This is why many opt to hire a tax accountant to handle the submission of tax returns in the UAE. However, corporate tax advisors offer more than just filing services; they also facilitate interactions between your business and the UAE Federal Tax Authority or Ministry of Finance, ensuring smooth compliance and communication.

Accurately preparing your tax information can result in significant savings for your company, potentially outweighing the cost of hiring an accountant.
A qualified accountant leverages a thorough understanding of UAE regulations to suggest strategies that enhance cash flow, reduce expenses, and secure expansion capital. With the introduction of corporate tax in the UAE, professional advice will be crucial for determining the most suitable legal structure for your business, aligned with your company's objectives.

# Tech Transformation & Disruption




**Shariar Pavel**
Chief-Experience Officer
HUAWEI, UAE

Assalamu alaikum, excellencies. This is Shariar Pavel, and I am grateful that you invited me today for this special event. My presentation may not be directly related to taxation and business because I come from a tech background, but I'll try to share some insights that I have learned, which may help us rethink our business perspective in the tech area.

So, let me start. This slide is actually a little talk about superhero characters. There is a background to this. We left Bangladesh—my family, my wife, and our small child—in 2010. It was a heartbreaking journey because we left our family behind, and they cried at the airport. Our first stop was in Singapore, where I was posted as a regional manager for Nokia. My son was 2 years old, and I always struggled to understand how he would learn Bengali and about Rabindra Sangeet. It was very difficult because he was growing up differently from how we did.

Then, I started to learn what he was learning. I saw he was watching Hollywood characters like Batman. It was an eye-opener for me to see how big data plays a role in building these characters and how they influence the nation. This is why I included the first few slides on big data and its role in character building and transformation in technology.

When I tried to understand how these superhero characters are built, I realized that there is an ideology of superheroes that symbolizes freedom forever. When a child is born in the US, they see these characters and learn that democracy is important. They understand that heroes often fight against the government but, in the end, work with it to build the nation. These characteristics help shape a nation's development together with the government.

There are three myths behind these superheroes: one is the myth of American power, which is ingrained from childhood; the second is freedom; and the third is justice in the American way. This made me worried that my son was learning values that are not Bengali or Bangladeshi.

I started researching why such characters are created. I found out that all these characters are based on two philosophical terms: economic leftist and economic rightist. Leftists create characters who do things for the people but behave like deities, admired and worshipped. For example, characteristics of political figures like Hillary Clinton are built on these traits. During elections, they behave like the superheroes

we see in Hollywood movies, and this influences their followers.

Similarly, figures like Trump behave as economic rightists. They fantasize about science and show authority, presenting themselves as the ultimate authority. Children grow up admiring these characters, which influences their voting choices. This is how spin doctoring works in the democratic world.

This year, we will see elections in the US and India, where from priests to journalists, everyone will collect and use big data. This is how big data works in Hollywood, Bollywood, and political movements. We may also see a similar transformation in Bangladesh as social media becomes stronger.

Big data is very important. Consumer behavior can be seen from Facebook, Twitter, TikTok, and other platforms. My kids are watching various characters, but they are missing their own superheroes.

This type of superhero is now being adopted in Bangladesh, twhich is good news for the new generation. At least I have all these collections for my kids so that from the beginning, they can learn about these things.

My wife often shares her frustration with me. Her father was with Bangabandhu, but there is no true record of that now. He is 80 years old, and the new generation will never know about him if there is no archive, no big data, and no activity behind this. It's happening, but I believe big data should be used in our daily lives and in the future to build this nation, to understand who our superheroes are—not American superheroes, but Bangladeshi national superheroes.

We will be discussing tech transformation from big data to hardware. Before I go to that part, let me introduce myself a little bit. I am Shariar Pavel. I studied at Dhaka University, majoring in Applied Physics, Electronics, and Communication Engineering. I was in the first batch from Communication Engineering, now known as EEE. I started my career with multinational companies, always working with Fortune 500 companies. Allah gave me the opportunity to work in top companies like Microsoft Mobile, Huawei, and Nokia. Over the past 18 years, my career has taken me to different geographies, where I learned about tech transformation.

Additionally, I attended Harvard Business School online and studied technology, especially tech venture disruption and venture capital. Recently, I had the opportunity to give lectures at Dhaka University and BUET on the same subject. I am also part of the syllabus committee for the EEE Department at HSTU. I was able to convince them to introduce professional ethics in engineering, which is now a 0.5 credit course under VC review. In 2022, I was acknowledged by the Middle East, Turkey, and Africa CX Top 20, ranking 20th among 25.

So, that's a bit about me.

I will now go through my career briefly. In my mobile career over the past 20 years, you may remember that there has always been new innovation happening. In the 1980s, there were large computers known as industry computers. It took 10 years for these computers to transition-from industry to home. The main invention or disruption was the reduction in size and the addition of a mouse. This is an example of innovation leading to disruption.

From the 1990s to the 2020s, we saw the transition from home computers to mobile phones. When we started working at Nokia, it took another 10 years for mobile phones to become commonplace. Phones used to come in various sizes, but now they are all similar in size due to the advent of the touchscreen. This is a small but significant disruption.

The next major shift will involve Generation Alpha, and we don't yet know how they will behave. There is no big data for this generation, and we don't know what kind of technology they will use. Bangladesh has a huge opportunity as part of the "China Plus One" strategy, which identifies countries apart from China that can be potential economic powers. Bangladesh is one of these countries with a bright future. However, we need to predict what type of technology Generation Beta, coming after 2025, will use. While we don't know exactly, we can make some predictions.

Our digital economy, projected to reach $23 billion by 2025, presents significant investment opportunities. While garments remain a staple for investment in Bangladesh, the tech sector is also emerging as a lucrative option. By 2025, we expect 200 million connected vehicles globally, meaning smart vehicles, and an estimated 1 billion connected cows for health monitoring. For an agriculture-driven country like ours, connecting cows and vehicles is a great opportunity.

Many people believe that such advancements are not possible in Bangladesh. However, India is planning for 15% connected vehicles, specifically for two and three-wheelers, which is a valuable lesson for us: start with simpler technologies like two-wheelers and three-wheelers before scaling up.

The next generation will face a growing elderly population, with more people over 65 who often need assistance, such as bionic sensors or companion robots for their children. There is a huge opportunity in nursing services because the elderly will require more care, and innovations like nursing robots could provide 24/7 service without the need for a full-time nurse at home.

In the near future, there will be no need for manual searches for venues or hotels. Your calendar will guide you, and personalized solutions will simplify your life, reducing the need for traditional searches.

In the next 5 to 10 years, adapting to new technologies will be easier, especially if you have a tech-oriented mindset. It's essential to adopt simple, user-focused design thinking. For example, our engineering teams need to focus on clear visions and practical solutions rather than creating complex technologies with no real demand.

Design thinking is about addressing people's needs. Take Google Glass, for example. It was developed with a simple idea: solving the problem of glasses slipping down the nose. This straightforward approach led to innovation. We should focus on modular technology, which is versatile and easily adaptable.

In January 2024, BYD, a Chinese EV company valued at $100 billion, demonstrated the potential of the EV industry. In comparison, Tesla is a $600 billion company. Bangladesh is not yet ready for such large-scale adoption. However, we can start with simpler formats, like the locally used three-wheeler vehicles known as “nosimon” and “korimon.”
For example, in my hometown of Kushtia, a man named Rashid invented these vehicles 20 years ago without any formal engineering training. These vehicles could be converted to three-wheeler EVs, built locally with easily replaceable batteries, which is an advantage over more complex EV systems that require specific battery types, like those used by Tesla or BYD.

But Bangladesh has an easy way forward. It's like modular technology: if someone needs to do something, they should think about modular technology. These are just two or three simple examples. One is that we need to have a creative and thoughtful mindset. For instance, artisans like Charuka should work closely with the engineering department. That's my concept. Similar to Apple's founder, who had a design background, Charuka should collaborate with engineers to create solutions for local needs.

So, that's the essence of my presentation: we need to be more localized. Thank you.

Lastly, I want to talk about smart cities. We often hear about Bangladesh becoming a smart city, but this is currently impossible given the present scenario. According to global rankings, only Dubai is fully ready for smart city development, scoring six out of six. For Bangladesh, achieving smart city status will take a long time.

A smart transition should happen incrementally, with sustainability being crucial for any digital transformation. Globally, Bangladesh is not yet ready for smart cities and has a long way to go. We need to focus on small digital transformations first, prepare ourselves, and then evaluate our potential. In the next 10 to 20 years, we may see our name on the global smart city list.

**Thank you all for your time.**




# Investment Prospects in Bangladesh

**Ashish Kumar Sarkar**
Commercial Counsellor

Excellencies, ladies, and gentlemen—welcome to Bangladesh, a land of immense potential. I have a deck of slides to showcase and brand my country, but I will have to skip through some due to time constraints.

The outline of my presentation covers:

- *The economic vision of Bangladesh*
- *Achievements of Bangladesh*
- *Investment landscape, regulations, and incentive structures by the Government*
- *Global brands in Bangladesh and potential sectors for investment*
- *Investment performance and facilitation agencies*
- *Recent improvements in the investment landscape in Bangladesh*

Let's begin with our investment priority. Father of the nation Bangabandhu Sheikh Mujibur Rahman united 70 million people to free Bangladesh from the oppressors, envisioned economic success story of Bangladesh, initiated the reconstruction process of the country. Now the legacy is with our Hon'ble Prime Minister Sheikh Hasina who also dreams our country to be a developed one by 2041 and keeping this aspiration in mind she stated, "We are committed to providing all policy support, including infrastructure, to create an investment-friendly environment." This reflects our strong political commitment.

Bangladesh's economic vision is ambitious. From the 200th largest economy in 1972, it is now the 34th largest economy of the world. By 2026, we aim to become a middle-income country, progressing to upper-middle-income status by 2031, a developed country by 2041, and reaching the highest peak of prosperity by 2071 and finally a safe Delta for people by 2100. To achieve these goals, we have developed the Delta Plan-2100 and Perspective Plan, with targets such as:

- ***GDP growth from 7% to 9.99% (2022-2041)***
- ***Export earnings from USD 55 billion to USD 330 billion (2022-2041)***
- ***Per capita income to be increased to USD 12,500 by 2041***
- ***Investment to GDP ratio to be increased from 31.09%% to 46.9% (2022-2041)***
- ***Revenue contribution to GDP to be increased from 9% to 24.1%. (2022-2041)***
- ***Inflation rate from 9.74% to 3.96%. (2022-2041)***
- ***Poverty rate from 20.5% to 0.68% (2022-2041)***

### Growing Need for Private Investment and FDI

Private investment, including foreign direct investment, is crucial for our economic growth. As per our Vision-2041, the private sector is expected to be the engine of growth to drive our national economy. Global growth predictions by IMF & WB indicate that Bangladesh will achieve a growth rate of 6% next year.

### Achievements of Bangladesh

Let's now move on to the achievements of Bangladesh where we have made remarkable strides in various sectors. During the last 15 years of the ruling government, there has been a tremendous growth in a variety of sectors including poverty alleviation, education, women empowerment, health care, power generation and

infrastructure development. We have an energized youth-led population who covers 51.4% with their age ranging between 20-54 years. At present poverty rate is 18.5% and extreme poverty rate is below 5%, life expectancy is 73 years, infant mortality rate per thousand 24, literacy rate is 75.6%, food production index is at present 109.7 which was only 29.7 in 1971, GNI per capita USD 2765, GDP USD 465 billion (2023). With a Middle & Affluent Class (MAC) population Bangladesh is expected to be the 9th largest consumer market globally by 2030. Notwithstanding global politics, natural calamities, over population and limited resources Bangladesh has been recognized as the Development Paradox to the Global think tanks.

Bangladesh boasts impressive achievements across various sectors. We are the second-highest exporter of readymade garments, a testament to our strong presence in the global apparel market. Our country has achieved 100% electricity coverage and mobile phone penetration, showcasing our commitment to connectivity and accessibility. We are proud to be the third-largest fish producer and the second-largest vegetable producer, contributing to food security not only for our nation but also for the global market. Bangladesh has also attained self-sufficiency in food production, ensuring the nourishment of our growing population.

The economic growth of Bangladesh has been remarkable, with our GDP increasing from USD 91 billion in 2008 to USD 465 billion in 2023. This remarkable transformation has been guided by the visionary leadership of our Honorable Prime Minister. Renowned organizations such as the World Health Organization, the International Labor Organization, and the World Bank have acknowledged Bangladesh's economic miracle.
Our pharmaceutical industry is another success story meeting 98% of our domestic demand and exporting to over 150 destinations including USA, UK, EU, Latin America and Australia. With 15% lower production cost than India and China Bangladesh's domestic market value for pharmaceuticals will reach USD 6 billion by 2025 with a CAGR of 13% presenting a wealth of opportunities for companies in the sector and aim to capture 3% of the global market by 2030 (source: BIDA). The industry's journey began with a primary focus on enhancing local access to essential medicines, particularly through the production off- patent drugs but later on the success story extends beyond the border of Bangladesh. What started as a local solution gradually transformed into a global phenomenon, rising to meet the needs of rising healthcare costs and ageing population worldwide.

Besides our Agriculture sector which is well considered as "shock absorber", the readymade garment industry is a cornerstone of our economy, contributing significantly to our export earnings and ensuring employment opportunity for more than 5 million people most of them are women. With the highest number of green factories 73% of Bangladesh RMG exports enjoy duty free access as LDC and our top buyers are USA, UK, Germany, Spain, France, Poland, Australia etc. 99% accessories of the sector are locally sourced. We are the second-largest exporter of readymade garments, with 84% of our total exports coming from this sector. Our products reach 164 countries, and we aim to capture 5% of the global market share by 2026.

