



# Recent Business Outlook in Bangladesh

Tareq Rafi Bhuiyan (Jun)

Secretary-General, Japan Bangladesh Chamber of Commerce & Industry (JBCCI)

# 日本バングラデシュ商工会議所

Japan Bangladesh Chamber of Commerce & Industry (JBCCI)



## 236 Members

### About JBCCI

Established in 2004. JBCCI was formed when Japan and Bangladesh were feeling the need of starting a new trade regime with stronger mutual presence in each other's market.

### Support

- To cooperate with appropriate organizations for promoting business, cultural exchange and friendship between Japan and Bangladesh.
- To collect market/economic information of Bangladesh and provide it to the Japanese companies when required.
- To maintain liaison with the MEDIA and encourage wide coverage of JBCCI activities.
- To look into the difficulties/obstacles members are facing with import/export, duty structures, transportation, dumping / antidumping, IPR or other trade related issues.

Source: JBCCI website ([http://www.jbccj-bd.com/?page\\_id=3402](http://www.jbccj-bd.com/?page_id=3402))



### Seminars/workshops

JBCCI members will get the priority to join the Seminars/Workshops organized by JBCCI at special rate along with other facilities..



### Investment Benefits

For interested companies who are looking for joint Venture with Japanese Company,JBCCI will provide all possible relevant information on potential Japanese investors.For companies who are interested to invest in Japan, JBCCI will provide information about Japanese Investment Climate and Investment Procedure.



### Information Services

JBCCI members will be provided with important business information services.



### Export

For Bangladeshi Exporters , JBCCI will provide related information about Japanese Importers and necessary Market Information of Japan.



### Import

For Bangladeshi Importers , JBCCI will provide related information about Japanese Exporters

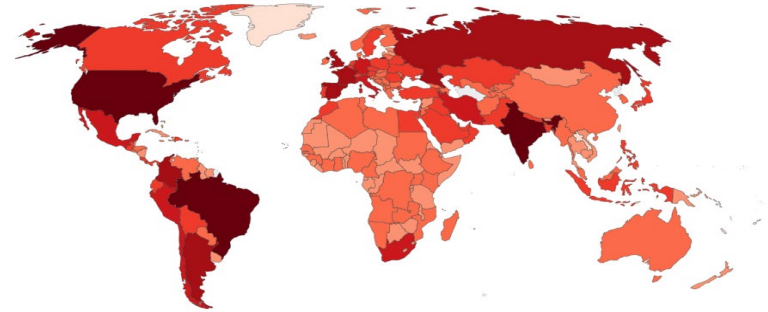


Our World in Data

World

### Cumulative confirmed COVID-19 cases, Nov 6, 2020

The number of confirmed cases is lower than the number of actual cases; the main reason for that is limited testing.



Source: European CDC - Situation Update Worldwide - Last updated 6 November, 10:06 (London time)

CC BY

▶ Dec. 31, 2019

Source: Our World in Data (<https://ourworldindata.org/how-to-embed-charts>)

### Total confirmed COVID-19 deaths of World & Bangladesh



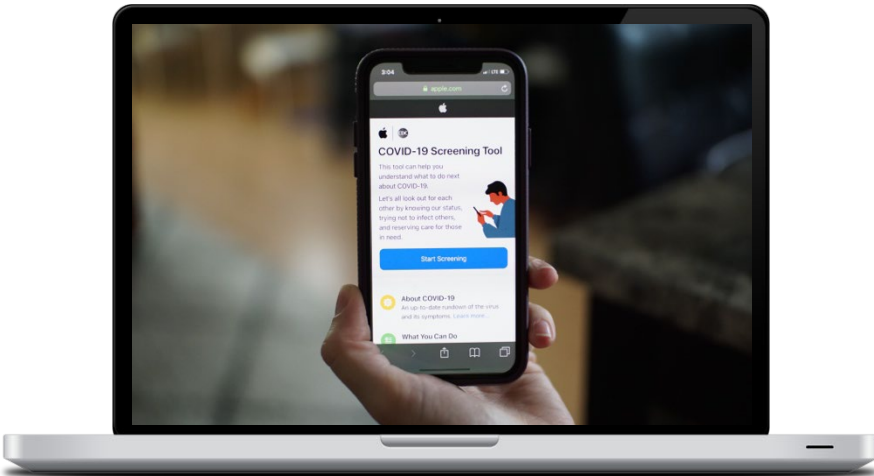
Source: The Business Standard (<https://tbsnews.net/>)



# 最新の投資環境・ビジネス状況と新型コロナウイルス

## Recent Business Outlook and Coronavirus

The spread of the coronavirus has increased the importance of the Internet



and online for everyone to communicate and increase the business around the world.



