FICCI Special Bulletin

THE APEX CHAMBER OF FOREIGN INVESTORS

CONDUCIVE FISCAL POLICIES & TAX REGULATIONS: **CATALYZING GREATER FDI IN BANGLADESH**

April - May 2025

FOREIGN INVESTORS' CHAMBER OF COMMERCE & INDUSTRY
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BOARD OF DIRECTORS 2024 - 2025

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From the desk of Editor

Tax regulations shaped by fiscal policies play a crucial role in influencing business growth and investment. This edition of the FICCI Monthly Bulletin focuses on the pivotal role of investor-friendly fiscal policies and tax regulations in accelerating foreign direct investment (FDI) in Bangladesh.

FICCI had exclusive opportunity of pooling focused opinion from a number of honorable foreign diplomats on how fiscal policies and tax regulations make critical impact on investment in light of significant investments in Bangladesh from their respective countries. We express our gratitude to the honorable diplomats for enriching the Current Edition of FICCI Monthly Bulletin with their exclusive opinion.

Besides, several stakeholders and chamber leaders have expressed their opinion on impacts of fiscal policies and tax regulations on business and investment. We are thankful for being able to obtain exclusive inputs from esteemed stakeholders and chamber leaders.

A number of our valued stakeholders have contributed dedicated articles in this Current Edition of FICCI Monthly Bulletin, discerning sectoral perspectives considering in-depth business experiences. We are thankful to the valued stakeholders for contributing analytic and deep-sighted articles, which we hope would meaningfully draw the attention of policymakers, regulators and concerned stakeholders.

As a leading chamber FICCI delves in critical review of policy effectiveness and regulatory framework that impact business profitability and as a result the flow of investment.

Alongside our regular activities we organize monthly events such as Luncheon Meeting and Leaders Talk, as consistent exercise of reviewing policy direction and integrity of financial and governance systems which critically impact business growth and economic development.

As Bangladesh strives to attract greater volumes of FDI, a stable, transparent, and ethical fiscal environment is necessary for enhancing domestic revenue mobilization, reducing fiscal deficits and ensuring economic resilience. To catalyze greater FDI inflow, Bangladesh needs forward-looking conducive fiscal Policies and tax regulations aimed at fostering greater investor confidence in alignment with national aspirations.

A forward-looking comprehensive reform agenda aimed at institutional reforms and digital transformation which is responsive to the evolving needs of the economy would, as we see, require increased multi-stakeholder engagement and unwavering commitment of policymakers and regulatory overseers.

T. I. M. Nurul Kabir

Zaved Akhtar
President, FICCI and
Chairman & Managing Director,
Unilever Bangladesh Ltd.

MESSAGE FROM THE PRESIDENT

Dear Members, Colleagues, and Stakeholders,

It is a pleasure to share with you this Special Edition of FICCI monthly bulletin, themed CONDUCIVE FISCAL POLICIES AND TAX REGULATIONS: CATALYZING GREATER FDI IN BANGLADESH. Our country moves forward in its journey toward becoming a more competitive, inclusive, and investment-driven economy, effective fiscal policies and transparent tax regulations are essential to building investor confidence and attracting foreign direct investment (FDI).

A predictable, efficient, and business-friendly tax framework is fundamental to sustainable economic growth. At FICCI, we strongly believe that consistency in policy, ease of doing business, and alignment with global standards are the bedrock of a strong investment climate. We continue to advocate for policy consistency, tax simplification, and regulatory efficiency—ensuring alignment with global best practices that support a robust investment environment. Our ongoing collaboration with government bodies, policymakers, industry leaders, and regulators is focused on shaping a tax environment that supports growth, encourages innovation, and makes Bangladesh an even more attractive destination for foreign investors.

While we acknowledge the considerable progress Bangladesh has made in improving its investment climate, challenges remain. Issues such as administrative complexity, inconsistent interpretations, and the need for greater digitalization in tax systems are areas where continued reform is needed—especially for multinational companies seeking to expand or establish operations in Bangladesh.

This special edition brings together expert analyses, diverse perspectives, and practical insights on how fiscal and tax policies can evolve to unlock greater FDI potential. We hope it fosters meaningful dialogue and supports efforts to create a more conducive economic environment. Additionally, the stories shared by member companies highlight their impactful contributions across various sectors, serving as an inspiration for businesses striving to drive positive change and innovation.

I would like to express my sincere thanks to all the contributors for sharing their expertise, and to our sponsors and the FICCI Secretariat for their dedication to bringing this publication to life.

Together, let us continue to advocate for thoughtful, strategic reforms that support Bangladesh's long-term prosperity.

Thank you for your continued support and commitment to FICCI.

Warm regards,

Zaved Akhtar
President, FICCI

INTERVIEW OF
THE HONOURABLE CHAIRMAN OF NATIONAL BOARD OF REVENUE (NBR)

Md. Abdur Rahman Khan, FCMA
Chairman, National Board of Revenue (NBR) and
Secretary, Internal Resources Division (IRD)

Bangladesh's tax framework is strategically crafted to attract and retain foreign direct investment (FDI) through a range of investor-friendly policies and reforms. Incentives such as tax holidays, exemptions, and reduced rates in EPZs, SEZs, and High-Tech Parks have made the country a competitive destination for global investors. With double taxation avoidance agreements with 41 countries and steady reductions in corporate and individual tax rates, Bangladesh continues to lower the cost of doing business. Looking ahead, the government is focused on simplifying compliance, digitizing tax administration under the Mid- and Long-Term Revenue Strategy (MLTRS), and establishing dedicated Revenue Policy and Management Units. In this special edition on 'Conducive Fiscal Policies and Tax Regulations: Catalyzing Greater FDI in Bangladesh," Mr. Md. Abdur Rahman Khan FCMA, Chairman of the National Board of Revenue (NBR) and Secretary of the Internal Resources Division (IRD), shares his insights in an exclusive interview.

Q1. How does the current tax framework facilitate foreign investors entering the Bangladeshi market, and what key tax policies make Bangladesh attractive for FDI?

The Bangladesh tax regime facilitates foreign investment through a combination of tax holidays, exemptions, and incentives designed to attract investors and promote economic growth. Investors in Export Processing Zones, Special Economic Zones and High Tech Parks are enjoying special tax benefits such as tax holidays, accelerated depreciation, exemptions, reduced tax rates. In addition, investors are protected from possibility of suffering double tax since Bangladesh signed avoidance of double taxation agreements with 41 countries so far.

Q2. What new fiscal incentives or regulatory reforms are being considered to enhance investor confidence and competitiveness in Bangladesh?

Bangladesh is considering regulatory reforms to boost investor confidence primarily focused on streamlining tax systems, improving trade facilitation and business environment. These efforts shall improve FDI attraction competitiveness and support sustainable economic growth.

Q3. What are the key fiscal priorities of the upcoming FY 2025-26 national budget, particularly about foreign investment and economic growth?

Withholding tax, fines and penalties and compliance requirement of submitting different returns, forms and statements shall also be rationalized. Incentive shall be offered to foreign investors for encouraging compliant corporate entities to get listed in Stock Exchanges in Bangladesh.

Q4. Are there specific tax policy adjustments or initiatives in the FY 2025-26 budget designed to accelerate FDI inflows?

NBR shall facilitate all trades through removing or reducing administrative burdens in tax laws and regulations. Minimum tax and turnover tax regimes shall be rationalized to reduce tax burden of compliant taxpayers.

Q5. What long-term tax reforms does NBR envision to maintain Bangladesh's appeal to foreign investors and improve tax administration efficiency?

Simplification of systems and processes of tax administration through end-to-end automation of everything we do in revenue administration is our long-term priority. For this NBR has already prepare a Mid and Long-Term Revenue Strategy (MLTRS) and undertook a digitization project with WB financing to implement the MLTRS.

Q6. Once "Revenue Policy" and "Revenue Management" units are created, how will investors benefit?

Creating Revenue Policy and Revenue Management Units can benefit investors by fostering a more stable and predictable fiscal environment, which in-turn can attract and secure investment. This shall be achieved through strategies like designing fair fiscal arrangements considering national interest such as creation of employment and economic growth following international best practice.

Q7. In conclusion, what message would you like to convey to foreign investors considering Bangladesh as their next investment destination?

Bangladesh has gradually reduced corporate tax rates from 50% to 20% throughout the last three decades to attract Foreign Direct Investment (FDI) in the country. Individual marginal income tax rate has also been gradually reduced to 30% from 70% throughout this period. In addition, import duty exemption on raw materials imports for manufacturing entities has been allowed to reduce cost of production and thus increase profitability of foreign investment in Bangladesh.

EXPERT VIEWS

VIEWS FROM DIPLOMATS, STAKEHOLDERS & CHAMBER LEADERS ON BANGLADESH'S FISCAL POLICIES & TAX REGULATIONS

Delegation of the European Union to Bangladesh

"The EU's ambition in Bangladesh is to move towards aligning our investment footprint with the strength of our commercial relationship. EU companies are already among the largest and most reliable taxpayers, contributing significantly to this country's finances, creating jobs for Bangladeshi citizens. As we move ahead, we look to the authorities to ensure a level playing between domestic and foreign investors, and to lock-in transparent, predictable, investor-friendly policies that build confidence in Bangladesh as an investment destination."

H.E. Michael Miller
Ambassador and Head of Delegation
Delegation of the European Union
in Bangladesh

Embajada Argentina en Bangladesh

Embajada de la República Argentina, Bangladesh

"I would like to thank FICCI for inviting me to share my views on the theme "Conducive Fiscal Policies and Tax Regulations: Catalyzing Greater FDI in Bangladesh."

A year and a half ago, the Argentine embassy reopened in Dhaka with the aim of strengthening our friendly bilateral ties as well as boosting trade and investment. In this short period of time, trade between Argentina and Bangladesh has shown a growth tendency that makes me think it can become an important driver for further investment opportunities in both countries.

Bangladesh, with its 170 million people, young workforce, and striving sectors such as garments, pharmaceuticals and food industries, offers fertile ground for deeper economic engagement. Despite these strengths, Bangladesh has been attracting less foreign direct investment (FDI) than other economies in the region.

H.E. Marcelo Cesa
Ambassador
Embassy of Argentine Republic,
Bangladesh

One of the most decisive factors influencing investor sentiment is tax policy. For long-term projects, investors require predictability. That's why last year Argentina enacted the Large Investment Incentive Regime (RIGI), offering 30-year tax advantages and streamlined trade procedures for projects exceeding USD 200 million in strategic sectors.

Of course, Bangladesh must develop its own tailored strategies. In my view, Bangladesh's current reform momentum presents a timely opportunity. By designing an appropriate tax framework, Bangladesh can position itself as a leading destination for FDI—unleashing its full economic potential."

H.E. Susan Ryle
High Commissioner
Australian High Commission,
Bangladesh

Australian High Commission, Bangladesh

“Australia is encouraged with the momentum in our economic relationship with Bangladesh. Our two-way trade now stands at more than AUD 4.8 billion, up from AUD 1 million about a decade back. And there's scope for further growth with our well-established people-to-people links and geographic proximity, especially in sectors like agrifood, wool, healthcare and the green economy.

We are stepping up the tempo of our private sector engagement. In February, our trade promotion agency - Austrade - appointed its first Trade and Investment Commissioner in Bangladesh. We are also supporting the inaugural Bangladesh Business Expo 2025 in Sydney from 1-2 October 2025, hosted by the Australia Bangladesh Business Forum.

Greater investment in both directions will help sustain our growing trade. Efforts to improve ease of doing business, secure repatriation of profits, and transparent dispute resolution mechanisms will continue to attract more Australian investors and businesses.

We commend the Interim Government's economic reform agenda and support its work in improving the business environment in Bangladesh.”

Embassy of Brazil, Bangladesh

H.E. Paulo Fernando Dias Feres
Ambassador
Embassy of Brazil,
Bangladesh

“I commend the Foreign Investors' Chamber of Commerce and Industry (FICCI) for focusing on the vital role of fiscal policies and tax regulations in fostering a more attractive investment climate in Bangladesh.

From Brazil's perspective, transparent, predictable, and investor-friendly fiscal frameworks are fundamental to encouraging long-term foreign direct investment. Bangladesh has made commendable progress in recent years, and further streamlining of tax structures, reduction of bureaucratic hurdles, and greater policy consistency will significantly enhance its competitiveness on the global investment map.

Brazilian investors are increasingly looking towards South Asia and Bangladesh, with their strategic location, growing domestic market, and evolving regulatory environment presenting promising opportunities. Continued dialogue between the public and private sectors, such as this initiative by FICCI, will be instrumental in aligning investment policies with global best practices.