Bangladesh has also made strides in the IT & ITES sectors being one of the world's fastest growing economies. We have established 28 hi-tech parks and plan to set up 10 more, creating 1 million jobs by 2026. Bangladesh owns one of the largest pools of IT talents of the world with nearly one million active IT professionals. Now the IT/ITES market size is 200 million USD (domestic) and 800 million USD (export) which is on its way to be double within next five years. Our software and IT services are exported to 68 countries, and we aim for a 5% global market share by 2026.

**Investment Friendly Regulatory and Policy framework**

Regarding regulations, Bangladesh has a comprehensive framework designed to facilitate investors. Our focus is on creating a convenient and investor-friendly environment, ensuring that doing business in our country is seamless and efficient.

Bangladesh offers a wide range of investment opportunities across various sectors. We have a liberal investment policy, with 100% foreign ownership allowed in most of the sectors and generous tax holidays. Twenty-eight hi-tech parks, ninety-seven economic zones, comprising sixty-eight government and twenty-nine private EZs and eight EPZs provide world-class infrastructure facilities for investors, with 11 such economic zones already in operation and more in the pipeline.

Policy provisions for incentives play a crucial role in attracting investors. In line with that the government has also implemented regulatory reforms to facilitate investment. We have simplified our registration processes, improved our ease of doing business ranking, and established a one-stop service for investors. Our incentive structures include tax exemptions/ holidays from 5 to 10 years in certain areas and sectors, accelerated depreciation on cost of machinery for new industries in lieu of tax holidays, bonded warehouse facilities for export oriented industries, cash incentives and export subsidies granted on the FOB values ranging from 1.5% to 10% ( as per the latest circular from the Central Bank, Bangladesh) on selected products, tariff concessions on import of raw materials of the export oriented industries, duty drawback facilities,

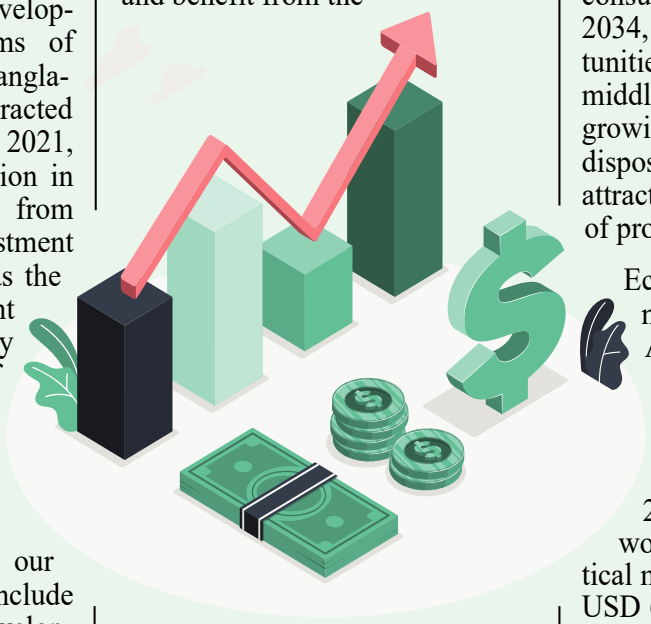
duty free market to the EU and the most developed countries, scope for full repatriation of dividends and capital, tax exemption of remittance of royalty, technical know-how, avoidance of double taxation treaties with 36 countries, bilateral investment treaties with 34 countries for promotion and protection of investment under The Foreign Private Investment( promotion & protection) Act 1980, duty-free import of machinery, access to concessionary loans and financing from Export Development Fund(EDF), In terms of investment performance, Bangladesh has consistently attracted significant FDI inflows. In 2021, we received USD 2.73 billion in FDI, a significant increase from previous years. Our investment facilitation agencies, such as the Bangladesh Investment Development Authority (BIDA) and the Board of Investment (BOI), provide dedicated support to investors throughout their journey.

Recent improvements in our investment landscape include enhanced infrastructure development, with mega projects like the Padma Bridge and the Metro Rail boosting connectivity and efficiency. We have also established 100 economic zones, catering to various industries, and are continuously improving our power and energy infrastructure to meet the needs of investors.

With a population of 170 million and our proximity to the vast Indian market, Bangladesh offers a compelling investment proposition. Our Flagship projects, including the Matarbari Integrated Development Initiative and the Rooppur Nuclear Power Plant, Payra deep sea port, Patuakhali, Karnafuli Tunnel among others, are designed to facilitate investors and enhance our investment landscape.

The investment landscape of Bangladesh is indeed attractive, with a liberal investment policy, world-class infrastructure in our Special Economic Zones, and regulatory reforms that simplify doing business. Our incentive structures, including tax exemptions and duty-free import of machinery, further enhance the appeal for investors.

These achievements and developments underscore the immense potential of Bangladesh as an investment destination. We invite foreign investors to be a part of our Unstoppable Bangladesh journey and benefit from the



dynamic growth and expanding consumer market that our country offers.

The investment landscape of Bangladesh is highly favorable and noteworthy. Our country offers a secure environment for investors, with laws that safeguard against nationalization and expropriation. Local and foreign investments are treated equally, and we welcome 100% foreign equity with minimal restrictions. Almost all industrial sectors are open for foreign investment, demonstrating our commitment to an open and inclusive business environment.

Bangladesh's growing economy, coupled with our improving air, water, rail and road connectivity, offer investors low utility costs and high returns on investment. Our workforce is not only skilled but also cost-efficient, making our country a competitive destination for labor-intensive industries.

Political stability is a cornerstone of our investment proposition, leading to policy stability and providing a predictable environment for long-term investments. This stability fosters business confidence and profitability, as evident from the JETRO survey on business conditions, where Japanese companies operating in Bangladesh expressed optimism.

Bangladesh is on its way to becoming the ninth-largest consumer market globally by 2034, presenting immense opportunities for investors targeting the middle and affluent classes. Our growing population and increasing disposable income make us an attractive market for a wide range of products and services.

Economic Miracles and International Recognition

According to reports by the Boston Consulting Group, Standard Chartered Bank, and HSBC, Bangladesh is on its way to becoming the 25th largest economy in the world by 2030. Our pharmaceutical market is projected to surpass USD 6 billion by 2025, and as per HSBC Global research, our consumer market (MAC) is expected to outpace the UK and Germany to become the world's ninth-largest consumer market by 2030.

A testament to our investment potential is the presence of numerous global brands and major investors in Bangladesh. These companies recognize the opportunities that our country presents and have established successful operations here.

Global brands have already recognized the potential of Bangladesh, with notable investments from companies such as Walmart, Unilever, Nestle, Bata, Marico, British American Tobacco, Honda, Hyundai, Mitsubishi Motors, Power China, Asian Paints, Berger, Samsung, Singer, Huawei and Marks & Spencer, Chevron, HSBC, Standard Chartered, Wilmar, Gildan etc. Our target sectors for FDIs include light

engineering, electronics, jute and leather sectors, Agribusiness & Food Processing, Pharma & Medical devices sector, RMG & Textile, tourism & hospitality, shipbuilding, renewable energy, IT and ITES sectors, infrastructures and blue economy are the most potentials.

**Merger and Acquisition as investment step-ups**

Mergers and acquisitions in Bangladesh further highlight the confidence of investors. Notable deals include acquisition of Bangladesh's Akij Group for USD 1.5 million by JTI, Japan, Unilever Bangladesh's acquisition of 82% of GSK Bangladesh for USD 240 million, Robi Axiata's merger with Airtel Bangladesh for USD 148 million, and Ever Care Group's acquisition of Apollo Hospitals for USD 118 million, acquisition of 57% stakes of Singer Bangladesh by a Turkish company named Arcelik for 75 million and many more are in the list.

**Dedicated Agencies for Investment Facilitation**

To facilitate investments, Bangladesh has dedicated agencies such as the Bangladesh Investment Development Authority (BIDA), which aims to facilitate and support investors through its various front desks and services. BIDA also deals with investment promotion and facilitation, investment aftercare, policy advocacy activities and improvement of investment ecosystem. We also have Economic Zones Authority which is dealing with the construction of 100 of such economic zones across the country with the designated country-specific allocations. Currently, Japan, India, China, and other prominent investors have invested in their Special Economic Zones in Bangladesh with the additional incentives. BEPZA is another body under the Prime Minister's Office to facilitate the export-oriented industries based in Bangladesh. Bangladesh Hi-Teck Park Authority right now with 28 of its kind accommodating and facilitating software firms, e-commerce companies and startups to help flourish our IT and ITES sectors.

**Potential Sectors to Invest:**

Bangladesh offers a wide range of sectors open for investment, including energy and infrastructure, ICT and electronics, tourism & hospitality, textile and clothing, Jute and Leather, agribusiness and food processing, pharma and chemicals, healthcare, blue economy and many others. We also have separately regulated industries, ensuring a diverse and comprehensive investment landscape.

Bangladesh's agricultural sector has demonstrated remarkable resilience and growth, particularly during the challenging times of the COVID-19 pandemic. With a population of 170 million, our country effectively navigated the crisis, and the agricultural sector served as a shock absorber, ensuring our survival and prosperity. The Agribusiness Market in Bangladesh is poised for further expansion, projected to reach USD 8 billion by 2028. Each year, over 3,600 new agriculture professionals enter the job market, contributing their expertise to this vital sector. The agro-processing market is worth USD 3.5 billion and is growing at 8%.

The agricultural export market in Bangladesh is valued at USD 1.2 billion, with a solid growth rate of 6.5%. The seed and fertilizer markets are also significant components of our agribusiness landscape. The government offers generous incentives for investors in this sector, including a 50% tax exemption on export-derived income and varying levels of tax exemption depending on crops. Additionally, there are export subsidies and cash incentives provided by the government. Notable players in the agribusiness sector include renowned companies such as Unilever, Transcom, Square, Adani, MGI, Golden Harvest, New Zealand Dairy, Perfetti, CP, Nestle and PRAN.

Another sector with immense potential in Bangladesh is IT and ITES (Information Technology Enabled Services). Our country is among the world's fastest-growing digital economies, with an impressive 89% mobile phone penetration rate and the fourth most affordable internet service in South Asia. There are 181 million registered MFS clients and average daily transaction of USD 319 million. The government recognizes the importance of this sector and provides incentives to encourage investment. Bangladesh is right now with about one million IT professionals, one billion USD export earnings from this sector and is expecting a market size of five billion USD by 2024.

Bangladesh has a well-established RMG (Ready-Made Garment) and textile industry, known for its global presence and significant contributions to our economy. We also excel in the pharmaceutical and medical device sectors, being one of the leading exporters of medicine to over 150 countries.

Tourism & hospitality, leather and Jute related goods are other sectors with untapped potential. The government has undertaken timely and targeted initiatives to enhance the investment climate in Bangladesh, and these efforts have resulted in strong FDI performance. As of December 2022, the FDI stock in Bangladesh stood at a substantial USD 22 billion.

Bangladesh presents a dynamic and promising investment landscape. With its robust economic growth, strategic location and proactive government policies the country offers vast opportunities across various sectors. Investors looking to capitalize on the growth potentials of emerging markets should consider Bangladesh as a key destination for investment.

# Address of Special Guest of Honour

## Mohammed Mahtabur Rahman, CIP

**Chairman and Managing Director**
**Al Haramain Perfume Group of Companies, UAE**
**& Chairman, NRB Bank Limited, Bangladesh**




Distinguished Guests, Ladies and Gentlemen, Assalamu alaikum and good evening. It is an honor to be standing here today, and I would like to begin by expressing my sincere gratitude to the Consulate General of Bangladesh in Dubai for organizing this seminar and providing me with the opportunity to address such a distinguished audience. At the outset, let me acknowledge the presence of our today's Chief Guest, His Excellency Saber Hossain Chowdhury, MP, Minister of Environment, Forest, and Climate Change in Bangladesh, and our Honourable Special Guest, His Excellency Mohammed Abu Zafar, Ambassador of Bangladesh to the UAE. We are also privileged to have our Guest of Honour, His Excellency Saed Mohammed AlMheiri, Ex-Ambassador of the UAE to Bangladesh, along with dignitaries from Sharjah, Ajman, Fujairah and other states of the UAE.

Today's seminar covers three significant topics: ***Tech-Transformation and Disruption, UAE Tax Policy, and Investment Prospects in Bangladesh.*** We have already heard insightful presentations on tech-transformation by Mr. Shariar Pavel, Chief Experience Officer at Huawei, and on UAE tax policy by Ms. Mohsena Khanom FCCA. Our Commercial Counsellor has provided a comprehensive overview of the investment prospects in Bangladesh. I will now delve deeper into the opportunities for investment in Bangladesh. I hope everyone has found these discussions both enlightening and informative. I would like to build upon these points and share my perspective on why Bangladesh stands out as a promising destination for investment.

We have discussed the tax exemptions in Dubai, which, compared to other GCC countries, still have the lowest rates in the UAE. Many companies were established in the UAE last year, thanks to the government policies and facilities provided by the UAE and its seven states. Many Bangladeshi companies have already established themselves in the UAE, and in the post-COVID period, we have seen a surge in Bangladeshi businesses setting up here, with over 2000 new companies in the last few years

The UAE has always been a preferred destination for businesses due to its business-friendly environment and the support provided by its government. The low tax rates here, compared to other GCC countries, make it an attractive proposition for investors. Additionally, the large Bangladeshi expatriate community in the UAE, totaling over a million people, contributes to a strong network of entrepreneurs and successful businesses. The UAE is also a significant importer of Bangladeshi products, especially in the garment sector, and acts as a gateway to other MENA region countries. This makes the UAE an ideal location for businesses looking to expand into the Middle East.