# 最新の投資環境・ビジネス状況と新型コロナウイルス

## Recent Business Outlook and Coronavirus

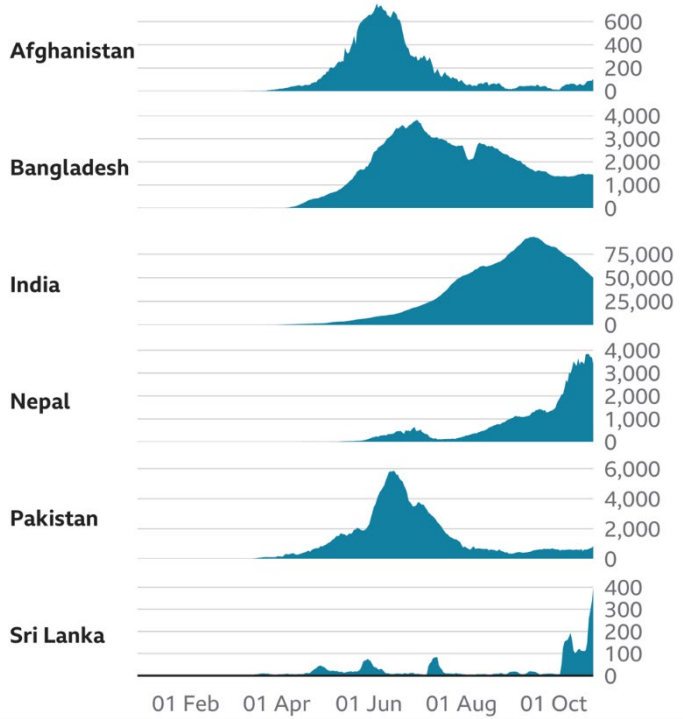
### Bangladesh (11/6)

Daily Case: around 1,500 (Total Case: 418,764)

Daily Death: around 15 (Total Death: 6,049)

### Shape of the pandemic in South Asia

Number of cases per day, seven-day rolling average. Each country on its own scale



Source: ECDC and national public health agencies, data up to 27 Oct



Country	Deaths	Death rate*	Total Cases	New Cases					
				0	10	100	1k	5k	**
India	124,315	9.2	8,364,086	24 JAN - 04 NOV					
Indonesia	14,259	5.3	421,731						
Philippines	7,409	6.9	389,725						
Pakistan	6,893	3.2	338,875						
Bangladesh	6,004	3.7	414,164						
China	4,740	0.3	91,509						
Kazakhstan	1,857	10.1	114,235						
Japan	1,799	1.4	104,394						
Afghanistan	1,548	4.2	41,814						
Myanmar	1,330	2.5	56,940						

Source: BBC (<https://www.bbc.com/news/world-asia-53420537>)



# Bangladeshへの投資機会

## Why Invest in Bangladesh



### A Fast Growing Economy

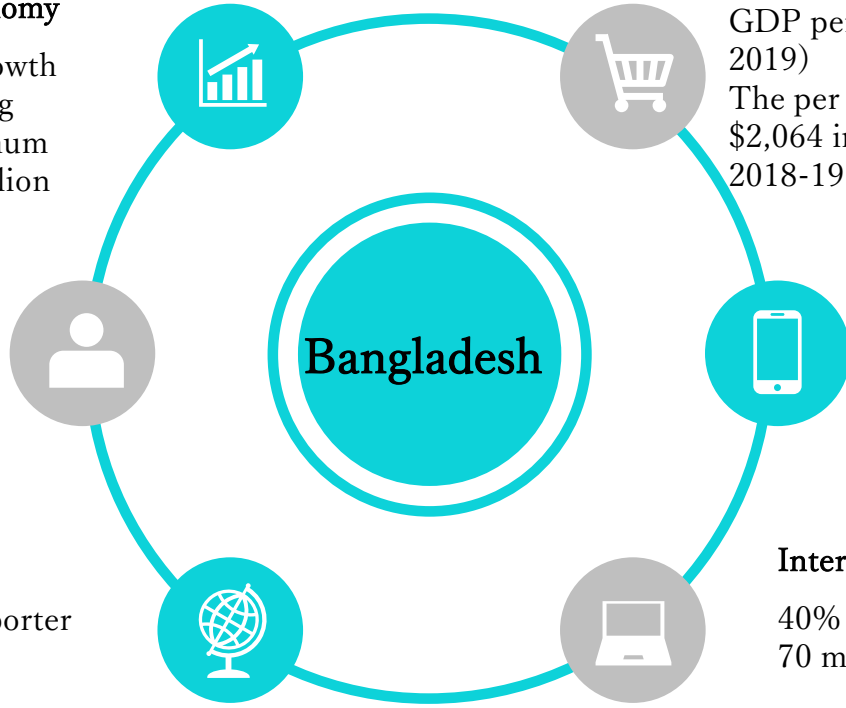
2nd highest GDP growth (~7%) globally among countries with minimum GDP of USD 100 billion