Brazil remains committed to strengthening economic ties with Bangladesh, and we look forward to deepening our cooperation in trade, investment, and innovation.”

High Commission of Brunei Darussalam, Bangladesh

H.E. Haji Haris bin Haji Othman
High Commissioner
High Commission of Brunei Darussalam, Bangladesh

Conducive Fiscal Policies and Tax Regulations: Catalysing Greater FDI

Foreign direct investment (FDI) plays a vital role in accelerating economic development, generating employment, enhancing productivity, and enabling technology transfer across the globe. For countries seeking to attract greater Foreign Direct Investment (FDI), adopting transparent and conducive fiscal policies, along with streamlined tax regulations, is crucial to creating a competitive and investor-friendly environment.

A key strategy is to ensure competitive and predictable corporate tax rates. When tax burdens are moderate and policies are transparent, investors can better assess after-tax returns, making a country more appealing relative to regional and global peers. For example, countries like Bangladesh may consider reducing corporate tax rates to compete more effectively with investment destinations such as Vietnam and India. This may significantly influence investor decisions.

Equally important is tax system transparency. Complex and opaque tax structures, accompanied by excessive exemptions, discretionary enforcement, or hidden compliance costs, can deter foreign investors. Simplifying the tax code, enhancing digital tax administration, and ensuring equal treatment under the law may foster greater trust in the system and reduce the risks of corruption and uncertainty. Aligning with international best practices enhances a country's credibility and facilitates investors' navigation of the fiscal landscape.

Moreover, countries may benefit from lowering tariffs on imported capital goods and raw materials. This not only reduces production costs but also increases competitiveness in global value chains. In parallel, establishing Special Economic Zones (SEZs) with transparent and clearly defined customs procedures, duty-free imports, and reliable infrastructure may further incentivise investment.

However, fiscal and tax reforms must be part of a broader, transparent policy framework. Regulatory consistency, rule of law, open data on policy changes, and timely government communication are all critical in shaping a predictable and trustworthy investment climate. Investors seek jurisdictions where they can understand and anticipate policy directions, not only low taxes.

In summary, countries seeking to unlock the full potential of foreign investment should integrate sound fiscal policies, transparent tax systems, and stable regulatory frameworks. When implemented together, such measures may enhance investor confidence, support sustainable economic growth, and foster inclusive development.

Disclaimer: The views expressed are personal and intended for general discussion purposes.

Embassy of Denmark, Bangladesh

Bangladesh's strategic market potential positions the country as an increasingly attractive destination for international investors seeking long-term growth, resilience, and regional opportunities - in spite of the risks associated with operating in emerging markets. We strongly support the interim government's ambitions to ensure deeper reforms that will streamline investment processes, provide targeted ease of doing business, and create a fertile ground for Danish innovation, investments and sustainable growth in Bangladesh.

H.E. Christian Brix Møller
Ambassador
Embassy of Denmark, Bangladesh

H.E. Ajit Singh
High Commissioner
High Commission of Canada,
Bangladesh

Canada

High Commission of Canada, Bangladesh

"Foreign Direct Investment (FDI) is a key driver of economic growth, innovation, and job creation. As Bangladesh approaches graduation from Least Developed Country status in 2026, the importance of a transparent and predictable fiscal and tax environment cannot be overstated.

Canada commends the Interim Government's efforts to implement democratic and economic reforms to create a conducive enabling environment for investment. Initiatives to modernize tax administration, enhance regulatory predictability, and streamline incentives are important steps forward. But I also know the Interim Government's success lies in your collective efforts to ensure meaningful reforms are made and sustained. These reforms will form the foundation to unleash the dynamic ingenuity of Bangladeshi people's entrepreneurial spirit. They will also be the catalyst for us to build on our existing, strong, and deep bilateral commercial ties. But all of this cannot be done without you.

Within this context, Canadian businesses are increasingly looking towards Bangladesh for growth opportunities, and Bangladesh holds significant promise. In early May, Canada's Indo-Pacific Trade Representative Paul Thoppil paid his second visit to Bangladesh with a business delegation comprising leading Canadian technology, energy and manufacturing companies wanting to explore business opportunities. However, to convert this potential into actual investment, the country must foster a transparent, stable, and investor-friendly climate with consistent regulatory frameworks, streamlined business registration processes, and reliable dispute resolution mechanisms. For Canadian investors, such as those in clean energy, infrastructure, and technology, these elements are essential to evaluating risk and long-term viability. Once we get these essential elements in place, our future together is limitless.

By strengthening the business environment, Bangladesh opens its doors wider to investors to promote prosperity in the coming years. Canada looks forward to working with all of you as a longstanding partner and friends towards a better future for the people in both our countries."

Embassy of Italy, Bangladesh

H.E. Antonio ALESSANDRO
Ambassador
Embassy of Italy,
Bangladesh

"Bangladesh has a strong economic potential both for its large domestic market and geographic location. The recent Investment Summit organized by BIDA was a great opportunity to depict this potential and highlight the most suitable sectors for FDI. Participants were also engaging in identifying the bottlenecks that hamper a more accelerated growth. I was impressed by the debate on "what should be done", particularly in the tax and fiscal area. I am sure that the Interim Government can draw many good ideas from that event, that development partners would be happy to help transforming into concrete measures.

Italy is a strong manufacturing hub, known worldwide for quality and innovation of its small and medium companies, and can be a strategic partner of Bangladesh in unleashing its potential. A conducive regulatory framework is necessary, however, to make things happen. I encourage the interim Authorities and the political parties to do more to modernize Bangladesh's business environment, within their larger reform objectives. I have no doubt that development partners, including Italy, would be happy to provide their support."

H.E. Mohd Shuhada Othman
High Commissioner
High Commission of Malaysia,
Bangladesh

High Commission of Malaysia, Bangladesh

"Bangladesh's rapid economic growth and strategic geographic location make it an increasingly attractive destination for foreign direct investment. To fully harness this potential, it is essential to maintain conducive fiscal policies and predictable tax regulations that support long-term investor confidence. Transparent governance, simplified tax procedures, and consistent regulatory frameworks are vital ingredients in creating a business environment that welcomes sustained foreign participation.

Malaysia has long been a partner in Bangladesh's development journey. One of the most significant examples is Axiata Group's investment in Robi Axiata Limited, which stands as a testament to Malaysia's confidence in the country's telecom and digital potential. For such major investors, policy stability and ease of doing business are not just incentives—they are necessities.

Looking ahead, we encourage continued dialogue between regulatory authorities and the international business community to further align fiscal policies with investor expectations. A progressive, investor-friendly approach will not only attract fresh capital but also deepen economic ties between our nations."

Embassy of the Kingdom of the Netherlands, Bangladesh

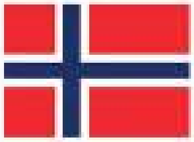
NL Netherlands

H.E. André Carstens
Head of Mission / Chef de Poste
Embassy of the Kingdom of the
Netherlands, Bangladesh

"The Netherlands businesses have a long standing partnership in the Bangladeshi economy and society. For us as a partner of Bangladesh we're confident that Bangladesh will place all possible efforts to present a predictable, transparent and investor friendly fiscal environment for the upcoming National Budget for 2025-26 and beyond. A predictable and investor friendly fiscal environment is essential for attracting even more foreign investment and enhancing FDI flow. I believe that streamlined tax regulations, compliance procedures and strategic incentives can further strengthen Bangladesh's position as a competitive destination on the global investment landscape. The Netherlands acknowledges Bangladesh's immense potential and fully supports its ongoing reforms initiatives that will help ease of doing business, innovation and long-term partnerships. A forward-looking fiscal policy, developed with open dialogue with all stakeholders will be the key for Bangladesh's growth journey and international economic cooperation. The Netherlands remains committed to supporting Bangladesh's vision for inclusive, resilient and equitable economic development."

H.E. Håkon Arald Gulbrandsen
Ambassador
Royal Norwegian Embassy,
Bangladesh

Norwegian Embassy
Bangladesh



"Bangladesh, with its strategic location and growing economy, holds significant potential for foreign direct investment (FDI). However, to truly catalyze greater FDI inflows, a comprehensive and investor-friendly fiscal policy and tax regulatory framework is crucial.

Bangladesh should focus on creating a stable, transparent, and efficient fiscal environment with a strong emphasis on revenue mobilization and improved governance with highest priority. A robust and predictable fiscal framework, coupled with broader improvements in the investment climate are essential to attract foreign investment.

By implementing strategic reforms that simplify procedures, offer competitive incentives, ensure transparency, and address existing challenges, Bangladesh can significantly enhance its FDI inflows, contributing to sustainable economic growth and development. Continuous evaluation and adaptation of these policies in response to the evolving global investment landscape will be the decisive element for long-term success."

Ministry of Foreign Affairs
Singapore

High Commission of the Republic of Singapore, Bangladesh

"To encourage more FDI to Bangladesh, it is timely for Bangladesh tax authorities to engage their Singapore counterparts to update the 1981 bilateral Double Taxation Agreement between both sides. Improvements to the existing DTA would help attract bilateral trade and investment. Similarly, Bangladesh's active pursuit of FTAs or economic partnership agreements with other countries can reduce tariff and non-tariff barriers and increase business predictability. Singapore is in discussions with Bangladesh on a bilateral FTA and we hope this would catalyse more FDI between the two countries. The second formal round of negotiations will take place this month and we hope more progress will be made towards finalising an FTA by next year in time for Bangladesh's graduation as an LDC. Lastly, the digitalisation of manual and paper-based tax processes would also go a long way to enhance efficiency in tax administration and improve ease of doing business for potential investors."

H.E. Mitchel Lee
Charge d'affaires a.i.
High Commission of the
Republic of Singapore, Bangladesh

Embassy of Spain, Bangladesh

H.E. Gabriel Sistiaga
Ambassador
Embassy of Spain, Bangladesh

“First of all allow to thank FICCI for the kind invitation to write a few words in its monthly magazine.

Bangladesh and Spain, throughout their history, have always maintained good relationship, happily free of conflict. However, this reality should not lead us to complacency.

Our relations have been very much based on the economic sphere, and namely on garments. Spain is in the fourth position as a destination for Bangladeshi exports. We must work together to enlarge these relations to many other sectors such as infrastructure, renewable energy, maritime, food or technology, and also to others with deep social content such as education and health.

We are all aware that the country is immersed in a journey towards building a new Bangladesh, included its economic sector. I am convinced that the recent Bangladesh Investment Summit held in April will lay the foundation for increasing foreign investment in the country. I believe that we need to think together, public and private sectors, how to achieve this goal, and also how to improve the current business climate. Achieving these objectives requires the efforts of all of us. You know that you can count on Spain's support for this.”

High Commission of Sri Lanka, Bangladesh

H.E. Dharmapala Weerakkody
High Commissioner
High Commission of Sri Lanka, Bangladesh

“**Fostering Economic Ties for a Shared Future**

Bangladesh's impressive economic growth and resilience over the past decade have positioned it as a key player in the region. With strong and sound macroeconomic policies and an expanding industrial sector, the country has set the stage for increased Foreign Direct Investment (FDI), especially from neighboring nations including Sri Lanka. To unlock the full potential of this partnership, Bangladesh must maintain a stable and investor-friendly fiscal environment. Transparent tax regulations, fair enforcement, and incentives aligned with industry needs will strengthen overall investor confidence and stimulate foreign direct investments into the country.

We appreciate the recent initiatives that Bangladesh has taken to modernize tax administration and streamline compliance. As we move forward, deeper engagement with the private sector, thoughtful tax incentives, and resolving VAT refund complexities can further enhance business competitiveness. Sri Lankan companies are eager to explore investment opportunities in Bangladesh mainly in the sectors of apparel, logistics, and services identified as high potential areas to further enhance our friendly business partnership. In this journey, ensuring a level playing field for all stakeholders will be key to fostering long-term business collaborations and mutual prosperity. A well-structured fiscal landscape isn't just about attracting investment - it serves as a foundation for inclusive sustainable development and regional economic harmony.”

