

Business Roundtable

Speech

by

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Bismillahir Rahmanir Rahim

Officials of the US Chambers of Commerce,
Business Leaders of the United States and Bangladesh,
Ladies and Gentlemen.

Assalaamu Alaikum and Good Afternoon.

It is my pleasure to be with you again today at this business meeting. I thank the US Chambers of Commerce for hosting this event. Your presence indicates your keen interest to be engaged in trade and commercial activities with Bangladesh.

The Bangladesh–US relations are based on common values and shared interests. The relations between the two countries have been flourishing since I took over the responsibility in 2009, and today, Bangladesh and the USA enjoy the best of relations. We established the annual Partnership Dialogue, the TICFA. We are holding regular dialogues on a wide range of issues, including trade, investment, security, military, and counter-terrorism. We look forward to working together for a free, open, peaceful, secure and inclusive Indo-Pacific region for collective prosperity of all.

Our two countries’ goal of shared prosperity is reflected in our expanding business relations. Our bilateral trade has been growing consistently and totaled US \$9 billion during the last financial year. It could be more if unfair high tariffs, compared to other developing countries were removed.

Distinguished Business Leaders,

You might be aware that in March last year, the United Nations declared Bangladesh eligible for graduation from LDC to a developing country. It is the result of our efforts in realizing “Vision 2021”. Our goal is to become a developed country by realizing our “Vision 2041”.

We are confident in reaching our goals considering the huge socio-economic transformations currently taking place in Bangladesh.

During the last 10 years, our GDP growth averaged 7% reaching 8.13% in the last fiscal year and expecting to be 8.2% in the current fiscal year. We have undertaken a number of mega projects to improve infrastructure, and the growth rate is expected to reach double digit once these projects are completed in 3-4 years' time. Inflation has been reduced to 5.4%; per capita income increased to US\$ 1909; foreign currency reserve raised to US\$ 33 billion: export earnings more than doubled to US \$40.53 billion; Human Development Index increases at 1,6% annually; to mention a few economic indicators.

Bangladesh has, over the years, evolved into an investment destination from an aid recipient country. Bangladesh is now the 30th largest economy in the world based on PPP, and has a growing global recognition as a role model of development. Asian Development Bank Outlook 2019 mentioned that Bangladesh is the fastest growing economy in the Asia Pacific region. It attributes this achievement to strong leadership, good governance, stable government and continued political stability, sound macroeconomic policy and right development priorities. It is to be mentioned that our government shows zero tolerance to corruption and terrorism. HSBC in its report of 2018 predicts that Bangladesh will be the 26th largest economy, becoming one of the three fastest economies of the World by 2030. Bangladesh is also a progressive, secular democracy with a homogenous population of 165 million. With a large population, young people mostly under the age of 25 are ready to be engaged at very competitive wages. Rapid urbanization fed by increasing consumption of electricity and burgeoning growth of middle class indicates the market potential in Bangladesh for the investors.

Bangladesh has the most liberal investment policy in South Asia. It includes protection of foreign investment by law; generous tax holiday; concessionary duty on import of machinery; unrestricted exit policy; full repatriation of dividend and capital on exit, to name a few.

Foreign investment is protected by relevant acts of parliament and bilateral investment treaties. Bangladesh and the USA have signed a ‘Bilateral Investment Treaty’ and the ‘Convention on Avoidance of Double Taxation’.

As you have already seen in the video presentation, we are in the process of establishing 100 Special Economic Zones with one-stop service in different parts of the country. About a dozen of them are ready with four allotted to three countries. A number of high-tech parks are also ready for technology and Innovation enterprises.

Persistent growth of global FDI in Bangladesh since my government took over in 2009 reflects the increasing confidence of the foreign investors in Bangladesh. Even, US investment in Bangladesh crossed US\$ 1billion during last five years, though this is far below the potential the US has in term of its economic and technological ability.

Strategic location of Bangladesh provides tremendous potential for being the economic hub of the region. With India on the west, China on the north and South East Asia on the East, and with a population of 165 million of its own, Bangladesh is in the middle of a combined market of 4 billion people.

Since regional connectivity is vital for trade, initiatives under SAARC, BIMSTEC, BBIN and BCIM-EC, have been undertaken to connect with the neighbors, and the region physically.

Bangladesh has become the 3rd largest producer of vegetables; 4th largest producer of rice; 5th largest producer of inland fisheries; and the 2nd largest RMG exporter in the world. Other thriving sectors are

Pharmaceuticals, Ceramics, Ship building, Leather and ICT. A unique strategic plan undertaken by the government is the Delta Plan 2100 to reclaim land from the sea, secure water safety, and economic growth by preventing floods, river erosion and adverse impacts of climate change.

Finally, I am happy to see that USA is our second largest trading partner and the largest investment partner. For further development, your investment and engagement are imperative. This is a win-win option for both of us. As the fourth Industrial Revolution is also knocking at our door, it is all the more important that you stay with us in our journey for shared benefit and prosperity. Such benefiting mutual cooperation would further strengthen the existing friendship to a perpetual one.

I thank you all.