### A Young Country

50% population under the age of 25 years

### A Global Innovator

2nd largest RMG exporter globally



### Almost USD 2,000 - GDP per capita

GDP per capita is USD 1,855.74 (World Bank, 2019)  
The per capita income of Bangladesh rose to \$2,064 in FY20, up from \$1,909 registered in 2018-19.

### Mobile Market

75%+ mobile penetration (130 million users)  
Mobile Financial Services (bKash)

### Internet Users

40% internet penetration  
70 million+ internet users

Source: Bangladesh Government ICT division, [https://investindigitalbd.gov.bd/front\\_end/files/analyst-reports/Bangladesh-Value-Proposition.pdf](https://investindigitalbd.gov.bd/front_end/files/analyst-reports/Bangladesh-Value-Proposition.pdf)



# 近隣諸国の2020年GDP成長率予測

## GDP Growth Rate 2020 Forecast

### 新型コロナウイルスによる生活の変化

#### Changes in life due to the coronavirus in Bangladesh



Remote Work (Home office)



Online Class, Online training



E-commerce (Chaldal.com etc.)

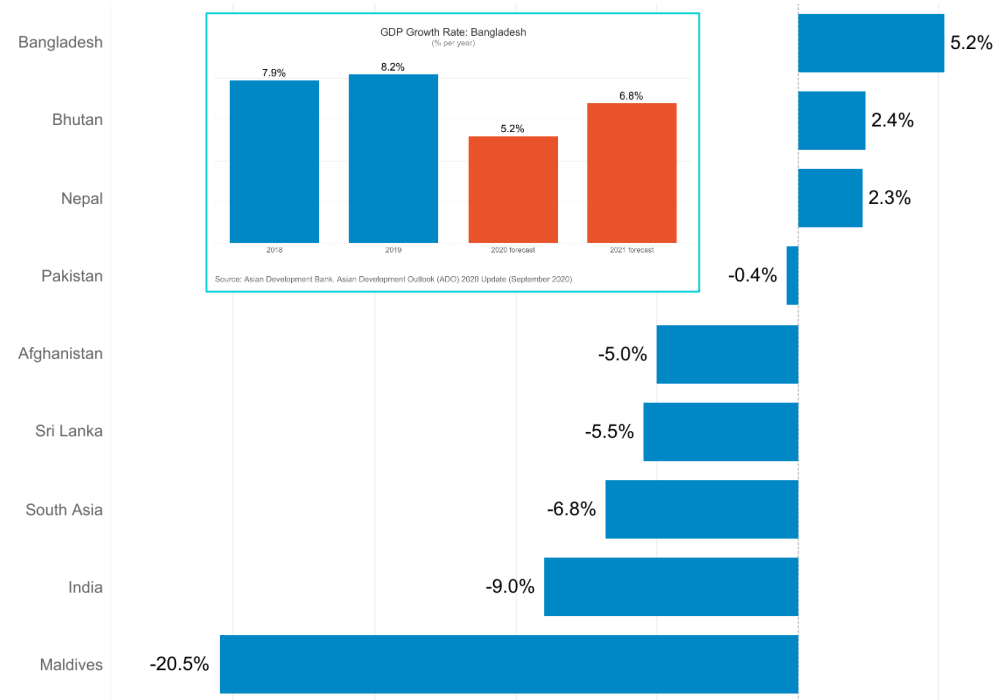


Online Banking, Mobile Banking (bKash etc.)