H.E. Park Young-sik
Ambassador
Embassy of the Republic of Korea, Bangladesh

Embassy of the Republic of Korea, Bangladesh

"Bangladesh is going to graduate from the LDC status in 2026. This journey presents immense challenges to Bangladesh. It will require a lot of hard work by both the government and the private sector. The exposure to global competition without through preparation can bring down existing manufacturing sector. Government support is needed for Bangladesh companies to enhance Bangladesh's competitiveness in the global market. Graduation from LDC status means that Bangladesh should focus not only on the quantity, but also on the quality of its economic growth. Bangladesh business community knows well that it needs to attract foreign investment, because the quality of its economic growth must be driven by innovation, knowledge and technology-areas where foreign companies can make substantial contributions. The FDI of Bangladesh is the lowest in terms of the GDP ratio (0.75%), while India is 1.7%, and Vietnam is 4.7%. The improvement of business environment such as seamless customs clearance, rational tax policy, and repatriation of profits to home countries can facilitate the attraction of foreign investment into Bangladesh. Bangladesh must also recognize that its economic structure of protecting the domestic industry with high tariff should be reformed in a way to open the market. Many Bangladesh companies are currently more focusing on trading rather than are engaged in manufacturing sector. To this end, Bangladesh can reach FTAs with Japan, Korea, Singapore, Malaysia or enter the RCEP (Regional Comprehensive Economic Partnership), comprising of 10 ASEAN countries and 5 its dialogue partners (Australia, China, Japan, South Korea and New Zealand), Those FTAs are expected to substantially boost trade and investment by reducing trade barriers, expanding market access, and removing obstacles that hinder foreign investment."

Embassy of Sweden, Bangladesh

"Bangladesh stands at a pivotal juncture in its economic development with the LDC-graduation around the corner. Implementation of conducive fiscal policies and for example streamlined tax regulations are crucial for attracting greater foreign direct investment (FDI).

Ensuring transparency and simplifying the tax system is needed to enhance the ease of doing business. This will also build investor confidence.

Sweden recognises the potential of Bangladesh as a strategic investment destination. By adopting reforms that reduce bureaucratic hurdles and create a more predictable regulatory environment, Bangladesh can unlock significant economic opportunities. These reforms will enable foreign companies to operate more efficiently, fostering innovation, job creation, and will lead to sustainable growth.

H.E. Nicolas Weeks
Ambassador
Embassy of Sweden, Bangladesh

As Ambassador of Sweden to Bangladesh, I am committed to supporting Swedish companies that want to invest in Bangladesh. We believe that a collaborative approach, involving both public and private sectors, is essential to catalyse meaningful change. Together, we can create a business-friendly ecosystem that benefits both local and international stakeholders, driving Bangladesh towards a greener, brighter economic future."

Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Embassy of Switzerland in Bangladesh

H.E. Reto Renggli
The Ambassador
of Switzerland to Bangladesh

"At the very outset, I would like to thank FICCI for inviting me to share Switzerland's perspective on how to catalyze greater FDI in Bangladesh.

As Bangladesh stands at the cusp of graduating from the LDC category, it will have to revisit and revise its economic playbook. More FDI will help Bangladesh ensure a smooth and sustainable transition and fast-track its economic transformation. I am encouraged by the various initiatives undertaken by the interim government of Bangladesh to attract FDI.

However, success will hinge on attaining significant progress on key fronts, including economic reforms, which the current interim government also aims to address. It will also be important to ensure a favorable investment landscape, underpinned by predictable tax and tariff regulations, conducive fiscal policies and a level playing field. Accomplishing them will not only help the country draw new FDI, but also enable existing investors to expand and diversify their portfolios.

Swiss companies are among the leading investors in Bangladesh, providing employment to thousands and Swiss quality products, innovation and services to millions in Bangladesh. Bilateral trade also remains strong. To this end, Switzerland is committed to further deepening its bilateral economic partnership with Bangladesh."

Royal Thai Embassy, Bangladesh

"In addition to having young workforce and a growing market, the economic potentials of Bangladesh could be greatly strengthened by facilitating the flow of goods, capital and revenue. Complicated regulations, especially those pertaining to tax and customs, are like a heavy and half-open door that could discourage outsiders to step into the room, not realizing the opportunities awaiting inside."

Panom Thongprayoon
Charge d'Affaires a.i.
Royal Thai Embassy,
Bangladesh

Embassy of the United Arab Emirates, Bangladesh

H.E. Abdulla Ali AlHmoudi
Ambassador
Embassy of the United Arab Emirates, Bangladesh

UAE investors show significant interest

Since the beginning of our journey, the United Arab Emirates and Bangladesh have enjoyed close and friendly bilateral relations with deep people-to-people contact. Over the years, UAE invested in a wide range of sectors in Bangladesh, including manufacturing, aviation, power and energy, banking and finance, etc. Currently, the UAE considers clean energy, manufacturing, ports and logistics, and agro-processing industries as priority investment sectors in Bangladesh.

Given the scale of the UAE's investments in the region, Bangladesh holds vast potential to attract even greater interest from UAE investors. UAE investors seek a hassle-free investment ecosystem, with predictable policies and a favorable and equitable environment for foreign entities.

I believe sustaining long-term investor confidence is crucial when attracting Foreign Direct Investment (FDI). Simplifying business procedures and regulatory aspects, especially in areas like approvals, licensing, taxation, repatriation profit and investment, is essential. These will help to ease market entry and day-to-day operations, and easy market exit for foreign businesses.

Bangladesh has lots to offer, especially a competitive labor force, an over-expanding local market, regional proximity, to attract foreign investment. With its ongoing and sustained commitment and close collaboration with international partners, Bangladesh is well-positioned to attract greater FDIs in the days to come.

The World Bank

Dr. Gayle Martin
Country Director (Interim)
The World Bank

Conducive Fiscal Policies and Tax Regulations: Catalyzing Greater FDI in Bangladesh

Bangladesh has the potential to significantly boost Foreign Direct Investment (FDI) by adopting conducive fiscal policies and tax regulations. Since the 1990s, policy reforms have played a crucial role in opening the country to FDI inflows. However, most structural improvements occurred in the late 1990s and early 2000s, with reform progress slowing in recent years. While FDI has been instrumental in the development of many countries transitioning from middle to high income, its contribution to Bangladesh's growth remains limited. The net FDI in Bangladesh stood at only 0.4 percent of GDP in FY24, declining from 0.7 percent of GDP in FY14. Bangladesh would benefit from bilateral and regional integration, focusing on reforming tariff barriers, non-tariff barriers, trade facilitation, and liberalizing FDI restrictions. Tax regulations that are clear, consistent, and competitive can significantly influence the decision-making process of potential investors. Reducing bureaucratic hurdles, ensuring transparency in regulatory processes, and simplifying tax compliance can further reduce business costs and complexity, encouraging investment. Additionally, fiscal policies supporting infrastructure development in transportation, energy, and communication can enhance the business environment, attracting FDI and fostering sustainable economic growth through job creation and increased productivity.

United Nations Development Programme (UNDP), Bangladesh

Stefan Liller
Resident Representative
United Nations Development Programme (UNDP),
Bangladesh

Private investment is the key to fast-tracking development. FDI brings not only capital but also technology transfers. With a growing middle class and young population, Bangladesh is still an untapped market for global investors to earn attractive returns and contribute to the nation's development. Despite this potential, Bangladesh has struggled to attract sizable FDI, averaging less than 0.5% of its GDP over the last five years. In contrast, Viet Nam, Indonesia, and Thailand have recorded FDI inflows of 4.5%, 1.8%, and 2.9% of GDP, respectively.

Cumbersome procedures, opaque regulatory framework for businesses, and unfair competition have often been cited as some of the major constraints disincentivizing investors. However, a new Bangladesh is emerging, a country that is on the move. An ambitious reform agenda has been rolled out, including improving the investment climate. Reforms are also being undertaken to separate tax policy and tax administration. Work is ongoing to rationalize import tariffs and align fiscal spending to growth and job creation. Global investors are taking note. More than 2,300 participants from 50 countries, including 550 foreign investors, attended the Bangladesh Investment Summit in April this year. In partnership with the UK Government and Grameenphone, UNDP is proud to have supported BIDA in hosting this event and announcing to the world that Bangladesh 2.0 is ready for business.

ICHIGUCHI Tomohide
Chief Representative
Japan International Cooperation Agency (JICA), Bangladesh

Japan International Cooperation Agency (JICA), Bangladesh

"JICA's cooperation on investment environment reform to catalyze greater FDI in Bangladesh.

Bangladesh continues to face challenges in attracting FDI despite its strong market potential and demographic advantage.

JICA has been working closely with the interim government to promote a comprehensive set of reforms since the establishment of the interim government. JICA's proposal for reforms includes the creation of a minister-level position, merger of multiple investment promotion organizations, realization of the consolidated one stop services for approvals and licenses, and establishment of on-site customs offices at model economic zones like Bangladesh Special Economic Zones (BSEZ). These reforms aim to simplify the business environment and make it more predictable for investors.

The interim government, particularly BIDA, has been rapidly achieving significant results. Notably, BIDA is currently collaborating with multiple ministries to streamline visa and work permit procedures. NBR officially amended the bonded warehouse licensing rules to extend benefits to economic zones, and BEZA is in the process of appointing a dedicated customs commissioner for EZs under BEZA.

Such institutional and fiscal reforms can significantly enhance the investment climate. JICA remains committed to supporting the Government of Bangladesh in catalyzing reforms that will unlock the country's FDI potential and promote inclusive growth."

Japan External Trade Organisation (JETRO), Bangladesh

"A simple FDI strategy to win competitors

Everyone would agree that Bangladesh is a promising investment destination. It is undoubtedly an attractive investment destination for Japanese companies as well. Why does the reality not exceed expectations?

The reason is simple. It is the lack of consistency in tax systems and incentives. Last June, shocking news broke. Many of the incentives granted to Economic Zones will be abolished. When deciding where to invest, foreign companies place importance on two things: the investment environment and incentives. Bangladesh's investment environment is by no means good. In addition, the abolition of incentives was an unbelievable unadmired policy. In 2018, as soon as the Philippines Government announced its policy to reduce investment incentives for special economic zones, foreign investment suddenly declined. As a result, the Philippine government decided to reinstate the incentives. Why can't Bangladesh learn lessons from other countries?

Yuji Ando
Country Representative
Japan External Trade Organisation (JETRO), Bangladesh

As a result of lobbying by Japanese Embassy and JETRO, some of the incentives for Economic Zones in Bangladesh have been reversed, but two new conditions have still been imposed: "Only new investment companies can receive the incentives," and "If used machinery is used in production, the incentives cannot be enjoyed."

If policy consistency is not maintained, it will be difficult to attract foreign investors. The incentives for Economic Zones are a symbol of this, and we strongly hope that the incentive conditions will be abolished as soon as possible and the promised incentives will be granted to investors."

The Association of Chartered Certified Accountants (ACCA), Bangladesh

Pulkit Abrol
Managing Director - Asia Pacific
The Association of Chartered Certified Accountants (ACCA), Bangladesh

"Conducive Tax policies to boost FDI in Bangladesh: A bird's eye view from Pulkit Abrol, Managing Director - Asia Pacific, ACCA

Bangladesh stands at a pivotal juncture in its economic development, with foreign direct investment (FDI) playing a crucial role in sustaining growth and fostering innovation. To attract and retain such investment, it is imperative to establish a tax environment that embodies the principles of simplicity, certainty, and transparency - core tenets advocated by ACCA.

In a landmark move , Bangladesh's government set out to split its revenue authority into two separate entities for tax and customs. This restructuring, effectively dissolving the National Board of Revenue (NBR) into new policy and administration divisions, aims to modernise tax governance, eliminate bureaucratic overlap, and boost investor confidence. The logic is clear: a more transparent and efficient tax regime can help attract much-needed foreign direct investment (FDI. The Foreign Investors' Chamber of Commerce and Industry (FICCI) has rightly emphasised the need for a simplified and long-term tax policy to enhance Bangladesh's appeal to foreign investors. Aligning tax policies with ACCA's Twelve Tenets of Tax (focusing on fairness, efficiency, and accountability) can serve as a catalyst for increased FDI.

This progress goes hand-in-hand with strengthening the country's finance and accounting talent pool. A future-ready, skilled workforce will be essential to implement new systems and sustain the benefits of reform. As Bangladesh proactively modernises its regulatory framework, continued investment in professional talent development will be key to unlocking the full long-term gains of these bold reforms."

Business Initiative Leading Development (BUILD)

"Foreign Direct Investment (FDI) is vital for Bangladesh's economic development, job creation, and most importantly technology transfer.

Today, Bangladesh needs to improve its competitiveness. We need to deeply focus on our critical reforms areas, especially our taxation ecosystem. A series of tax liberalisation needs to be carried out to create an investment friendly environment.

In recent years, many measures have been taken to facilitate FDI inflow, however, the potential investment levels have not been achieved. We need close to USD15 billion in FDI annually given our GDP size. Currently, structural and regulatory challenges continue to limit investor confidence. Some critical bottlecks remain such as our complex tax regime, inconsistent policies, delayed implementation, limited transparency, bureaucratic delays and inefficiencies.