Now, turning our attention to the topic of investment, I want to begin by asking, why should you consider investing in Bangladesh? Well, the answer is simple – secured investment and vast opportunity. When making investment decisions, the security of your investment is paramount. I can assure you that Bangladesh offers a secure and stable environment for your investments. Your capital is safe, and you can repatriate your profits with ease and without any bureaucratic hurdles.

Second, Bangladesh is committed to creating an investor-friendly environment, and as such, the country offers a range of incentives for foreign investors. Foreign Direct Investment (FDI) is encouraged, and our banking sector stands ready to support foreign companies with loan facilities. This is a significant advantage, as historically, only domestic companies could access these loans. No foreign companies were eligible to borrow from domestic banks previously.

Now, foreign investors have greater financial flexibility to borrow from domestic sources and invest in a diverse range of sectors in Bangladesh.

The return on investment (ROI) in Bangladesh is highly competitive compared to other countries in the region. Our banking sector offers attractive interest rates on fixed deposits, with USD deposits earning almost 8% interest. This is an incredible opportunity for investors, especially when compared to global interest rates. The process is simple and accessible - you can open a bank account online and choose the tenure of your fixed deposit, ranging from 3 months to 2 years, and receive your returns in USD or other major currencies such as Euros, GBP, or Yuan.

Bangladesh is a rising economy in Asia, and the time ripe for investment. We have a large and growing population, a skilled workforce, and a government committed to economic development. The country's economic growth has been robust, consistently achieving high GDP growth rates over the past decade. This growth is driven by a strong manufacturing sector, particularly the garment industry, which is the second largest in the world after China. The government of Bangladesh has implemented a series of reforms to create a more investor-friendly environment, including tax holidays, duty-free import of machinery, and special economic zones that offer additional incentives. Bangladesh's strategic location between South and Southeast Asia makes it an ideal hub for trade and commerce, with access to key international sea and air routes facilitating smooth logistics and transportation.

Moreover, Bangladesh boasts a young and dynamic workforce, with labor costs significantly lower than in many other countries in the region. This cost advantage is particularly appealing to labor-intensive industries. Significant investments are being made in infrastructure development, including the construction of highways, bridges, and ports. The Padma Bridge has further enhanced connectivity and stimulated economic activities across the country. Besides the textile and garment industry, Bangladesh offers lucrative investment opportunities in sectors such as information technology, pharmaceuticals, leather, ceramics, and renewable energy and what not. The IT sector, in particular, is witnessing the rapid growth, with the government aiming to transform Bangladesh into a digital economy.

Bangladesh offers attractive financial incentives to foreign investors, including easy repatriation of profits, tax exemptions, and access to financing from local banks. The interest rate for fixed deposits in US dollars is among the highest in the world, offering a substantial return on investment. Additionally, Bangladesh has a stable political environment with a strong commitment to maintaining peace and security, crucial for sustained economic development and the protection of investments.

In a nutshell, Bangladesh presents a compelling case for investment. I would like to emphasize that the relationship between the UAE and Bangladesh is long-standing and robust. We invite you to explore the investment prospects in Bangladesh and be a part of our growth story. Together, let us enhance our business relationship and create mutually beneficial opportunities.

Thank you very much for your time and attention.

## Taxation in Bangladesh

| Corporate Tax: (on net profit) | |
|---|---|
| Publicly Traded Company | 25% |
| Non-Publicly Traded Company | 35% |
| Bank, Insurances, Financial Institutions (listed) | 40% |
| Bank, Insurances, Financial Institutions (not-listed) | 42.5% |
| Bank, Insurances, Financial Institutions (registered after 2013) | 40% |
| Merchant Banks | 37.5% |
| Cell Phone Company (40% if listed) | 45% |
| Cigarette Producing Companies | 45% |
| **Personal taxes (based on defined slabs)** | 10%-25% |

Feature Article

# The Next Asian Tiger:

## Why Should you consider Bangladesh Your Next Investment Destination?




**B M Jamal Hossain**
Consul General of Bangladesh, Dubai

The economic narrative of Bangladesh is a fascinating story of resilience, consistent growth, and a burgeoning middle-class population. It is a narrative that has attracted the attention of investors worldwide, solidifying the country's position as one of the most promising emerging foreign direct investment destinations. Bangladesh has experienced dynamic economic growth, consistently expanding at a rate of over 6% each year for a decade, even amidst global economic challenges. This trajectory has positioned the country as one of the fastest-growing economies globally, offering plentiful investment opportunities across diverse range of sectors. In recent years, Bangladesh has not only sustained its impressive growth but has also undergone a remarkable transformation, evolving from a predominantly agrarian economy to a multifaceted one, with a strong focus on industrial development and a thriving service sector.

### Economic Resilience, Growth & Stability

#### *Consistent Economic Expansion*

The economic trajectory of Bangladesh is characterised by resilience and consistency. Over the past decade, the country has achieved the remarkable feat of maintaining positive GDP growth, with no negative growth recorded during this period. This consistency is particularly noteworthy when compared to other emerging markets. In the last 10 years, Bangladesh has registered an average GDP growth rate of more than 7%, outpacing many of its regional peers. This growth trajectory has continued even during periods of global economic instability, including the COVID-19 pandemic. In 2020, while many economies contracted, Bangladesh's GDP grew by 5.2%, highlighting its robustness and adaptability. This outstanding performance, compared to other emerging markets, is underpinned by political stability under a democratic system and prudent monetary and fiscal management, resulting in steady inflation, a key factor in fostering a favourable investment climate. This stability fosters a sense of confidence among investors, assuring them that their investments are highly unlikely to be disrupted by economic or political shock.

Furthermore, Bangladesh's economic story is Marrked by a diversified growth strategy. The country has moved beyond its traditional reliance on agriculture to develop a more balanced economy with significant contributions from the manufacturing and services sectors. The ready-made garment (RMG) industry has been a cornerstone of this transformation, making Bangladesh the second-largest garment exporter in the world. This sector alone accounts for a significant portion of the country's export earnings and has created millions of jobs, especially for women, contributing to social and economic stability.

The country's commitment to creating an open, predictable, and competitive climate for private investment is evident in its favourable business environment. Bangladesh offers high connectivity, a competitive market, and a business-friendly regulatory framework. Additionally, energy prices in the country are among the most competitive in the region, further enhancing its attractiveness for investment.

### Favourable Demographic Profile and a Growing Middle Class

With a population of over 160 million, Bangladesh presents a large and growing consumer market. The country's demographic profile is highly favourable, with a young and dynamic

workforce that drives economic growth and innovation. About 65% of the population is under 35, and the median age is 26, making Bangladesh one of the youngest countries globally. This youthful demographic provides a vast talent pool for businesses, particularly in sectors such as service sector, information and communication technology (ICT), outsourcing, and innovation-driven industries. The energy and aspirations of the country's youth fuel economic growth and drive innovation, making Bangladesh an ideal destination for investors seeking a dynamic and adaptable workforce.

The expansion of the middle class in Bangladesh is another pivotal aspect of its economic narrative. In recent years, the country's middle class has grown exponentially, with an estimated 50 million individuals now part of this demographic. This burgeoning middle class has significant implications for the country's consumption patterns and investment landscape. The rise of the middle class has led to increased demand for a diverse range of goods and services, from consumer durables and technology to healthcare and higher education. This shift in consumption patterns opens up numerous investment opportunities in industries catering to the evolving needs and aspirations of this growing demographic. The expanding middle class also contributes to economic growth by driving domestic demand and stimulating the development of new industries.

The rise of the middle class in Bangladesh also reflects broader social and economic transformations. Improved educational outcomes, increased employment opportunities, and urbanization are contributing to higher living standards. This segment of the population is not only a significant consumer market but also a key driver of innovation and entrepreneurship. The expanding middle class is fostering a culture of consumption and investment, which is critical for sustaining economic growth in the long term.

**Strategic Geographic Location and Regional Connectivity Gateway to Asia-Pacific**

Bangladesh's strategic geographic location is a pivotal factor in its attractiveness as an investment destination. Positioned at the crossroads of South and Southeast Asia, Bangladesh offers unparalleled access to some of the world's most dynamic and rapidly growing markets in the Aisa-Pacific region. This strategic location provides easy access to neighbouring countries with significant consumer markets, including India, China, and the ASEAN countries. Bangladesh's proximity to these major economies places it in a unique position to serve as a regional hub for trade and facilitates its integration into global supply chains. Additionally, being situated on the coast of the Bay of Bengal offers logistical advantages for trading within Asian and Middle Eastern markets. The country's geographic position not only facilitates trade but also enables Bangladesh to leverage its location to attract foreign investment. This geographic advantage is further enhanced by Bangladesh's extensive network of trade agreements, including the South Asian Free Trade Area (SAFTA), which provides duty-free access to a vast market.

Dhaka, the capital city, is the commercial and financial hub of Bangladesh and plays a pivotal role in facilitating trade and investment activities. The city is well-connected with major regional and global markets through a robust transportation network that includes ports, airports, and highways. The Port of Chittagong, the largest seaport in Bangladesh, is a critical gateway for international trade, handling the majority of the country's imports and exports. Additionally, the development of new infrastructure projects, such as the Padma Bridge and the Dhaka Metro Rail, are set to further enhance connectivity and reduce transportation costs, making Bangladesh an even more attractive destination for investors.

**Competitive Business Environment and Investment Incentives**

Bangladesh offers a highly competitive business environment, providing investors with a combination of favourable factors that contribute to their bottom line. The country's cost structure is very competitive, particularly when compared to other regional competitors. Labour costs in Bangladesh are among the lowest in the world, making it an ideal destination for labour-intensive industries, such as textiles and manufacturing. Additionally, energy prices in Bangladesh are among the most competitive in the region, further enhancing the country's attractiveness for energy-intensive industries. The government has also implemented several investment incentives to create a business-friendly environment. These incentives include tax holidays, exemptions, and simplified procedures for importing raw materials and machinery. The Bangladesh Economic Zone Authority (BEZA), for instance, is planning to establish 100 economic zones across the country in the next 15 years, providing dedicated spaces for industrial

development and offering a range of incentives to attract FDI.

**Infrastructure Development:**

Bangladesh has witnessed significant investments in its infrastructure in recent years, reflecting a commitment to bolstering economic growth and enhancing the ease of doing business. The government has strategically prioritized infrastructure development as a pivotal facet of its overarching development strategy. This recognition stems from the understanding that efficient infrastructure is indispensable for enticing foreign investment and bolstering the country's competitiveness. Notable initiatives encompass the construction of modern highways, bridges, ports, and airports, alongside the expansion and modernization of existing facilities.

Among the landmark infrastructure ventures is the Padma Bridge, poised to revolutionize the country's economic landscape by fostering enhanced connectivity between the southwestern and northern regions. This bridge is designed to streamline the flow of goods and people, curtail travel times, and optimize transportation costs, thereby invigorating trade and investment activity. Similarly, the Dhaka Metro Rail project is tailored to ameliorate the city's traffic congestion and elevate urban mobility, ultimately fostering a more conducive business environment.

The government is also diligently focused on establishing special economic zones (SEZs) and high-tech parks to lure investment in targeted sectors. The Bangladesh Economic Zones Authority (BEZA) is at the forefront of establishing 100 economic-zones nationwide, poised to generate millions of jobs and attract billions of dollars in investment. These zones offer world-class infrastructure, encompassing reliable power supply, seamless transportation linkages, and robust logistical support, thereby cultivating a highly favorable ecosystem for business prosperity.

**Business-Friendly Environment:**

**Government Incentives:**

The Bangladeshi government appreciates the pivotal role of FDI in economic development and, as such, offers an array of incentives to attract foreign investors. These incentives are strategically designed to enhance Bangladesh's allure as an investment destination by mitigating the costs of doing business and fostering a stable and predictable regulatory milieu. Notable incentives include:

• **Tax Holidays and Exemptions:** Businesses can avail themselves of tax holidays ranging from 5 to 10 years, contingent on their location and sector. Projects undertaken within the Public-Private Partnership (PPP) framework are particularly advantageous, enjoying 100% tax exemptions on income and capital gains for up to a decade. Additionally, software development, nationwide telecommunication transmission networks, and information technology-enabled services (ITES) are exempt from taxes.

• **Duty-Free Imports:** To facilitate business establishment and expansion, Bangladesh extends customs duty exemptions for capital machinery and raw materials utilized in export-oriented industries. This initiative reduces initial investment costs and bolsters the competitiveness of Bangladeshi products on the global stage.

• **Full Repatriation of Profits:** Foreign investors in Bangladesh are accorded the liberty to repatriate their profits, dividends, and capital without encumbrance. This assurance of financial flexibility empowers investors with the confidence to manage their investments effectively.

• **Simplified Regulatory Procedures:** The government has embarked on significant reforms aimed at streamlining regulatory procedures and curtailing bureaucratic complexities. The inauguration of the One-Stop Service (OSS) by the Bangladesh Investment Development Authority (BIDA) epitomizes this effort, offering a centralized platform for accessing all investment-related services and approvals. This innovation markedly reduces the temporal and financial burdens associated with establishing and operating a business within Bangladesh.

**Favorable Regulatory Framework:**

Bangladesh's legal and regulatory framework is purposefully structured to safeguard and promote foreign investment. The Foreign Private Investment (Promotion and Protection) Act of 1980 furnishes comprehensive protection to foreign investors against expropriation and nationalization. This legislation ensures equitable treatment for foreign and domestic investors, guaranteeing that foreign investments are accorded the same protections and benefits as local investments.

Bilateral investment treaties (BITs) and double taxation avoidance agreements (DTAAs) with various countries further bolster the investment climate by offering supplementary safeguards and alleviating the tax burden on foreign investors. These accords provide investors

with the assurance that their ventures are shielded by international treaties and that their income will not be subject to double taxation.