Tele medicine

### GDP Growth Rate, 2020 forecast (% per year)



Source: Asian Development Bank. Asian Development Outlook (ADO) 2020 Update (September 2020)





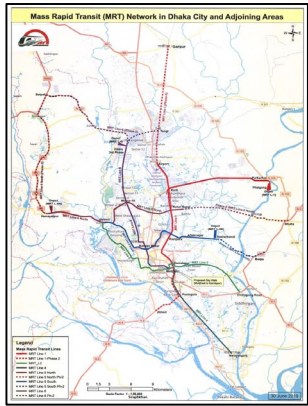
# 日本のODA案件とインフラ開発

## Japan ODA and Infrastructure

**Profile of the Araihaajar Japanese SEZ**

Investment ratios	Sumitomo Corporation: 76% Bangladesh Economic Zones Authority: 24%
Location	Narayanganj District, Dhaka Division, Bangladesh
Development area	Approximately 190 hectares (Phase 1A: 123 hectares; Phase 1B: 67 hectares)
Total project costs	Just over 13 billion yen (JICA provides a yen loan to the Bangladesh government for financing the surrounding infrastructure development construction works.)

Source: Sumitomo Corporation  
(<https://www.sumitomocorp.com/en/jp/news/release/2019/group/11970>)



Mass Rapid Transit System in Dhaka



Kanchpur, Meghna and Gumti bridges



Japan ODA

Araihaajar Japanese SEZ



Hazrat Shahjalal International Airport (third terminal)