To overcome and sustain FDI growth, the government must:

1. Simplifying the entire tax ecosystem process.
2. Creating policy confidence with consistency and stakeholder engagements.
3. Building and strengthening institutional capacity.
4. Establishing accountability across public institutions.
5. Improving logistics efficiency with high quality infrastructure

Bangladesh needs to effectively gain higher levels of FDI with short-term to long-term goals with set deadlines in order to accelerate its growth and development trajectory. There are many areas that need FDI, from manufacturing to infrastructure development, therefore the entire investment process needs to be redesigned to bring the desired level of FDI into the country."

Abul Kasem Khan
Chairperson
Business Initiative Leading Development (BUILD)

Professor Mustafizur Rahman
Distinguished Fellow
Centre for Policy Dialogue (CPD)

"Digitalisation of the Taxation System as Bangladesh's Next Frontier

Global experience shows that automation and modernization of the taxation system through digitalization is an effective way to (a) reduce leakage in the taxation system; (b) broaden the tax base; (c) raise efficacy of tax efforts; (d) ensure technological leapfrogging in tax collection; and (e) raise the revenue-GDP ratio.

As may be recalled, over the past years a number of programmes have been implemented towards digitalisation of the country's VAT, customs and income tax systems. Nonetheless, Bangladesh's revenue-GDP ratio has come down from about 11% to 8.2% between 2011 and now, indicating the failure of the digitalisation efforts to yield the expected results. Now that the long overdue reform measure aimed at separating the policy and implementation functions in revenue management has been put in place, a window of opportunity has emerged to undertake concrete actions at digitalisation of Bangladesh's taxation system in all earnest.

Some of the priority measures in view of the above could be the followings: (a) Ensure interoperability involving the various softwares and systems; (b) Take measures to reconcile expenditure information with income information; (c) Take advantage of data science and modern analytical tools and artificial intelligence; (d) Expeditiously implement the electronic fiscal device installation plan; (e) Invest in capacity building; (f) Ensure closer cooperation among various agencies involved in tax collection; (g) Track whether digitalisation initiatives are delivering the expected positive outcomes in terms of additional tax collection; (h) Involve domestic IT companies in implementing tax digitalisation programmes; (i) Take initiatives to offer smart taxpayer services; and (j) Undertake tax reforms in tandem with digitalisation.

Digitalisation of the taxation system ought to be seen as a key contributing factor to increase Bangladesh's public expenditure and avoid the dreaded debt trap. "

Policy Research Institute of Bangladesh (PRI)

" In the fiscal space, Bangladesh faces a daunting challenge in revenue mobilization. It must raise revenue while reducing reliance on trade taxes. Nearly 30% of NBR tax revenue still comes from trade taxes that are mainly imposed on imports in a highly complex and non-transparent regime of tariffs and para-tariffs. Protectionism and inward-looking trade policy are rife as a strategy of economic policy though the structure of the economy has undergone significant transformation. A free trade channel for the RMG industry notwithstanding, the Bangladesh trade regime, bolstered by protective tariffs and para-tariffs, appear as highly restrictive to the foreign investor. Though there are many factors that contribute to a subdued investment climate, unusually high and complex trade taxes, ineffectually executed, create the first negative impression to foreign investors about Bangladesh economic policy. Thus foreign direct investment (FDI), in particular, remains significantly below potential.

Dr. Zaidi Sattar
Chairman
Policy Research Institute of Bangladesh (PRI)

The best form of FDI (in industry) for Bangladesh would be the export-seeking FDI where foreign investors come in to produce on the basis of Bangladesh's comparative advantage and export to the rest of the world. Such FDI not only brings capital but most importantly creates jobs, infuses technology transfer, improved management and market access that can boost exports. The other type, which could be called tariff-jumping or market-seeking FDI, could be interested to take advantage of a large domestic market that is protected by high tariff walls. But Bangladesh domestic market is not yet ready to attract such FDI from MNCs, though it could become attractive once its consumer market grows to become the 9th largest in the world by the end of this decade, as projected by Boston Consulting Group. But by that time it is most likely that Bangladesh's highly protective tariff regime could become a thing of the past. "

Mahbubur Rahman
President
International Chamber of Commerce (ICC), Bangladesh

International Chamber of Commerce (ICC) Bangladesh

"Foreign direct investment (FDI) plays a critical role in accelerating Bangladesh's economic development. While the country has made significant progress in fostering growth and attracting investors, challenges remain in the fiscal landscape—particularly regarding tax complexity and administrative deficiencies.

Bangladesh has achieved commendable economic progress in recent years, with steady GDP growth and a focus on investment promotion. However, complex tax rules and weak administration remain problems. To become a more competitive investment destination, Bangladesh must align its fiscal framework with international best practices. Priorities include simplifying tax regulations, enhancing transparency and accelerating digitization efforts such as the Integrated VAT Administration System (IVAS). Strengthening institutional capacity and minimizing bureaucratic delays are also essential. The latest decision to split NBR into two separate divisions : Policy Reform Division and Revenue Management Division is most welcome. Similarly, it is of utmost importance to have ONE-STOP Service, in its real sense to attract FDI.A stable and investor-friendly fiscal environment is also essential for attracting and retaining FDI.

In Bangladesh targeted fiscal incentives in strategic sectors—such as ICT, renewable energy, oil/gas exploration, logistics and service sector—can also attract high-quality FDI. These sectors have strong growth potential and offer long-term return for investors. By reducing taxes or offering special benefits, the government can encourage global companies to invest and create jobs in Bangladesh.

With a reform-oriented approach, Bangladesh can position itself as a premier investment destination in South Asia, driving inclusive and sustainable economic growth—as well as effectively managing the challenges of graduating from Least Developed Country status to a developing country in 2026."

Metropolitan Chamber of Commerce and Industry (MCCI)

"Foreign Direct Investment (FDI) is a critical driver of sustainable economic growth, technology transfer, and job creation. For Bangladesh to unlock its full potential as an investment destination, we must prioritize a fiscal and regulatory environment that is transparent, predictable, and investor-friendly. Streamlining tax regulations, reducing bureaucratic red tape, and ensuring policy consistency are essential steps toward building investor confidence.

Recent reforms—such as digitalizing tax administration and establishing special economic zones—are encouraging, but more targeted incentives, particularly for high-value and export-oriented industries, will strengthen our competitive edge. Additionally, fostering a fair dispute resolution mechanism and enhancing ease of repatriation of profits will further align Bangladesh with global investment standards.

Kamran T. Rahman
President
Metropolitan Chamber of Commerce and Industry (MCCI)

Ultimately, it is not just about attracting FDI, but about attracting the right kind of FDI that supports inclusive development. A well-calibrated fiscal policy framework can act as a catalyst for long-term partnerships, positioning Bangladesh as a strategic hub in South Asia's economic landscape."

DCCI

Taskeen Ahmed
President
Dhaka Chamber of Commerce
& Industry (DCCI)

Dhaka Chamber of Commerce & Industry (DCCI)

“FDI inflow in Bangladesh continues to hover around USD 3 billion, off late, which remains significantly below the country's utmost potentials. Moreover, our FDI-to-GDP ratio is well below the widely recognized benchmark of 5% of GDP, especially for developing countries. This substantial gap highlights the need for comprehensive reforms in the business environment featured by fiscal policy, tax administration to restore investors' confidence for substantial FDI growth. Business-unfriendly fiscal regulations, complex tax policies have long acted as structural bottlenecks. We believe a fiscal regime characterized by predictability, transparency, and administrative simplicity is critical to reverse this FDI trend.

Currently, Bangladesh's tax-to-GDP ratio stands at only 7.8%, among the lowest in South Asia, reflecting structural weaknesses in revenue collection and administrative inefficiencies. . Complex tax procedure, heavy reliance on manual process and regulatory unpredictability continue to hinder private sector growth and discourage both local and foreign investment. To address these challenges, full automation of the entire taxation system is imperative. The digital tools would reduce compliance cost, enhance transparency, and broaden the tax base. Therefore, establishing a technology-driven, transparent, and investor-friendly tax regime is inevitable for a competitive investment climate and destination in the days to come.”

বাংলাদেশ চেম্বার অব ইন্ডাস্ট্রিজ
Bangladesh Chamber of Industries

Anwarul Alam Chowdhury (Parvez)
President
Bangladesh Chamber of Industries (BCI)

“A conducive fiscal policy and streamlined tax regulations are crucial for attracting more Foreign Direct Investment (FDI) to Bangladesh. Specific measures include reducing corporate tax rates, simplifying the tax system, and ensuring a predictable and stable regulatory environment.

Elaboration:

- **Lower Corporate Tax Rates:** A 20% reduction in corporate tax could potentially increase FDI by 14 times, according to FICCI. Studies consistently show a correlation between lower corporate tax rates and higher FDI.
- **Simplified Tax System:** The tax system in Bangladesh is considered complex, which can deter investors. Streamlining the system and making it more transparent is crucial.
- **Stable and Predictable Regulations:** Uncertainty and frequent changes in policies can discourage foreign investors. A stable and predictable regulatory environment is essential.
- **Reduced Tariffs:** Lowering tariff rates can reduce import costs for foreign investors, making them more competitive.
- **Investment-Friendly Environment:** Creating an environment that is conducive to investment, including physical infrastructure, access to finance, and efficient services, is also important.
- **Targeted Sector Development:** Focusing on specific sectors with comparative advantages, such as leather, agro processing, and logistics, can help attract targeted FDI.
- **Addressing Infrastructure Gaps:** Improving port facilities, transport, and logistics can also enhance the investment climate.
- **Efficient Dispute Resolution Mechanism:** A clear, time-bound, and independent dispute resolution framework, especially concerning tax and regulatory matters, would give investors more confidence in the legal system and regulatory environment.
- **Policy Coordination Among Agencies:** Often, investors face conflicting policies from different government agencies. Streamlining and coordinating among BIDA, NBR, BEZA, and relevant ministries would ensure consistency and reduce red tape.
- **Incentivizing Reinvestment and Technology Transfer:** Offer tax credits or deductions for reinvested profits, technology transfer, and skill development activities by foreign entities. This encourages long-term commitment and value addition in the local economy.
- **Human Capital Development and Skills Alignment:** Align the education system and vocational training programs with the needs of priority investment sectors. A skilled and job-ready workforce is a strong pull factor for FDI.”

Syed Ershad Ahmed
President
American Chamber of Commerce in Bangladesh (AmCham) &
Former President of FICCI

American Chamber of Commerce in Bangladesh (AmCham)

"Bangladesh urgently needs to establish a coherent, consistent, and investment-conducive tax and fiscal policy to compete for long-term foreign direct investment. The dissolution of the National Board of Revenue and the implementation of two separate wings—the Revenue Policy Division and the Revenue Management Division—highlight a bold structural reform. This is more than an IMF requirement linked to a $1.3 billion loan; it is a transformational shift toward sustainable fiscal governance.

Accelerating digital transformation is a critical enabler of institutional efficiency and long-term competitiveness. The 25,700 Electronic Fiscal Devices generated new revenue of Tk. 7.4 billion, and over two billion taxpayers were added in FY24 through mandatory tax return requirements linked to 38 public services. However, incremental progress is not enough – full digital tax automation, specifically e-filing, return processing, and refund issuance, must be implemented within FY 27.

With a tax-to-GDP ratio of 7.4%, which is below the Asia-Pacific (36 countries) region's average of 19.3%, this figure reflects the country's alarmingly low domestic revenue generation. This urgent priority demands swift and decisive action. To achieve long-term sustainability and trade competitiveness, rationalizing HS codes and simplifying customs processes is necessary.

Clarity and economic stability are essential for fostering investors' trust. A rational, predictable, and enforceable tax policy is mandatory and foundational to have a competitive edge in the global market. With the clock already ticking, there is no room for policy indecision."

Bangladesh Knitwear Manufacturers & Exporters Association (BKMEA)

"Bangladesh has emerged as an attractive destination for foreign direct investment (FDI) due to its strategic location, competitive labor costs, and expanding domestic market. To further capitalize on this potential, the government is focusing on implementing conducive fiscal policies and streamlined tax regulations. Simplified tax structures, reduced corporate tax rates in specific sectors, and tax holidays for export-oriented industries are encouraging signals for global investors.

Bangladesh stands at a unique crossroads. Our strategic geographic location, young and productive workforce and proven manufacturing capacity make us a natural partner for global investors. The geographical position of Bangladesh is at the intersection of South Asia and Southeast Asia. Moreover, Bangladesh has deep-sea ports and is improving its infrastructure, making it a supply chain connectivity hub. This focus is in synergy with the goals of the Belt and Road Initiative.