**Competitive Workforce and Costs**

***Young and Skilled Labor Force***

Bangladesh possesses a distinct advantage with its youthful and energetic workforce. With a median age of just 26, the country has a large pool of young, energetic, and trainable workers. This demographic advantage is complemented by a strong emphasis on education and skills development. Bangladesh has made significant strides in improving educational outcomes, with increasing enrollment rates in primary, secondary, and tertiary education. The country is also investing in technical and vocational education to ensure that the workforce is equipped with the skills needed for a modern economy.

The ICT sector is a prime example of Bangladesh's success in skills development. The country is home to the largest freelancing community in the world, with over 600,000 IT freelancers providing services to clients globally. This talent pool is supported by a growing number of tech parks and incubators, which provide the infrastructure and resources needed to nurture innovation and entrepreneurship. The European Commission has recognized Bangladesh as an ideal destination for outsourcing, further underscoring the quality and competitiveness of its workforce.

**Low Operational Costs**

Bangladesh offers highly competitive labor and energy costs within the region, making it particularly appealing to labor-intensive industries. The average monthly wage for garment workers, for example, is significantly lower than in other major manufacturing hubs such as China, Vietnam, and India. This cost advantage presents a compelling proposition for businesses seeking to establish or expand their manufacturing operations.

In addition to low labor costs, Bangladesh also benefits from competitive energy prices. The government has made substantial investments in the energy sector to ensure a reliable and affordable supply of electricity. These efforts include the development of new power plants, the expansion of the national grid, and the promotion of renewable energy sources. As a result, businesses in Bangladesh enjoy lower energy costs compared to many other countries, further enhancing their competitiveness.

**Diverse and High-Potential Investment Opportunities:**
***Manufacturing and Export Excellence:***

Bangladesh is a global leader in the ready-made garment (RMG) industry, which has been the cornerstone of its export economy for decades. The country's success in this sector is built on a combination of low labor costs, high productivity, and strong backward linkages with the textile industry. As the second-largest garment exporter worldwide, Bangladesh supplies major international clothing brands and retailers. The RMG sector has not only fueled economic growth but also created millions of jobs, particularly for women, contributing to social and economic empowerment.

Beyond garments, Bangladesh is diversifying its export base to include other high-potential sectors such as pharmaceuticals, leather goods, and information and communication technology (ICT) services. The pharmaceutical industry, in particular, has emerged as a significant contributor to the economy, with Bangladeshi companies exporting to over 150 countries. The government's commitment to promoting export-oriented industries is reinforced through various incentives and policy measures, thereby cultivating a conducive environment for businesses to thrive.

**Emerging Industries and Growth Sectors:**

In addition to traditional sectors, Bangladesh is witnessing remarkable growth in several emerging industries that offer attractive investment opportunities. The ICT sector is a prime example, with the government's vision of a "Digital Bangladesh" driving significant investments in technology and innovation. The establishment of high-tech parks and innovation hubs across the country is fostering a dynamic ecosystem for startups and technology enterprises. These initiatives are further bolstered by a young and tech-savvy population, creating a fertile ground for digital transformation and innovation.

Renewable energy emerges as another substantial potential sector in Bangladesh. The country has set ambitious targets for increasing the share of renewable energy in its energy mix, driven by the need to diversify energy sources and reduce dependence on fossil fuels. The country's abundant solar and wind resources provide a solid foundation for the development of renewable energy projects. The government's supportive policies, including incentives for renewable energy investments, are attracting both domestic and international investors to this sector.

## Service Sector Growth

The service sector is playing an increasingly important role in Bangladesh's economy, contributing more than half of the country's GDP. Key growth areas within this sector include telecommunications, finance, healthcare, and tourism. The telecommunications industry has experienced rapid expansion, propelled by the widespread adoption of mobile phones and internet services. With over 110 million active internet subscribers, Bangladesh has one of the largest and fastest-growing digital markets in the region.

The financial services sector is also evolving, with significant opportunities for investment in banking, insurance, and fintech. The government's drive for financial inclusion, facilitated by mobile financial services, is broadening access to financial products and services across the country. his expansion is creating new avenues for businesses to cater to the growing demand for digital banking, payment solutions, and other financial services.

The healthcare sector presents another critical area of growth, driven by rising income levels and increasing demand for quality healthcare services. Investments in healthcare infrastructure, medical equipment, and pharmaceuticals are imperative to meeting the needs of a growing and aging population. The government's focus on improving healthcare access and quality is creating opportunities for both domestic and international investors.

## Strategic Advantages and Regional Trade Opportunities:

### *Access to Major Global Markets*

Bangladesh's strategic location and its network of trade agreements provide businesses with access to some of the world's largest and most dynamic markets. As an active member of the South Asian Association for Regional Cooperation (SAARC) and the South Asian Free Trade Area (SAFTA), Bangladesh enjoys duty-free access to regional markets, including India, Pakistan, and Sri Lanka. Additionally, the country has secured trade agreements with major economies such as the European Union, Japan, and Canada, offering preferential access to these markets and further enhancing the competitiveness of Bangladeshi exports.

The Generalized System of Preferences (GSP) provided by the European Union is particularly beneficial for Bangladesh. This program grants duty-free access to a wide range of Bangladeshi products in the EU market, making it a significant destination for the country's exports. The continued access to the GSP program, coupled with the potential for new trade agreements, presents substantial growth opportunities for exporters in Bangladesh.

## Competitive Edge in the Global Value Chain

Bangladesh's position in the global value chain is strengthened by its cost advantages, strategic location, and favorable investment policies. The country is increasingly gaining recognition as a reliable supplier across various industries, including textiles, garments, pharmaceuticals, and ICT services. The government's focus on improving infrastructure, enhancing skills, and fostering innovation is further strengthening Bangladesh's position in the global value chain.

The establishment of special economic zones (SEZs) and high-tech parks is a key element of Bangladesh's strategy to attract investment and integrate into the global value chain. These zones provide state-of-the-art infrastructure, streamlined regulatory processes, and a range of incentives to businesses. By creating an enabling environment for manufacturing and innovation, SEZs are helping Bangladesh to attract high-value investments and move up the value chain.

## Final Words

Last but not the least, Bangladesh stands as a beacon of resilience and opportunity in the global economic landscape, making it an ideal destination for foreign direct investment. The country's impressive economic track record, even in the face of global challenges, underscores its economic stability and robust growth potential. Bangladesh's strategic shift from an agrarian economy to a diversified industrial and service-oriented one opens vast avenues for investment in a wide range of sectors.

Bangladesh has proven itself as a promising destination for foreign investment, offering a unique set of advantages to investors in the UAE coupled with an expanding middle class, provides a fertile ground for innovation and consumer-driven growth. The government's pro-business policies, competitive labour wage, and significant infrastructure developments, such as the establishment of special economic zones, further enhance the investment climate.

Positioned at the crossroads of South and Southeast Asia, Bangladesh offers unparalleled access to major global markets, amplifying its attractiveness as a regional trade hub and making it an ideal choice for those seeking stable and profitable ventures.

For UAE investors seeking to diversify their portfolios and tap into high-growth markets, Bangladesh presents a compelling case with its strategic advantages and diverse investment opportunities. Now is the opportune moment to explore the prospects that Bangladesh has to offer and be a part of its exciting journey towards becoming an Asian Tiger.

## Why Invest in Bangladesh?



Bilateral Investment Treaties (BITS) with 31 countries.

3 billion+ regional consumers can be accessed.





580 km coastline with 90% international trade done via Chittagong and Mongla ports.



10 active land ports linking various states of neighboring India.

3 international and 5 domestic airports.





Part of regional highway corridors like SASEC, BIMSTEC and SAARC.



3 Asian highways: AH1, AH2 and AH41 - connecting India & Myanmar.

2,955 km of railways connecting eastern Bangladesh extensively.





10.5% annual growth in MAC population, to reach 34 million by 2025.

## Address of the Special Guest

# H.E. Mohammed Abu Zafar

Ambassador of Bangladesh to the UAE &
Permanent Representative of Bangladesh to IRENA




Your honorable H.E. Mr. Saber Hossain Chowdhury MP, Minister for Environment, Forest, and Climate Change, Government of the People's Republic of Bangladesh, we also have with us the Consul General of Bangladesh in Dubai, BM Jamal Hossain, and the former ambassador of the United Arab Emirates to Bangladesh, H.E. Saed Mohammed ALMheiri. Excellencies, distinguished guests from the business sector, and dignitaries from UAE government entities, a very good evening and welcome to this seminar organized by the Consulate General of Bangladesh, Dubai.

We have heard three eloquent presentations on different aspects of today's theme, which is investment opportunities in Bangladesh. There are, in fact, three sub-themes. Let me reflect on what the commercial counselor has just explained to all of you. We are here to discuss what Bangladesh can offer to the foreign direct investors present today. He narrated the incentives and opportunities Bangladesh offers to foreign investors and explained why Bangladesh should be your investment destination. There must be compelling reasons for this choice, and the commercial counselor, Ashish, elaborated on the investment landscape.

Let me start with a bit of global context on this issue because we are living in a very interconnected world. First, we need to understand the global FDI scenario, and then we can consider how we can carve out a certain percentage of that global FDI. As of today, if we look at the UNCTAD report for 2023, it highlights a few key aspects of global investment and foreign direct investment, as well as global trade. In 2022, the global investment was slightly over $1 trillion. In 2023, it is expected to reach $1.5 trillion. Our share in 2022 in the global FDI inflow was only 0.27%, which is very insignificant.

This is an area where the consular offices, embassies, and the Bangladeshi diaspora living overseas must collaborate to increase our share in the global FDI inflow. That is what I hope this seminar will achieve—how we can improve this scenario. When considering investing in Bangladesh, you rightfully think about profitability, rate of return, and risk-free investments.

Since 1980, the government of Bangladesh have established a robust legal framework to attract foreign direct investment, offering protection for your investments. Your investments are secure, and if you wish to divest, you can take your money back.

Another important area is the political stability or the conducive atmosphere that currently prevails. A third crucial factor is whether the country offers an innovative and creative population, particularly a young generation ready to work, and whether we have adopted new technologies. In Bangladesh, we have everything in place to welcome foreign investors.

As pointed out, approximately 700,000 freelancers and highly trained IT graduates are actively working across Bangladesh. For those considering investment in the IT sector, Bangladesh presents a prime opportunity due to its substantial pool of skilled IT professionals. While neighboring countries also boast large reserves of IT-skilled manpower, Bangladesh is rapidly catching up. This makes the country a highly attractive and competitive option for IT sector investments.

Additionally, Bangladesh has a very large consumer market, with a population of over 170 million people. This provides significant potential for investment opportunities.

So, as you can see, Bangladesh has already achieved lower-middle-income country status and is on its track to become a high-middle-income country by 2031. As a result, consumer behavior and

spending patterns are changing, with more people having disposable income. This makes Bangladesh an attractive destination for investment in sectors that produce consumer goods, such as light engineering. Although national companies are already manufacturing products like air conditioners, refrigerators, and televisions, there is significant potential for growth in this area. With almost all households in Bangladesh now having access to electricity, there is increasing demand for these appliances. Investing in light engineering in Bangladesh promises a substantial return on investment.

In 2023, global FDI inflow increased by only 3%, a modest growth compared to a 9% decline in 2022. However, an area where global FDI inflow has seen significant growth is in greenfield projects. This is particularly relevant for renewable energy sectors such as green hydrogen and solar power. The renewable energy sector requires annual investments of $1.7 trillion and has seen a threefold increase in production over the last 15 years. Investing in greenfield projects in Bangladesh offers a high rate of return, especially in areas like hydro and photovoltaic projects.

Turning to trade, Bangladesh's export of goods and services in 2022 reached $60 billion, driven largely by the textile industry, which accounts for approximately 84% of exports. Over the past 50 years, Bangladesh has transformed into a medium-sized industrialized nation, with manufacturing contributing 35% to the GDP and the service sector contributing over 50%. This economic landscape makes Bangladesh an attractive destination for investment, particularly in the manufacturing sector. As mentioned by Ashish, the agricultural sector in Bangladesh has always served as a shock absorber during economic crises, both domestically and internationally.

Additionally, Bangladesh's agricultural sector has historically served as a shock absorber for the economy. During my tenure as Consul General in the United States in 2008, I observed that many investment bankers who were laid off in New York started driving taxis in Los Angeles. In contrast, during times of economic downturn in Bangladesh, laid-off workers can return to their lands and engage in farming or household gardening, preventing widespread unemployment. This resilience in the agricultural sector is unique to Bangladesh and has contributed to its economic stability. In recent years, the agricultural manufacturing sector has also thrived, with exports exceeding $1 billion USD.

In 1972, Bangladesh's export basket consisted of just two primary commodities: jute, known as the golden fiber, and tea. Today, our export landscape has diversified significantly. We now have a prominent pharmaceutical sector, a thriving leather industry, and a growing potential in light engineering and IT production services. These sectors offer tremendous opportunities for investment and trade.

While our export basket has expanded, it is still focused on a few key items, including textiles, pharmaceuticals, leather, and agro-food products, mostly ethnic foods produced in Bangladesh. These goods are consumed not only within Bangladesh but also by the Bangladeshi diaspora spread across 150 countries. To further diversify our exports, we need your support and investment in the agricultural manufacturing sector.

Significant changes have taken place in Bangladesh's agriculture sector. It's not only about crop production; non-farm activities have evolved over the years and overtaken crop production growth. What do I



mean by non-farm activities? It's not just harvesting or collecting cereals; it includes activities like rice milling and the use of harvesters. These non-farm activities have significantly contributed to our economy.

In the 1970s and about 11-12% of our GDP. The manufacturing sector, particularly in agricultural food, has taken center stage, accounting for a significant portion of our GDP.