Matabari Coal-fired Power Plant and Deep Seaport



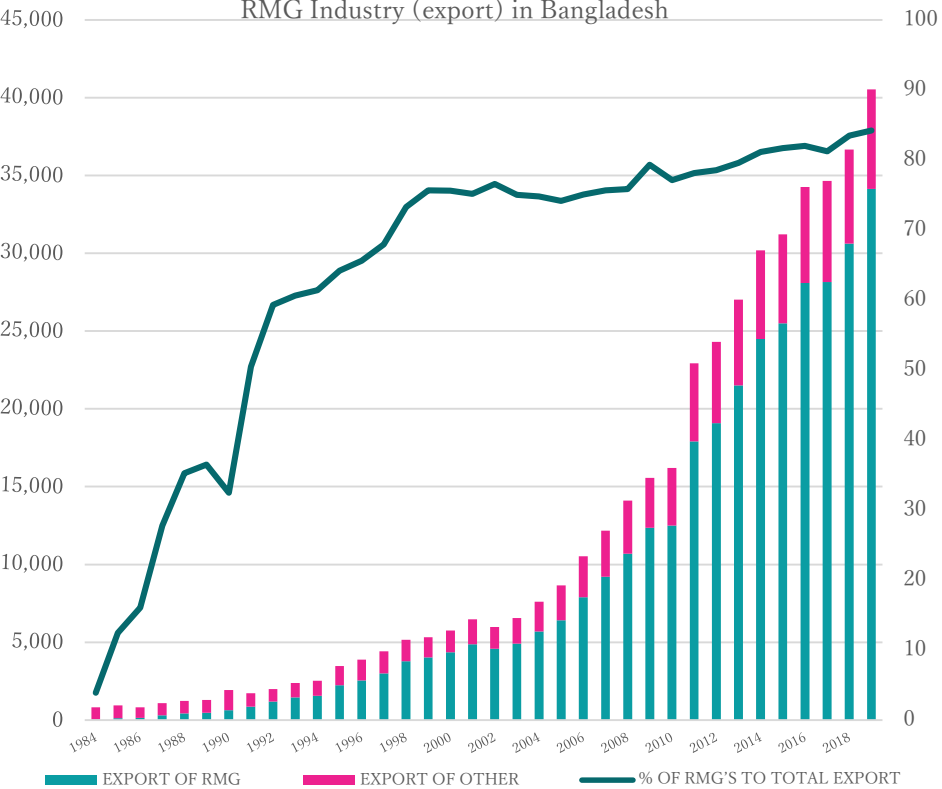


# バングラデシュの経済状況（海外との関係）

## Bangladesh Economic Situation (Overseas Business)

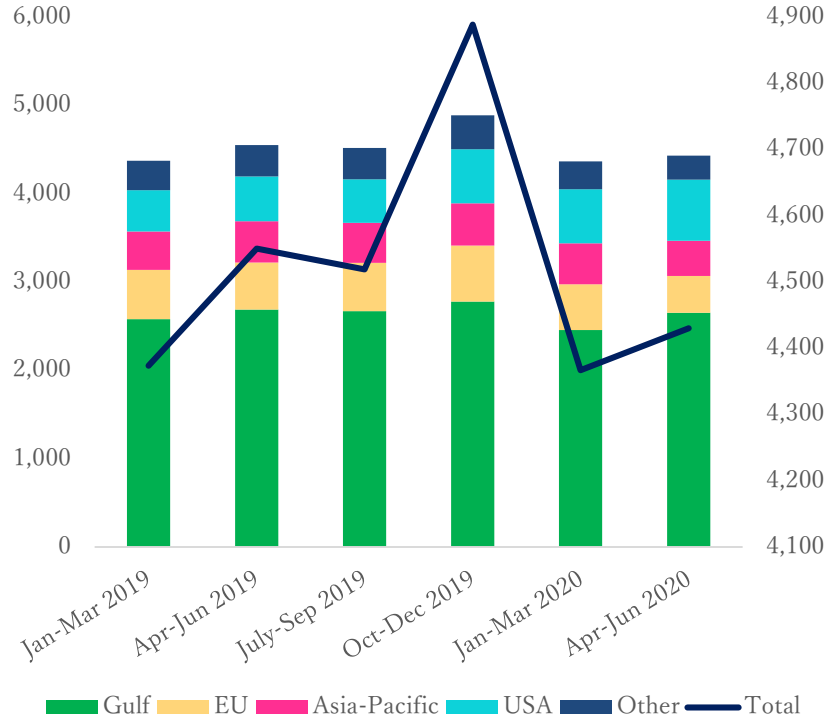
バングラデシュの輸出総額と縫製産業の割合

RMG Industry (export) in Bangladesh



4 半期ごとのバングラデシュへの送金金額の推移

Quarterly Trend of Country-wise Remittance



(Source: Quarterly Report on Remittance Inflow (April-June 2020), Bangladesh Bank)