Mohammad Hatem
President
Bangladesh Knitwear Manufacturers & Exporters Association (BKMEA)

Bangladesh Government has a visionary plan for enhancing the country's global trade competitiveness, reducing congestion at existing ports and strengthening its position in the Bay of Bengal Initiative for regional connectivity. Thus, government has launched several deep-sea port projects like: Matarbari Deep Sea Port, Payra Sea Port, Sonadia Deep Sea Port. These projects will boost up our trade efficiency by reducing dependency on feeder vessels and lower logistics costs.

Moreover, the establishment of special economic zones (SEZs) with fiscal incentives, such as duty-free imports of raw materials and repatriation of profits, is creating a more investment-friendly environment. The government's efforts to reduce bureaucratic hurdles, improve transparency, and digitize tax administration enhance investor confidence and ease of doing business.

These progressive measures align with global best practices and are essential for sustaining economic growth. By fostering a stable and predictable fiscal landscape, Bangladesh can significantly boost FDI inflows, drive industrialization, create employment, and promote technological transfer. As global investors seek emerging markets with reliable policy frameworks, Bangladesh's proactive fiscal and tax reforms could be the key to unlocking its full economic potential."

THEMATIC ARTICLE

FICCI'S COMMITMENT TO ECONOMIC EXCELLENCE CONTINUES TO SHAPE A PROSPEROUS FUTURE FOR BANGLADESH

CONDUCIVE FISCAL POLICIES AND TAX REGULATIONS: CATALYZING GREATER FDI IN BANGLADESH

ACCA

Prawma Tapashi Khan, FCCA
Country Manager- Bangladesh
Association of Chartered Certified Accountants (ACCA)

Bangladesh stands at a critical juncture in its development trajectory. As we strive to attract and retain greater volumes of foreign direct investment (FDI), the importance of a stable, transparent, and ethical fiscal environment has never been clearer. While policy direction and economic reforms continue to evolve, one enduring pillar of investor confidence remains the same: the integrity of our financial and governance systems—supported by a strong and ethical accountancy profession.

As Country Manager of ACCA Bangladesh, I have the privilege of working with over 600 qualified professionals across sectors ranging from Managers to CEOs. Every day, they contribute to better governance, financial discipline, and transparency. Yet their work is not only technical—it is strategic. In today's investment landscape, professional accountants are essential to creating the kind of trust and predictability that serious investors demand.

Accountants Build Confidence Where It Matters Most

Investor confidence is not built on policy alone. It is built on reliability. It comes from knowing that rules are applied fairly, that financial reporting is accurate, and that governance mechanisms function as intended. In this regard, qualified accountants are among the most valuable contributors to our economy.

They are the ones who help businesses navigate compliance, ensure financial statements reflect reality, and encourage responsible decision-making. Their role becomes even more significant as Bangladesh continues its transition toward digitized tax systems and data-driven administration. With the right professional support, these changes can translate into meaningful efficiencies and reduced administrative burden for both businesses and government.

In a world increasingly driven by environmental, social, and governance (ESG) concerns, professional accountants are also at the forefront of aligning business practices with sustainability and transparency standards—further enhancing Bangladesh's attractiveness to forward-thinking impact investors.

A Gap That Demands Attention

Despite this vital role, Bangladesh faces a significant shortfall in the number of qualified professional accountants. With only a few thousand fully qualified professionals serving an economy of this scale, the gap is stark—particularly when compared to regional peers.

To support sustainable economic growth and attract high-quality investment, we must urgently invest in growing this profession. That includes making professional education more accessible, aligning domestic regulations with global accountancy standards, and encouraging public and private sector employers to prioritize ethical financial expertise.

This is not just about technical capacity—it's about building institutions that can support long-term value creation. Investors take note of a country's ability to enforce its own rules. A deeper, broader accountancy profession sends a powerful message that Bangladesh is serious about sound governance and financial integrity.

Green Taxation and Sustainable Growth

A modern fiscal policy must also reflect the realities of climate change and environmental responsibility. Bangladesh has already started to explore green taxation as a tool to both raise revenue and drive sustainable behavior. The principle is simple but powerful: those who cause environmental harm should contribute more to mitigating its impact—a concept widely known as "polluters pay."

At ACCA, we advocate for "tax shifting" strategies that increase taxes on pollution while reducing the burden on income and business activity. This not only encourages greener choices, but can also create a more competitive and investment-friendly environment.

As ACCA notes, green taxation is most effective when internationally harmonized, ensuring global firms can't sidestep responsibilities. For Bangladesh, gradually adopting these measures can attract ESG-conscious investors and promote long-term climate resilience. There are encouraging signs. For example, the government's decision to introduce a 10-year tax holiday for renewable energy investments is a welcome step that signals alignment between fiscal incentives and sustainability goals. Over time, expanding this approach through well-calibrated environmental levies—introduced transparently and in line with international norms—can position Bangladesh as a destination for ESG-conscious investors.

Keeping It Simple, Stable, and Certain

If there is one lesson echoed by investors across the world, it is this: unpredictability deters capital.

To truly catalyze FDI, Bangladesh must adhere to the three pillars of effective tax policy: simplicity, stability, and certainty—core principles championed by ACCA. Overly complex or frequently changing tax rules deter investment by introducing risk and administrative burden. In contrast, clear and consistent regulations lower compliance costs and enhance trust.

Stability, in particular, is vital for long-term planning. Businesses are more likely to invest when they trust that incentives or rates will not be reversed unpredictably. Recent steps toward multi-year tax planning frameworks are a move in the right direction and should be retained and refined.

These tenets reflect ACCA's broader vision for a strong tax system—one that is transparent, fair, and regularly reviewed. For Bangladesh, this means continuing to simplify tax procedures, broaden the tax base, and ensure laws are applied evenly and consistently. The goal is a tax system that allows businesses to focus less on navigating red tape and more on creating value.

Simplification reduces cost and complexity. Stability allows businesses to plan ahead. And certainty—both in legislation and in how it is administered—ensures investors know what to expect. When these principles guide fiscal design, the entire investment ecosystem becomes more attractive and credible.

Efforts to modernize tax structures, streamline administration, and provide forward visibility into tax rates are all moves in the right direction. These reforms should continue under a shared national commitment to fairness, transparency, and accountability.

A Strategic Opportunity for the Nation

Bangladesh has an opportunity to shape a fiscal system that not only attracts investment, but earns long-term trust. That system must be built on the foundations of ethical governance, professional excellence, and sustainability. And at the heart of it, we need a larger, more empowered pool of professional accountants who can bring global standards, local insight, and strong integrity to the table.

Now is the time to invest in this profession, to champion simplicity and fairness in policy, and to adopt a tax system that reflects the values of a dynamic, forward-looking economy. By doing so, Bangladesh can confidently position itself as a destination where capital is not only welcomed but respected, protected, and valued.

ARTICLE

INVESTMENT TAX INCENTIVES IN BANGLADESH: CHALLENGES AND RECOMMENDATIONS

Barun Kumar Dey
Senior Economics Officer
Asian Development Bank
Bangladesh Resident Mission

Introduction

Bangladesh offers a range of tax incentives to encourage private investment in selected sectors and locations. These incentives are used to support Bangladesh's industrial policy priorities. Most take the form of corporate income tax (CIT) exemptions, providing full or partial relief to investors for up to 15 years. Reduced CIT rates are also prevalent, lowering the statutory rate temporarily or permanently to 10%-15%, compared to the 27.5% headline rate. Many incentives are available to a broad range of investors, including manufacturing machinery, computer and electronic products, the textile industry, and agriculture. Additionally, some incentives target goals related to infrastructure and social and economic development, including improving the environmental impact of investments, and skills development. However, the incentives regime faces several implementation challenges, restraining private investment.

Challenges and Inefficiencies

There are several challenges and inefficiencies in the current tax incentive framework:

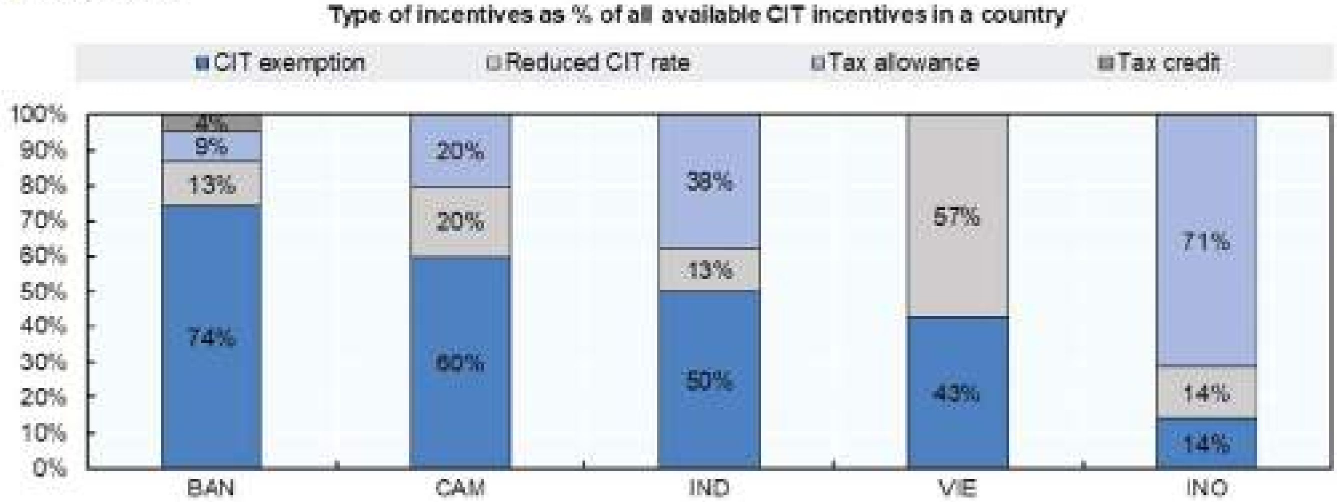
Limited Effectiveness: Bangladesh's industrial policy heavily relies on income-based tax incentives (CIT exemptions and reduced CIT rates) which often attract short-term, mobile investors and may not effectively stimulate additional investment (Figure 1). Bangladesh also provides expenditure-based incentives (such as tax allowances and credits) that are better targeted at attracting additional investment compared to income-based incentives. They align tax benefits with qualifying expenditures, promoting investments in capital assets, R&D, training, and job creation, while being more transparent and less affected by the Global Minimum Tax for large multinational enterprises. These incentives aim to reduce specific costs for investors, making investments more profitable and encouraging spending that might not occur otherwise.

Weak Productivity: CIT productivity is relatively weak, contributing to nearly two-thirds of the country's direct tax revenues but remaining under 2% of GDP for over a decade due to a narrow corporate tax base, weak compliance, and complex tax administration (Figure 2). CIT productivity saw an increase from 2.5% in 2010 to 6.0% in 2021 before decrease to 5.0% in 2022 but lags behind peers like Cambodia. Multiple CIT rates, ranging from 20% to 45% depending on company characteristics, add to the complexity of the tax system, potentially distorting resource allocation.

Redundant Incentives: Some tax incentives may no longer be fit-for-purpose, and there is a need to reassess whether these exemptions are the preferable incentive type, particularly in view of the pressing need to construct a more integrated policy framework for investment. Reassessing and phasing out potentially redundant tax incentives could broaden the tax base and provide more fiscal space to advance with much-needed structural reforms.

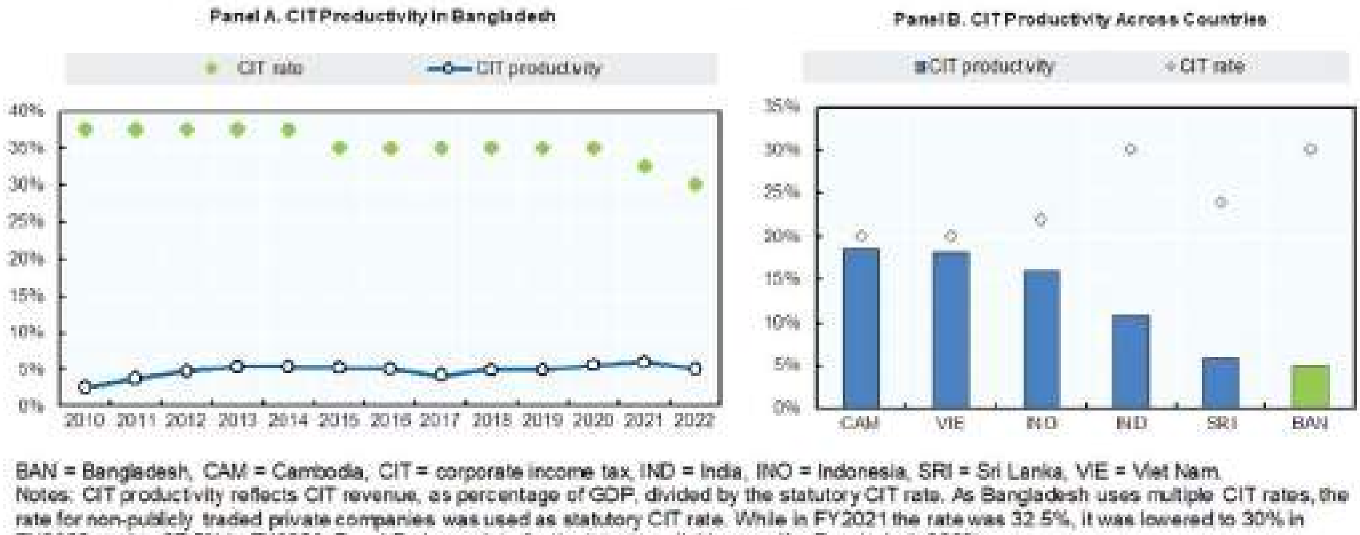
Economic Distortions: Tax incentives may also create economic distortions that prevent a more efficient allocation of resources and may add to tax administration and compliance costs. Effectiveness and costs of CIT incentives are thus of utmost importance for developing countries like Bangladesh that tend to have weaker resource mobilization.