To ensure food security, especially in light of the challenges faced during the COVID-19 pandemic, it is crucial to invest in the agricultural food manufacturing sector. The United Arab Emirates (UAE), faced with difficulties in importing food from distant countries like Brazil and Australia, can benefit from investing in neighboring Bangladesh. We are proposing the creation of food parks in Bangladesh, where UAE investors can establish a presence to ensure their food security.

We are also working on a framework agreement on food security between Bangladesh and the United Arab Emirates, further solidifying our commitment to this cause. We are working on a framework agreement on food security between Bangladesh and the UAE. These are the areas I wanted to highlight.

Last but not the least, Mr. Pavel, one of the distinguished speakers of this seminar, spoke about disruptive technology and transformation, which is also an important aspect for the investors to consider. The question is what we mean when we refer to the disruptive technology? In fact, disruptive technology fosters investment globally.

To illustrate this, let's look back 100-140 years ago when railways were the primary mode of transportation. Then, the emergence of automobile technology disrupted the railway industry, leading to a shift in investment towards the automobile sector. As a result, major chunks of investment moved from railways to the automobile industry. Similarly, the printing sector has been transformed by the innovation of IT and the Internet of Things. The way we used to print documents or books, and publishers going to printing houses, has changed. The invention of the internet and similar IT advancements is a kind of disruptive technology. It creates new opportunities for beginners and even for existing, established publishing houses that needed to adapt to new processes, showcasing how disruptive technologies can benefit all.

Bangladesh boasts a large pool of talented IT graduates with approximately one million individuals are graduating from different educational institutions and entering the workforce each year. These huge numbers of skilled graduates are ready to serve the job market. This presents a significant advantage for investors (who are looking to set up industries in the country ) to hire these graduates at a competitive salary.

I don’t want to delve into the incentives offered, whether fiscal or non-fiscal, as such practices are common across many countries and are not novel. The concept of export processing zones, for instance, originated with UNIDO, the United Nations Industrial Development Organization, in the 1960s. By the mid-1980s, this organization had begun supporting global initiatives on a broader scale. While fiscal and non-fiscal incentives are important, the key differentiator is the legal infrastructure that Bangladesh has established to attract foreign direct investment. In 1990, our foreign direct investment inflow was only $4 million, but in 2022, it reached $3.5 billion. However, we still have a long way to go, as countries like Vietnam received $8 billion in foreign direct investment in the same year.

This is an area where our expatriate community and diaspora should come forward. To increase our share of global FDI inflows, we need the support of our expatriate community and diaspora. Instead of investing in real estate or buying land, we encourage our foreign investors to consider investing in the manufacturing sector and other industries that will drive economic growth. The government also has a role to play in channeling foreign remittances towards investment in the manufacturing and other sectors, boosting confidence among our diaspora to invest back home.

With these few words, I conclude here. I apologize for taking longer than intended, and I thank you for your patience. We have only scratched the surface, and there is much more to discuss. I wish you all the best, and I extend my gratitude on behalf of the embassy and the consulate general for your attendance and attention.

***Salam and good night.***

# Address of the Chief Guest

## H.E. Saber Hossain Chowdhury MP

**Minister for Forest,
Environment & Climate Change
Government of the
People's Republic of Bangladesh**




I am very pleased to be with you this evening, and I thank the Consulate General of Bangladesh for organizing this event. We've also just heard from the Ambassador, a very seasoned diplomat who has been flying the flag for Bangladesh for a number of years. We're also very pleased to have a former ambassador of the UAE to Bangladesh. Thank you, Your Excellency, for joining us. We have CIPs, and we have what I refer to as Global Ambassadors because that is what you are as Bangladeshis.

So, the first session we had today on tax was important to me for one particular reason: when you, as a non-resident Bangladeshi, reside in the UAE or any other country, you have to be very aware of the laws and regulations. You have to ensure that you're compliant and that you are a good advertisement for Bangladesh. So, I think knowing the laws is very important. I think that was a very interesting and useful exercise. Let me speak very briefly but maybe add some insights into the speeches that we have already heard and try to explain why Bangladesh has achieved the progress that it has. I'm not going to go into statistics; we already know them. So, there are a few reasons:

**Number one,** Bangladesh has invested in its human capital. That investment has been in terms of education, health, and infrastructure. And when we talk about human capital, the empowerment of women and also the young generation is something that has to be mentioned.

**Number two,** the policy frameworks are in place.

**Number three,** there is rule of law. If you are a businessman and you're looking to invest in a country, you want to have certainty, continuity of policy, and ensure that the money you have invested is safe. So, rule of law is extremely important.

Next is political leadership—and this isn't just about responding to crises. Leadership that thinks about the future, has a vision, and has the self-confidence and self-belief in the future of Bangladesh and its people are all very important.

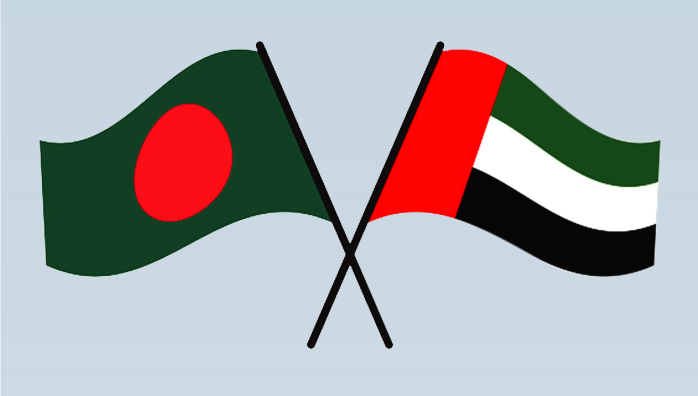
But another very important part is that there has been political continuity. The reason we are where we are today is that the same leadership has been in power. We see the same in Singapore and Malaysia. So, continuity of political leadership is very important.

So, these are some of the factors that have contributed to Bangladesh's growth. Another element that hasn't been discussed but which I will bring up: if I ask anyone, including our local dignitaries from the Emirates, which are the two fastest-growing, most stable economic regions in the world? One is South Asia, and the other is ASEAN. And South Asia—where is Bangladesh positioned? Bangladesh is where South Asia ends, and Myanmar is where ASEAN begins. So, Bangladesh is the bridge between two of the most dynamic regions in the world—ASEAN on the one hand, South Asia on the other. And just think what that framing, that coupling, can do for global trade. We look at the US economy, which is having challenges, and even China's economic growth has slowed down. But the fastest-growing economies in the world—India, Vietnam, and Bangladesh—are all in this region. And we are actually the bridge for that. So, this is the place where things are happening.

When you look at investment in Bangladesh, it is not just the Bangladesh market; it is the northeast of India, the entire Indian market, Nepal, and Bhutan. So, Bangladesh is your access point to a much wider regional market. And which other country actually gives you that? You invest in one country but have the benefit of markets in the neighboring countries. And we know that Nepal and Bhutan are landlocked, so they use the ports of Bangladesh.

What our Honorable Prime Minister Sheikh Hasina has done is leverage the geographical position of Bangladesh. So, we want to be a hub for the region—it's not just about growing Bangladesh; it's about being a hub for the entire region. And that offers huge, huge opportunities.

We have just recently finalized a policy on Logistics. We now have a national Logistics policy. So, when Bangladesh graduates from LDC status, where will we make up for the advantages we will lose once we are no longer an LDC? Our logistics cost is almost 18% of the goods sold. If that can be brought down by even 1%, think of the competitiveness it will add to our exports and how our imports will become much more competitive.



And then, of course, I think this is perhaps the most important part: there is the whole dimension of how the economy of Bangladesh is transforming. We are not just an exporting country; we are a consuming economy. That transition we have made means there is a demand for every possible consumer item. We talk about 170 million people, and at least 20% of that has purchasing power that can be compared with any other country, whether Singapore, Malaysia, or Indonesia. Just think: 170 million people, 20%—what is 20% of 170 million? 34 million people have the purchasing power to buy goods and services at a level comparable to Singapore and Malaysia. What other country offers you this whole package of incentives and advantages of positioning?

And if I may take the discussion a step further, it's not just about money. It's about entrepreneurial zeal, your knowledge and understanding of business, and technology. That is also an investment, so it's not just dollars or dirhams going from the UAE to Bangladesh. And just look at what the non-resident Indians have done for the Indian economy. They are 1%—just 1% of the population of India are non-resident Indians. Do you know what their contribution to GDP is? Almost 4% of India's GDP is driven by non-resident Indians now in the UAE.

I was talking to the Consul General—we have a population of about, let's say, 1 million plus, maybe 1.1 or 1.2 million. And this year, they are projected to send in $4 billion. Now, that's probably the highest that Bangladesh receives officially as remittance. So, the links are already there. The businesses that you have learned in the UAE, you can use that knowledge to invest in Bangladesh.

And when it comes to technology, when it comes to technology, this is important: we want to leapfrog. So, what does leapfrog mean? When a frog jumps, it doesn't go to the next step; it jumps a few steps higher. So, we want to leapfrog and embrace technology that is absolutely state-of-the-art. I was in Dubai recently for the World Government Summit, and you know, I was astonished that the UAE set up a Ministry for AI back in 2017 when people were not even talking about AI. And Dubai is built, or promoted, branded as a city of the future—this is where dreams turn into reality.

So, how can Bangladesh capture the spirit of Dubai? Look at Jebel Ali; almost 30% of Dubai's GDP is driven by the Jebel Ali Export Processing Zone. Why can't we have a zone for the UAE in Bangladesh? It's very possible if the interest is there, if the companies are there. We have done it for other countries: we have done it for Japan, China, Canada, the US, and India. So, you can get together and say that we want to have a UAE special economic zone in Bangladesh. There is one, but what is the investment that has come in? No investment, no investment. So, why should there be no investment?

If I look at the trade between the UAE and Bangladesh, it's $1.9 billion in trade, about $400 to $500 million from Bangladesh in exports and about $1.4 billion coming in from the UAE. And the UAE is the hub; it's the commercial hub. You know, whether it's logistics or sending anything to Europe, this is where the action is. So, how can we piggyback on the advances of Dubai and the UAE and take Bangladesh to the next level? That is the intention of our Honorable Prime Minister: how can we leapfrog in terms of technology, leapfrog in terms of skills, leapfrog in terms of our agriculture, and, of course, the environment and climate change, which is actually my portfolio.

So, we had COP 28 in Dubai last year, and there has been a call that renewable energy has to triple, to go up three times between now and 2030. Energy efficiency has to double between now and 2030. So, look at the tremendous potential that there is in decarbonizing the Bangladesh economy and what sort of technology trans fer can take place there. It is huge.

The UAE is importing most of its food products. Why can't we set up a port in Bangladesh which also addresses the issue of food security?

I don't think the UAE has a food security issue, but at least stability of supply chains when it comes to food and other items. So, I think the possibilities are endless, and you, as non-resident Bangladeshis, should really be our ambassadors. Of course, we have an ambassador here, and we have a Consul General here, but this is really what you should be doing because you know Bangladesh better.

I hope that you, having made your fortunes and been successful in the UAE, in Dubai, will now look at Bangladesh as an opportunity. I see tremendous opportunities in Bangladesh. I think it is still the one country in the world which offers you excellent returns. Of course, the trick when it comes to business is that people always say, "Oh, there's a risk there. I don't know about this." But the returns are greater, and the risk is actually not there if you know Bangladesh well. You are the individuals who can relay that message: "No, come and invest in Bangladesh."

I mean, which other country has grown as much as we have? I know we have had a very useful presentation in terms of where we want to be, but I wanted to share some statistics with you which show what Bangladesh has actually achieved in the past. One is talking about the future; the other is what we have done in the past, because that is track record. That is not just projection, that is not being optimistic, that is what we have actually achieved in reality. And what is that?

If I look at the period between 2006 and 2023, I'm going to read it out because you can all use this: our per capita income in 2006 was $543, to be very precise, $543. This has now gone up to $2,793. Just look, from 2006 to 2023. Our national budget was USD 7 billion in 2006; now it is 87 billion. From 7 billion to 87 billion—I'm not talking about taka. So, which country does this transformation if things are not right? GDP went from 47 billion to 578 billion. This is the latest figure because you didn't have the latest figure.

That means Bangladesh is going to become a trillion-dollar economy over the course of the next 10 to 11 years. A trillion-dollar economy—only 18 countries in the world are in the trillion-dollar club, and Bangladesh is going to join them.

We are already over almost half a trillion dollars. As the size of the economy grows, the purchasing power goes up, and the diversification of industry also takes place. This is what we have achieved, which is why the figures that were given for our targets become even more meaningful. These are not just targets; they are probably benchmarks that we will actually be able to achieve. This is why I'm sharing this information with you.

Let me also give you some other statistics. Our export earnings have gone from 10 billion to 52 billion—more than five times. Our exports have grown at a time when the global market is competitive, and still, our exports are growing. If you look at internet usage, it was only 0.25%; it has now gone up to 78.5%. This is the digital world infrastructure that we have built.

When our Prime Minister talks about a Smart Bangladesh, there are four pillars to the concept: smart government, smart economy, smart society, and the most important, a smart citizen. Think about it; there is a disciplined progression from an analog Bangladesh to a digital Bangladesh and now onto a smart Bangladesh. Of course, there are various levels of smartness. I'm not saying that we will hit the score that the UAE has of six, as was given in the presentation, but this is the potential of the country—a potential that has been proven in real life over the years. It is a constant growth.

Our geographical position is significant. We live in a polarized world, and because of the growth of Bangladesh, it has drawn a lot of attention from many countries. Our position in the heart of the Indo-Pacific is crucial. The Bay of Bengal sits in the heart of the Indo-Pacific strategy. Whether it is the US, other countries, or China, Bangladesh obviously has to balance those relationships.