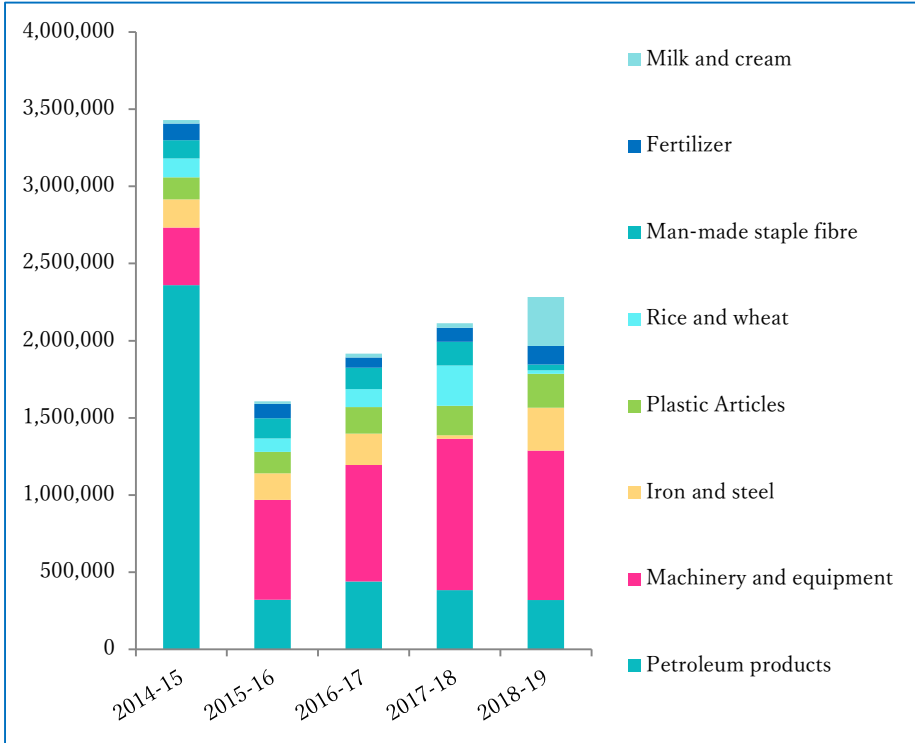


# バングラデシュで注目されている産業

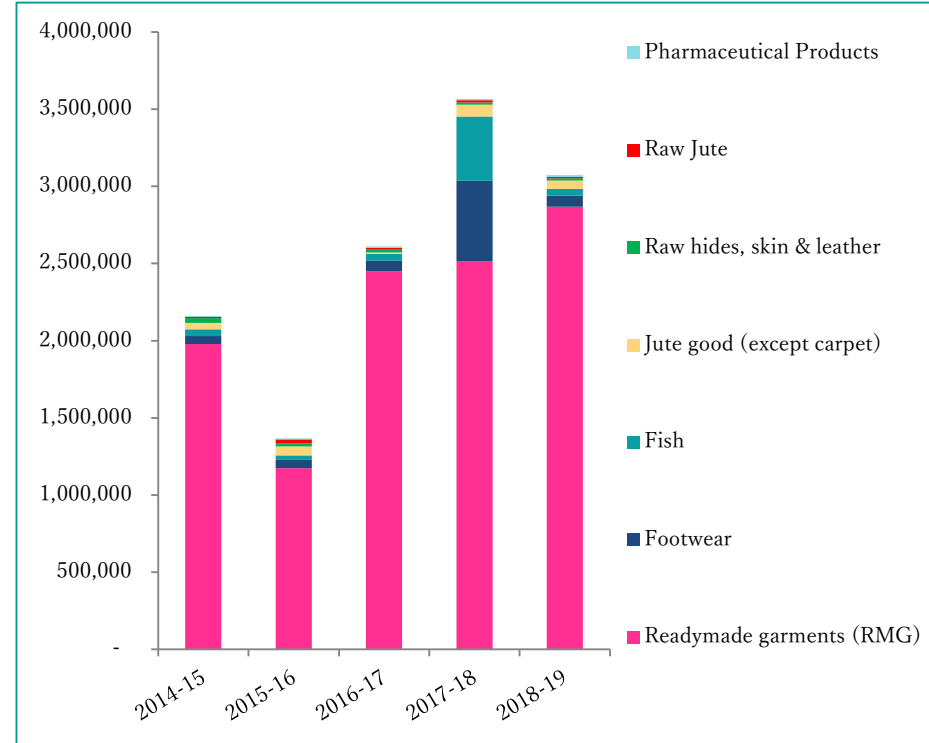
Industry attracting attention in Bangladesh



Import of Selected Principal Commodities in Bangladesh (million BDT)



Export of Selected Principal Commodities (million BDT)



Source: Foreign Trade Statistics of Bangladesh 2018-19 ([https://bbs.portal.gov.bd/sites/default/files/files/bbs.portal.gov.bd/page/8643ec8b\\_27a3\\_41c\\_d\\_bb9\\_9be3479f578e/2020-05-18-08-39-f18cfb579568eda72bf0abaa89b43c3f.pdf](https://bbs.portal.gov.bd/sites/default/files/files/bbs.portal.gov.bd/page/8643ec8b_27a3_41c_d_bb9_9be3479f578e/2020-05-18-08-39-f18cfb579568eda72bf0abaa89b43c3f.pdf))

# バングラデシュで注目されている産業

## Industry attracting attention in Bangladesh



### Mega Infrastructure Projects

Toward the completion of the special economic zones dedicated to Japan, the construction of the metro rail covering the 8 industrial districts (partly scheduled to start in 2021), construction of the Matarbari supercritical pressure coal thermal power plant (to be completed in 2024), etc. Japanese companies will be expected to advance



### Garments/leather Industries

Among export items of Bangladesh, clothing items account for about 80% and overwhelming share. Also, expanding transactions with developed countries that are exempt from tariffs by the generalized system of preference (GSP). As labor costs in China are skyrocketing, more and more companies are considering center in Bangladesh in search of cheaper and abundant human resources compared to China and other Asian countries.



### Consumer Goods Business

Cosmetics, white goods home appliances, etc. are establishing local brands, there are many imported goods from China and India. Consumers tend to buy cheap products.