Figure 1: Bangladesh Uses Primarily Income-Based Corporate Income Tax Incentives to Attract Investment



BAN = Bangladesh, CAM = Cambodia, CIT = corporate income tax, IND = India, INO = Indonesia, VIE = Viet Nam.
Note: Incentives in the form of CIT exemptions, followed by a reduced CIT rate, are registered as a single entry in form of a CIT exemption.
Source: Author's calculations based on OECD ITID, accessed June 2023.

Figure 2: Corporate Income Tax Productivity Shows Increasing Trend but Remains Low Compared to Peers



BAN = Bangladesh, CAM = Cambodia, CIT = corporate income tax, IND = India, INO = Indonesia, SRI = Sri Lanka, VIE = Viet Nam.
Notes: CIT productivity reflects CIT revenue, as percentage of GDP, divided by the statutory CIT rate. As Bangladesh uses multiple CIT rates, the rate for non-publicly traded private companies was used as statutory CIT rate. While in FY2021 the rate was 32.5%, it was lowered to 30% in FY2022, and to 27.5% in FY2023. Panel B shows data for the latest available year (for Bangladesh: 2022).
Sources: Based on author's calculations, IMF, (2023) Government Finance Statistics, https://data.imf.org/regular. aspx?key=60991467; OECD, (2024) OECD Global revenue statistics, https://stats.oecd.org/Index.aspx?DataSetCode=RS_GBL.

Poor Design: Bangladesh's tax-to-GDP ratio is at 7.1% (FY2024), lower than in most other developing countries, potentially limiting its fiscal capacity for reforms. While tax incentives may help to promote investment with potential positive effects on industrialization, exports, and infrastructure development, their net benefits are often not well understood. Poorly designed incentives may result in windfall gains for projects that would have taken place anyway in the absence of the incentive, wasting potential tax revenue that could have been used to expand and improve the quality of public goods like education or infrastructure.

Lack of Transparency and Evaluation: There is insufficient transparency and systematic evaluation of tax incentives, making it difficult to appraise their costs and benefits accurately. It is a positive feature to have tax incentive policy centralized at the Ministry of Finance and to consult with the relevant line ministries. It is, however, unclear how these consultations influence decision-making and to what extent the National Board of Revenue (NBR) coordinates with other bodies involved in Bangladesh's incentive policy and investment strategies.

Recommendations

Some remedial measures to the above-mentioned challenges include:

Streamline Tax Administrative Procedures: Continue efforts to streamline tax administrative procedures and facilitate tax compliance to strengthen direct tax revenues. This involves further advancing and leveraging recent initiatives, such as information campaigns and introducing an electronic tax filing system. Reducing excessive discretionary authority of tax officials and increasing the predictability of the tax environment could further support these efforts.

Evaluate and Adjust CIT Incentives: Assess whether current CIT incentives are best designed to support their stated objective. Particularly, the government should consider alternatives to current generous income-based tax exemptions available for multiple years. Targeted expenditure-based tax schemes (tax credits or allowances) might be more cost-effective for promoting investment. Bangladesh can leverage the experiences of its peers like Vietnam, Indonesia, Malaysia, and India that have successfully implemented such measures. For this, it needs to design a well-structured policy framework that includes various forms of incentives to cater to different types of investments, simplifying the process of obtaining tax incentives to attract more investors. A scheduled reassessment of these incentives should be conducted every five years, involving key stakeholders like the NBR and relevant industry representatives.

Improve Transparency: Consolidating incentive-relevant legislation in the Income Tax Act and maintaining an investment guide with clear requirements and procedures can increase transparency, reduce policy overlaps and facilitate foreign investment. Additionally, providing English translations of incentive legislation could facilitate access to information for foreign investors.

Systematic Monitoring and Evaluation: It is needed to pursue the monitoring and evaluation of tax incentives in a more systematic and transparent manner. This includes regularly publishing tax expenditure reports with a greater degree of detail, listing each incentive measure, including estimations of tax revenues forgone, and under a clear methodology. Regularly appraising the costs and benefits of tax incentives will help in assessing if incentives have reached their policy objectives and at what cost. This evaluation should be conducted annually and involve independent audit bodies to ensure objectivity.

Broadening the Tax Base: The tax base needs to be broadened through phasing out less efficient tax incentives to provide greater fiscal space for necessary structural reforms, such as trade tariffs and facilitation reforms.

Smooth Transition Strategy: Considering the loss of preferential market access for export and as a part of the LDC graduation process, Bangladesh recently published Smooth Transition Strategy, which needs to be earnestly implemented in a time-bound manner. This would result in economic diversification through higher investment in non-ready-made garment industries.

Conclusion

While tax incentives play a significant role in promoting investment and development in Bangladesh, their design and implementation need careful assessment and continuous improvement to ensure effectiveness and alignment with broader policy goals. The proposed recommendations can help create more fiscal space, support growth-enhancing reforms, and advance sustainable development.

(The views expressed are those of the author and do not necessarily reflect the views and policies of ADB or its Board of Governors or the governments they represent.)

ARGENTINA'S "LARGE INVESTMENT INCENTIVES REGIME" (RIGI)

Embajada Argentina en Bangladesh

H.E. Marcelo Cesa
Ambassador
Embassy of Argentine Republic,Bangladesh

What is RIGI?

With the aim of generating large-scale investments in strategic sectors of the Argentine economy, the government of President Javier Milei launched the package "Large Investment Incentives Regime" (RIGI), as part of the omnibus law "Bases and Starting Point for the Freedom of Argentines" (Law 27.742) which was enacted on July 8th 2024.

This landmark regime offers significant tax, customs and exchange benefits, while establishing a solid legal framework to guarantee legal certainty and facilitate the realization of long-term investment projects.

RIGI applies to large-scale projects involving an investment of over USD 200 million.

Enhanced benefits are granted to long-term strategic export projects exceeding USD 1 billion per stage.

What sectors are covered by the RIGI?

RIGI covers the following key sectors:

- **Industrial Forestry**
- **Tourism**
- **Infrastructure**
- **Mining**
- **Technology**
- **Steel**
- **Energy**
- **Oil and Gas**

In addition, RIGI includes **Long Term Strategic Export projects**, which seek to position Argentina as a reliable supplier in global markets with low current participation.

Who can access RIGI?

To access RIGI, investors must incorporate a **Single Project Vehicle (SPV)**, whose sole purpose is the execution of a project approved under RIGI. The SPV cannot have any activities or assets unrelated to the project, except those necessary for the administration of the funds of the Vehicle.

The following corporate structures may be considered as SPVs:

- Corporations (including sole proprietorships) and limited liability companies.
- Branches of companies incorporated abroad (art. 118, Law 19,950).
- Dedicated branches (art. 170, Law 27.742).
- Transitory unions and other associative contracts.

What are the requirements to access the RIGI?

1 - **Minimum investment:** US$200 million, with the following exceptions:
US$300 million for oil and/or gas transportation and storage projects.
US$600 million for exploitation and production of gas and/or oil for export.
US$600 million for offshore oil and/or gas exploitation and production.

2 - **Initial disbursement:** 40% of the minimum investment amount must be executed in the first two years of the project. The Executive Branch may reduce this requirement, but not below 20%.

3 - **Long-term Strategic Export Projects:** US$ 2 billion (if disbursement is in stages, the minimum required is US$ 1 billion per stage).

4 - **Project maturity:** The ratio between the present value of expected net cash flow (excluding investments in the first three years) and the net present value of planned capital investments during that period must not exceed 30%.

What are the benefits of RIGI?

i.Tax benefits

Income Tax:
Reduction of the tax rate from 35% to 25%.
Accelerated depreciation
Possibility of deducting tax losses without time limit and transferring them to third parties as from the 5th year.
Dividends: Taxed at a 7% rate (3.5% after 7 years).

VAT:
VAT on investments may be paid with Tax Credit Certificates.

Tax on Bank Credits and Debits:
100% can be computed as payment on account of Income Tax.

ii. Customs Taxes:

Exemption of import duties for capital goods, spare parts, parts and components.
Exemption from export duties after 3 years (2 years for Long Term Strategic Export projects).

iii. Exchange Benefits:

Exports: Exception from the obligation to settle foreign exchange in the foreign exchange market:

- 20% after 2 years, 40% after 3 years, and 100% after 4 years (for standard projects).
- 20% after 1 year, 40% after 2 years, and 100% after 3 years (for Long Term Strategic Export projects).

- No obligation to enter and/or liquidate foreign currency corresponding to capital contributions, loans or services.

- No limitations on the holding of foreign assets and free access to the foreign exchange market for the payment of profits, dividends or interest to non-residents.

What legal guarantee does the benefits of RIGI have?

The projects adhered to the RIGI enjoy **regulatory stability** in tax, customs and foreign exchange matters for **30 years**. The benefits cannot be affected by derogations or by the creation of more burdensome or restrictive regulations.

What is the deadline for submitting projects?

The RIGI is in force and investment projects may be submitted **until July 8th, 2026**. The Executive Branch may extend this deadline only once for one more year.

To date, 3 investment projects have been approved under RIGI:

- ***Southern Energy - Natural Gas Liquefaction Project:*** USD 6,878M.
Natural gas liquefaction plant and floating terminal in the Gulf of San Matías, Río Negro. (29/04/2025).
https://www.boletinoficial.gob.ar/detalleAviso/primera/324772/20250505

- ***Vaca Muerta Oleoducto Sur o Proyecto VMOS:*** USD 2,486M.
437 km oil pipeline (Allen Punta Colorada) 6 storage tanks and maritime terminal for crude oil export. (20/03/2025)
https://www.boletinoficial.gob.ar/detalleAviso/primera/322830/20250321

- ***YPF Luz - Parque Solar El Quemado y Anexos:*** USD 211M.
305 MW photovoltaic park in Mendoza. (07/01/2025).
https://www.boletinoficial.gob.ar/detalleAviso/primera/319374/20250108

Additionally, 8 projects are currently under evaluation:

- ***Galan Litio Hombre Muerto Oeste:*** USD 217M. Lithium chloride production plant in Catamarca.

- ***Posco Argentina Sal de Oro:*** USD 633M. Lithium phosphate, lithium hydroxide, and lithium carbonate plant in Salta.

- ***Minas Argentinas Gualcamayo:*** USD 1,000M. Leaching project, deep carbonate exploration, photovoltaic park, and lime plant in San Juan.

- ***Sidersa Nueva planta de aceros largos:*** USD 296M. Steel mill and rolling mill in San Nicolás, province of Buenos Aires.

- ***PCR y Acindar Parque Eólico Olavarría:*** USD 255M. 180 MW wind farm, transformer station, and high-voltage power line in Buenos Aires.