Another remarkable aspect is that we are on good terms with all the major powers at the same time. This has not happened in the past when the government was either pro-Russian, pro-American, pro-China, or pro-India. Now, we are on good terms with all major powers—whether it is the US, the European Union, Japan, Russia, India, or the Middle East. This is a country that gets along well with all other countries of the world. This is reflected in the respective investments these countries have made in Bangladesh.

Investment is a vote of recognition that this is a stable country, predictable, and predictability is crucial for business. There is nothing that business likes more than certainty—certainty in the political environment, certainty in political leadership, certainty in policies and frameworks, and, of course, certainty and consistency when it comes to the rule of law. That is the most important thing. Everyone knows that protection is there because the law applies to everyone, regardless of where they are in the social or political order.

So, what we are talking about today, and I know we have a mix of a lot of Bangladeshis and some distinguished representatives from the UAE, is really an exciting journey. It is a journey that has started, and I'm sure it will reach its logical conclusion by 2041.

We want to be a developed country, and that was the dream of our Father of the Nation, Bangabandhu Sheikh Mujibur Rahman. This is a particularly important year to talk about this because Bangabandhu visited the UAE in 1974. The then-President of the UAE visited Bangladesh in 1984, and since then, the relationship has really moved forward. This year marks 50 years since 1974 when the UAE recognized Bangladesh.

When you look at celebrating 50 years, you know, we look back and rightly talk about all the positive things that have happened. But we also want to look forward to the next 50 years. It's not about what we have achieved in the first 50; it's about what we are going to do in the next 50. And I think this is where the excitement really comes into play because I believe that Bangladesh and the UAE are perfectly poised to take advantage of the many national, regional, and global opportunities that exist. Together, I am sure that we will be able to write the next chapter in this amazing journey of a country called Bangladesh.

Having Sheikh Hasina as Prime Minister, you know, that is our sense of confidence, that is where we draw our pride, that is where we draw our inspiration. I think the Bangladeshis have proven that there is nothing we cannot do if we really put our minds to it. I think the sky is the limit. So, we hope and look forward to that day when the dreams and ideals of Sher-e-Bangla will be realized. We need partnerships; we need all of you within Bangladesh and living outside of Bangladesh. We need our foreign friends to join us in this journey, and I'm sure the benefits will be for all. This is really an excellent instance of a win-win scenario.

You know, no country just comes in out of charity; everybody has their own interests. It is when we are able to converge interests, when we are able to bring all the interests together and create win-win scenarios, that the relationship really moves forward.

Anyway, I hate being the individual that's stopping you from dinner, but I think I'm going to stop now. I'm sorry I will not be able to stay with you for dinner. I was actually in Tbilisi, Georgia, where the Asian Development Bank is having their annual meeting. I was there, our Finance Minister was also there, and I go off to Baku tomorrow, which is the venue for the next COP. I have some meetings there, so I'm sorry I will not be able to join you for dinner, but I wish you all a very bright future. I hope you will see that future not just through your individual lenses, but through the lens of the country as well.

Thank you very much, have a great rest of the evening.



## Closing Remarks & Vote of Thanks

# B M Jamal Hossain

### Consul General of Bangladesh
### Dubai & Northern Emirates, UAE




Distinguished guests, ladies and gentlemen, and respected attendees, first of all, I would like to extend my most sincere thanks and gratitude to each and every one of you here for your active participation and valuable contributions to this seminar titled "Investment Prospects in Bangladesh, Tech Transformation and Disruption, and Understanding UAE Tax Policy." I will not delve into the details of the topic, as you have already spent much time discussing it. I would like to express my profuse thanks to all of you for your kind presence, which made this event a resounding success. We are truly grateful for your engagement.

I would like to extend my sincere gratitude to our honorable Chief Guest, His Excellency Mr. Saber Hossain Chowdhury, MP, Minister for Environment, Forest, and Climate Change of the Government of the People's Republic of Bangladesh. Thank you, sir, for gracing this event with your presence and for delivering a valuable speech that entertained and enlightened us.

We are also deeply thankful for the kind presence of His Excellency Mr. Mohammed Abu Zafar, Ambassador of Bangladesh to the UAE and Permanent Representative of Bangladesh to IRENA. We are delighted to have with us His Excellency Mr. H.E. Saed Mohammed ALMheiri, a true friend of Bangladesh and the former UAE Ambassador to Bangladesh. Thank you, Excellency, for your generous participation in this seminar.

I would like to express my sincere thanks to the Bangladesh Business Council, UAE, for their generous support and collaboration in organizing this event. I am also privileged to have with us Mr. Mohammed Mahtabur Rahman, CIP, Chairman and Managing Director of Al Haramain Perfume Group of Companies and Chairman of NRB Bank Limited, Bangladesh.

My special thanks go to Mr. Ashish Kumar Sarkar, Commercial Counsellor of the Consulate General of Bangladesh in Dubai, whose tireless efforts, hard work, and dedication were instrumental in planning and executing this successful seminar. He is the mastermind behind this event, and I take this opportunity to express my gratitude to all my colleagues and staff members of the Consulate General of Bangladesh in Dubai.

Now, a special thanks to our distinguished speakers: first and foremost, Ms. Mohsina Khanom, FCA. We have already heard her excellent presentation on UAE Tax Policy, and I thank Mohsina for her insightful contributions. Mr. Shariar Pavel, Chief Experience Officer at Huawei, also deserves our appreciation for his brilliant speech. We are indeed proud of Mr. Shariar's accomplishments.

I would like to express my heartfelt appreciation to all the speakers and conclude by reiterating the key takeaways from today's seminar. We discussed investment prospects in Bangladesh, tech transformation and disruption, and UAE tax policy. As we celebrate the 50th anniversary of our diplomatic relations with the UAE, let us remember that in 1974, the Father of the Nation, Bangabandhu Sheikh Mujibur Rahman, visited the UAE, marking the beginning of this strong partnership. Over the past five decades, our nations have stood together, fostering a bond built on mutual respect, shared values, and a commitment to progress. We have overcome challenges and celebrated successes, and our partnership continues to thrive and evolve.

Looking ahead, let us reaffirm, my distinguished UAE friends, business personalities, and community leaders, our commitment to further strengthening and diversifying our partnership. I understand that many of you have already visited Bangladesh, but for those who have not, I echo the invitation of our honorable Chief Guest. As the saying goes, "seeing is believing." While this seminar has provided valuable insights, I encourage you to witness the potential and beauty of Bangladesh firsthand. Bangladesh offers countless opportunities and attractions, and we warmly welcome you to explore them.

Thank you once again for your participation and support. We look forward to welcoming you to future events and endeavors organized by the Bangladesh Consulate General in Dubai and the Northern Emirates.



# Economic Snapshot of Bangladesh

# BANGLADESH ECONOMY

# FAST FACTS

**GDP (USD bn)**
460 (2022)

**GNI (USD bn)**
478.45 (2022)

**GDP Per Capita (USD)**
2,784 (2024)

**GNI Per Capita (USD)**
US$ 2824

**GDP Growth Rate**
6.94 % (2021), 7.1 % (2022)
6.03% (2023)

**GDP Rank**
51 (nominal)/35 (ppp)

**GDP Composition**
Service- 51.24%, Industry – 37.65%
Agriculture – 11.2% (2023)

**Gini Coefficient**
0.32

**HDI**
129th (2024)

**Unemployment Rate**
3.51% (2023)

**Labour Force**
(15 years and over)
63.5 millio

**Per Capita GNI**
US$ 2824

**Ease of Doing Business**
168th (2024)

**MAJOR IMPORT SOURCING COUNTRIES**

- China-25.3%
- USA- 4.4%
- India-16.9%
- Japan-3.9%
- Singapore- 4.8%

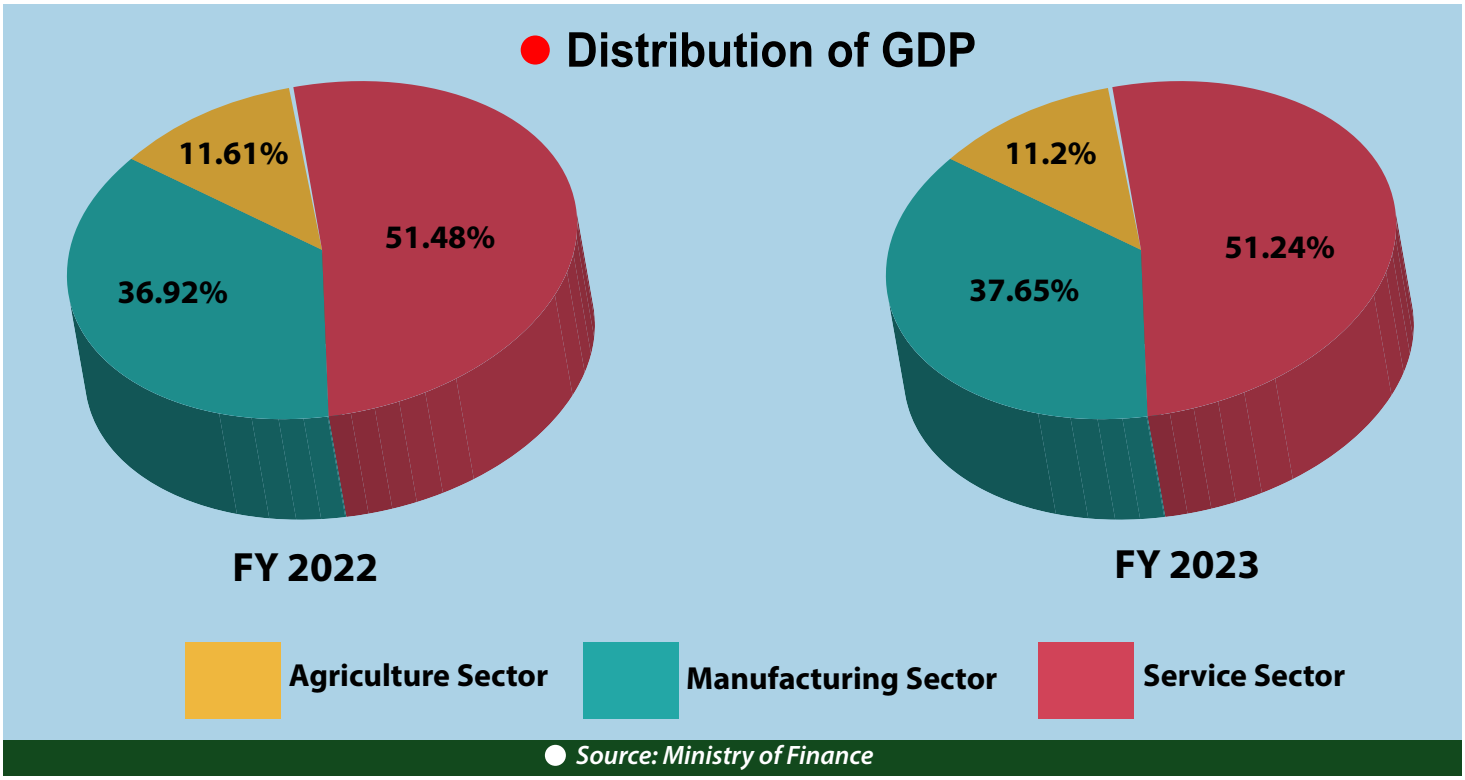
**GROSS FOREIGN DIRECT INVESTMENT (USD BN)**

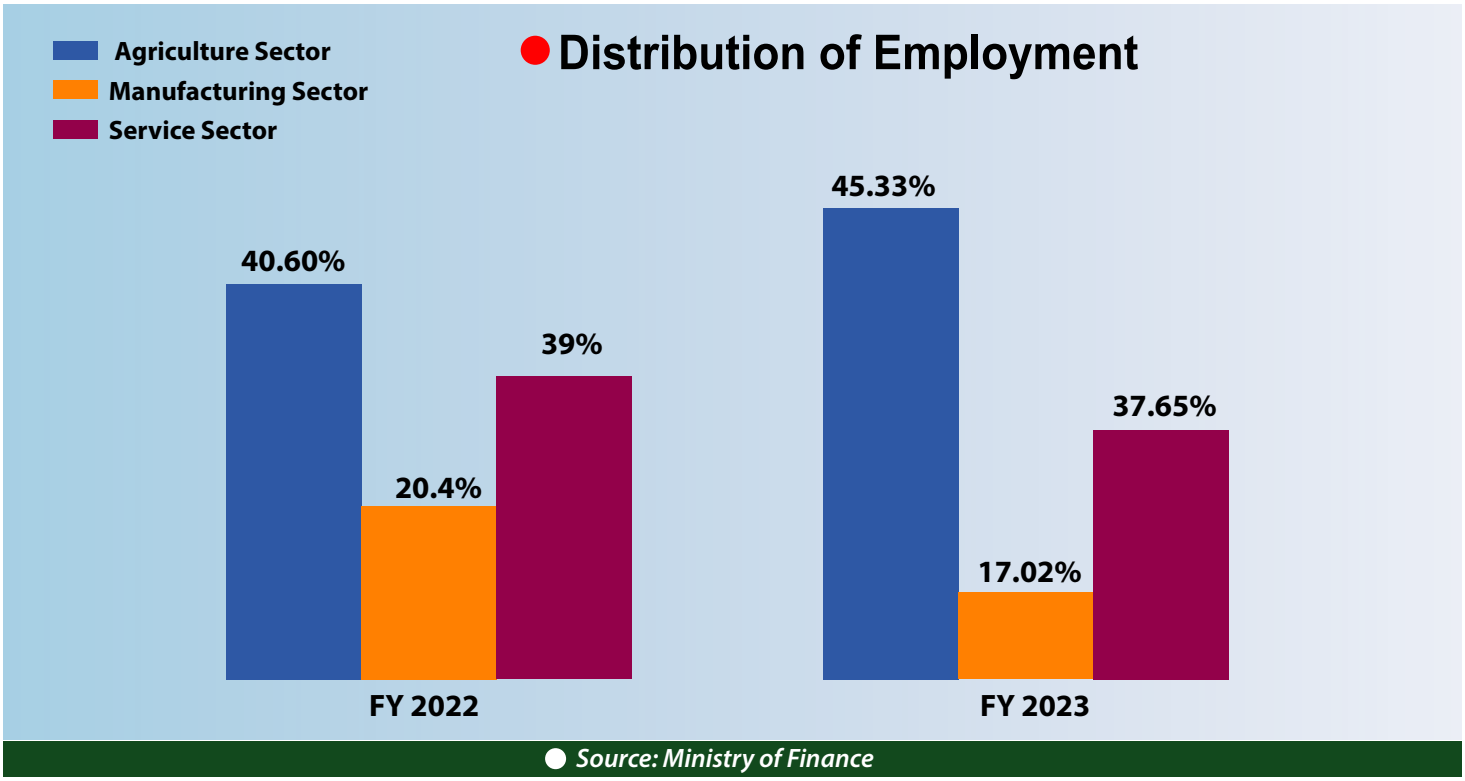
4.5 (2023)
4.6 (2022)