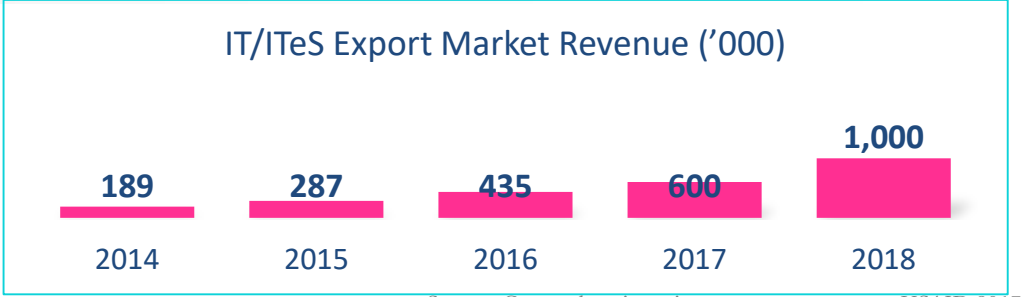
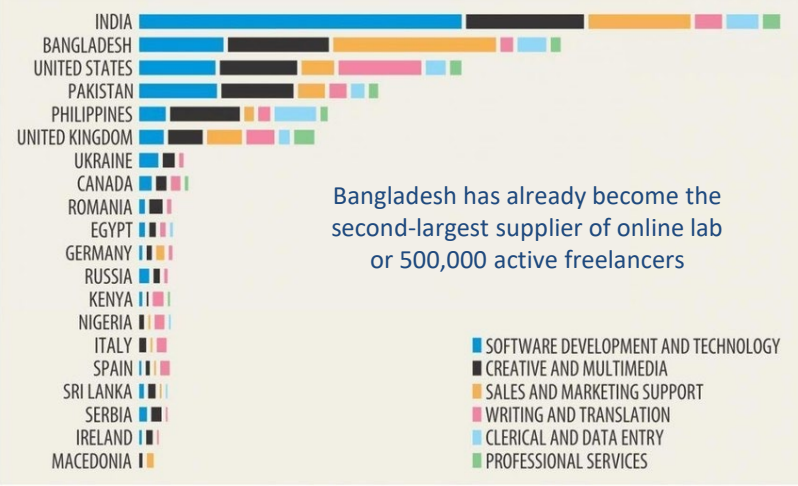
### Medical Related Industries

The cancer death rate is the highest. However, domestic medical technology is not enough, and it is limited to rich people who can receive treatment overseas. There are also many local people who suffer from diabetes. However, everyone understands the domestic medical service should be improved due to Coronavirus.



# ICTセクターの可能性

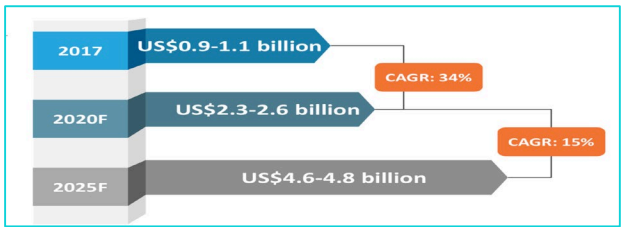
## Opportunity of Bangladesh ICT Industry



Source: Comprehensive private sector assessment, USAID 2017

Source: World Economic Forum 2019, <https://www.weforum.org/agenda/2019/06/how-the-digital-economy-is-shaping-a-new-bangladesh/>

### Bangladesh IT Services-ITeS Industry Domestic Market Size (2017-2025F: US\$ billion)

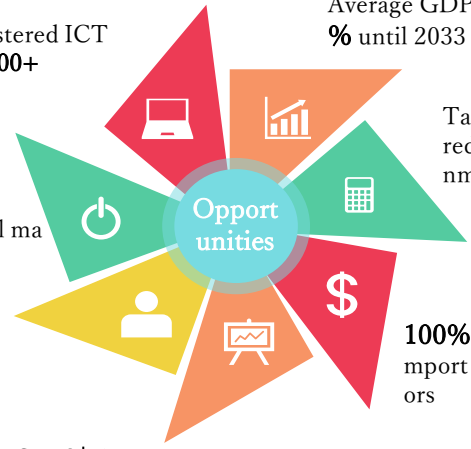


Source: BCG, Everest Group, 2017

Number of registered ICT Companies: **4,500+**

Average GDP Growth Rate of **7% until 2033**

Tax Exemption Facility and declared as **Thrust Sector** by the government and **Corporate Tax free**



Demand for software in the local market: **US\$ 1.18 Billion**

No. of IT/ITES Professionals: **300,000 (appr.)**

**100%** Profit Repatriation and no Import Duty for export oriented sectors

Market value of IT/ITES: **US\$ 400+**

Source: IT and ITeS Industry Overview, BASIS <https://basis.org.bd/public/files/publication/5e123f2d5a6c6b9a96136a3b168568073f9800e5b0f5b9.pdf>





# ポジティブなバングラデシュ人の特徴

Positive Points of Bangladeshi People



Thank you very much