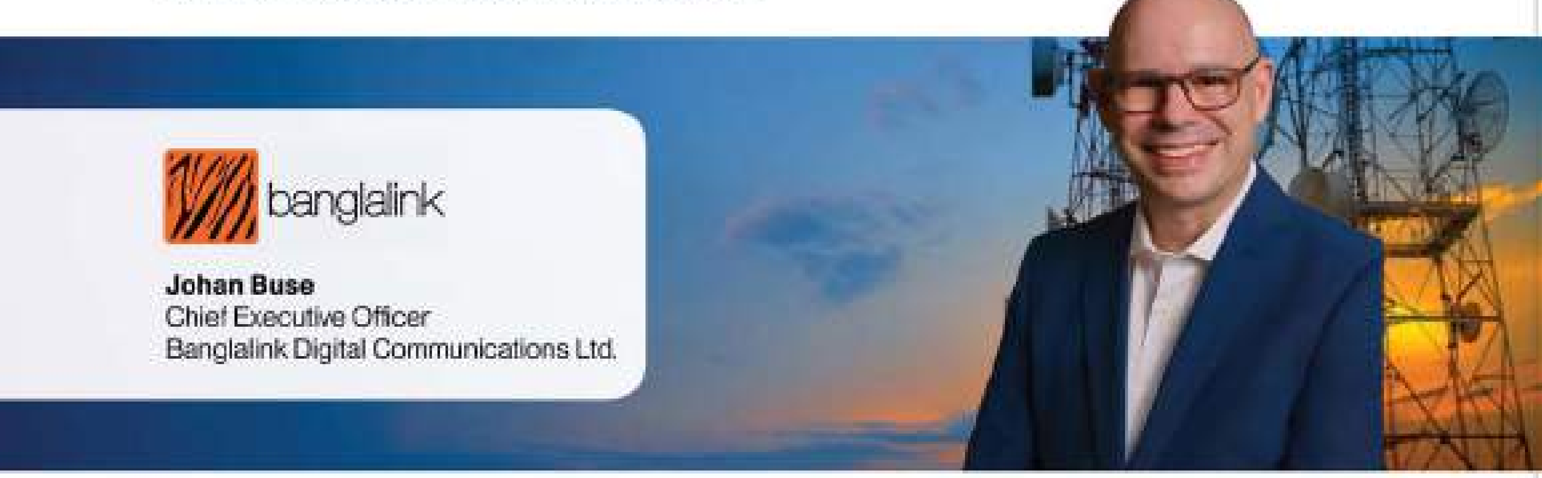
- ***Ganfeng Proyecto Mariana:*** USD 273M. Lithium chloride plant in Salta.

- ***McEwen Mining Los Azules:*** USD 227M. Copper exploration in San Juan.

- ***Rio Tinto Proyecto Rincón:*** USD 2,724M. Demonstration plant and two lithium carbonate plants in Salta.

ARTICLE

REFORMING TELECOM TAXATION TO ACCELERATE DIGITAL INCLUSION AND INVESTMENT



banglalink

Johan Buse
Chief Executive Officer
Banglalink Digital Communications Ltd.

Bangladesh's telecom sector has long been a key enabler of economic modernisation and digital inclusion. As the country advances toward its goal of becoming a trillion-dollar economy, this sector stands ready to play an even more transformative role. With its nationwide reach and growing digital capabilities, the industry continues to connect millions and support the development of a vibrant digital economy. Strengthening the sector through forward-looking policies and investment-friendly reforms will be instrumental in unlocking its full potential and accelerating national progress.

Over the past decade, the telecom sector has experienced a 56% decline in Average Revenue Per User (ARPU), which now stands at just USD 1.3 in Bangladesh—one of the lowest globally. This trend raises critical concerns about the long-term sustainability of the industry. Despite these challenges, telecom operators remain committed to advancing the nation's digital progress. Continued investment in network modernization, rural connectivity, and next-generation technologies is no longer a choice—it is essential for closing the digital divide and driving innovation. The industry stands prepared to play an even greater role in national development by unlocking new opportunities for individuals and businesses across the country.

As the telecom industry continues to play a key role in driving digital inclusion, it does so under significant fiscal pressure, despite shrinking revenues. Although the sector contributes just 1% to Bangladesh's Gross Domestic Product (GDP), it is responsible for an estimated 5% of the country's total tax revenue—one of the highest ratios globally—highlighting a persistent structural imbalance in its fiscal treatment.

Mobile Network Operators (MNOs) are also subject to a minimum turnover tax of 2% on gross receipts, a rate notably higher than in many other industries. For comparison, the tobacco industry faces a minimum turnover tax of 1%, while other entities with annual turnover exceeding BDT 3 crore pay only 0.6%.

According to the GSMA, mobile users in Bangladesh face one of the highest sector-specific tax rates in the Asia-Pacific region. With an effective VAT rate of 18%, a supplementary duty of 20%, and a 1% surcharge, the total tax burden on mobile usage stands at 39%. Further compounding the challenge is the corporate tax structure. Telecom operators are subject to a corporate tax rate of 40% if listed and 45% if non-listed—significantly higher than most other sectors in Bangladesh, and well above the rates applied in neighboring countries such as Nepal, Sri Lanka, and India.

The supplementary duty (SD) on SIM cards was increased from 15% to 20%, and the eSIM tax was raised from BDT 200 to BDT 300. While these adjustments may support short-term revenue goals, they risk triggering a downstream effect—potentially leading the sector to lose low-income users. This would negatively impact digital and mobile penetration in underserved areas. The same applies to IoT SIMs, where high taxes discourage digitalization by hindering infrastructure modernization.

The current fiscal measures place additional strain on consumers and slow the nation's progress toward achieving universal digital inclusion. Investors are less likely to commit to long-term investment if they cannot predict the fiscal environment upon market entry.

Furthermore, spectrum costs in Bangladesh remain among the highest in the world, while the licensing regime is both complex and fragmented—significantly increasing the administrative burden for telecom operators. Additionally, the current restrictions on infrastructure ownership and sharing have led to operational incompetence. In spite of the fact that there are approximately 45,000 telecom towers across the country, only about 22,000 are currently managed by independent tower companies. The existing policy framework limits the prospects of these entities, decreases the opportunities for shared infrastructure, and hinders rural rollout efforts.

Regulatory ambivalence also remains a critical barrier. Excessively rigid compliance requirements, retrospective audits, and vague penalties have developed an unforeseeable environment for operators as stated in the recent GSMA study on Enabling Mobile Network Investment Policy Reforms for Bangladesh.

Without a balanced and transparent regulatory structure, even the most aspiring digital transformation strategies will fall short of their objectives. The corollaries of these challenges are far-reaching. It is curbing the investment of the telecommunication industry, which is directly affecting the inclusiveness and pace of the development of digital infrastructure and inclusion of all. At the macroeconomic level, Bangladesh is at risk of falling behind its regional peers, who have already embraced more advanced and investment-friendly telecommunication policies.

Now, if our nation aims to become a digitally empowered economy, then it is vital to reform the fiscal and regulatory policy for the telecommunication sector. The country and the government should adopt a balanced approach that will foster long-term investment and ensure fair contributions to public revenue. As a first step, the government should decrease the tax and align it with the regional and domestic industry norms. Similarly, they should reassess the SD and SIM taxes, simplify the licencing and spectrum allocation process, and empower tower-sharing arrangements that will collectively improve sector viability. Likewise, it is critical to empower more collaborative relationships between industry stakeholders, policymakers, and regulators. Continuous dialogue can help align fiscal requirements with the industry's growth needs and develop a more supportive and predictable environment for domestic and foreign investors.

Finally, the sector must be seen as a strategic enabler of a broader economic transformation. Innovative and well-thought-out policy reforms have the power to fast-track rural connectivity, unlock greater FDI, and position the country as a regional leader in digital innovation. We must remember that even though the opportunity is evident, time is still of the essence; thus, by adopting a future-facing policy framework today, the country can ensure that its telecommunication industry remains the backbone of progress for years.

To unlock the full potential of Bangladesh's digital economy, it is imperative to introduce a lower taxation regime and a more streamlined, integrated regulatory framework. Today, telecom operators are burdened with as many as 18 different licenses—an outdated and fragmented model that stifles efficiency and innovation. By reducing tax pressure and consolidating these regulatory requirements, we can create a more enabling environment that encourages foreign investment, strengthening Bangladesh's position as a digital investment hub and accelerating national progress. This will also enable MNOs to expand into high-impact verticals such as digital financial services, digital healthcare, education, entertainment, and IoT solutions—creating new avenues for investment and contributing to broader economic growth.

With its large, youthful, educated, and resilient population, Bangladesh holds immense potential to emerge as a leading economic force—not just in the region, but on the global stage. What is needed now is the right set of forward-looking policy measures to fully realize this potential. As the country embarks on a path of reform, there is no better time than now to implement the changes that will shape a more prosperous future for all.

THE BALANCING ACT: A MORE INNOVATIVE APPROACH TO TAXATION FOR SUSTAINABLE GROWTH

BAT
BANGLADESH

Shabab Choudhury
Head of Corporate & Regulatory Affairs
BAT Bangladesh

In recent decades, Bangladesh has made remarkable economic progress and is actively working toward upgrading its status based on key economic indicators. Foreign Direct Investment (FDI) has played a significant role in unlocking economic potential, generating employment, and driving technological advancement. To gain further momentum in FDI, the country must optimise its tax structure—making it simpler and more investor-friendly—ensuring it fuels public revenue growth while enabling the private sector to thrive. A strong tax system strikes the right balance by broadening the tax base and improving compliance.

The nation's current fiscal model faces multiple challenges. One of the most concerning is its heavy reliance on indirect taxes, which account for the majority of the government's fiscal revenue. Such overdependence limits fiscal flexibility and exposes the economy to external shocks in vital sectors. Hence, it is both essential and strategic to diversify revenue sources and reduce the disruptions caused by burdensome sector-specific taxes.

Over the years, the government has made several efforts to modify taxation mechanisms in response to evolving economic needs. Since the early 2000s, numerous industries have experienced changes in tax policies aimed at increasing revenue and aligning with global practices. Initially, these reforms boosted government revenue while giving some sectors the space to scale operations. However, as taxes continued to rise—often without adequate consideration of consumer behaviour, enforcement capacity, or cost structures—the effectiveness of these policies began to diminish.

A critical example of this dynamic is found in the tobacco industry. Currently, the Supplementary Duty (SD) and Value Added Tax (VAT) from this industry alone account for nearly 10% of the national exchequer—significantly higher than the global average, where the tobacco sector contributes only around 1.5%. The industry's financial contribution becomes even more substantial when dividends, corporate income taxes, and other payments are considered. Despite this, the taxation model has become increasingly complex and burdensome for legitimate manufacturers.

Between FY 2013-14 and FY 2023-24, the average excise rate on cigarette prices rose from 66% to 77%, and in January 2025 alone, it reached 83%. These rates far exceed the World Health Organization's recommended threshold of 75% of retail price[1] — a benchmark typically met by roughly 20% of countries in the world which are mostly high-income countries with diversified economies and strong enforcement capabilities. Bangladesh, however, remains a developing country with limited capacity to combat illicit trade.

1 https://today.thefinancialexpress.com.bd/trade-market/tobacco-industry-seeks-a-long-term-fiscal-roadmap-1739379942#:~:text=In%20the%20last%20decade%2C%20the%20tax%20rates,price%20in%202014%20to%2077%%20in%202024.&text=In%20addition%20to%20the%20tobacco%20tax%20increase%2C,one%20of%20the%20highest%20in%20the%20world.

Moreover, the current tax structure leaves minimal operating margins for legal manufacturers. High tax burdens make it difficult for businesses to cover basic costs, let alone invest in sustainability, employment growth or innovation. If left unaddressed, this scenario could lead to decreased FDI, workforce reductions, and reduced contributions from historically dependable revenue streams. Notably, the issue is not limited to the tobacco industry. A recent study by the Centre for Policy Dialogue found that around 82% of businesses in Bangladesh believe the current tax rate imposed on them is inequitable. [2]

Recognising the urgency for effective reform, we must work together to amend the tax structure. Any amendment should be transparent, sustainable, and mutually beneficial—ensuring that both the government and industry can achieve their respective objectives. A more balanced tax framework would allow the government to maintain strong revenue generation without pushing compliant businesses to the brink. At the same time, a sustainable tax structure will create a predictable operating envrionemnt and sustainable revenue source for the government - a win win solution for both parties. Tax policy should be calibrated in line with economic indicators such as the consumer price index, inflation, and household income, to ensure that price hikes do not outpace purchasing power and drive demand toward illicit markets.

The government should also adopt a consultative approach to develop a more effective and inclusive fiscal framework. This would ensure that companies, especially those in highly regulated sectors, are able to engage in dialogue before any significant changes to tax or pricing are introduced. Such an approach would also foster greater ownership and shared responsibility among stakeholders. Engaging companies and industry players helps with proactive planning and strengthens vital partnerships, reducing the risk of unintended consequences such as the expansion of illicit trade. Simultaneously, broader efforts to improve tax compliance in underperforming sectors will help reduce the overreliance on industries that already contribute significantly. Bangladesh currently ranks among the lowest in the world in terms of tax-to-GDP ratio—just under 9%—which is far below regional and global recommendations.[3] Introducing digital compliance tools, incentivising the formalisation of informal businesses, and strengthening the National Board of Revenue (NBR) could unlock substantial new revenue streams and relieve pressure on already compliant sectors.