**INFLOWS OF REMITTANCE (USD BN)**

21.61 (2023)
21.03 (2022)

# Economic Structure of Bangladesh



# INTERNATIONAL TRADE





**Major Industries:**
Ready-made Garments, Textiles, Chemical/Organic Fertilizer, Pharmaceuticals, Jute and Jute Goods, Tea Processing, Paper and Newsprints, Cement, Light Engineering, Sugar, Leather Goods, Food, Fish, Poultry



**Major Trading Partners:**
EU Countries, China, India, USA, UK, Japan, Singapore, Canada, Indonesia, Malaysia, Brazil, UAE, Australia, Saudi Arabia




**Export Volume (USD bn)**
55.6 (2023), 52.08 (2022)



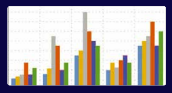
**Major Export Goods :** Ready-made Garments, Home Textile, Leather & Leather Products, Agricultural Products, Jute & Jute Goods, Engineering Products, Frozen & Live Fish, Pharmaceutical Products, Bicycle, Plastic & Melamine Product, Rubber Handicrafts, Carpet, Specialized, Textiles, Ceramic Products, Glass & Glass Ware, Ships, Boats & Floating Structures



**Major Export Services :** Government Services, Transportation, Other Business Services (Research & development services, Professional and management services, Technical, trade-related and other business services), Construction Services, Telecommunication and Information Services (Telecommunication and maintenance services, Export of International Gateway (IGW), Computer Services (Export of computerware, IT enabled services, services, 1 and repair peripheral equipment services), Manufacturing Services on Physical Inputs Owned by Others, Travel, Financial Services (other than insurance) Government Services, Transportation, Other Business Services (Research & development services, Professional and management services, Technical, trade-related and other business services), Construction Services, Telecommunication and Information Services (Telecommunication and maintenance services, Export of International Gateway (IGW), Computer Services (Export of computerware, IT enabled services, services, 1 and repair peripheral equipment services), Manufacturing Services on Physical Inputs Owned by Others, Travel, Financial Services (other than insurance)



**Major Export Partners:**
USA- 20%, Germany- 14.6%, UK-9.3%, Spain- 6.1%, France- 5.2%



**Import Volume (USD bn):**
75.59 (2023), 89.17 (2022)



**Major Import Goods:** Textile and Articles thereof, Iron, Steel & Other Base Metals, Petroleum, Oil, and Lubricants (POL), Capital Machinery, Other Capital Goods, Yarn, Raw Cotton, Fertilizer, Plastics and Rubber Articles thereof Chemicals, Edible Oil, Wheat, C. Seeds, Staple Fibre, Pharmaceutical Products, Sugar, Clinker, Dyeing and Tanning Materials, Crude Petroleum, Pulses (all sorts), Rice, Milk & Cream.



**Major Import Services:** Transportation, Construction Services, Other Business Services, Travel, Financial Services (other than insurance), Government Services, Telecommunications, Computer and Information Services, Charge for the use of Intellectual Property, Insurance Services, Maintenance and repair Services and Personal, Cultural and recreational Services.

# Major Trading Partners



(In million USD)

| Ranking | Country | FY 2022 | | FY 2023 | |
|---|---|---|---|---|---|
| | | Export | Import | Export | Import |
| 1 | USA | 10,417.72 | 2,855.40 | 9,701.34 | 2,312.50 |
| 2 | Germany | 7,590.97 | 978.40 | 7,079.77 | 941.70 |
| 3 | UK | 4,828.08 | 638.40 | 5,310.09 | 411.90 |
| 4 | Others | 4,165.91 | 5,837.60 | 5,233.15 | 5,460.90 |
| 5 | Spain | 3,166.37 | 215.00 | 3,683.43 | 153.60 |
| 6 | France | 2,711.06 | 185.80 | 3,291.69 | 221.40 |
| 7 | Italy | 1,702.29 | 572.80 | 2,391.48 | 567.30 |
| 8 | India | 1,991.39 | 13,940.10 | 2,129.49 | 9,474.60 |
| 9 | Japan | 1,353.85 | 2,576.30 | 1,901.58 | 2,022.20 |
| 10 | Poland | 2,139.24 | 96.30 | 1,851.68 | 97.50 |
| 11 | Canada | 1,522.96 | 647.50 | 1,721.71 | 1,377.10 |
| 12 | Denmark | 1,188.86 | 122.70 | 1,316.69 | 128.80 |
| 13 | Australia | 916.24 | 1,240.00 | 1,259.15 | 1,207.50 |
| 14 | Sweden | 841.42 | 89.60 | 965.29 | 48.90 |
| 15 | Belgium | 900.03 | 136.50 | 944.74 | 144.50 |
| 16 | China PR | 683.43 | 20,879.60 | 677.36 | 17,722.60 |
| 17 | Republic of Korea | 530.25 | 1,627.00 | 623.79 | 1,590.60 |
| 18 | UAE | 864.24 | 1,668.40 | 543.71 | 1,717.10 |
| 19 | Turkey | 458.15 | 452.70 | 495.81 | 422.40 |
| 20 | Russian Federation | 638.31 | 474.30 | 460.39 | 500.10 |



# BANGLADESH -UAE TRADE HIGHLIGHT

- The UAE is Bangladesh's 18th largest trading partner in term of export, and the country is also Bangladesh's largest trading partner in the Middle East region.
- Two-way trade between Bangladesh and the UAE has increased from US$ 235 million in the 2011 to over US$ 1.8 billion in 2023.
- It is expected that the value of UAE's trade with Bangladesh will increase to over US$ 5 billion over the next couple of years.
- The UAE has emerged as the 5th largest investor in Bangladesh with over Dh2.5 billion of investment.
- The UAE is home to 1.2 million Bangladeshi (10% of the Emirate's population). Bangladeshis are the third largest expatriate community in the UAE after India and Pakistan.
- The UAE is the Bangladesh's largest remittance source, a leading trading partner with a significant base of investment for Bangladesh. Notably, after the Kingdom of Saudi Arabia, UAE is the second-largest labour export destination for Bangladesh.
- In 2022, Bangladesh exported US$ 808 million to United Arab Emirates. Major Exports to UAE: Knitwear, woven garments, leather goods, agricultural, products, engineering products, jute and jute goods, frozen foods, home textiles, ceramics, etc. Over the past 5 years the exports of Bangladesh to United Arab Emirates have increased at an annualized rate of 101%, from $15.3M in 2017 to US$808 million in 2022.
- In 2022, Bangladesh imported US$1340 from UAE. Major Imports from UAE: Mineral products, plastics & rubbers, chemicals and allied products, base metals, mechanical appliances, aircraft etc. Over the past 5 years the exports of United Arab Emirates to Bangladesh have increased at an annualized rate of 389%, from $272k in 2017 to $760M in 2022.



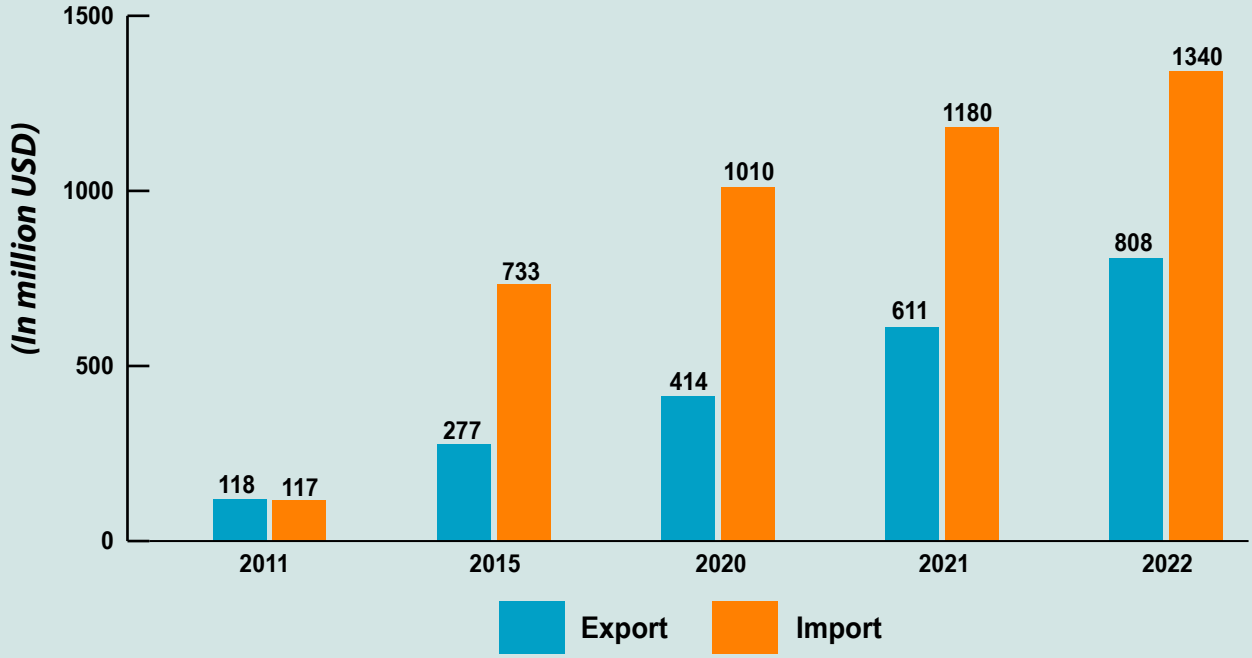
# Bilateral Trade Between Bangladesh & UAE

**BANGLADESH'S MAJOR EXPORT ITEMS**

- Readymade Garments
- Footwear & Leather Products
- Agricultural Products

**UAE'S MAJOR EXPORT ITEMS**

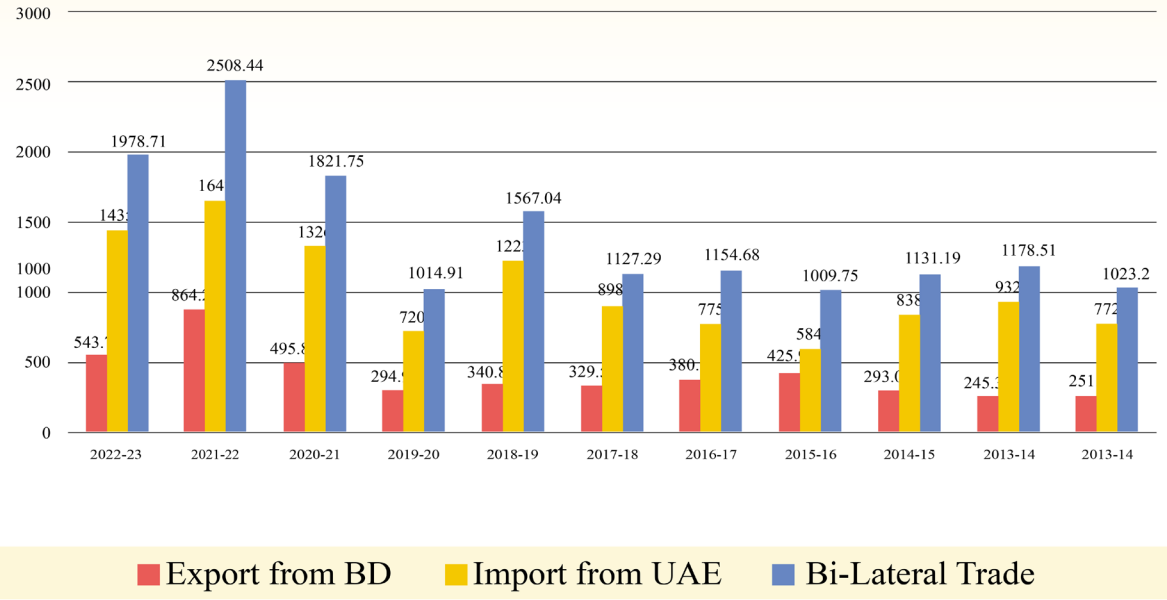
- Crude Oil
- Gold
- Minerals





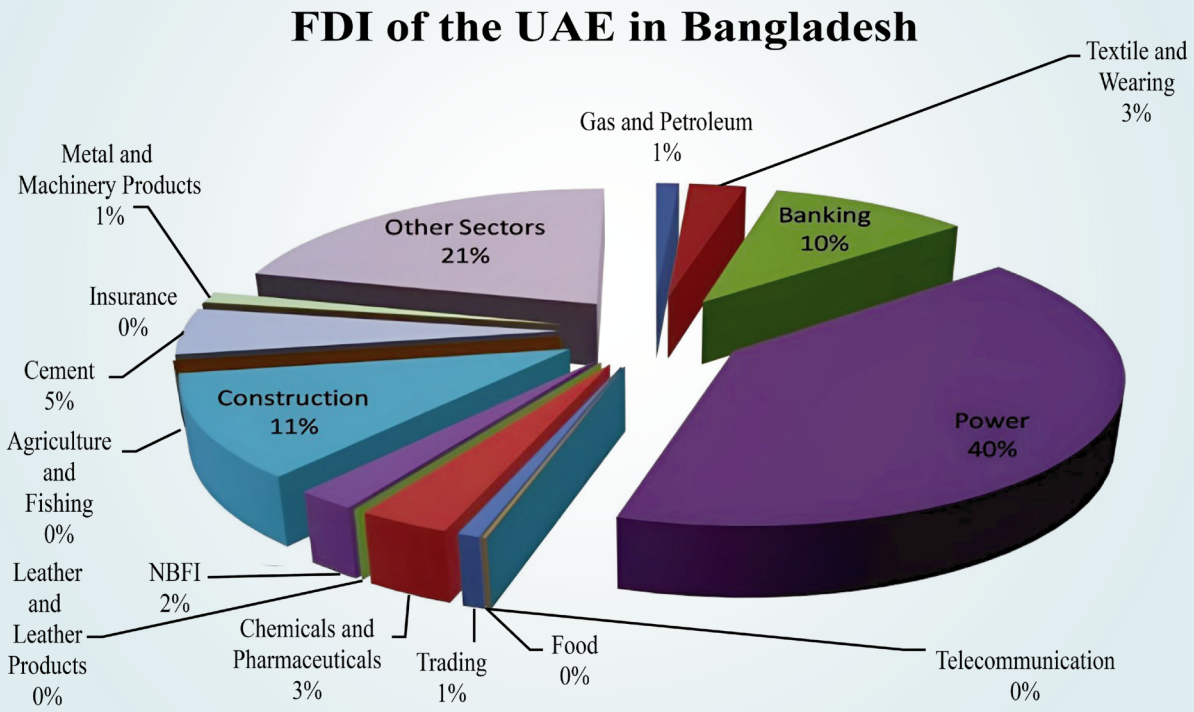

# Bilateral trade between UAE & Bangladesh

(2012-2023) In Million USD




Export from BD  Import from UAE  Bi-Lateral Trade

## FDI stock of the UAE by major sectors as of September/2022



# Investing in Bangladesh: Incentives

## Fiscal Incentives

- Corporate tax holiday: 5 to 7 years for selected sectors and areas
- Tax holiday for infrastructure investment: up to 10 years
- Accelerated depreciation on cost of machinery for new industries in lieu of tax holiday
- Avoidance of double taxation under bilateral tax convention
- Tariff concessions on import of capital machinery
- Tariff concessions on import of raw materials of the export-oriented industries
- Bonded warehousing facility

## Cash & Other Incentivest

- Cash incentives and export subsidies ranging from 5% to 20% on the FOB value of selected products.
- Funds for export promotion, export credit guarantee scheme, permission for domestic sales up to 20% by export-oriented companies outside EPZ.
- Remittance of royalty, technical know-how and technical assistance fees
- Citizenship by investing a minimum of US$ 5,00,000 or by transferring US$ 1,000,000 to any recognized financial institution (non-repatriable).
- Permanent resident permits on investing US$ 75,000(non-repatriable).
- Special facilities and venture capital support will be provided to export-oriented industries under "Thrust sectors". Thrust Sectors include Agro-based industries, Artificial flower-making,
- Computer software and information technology, Electronics, Frozen food, Floriculture, Gift items, Infrastructure, Jute goods, Jewellery and diamond cutting and polishing, leather, Oil and gas, Sericulture and silk industry, Stuffed toys, Textiles, Tourism.

## Financial incentives

- Businesses exporting 80% or more of goods or services
- Reduced import duty on machinery & spares
- (1% for export-oriented industries and 3% for other industries)
- Export credit guarantee scheme
- Domestic market sales up to 20% allowed to export-oriented companies outside EPZ (relevant duties apply)
- Cash incentives and export subsidies (on the FOB value)
- 5% for export oriented local textiles (instead of duty drawback and custom bond), 5% in ship building, SME in textile industry, 10% on frozen shrimp, 7.5% for Jute thread, 10% for jute products, light engineering products, 10% PET flex, 15% for export of bone powder, 12.5% frozen fish, potato, 15% – 20% for hand made products using straw, sugarcane extract, 15% for leather products, and 17.5% for bicycles. 20% for agro-processing and agricultural produce, 20% on potato export, handicrafts made of straw sugarcane straw, 20% for halal meat.

# List of Sectors for Tax Holiday

## For 10 years

- ☑ Deep seaport
- ☑ elevated expressway
- ☑ export processing zone
- ☑ flyover
- ☑ gas pipeline
- ☑ Hi-tech Park
- ☑ Information and Communication Technology (ICT) village or software technology zone
- ☑ Information Technology (IT) park
- ☑ Large water treatment plant and supply through pipeline
- ☑ Liquefied Natural Gas (LNG) terminal and transmission line
- ☑ mobile phone tower or tower sharing infra-structure
- ☑ monorail
- ☑ rapid transit
- ☑ renewable energy (e.g. solar energy plant, windmill)
- ☑ sea or river port
- ☑ toll road or bridge
- ☑ underground rail
- ☑ waste treatment plant

## For 5 to 7 years

- ☑ API industry and radio pharmaceuticals industry;
- ☑ barrier contraceptive and rubber latex;
- ☑ basic chemicals or dyes and chemicals;
- ☑ basic ingredients of electronic industry (e.g
- ☑ resistance, capacitor, transistor, integrator circuit);
- ☑ bio-fertilizer;
- ☑ biotechnology;
- ☑ boilers;
- ☑ brick made of made of automatic hybrid Hoff mann kiln technology;
- ☑ compressors;
- ☑ computer hardware;
- ☑ energy efficient appliances;
- ☑ insecticide or pesticide;
- ☑ petro-chemicals;
- ☑ pharmaceuticals;
- ☑ processing of locally produced fruits and vegetables;
- ☑ radio-active (diffusion) application industry (e.g. developing quality or decaying polymer or
- ☑ preservation of food or disinfecting medicinal equipment);
- ☑ textile machinery;
- ☑ tissue grafting;



# Contributors & Keynote Speakers

## H.E. Saber Hossain Chowdhury, MP
Minister for Environment, Forest and Climate Change



H.E. Saber Hossain Chowdhury, MP, is a distinguished Bangladeshi politician and the newly appointed Minister of Environment, Forest, and Climate Change. Representing the Dhaka-9 constituency in Parliament since 2008, he has a notable record of national and international leadership. Prior to his ministerial role, he chaired the Parliamentary Standing Committee on the Ministry of Environment, Forest, and Climate Change and was a member of the Planning Committee. In 2023, he served as a special envoy to Prime Minister Sheikh Hasina for environmental policy and climate diplomacy. As Minister, he advocates for Bangladesh in global climate negotiations, highlighting the nation's vulnerability despite its minimal contribution to climate change. His career includes serving as the 28th President of the Inter-Parliamentary Union from 2014 to 2017, where he enacted progressive legislation and prioritized environmental protection in Bangladesh's Constitution. An advocate for sports, he played a key role in Bangladesh achieving Test status in cricket. He holds a joint honors degree in Economics and Politics from the University of London and a diploma in Law from the University of Westminster.

## H.E. Mohammed Abu Zafar
Ambassador of Bangladesh to the UAE and
Permanent representative of Bangladesh to IRENA



His Excellency Mr. Mohammed Abu Zafar is currently serving as the Ambassador of Bangladesh to the UAE and Permanent Representative of Bangladesh to IRENA. He is a seasoned diplomat with a distinguished career in the Bangladesh Foreign Service for over 30 years. Prior to his current role, he served as the Ambassador to Austria, Hungary, and Slovenia, concurrently holding the position of Permanent Representative to various UN offices and international organizations in Vienna, Austria. Prior to that, he served as the Consul General of Bangladesh in Dubai and the Northern Emirates, as well as in Los Angeles in the USA. In each of these roles, he played an instrumental and pivotal role in fostering stronger bilateral relationships and enhancing Bangladesh's presence and cooperation in those regions. His leadership in international forums, profound knowledge of public international law has greatly contributed to elevating Bangladesh's standing on the global stage.

## B M Jamal Hossain
Consul General, Consulate General of Bangladesh, Dubai, UAE



Mr. B M Jamal Hossain is a seasoned career diplomat currently serving as the Consul General of Bangladesh in Dubai, representing the government of Bangladesh in Dubai and the Northern Emirates of the UAE. He embarked on his diplomatic journey with the Bangladesh Foreign Service in May 2003. Mr. Hossain's extensive career includes prestigious roles such as Minister (Political) at the Bangladesh Deputy High Commission in Kolkata, Director at the Ministry of Foreign Affairs in Dhaka, and various diplomatic positions in Greece and Morocco. He holds a Bachelor of Arts and a Master's degree in English Literature, along with a Master's degree in International Relations from the University of Indianapolis, Greece. Mr. Hossain has undergone extensive training in good governance, mediation, and international negotiations, enhancing his diplomatic acumen. Fluent in Bengali, English, and French, he leverages his multicultural perspective to promote Bangladeshi interests, provide consular services, and foster bilateral relationships. Under his leadership, the Consulate General of Bangladesh in Dubai excels in service and collaboration, significantly boosting trade, tourism, and scholarly exchanges. Outside his professional life, Mr. Hossain is an avid admirer of art and literature, having authored several poetry books and earned recognition for his paintings.

## Mohammad Mahtabur Rahman, CIP
Chairman & Managing Director
Al Haramain Perfumes Group of Companies, UAE
and the Chairman of NRB Bank Limited, Bangladesh



Mr. Mohammed Mahtabur Rahman (Nasir) is a distinguished businessman with a vast portfolio of trade ventures globally. He began his journey by managing his family-owned business in Makkah, Saudi Arabia, established in 1970, mastering the fragrance industry's craftsmanship. As the Chairman & Managing Director of Al Haramain Perfumes Group of Companies and the Chairman of NRB Bank Limited, he has significantly expanded his business operations. Recognizing the potential in the GCC & MENA regions, he has established a state-of-the-art perfume production factory in the UAE with advanced technology. His business acumen led to the expansion of Al Haramain Perfumes, with over 100 branches across the UAE/GCC and beyond. Mr. Rahman is also the Founder President of the Bangladesh Business Council-Dubai, a Trustee of the University of Asia Pacific, and Chairman of both Hamidia Tea Company Ltd. and Al Haramain Hospital Pvt. Ltd. He has received numerous accolades, including the CIP award for seven consecutive years and the Bangladesh Bank Remittance Award for five years. His contributions extend to philanthropic efforts, notably as a Trustee of Beani Bazar Cancer Hospital.

## Ashish Kumar Sarkar
Commercial Counsellor, Consulate General of Bangladesh, Dubai



Mr. Ashish Kumar Sarkar is currently serving as the Commercial Counsellor at the Consulate General of Bangladesh in Dubai. He plays an extensive role as a Commercial Counsellor to promote trade and investment in Bangladesh. Mr. Sarkar has had a distinguished career in public service, since his joining in the Bangladesh Revenue Service in 2008. Over the years, he has held numerous important roles, including Joint Commissioner of Taxes at the National Board of Revenue, where he contributed significantly to mobilizing domestic resources in Bangladesh. Mr. Sarkar also brings a rich academic background with a Bachelor and Masters in English Literature from the University of Dhaka and an MSc in Development Finance from the University of Reading, UK. His dedication to public service and expertise in financial administration make him a key voice in discussions on economic development and taxation.

## Shariar Pavel
Chief Experience Officer
Huawei, UAE



Mr. Pavel is a prominent Bangladeshi professional with a global presence, currently working as a Chief Experience Officer at Huawei based in the UAE. With 18 years of experience in the mobile industry, he has worked with renowned companies such as Huawei, Microsoft Mobile, and Nokia. Recognized as a top leader in the Middle East, Turkey, and Africa (META) region, Mr. Pavel is an expert in Customer Experience (CX) and international operations management. His innovative solutions have impacted B2B and B2C channel development across the Asia Pacific, Middle East, and Africa. He holds a degree in Applied Physics, Electronics, and Communication Engineering from Dhaka University and has completed a diploma in tech venture, disruption, and design thinking from Harvard Business School Online. He is focused on creating an eco-system that integrates hardware, software, and cloud technologies with the traditional mobile industry and emerging fields like the Internet of Things and Internet of Vehicles.

## Mohsena Khanom FCCA,
Co-Founder, de tempête



Ms. Mohsena Khanom is a distinguished FCCA and Co-founder of de tempête, a Finance & Accounting outsourcing service provider based in Dhaka. She holds an ACCA fellowship, is an ACCA, CIPFA Affiliate Member, IIAB Member, and a qualified Income Tax Practitioner (ITP) of NBR. With a B.Sc. (Hons) in Applied Accounting from Oxford Brookes University, UK, she has also completed the Advanced Certificate for Management Professionals (ACMP 4.0) through a collaboration of IBA-DU, IIT-Delhi, and IIM-Ahmedabad, funded by the ICT Ministry LICT project. Ms. Khanom has over 12 years of experience specializing in financial management, strategic planning, and business valuation, including a pivotal role as Financial Controller at Startup Bangladesh Limited.

# Seminar Memories
























# Seminar Memories

















# Seminar Memories










# Seminar Memories










INVEST

# BANGLADESH

**CONSULATE GENERAL OF BANGLADESH**
DUBAI & NORTHERN EMIRATES