The country's path to sustainable economic development requires a more balanced and robust tax system. For industries like tobacco, this means recognising the limits of the current model and moving toward a NBR and industry wide collaborative approach. Tax policy must be rooted in economic realism and supported by strong enforcement, so that fiscal strategies empower rather than hinder industrial growth.

By reforming tax structures and adopting a more balanced policy in alignment with all relevant stakeholders, the government can boost revenue collection while reinforcing its commitment to building an inclusive and resilient economy capable of meeting future challenges.

2 https://www.tbsnews.net/economy/82-businesses-find-current-tax-rate-unfair-major-challenges-cpd-study-1121471
3 https://www.cambridge.org/core/books/is-the-bangladesh-paradox-sustainable/institutional-dimensions-of-tax-reforms-in-bangladesh/B59438F2FF02144F107473C7BCCB5620

STARTUP CONNECT 2025 BRINGS NEW HOPE FOR INNOVATIVE INVESTMENT

BUILD
Business Initiative Leading Development
Ferdaus Ara Begum
Chief Executive Officer (CEO)
Business Initiative Leading Development

Promises of FDI and investment are gradually being exhausted because of severe competition, political wavering, shortage of utilities, infrastructural support along with anti-global protectionist behaviors as main constrictions. Within this dismay, a slow revolution in the start-up business by the young talents with a number of innovative models has brought a ray of hope. The startups are encouraging young people can contribute to self-employment and at the same time create new employment. Still we are much behind than that of pioneering countries such as Singapore(50000+), India (337,00 + 114 Unicorns) etc., however the four-day Bangladesh Investment Summit 2025 began on 7 April, 2025 position Bangladesh as Asia's next investment frontier, the first day event on Bangladesh Startup Connect 2025, a gathering of high-profile local and global investors, startup pioneers, and policymakers with the theme of "Empowering Innovation, Connecting Opportunities" has created a huge passion and appetite among young investors.

The opening ceremony emphasized the country's investment potential by highlighting its young workforce, strategic location, and increasing access to technology. Bangladesh is one of the world's fastest-growing economies, yet investment in startups still lags behind peer nations, however a double digit growth is possible if an integrated approach is geared up.

The summit was a perfect event for investors and startups as they have to work together to improving the startup ecosystem. It came up that about 25 venture capitalists got to see the startups at the summit. Regulatory issues such as the cumbersome process of trade license and its renewal came up for discussion. The summit emphasized the need for simplifications of business process and improve the business ecosystem.

There is an announcement from the central bank for setting up a dedicated fund of nearly Tk. 900 crore to provide capital support to startup companies for which an official circular will be issued soon. Bangladesh Bank would grow this fund from private commercial banks, and they will be equity holders. The money will be used only for equity investment in promising startup businesses. Bangladesh Bank will also contribute nearly

Tk. 500 crore as co-financer, with the money used for equity investment and lending also. This can be the starting point for the startup businesses. One of the pioneer investment in the startup is bKash. Governor said, "I want to see at least 10 unicorns like bKash in Bangladesh in the future".

Preparedness for a 'Fund of funds(FoF)', is going on by accumulating various investments. The fund will provide critical support to early and growth-stage startups, empowering them with the resources needed for expansion, internationalization, and sustainability. 'Startup Connect 2025' has reflected Bangladesh's commitment to transforming itself into a global hub for innovation and entrepreneurship. ICT Division is working on 21 projects, among which 3 are dedicated to startups. Horizontal growth of startups is the priority.

Annex B:

Investors Of The Decade

Speakers put emphasis on the need for data localization facility for the investors. Consultation with local businesses on data protection rights needs to be conducted. The government is focusing on reducing internet prices at regional level. The 10% price reduction has already been implemented for the submarine cable users. Bulk users will get a 30% discount. There will be more policy support for mobile internet providers and ISPs. It was announced that, 35%-45% of mobile towers have been fiberized so that access to internet to grassroot level can be ensured. The ICT roadmap also prioritizes data governance and interoperability.

The launch of the Infusion Partners Fund introduced by the Incepta Pharma, with the aim of accelerating startup growth in the country is another step to support startups in the country. Speakers in different sessions raised the untapped market potential in sectors such as technology, consumer goods, and healthcare. The panelists noted that while Bangladesh's investment climate is improving, challenges such as a lack of infrastructure and limited access to venture capital remain concerns. Explored how businesses can position themselves to attract investment, the need for startups to demonstrate scalability and a long-term vision to secure investor confidence were raised.

The fundraising landscape is evolving. Seeking capital is challenging for startups and the increasing role of alternative funding sources is vital in this regard. Crowdfunding and strategic partnerships can be alternatives.

The EdTech Revolution can help Transforming Learning, Scaling Impact viewed in another session for educational technology (EdTech) can play a pivotal role in addressing Bangladesh's educational challenges. Technology can bridge gaps in the education system, enabling greater access to learning and improving outcomes for the country's youth. The 10 Minute School, delved deeper into the potential of the EdTech market in Bangladesh. Young startups explained how technology can not only enhance education, but also create new jobs in the sector, they highlighted the need for public-private partnerships to scale EdTech initiatives and provide sustainable solutions to the education crisis in the country.

In the session on unlocking growth through scaling impact and climate innovation, it was mentioned that 6% to 7% of GDP of Bangladesh is lost annually due to the use of lead acid battery. This issue needs to be addressed by setting up the foundation for the ecosystem actors to strengthen environmental resilience and social progress. It was also explored that impact measurement of the investment is needed. Integrating impact investment and climate innovation into Bangladesh's economic framework is required.

The regulatory bottlenecks still exist. Policy inconsistencies need to be addressed. There are exchange restrictions for capital flow, policy amendment is required. An impact investing regulatory framework is also needed. Knowledge dissemination, derisking the top investing companies is essential. Fostering public-private collaboration is needed for sustainable economic expansion. Enabling enterprise-led solutions is needed to mitigate climate risks while driving growth.

A session dedicated to unlocking a billion-dollar healthcare opportunity in Bangladesh, the transformative potential of digital health technologies in revolutionizing healthcare access for Bangladesh's 170 million residents was highlighted. According to BIDA, the healthcare industry in Bangladesh was valued at $6.75 billion in 2019 and is projected to reach $15 billion by 2032, reflecting significant expansion and investor interest. To ensure smooth digital medical services startups such as Arogga, Augmedix, and Praava Health have come a long way. The founders and country representatives from these startups shared their challenges such as getting patient related history from big local clinics, having only 11 global quality laboratories in the country etc.

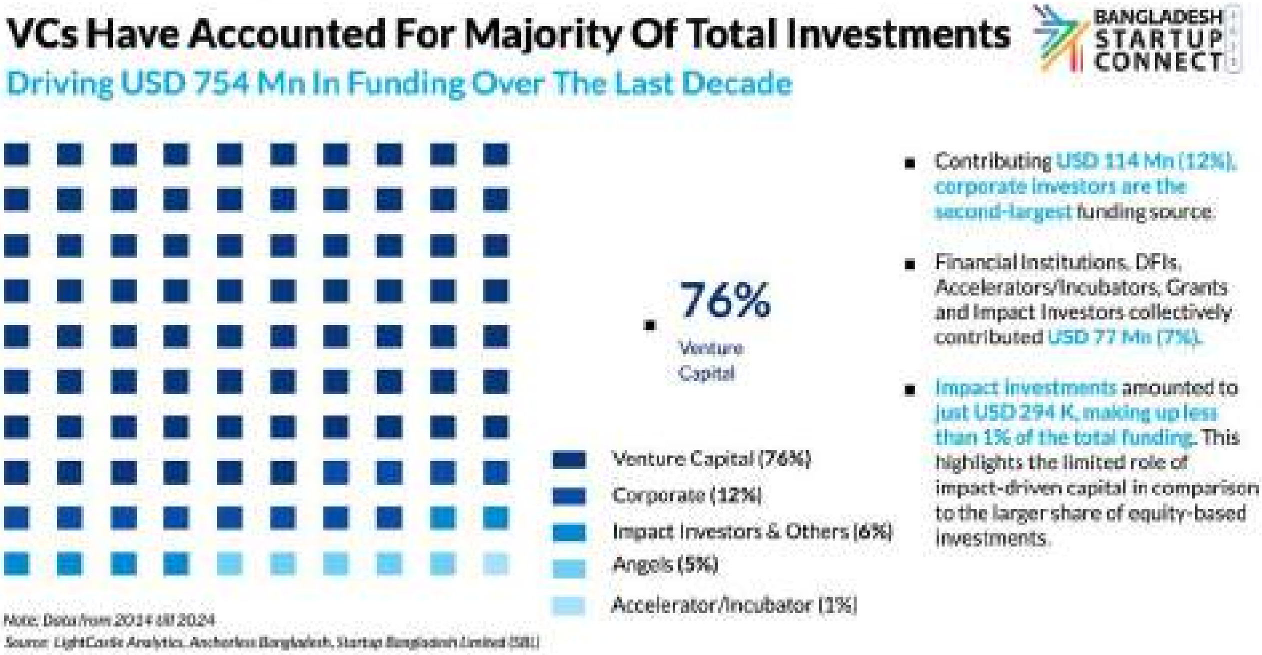
Firms such as Augmedix and Sow Good are using AI generated tools to transform doctor-patient conversations into medical notes, aiming to improve healthcare delivery and streamline documentation processes. It came up in discussion that people in the country die from lack of quality medical services and proper diagnostics which the startups are trying to address gradually. The presence of counterfeit medicine also poses a challenge in this sector.

In the summit several startups exhibited their ideas and products. Among those, FronTech exhibited several robotics solutions in embedded systems and IoT solutions. Another notable example was More which provides coworking space in different commercial buildings in different areas along with shared office services.

The history of venture capital and innovative startups is not new in the country, Bangladesh Bank created Equity and Entrepreneurs Fund(EEF) in 2000 for IT and agro- sectors but most of them could not proof them successful even though the funding was interest free. FoF is a similar type of fund that will be disbursed through VC firms as a partner to take the stake for risk mitigation and at the same time will extend equity support. PKSF in Bangladesh is funding small and micro entrepreneurs through different NGOs can be an example on how FoF is working. Fund generation for the start up within the country is difficult. For fund generation permission form Bangladesh Security Exchange Commission (BSEC) is required, equity instruments in the country is also small, because of fund crisis and fund generation, VC firms are not progressing in the country and thus can not contribute more for startups generation.

Bangladesh Bank also created a Fund to encourage entrepreneurship and self- employment, established a Tk 5.0 billion revolving refinance fund, known as the "Start-up Fund," where scheduled banks contribute 1% of their annual net profit for the next five years, starting in 2020, only Taka 35 crore taka has been disbursed so far which is not an encouraging figure.

In India SIDBI is a good example created FoF and disbursing to the startups. Silicon Valley in Bengaluru, India which has grown as a global technology and startup hub, is a home to numerous multinational corporations, over 400 global R&D centers and research institutions with cutting-edge facilities, and 4000+ startups as per available information. Bangladesh can explore similar such initiative attracting the pool of talents who are moving abroad without getting proper jobs.



VC firms can be linked with startups to make FoF effective and will monitor so that startup can avoid risks because of the highly susceptible factor ingrained with the start-ups for its innovative and non-traditional nature. Young fortress can be supported with policy and funding to acquire a global footing to prove the strength of Bangladeshi entrepreneurship. Why not Bangladesh can be a home of exemplary startup business in the world like Google, Uber, Facebook and Twitter etc. Talented Startups are seeking investment support to speed up idea development and improve scalability. While global funding is encouraged, repatriation of money is a serious problem in the country and the exit is another age-old policy constraint. Having a registered business in Bangladesh an entrepreneur could face a lot of problems for repatriation of money, being 90% global funding coming to this sector rather interested to be registered in Singapore than that of in Bangladesh addressing the problem.

The ICT ministry is working hard to encourage the young generation and identified some sectors such as fintech, enterprise solution, lifestyle, logistics, health tec, agritech and edutech as potential areas for start-up. Bangladesh Summit 2025 energized young entrepreneurs to move to a new height, we need to uphold the spree towards a new horizon of investment in the country.

ARTICLE

TAX REFORMS FOR A THRIVING DIGITAL COMMERCE

AHM Hasinul Quddus Rusho
Chief Corporate Affairs Officer
Daraz Bangladesh Limited

The embryonic e-commerce sector in Bangladesh, contributing less than 2% of the nation's GDP, holds vast growth potential. With the upcoming National Budget FY 2025-26 fast approaching, the e-commerce industry must plant its seeds and address respective concerns to establish a favourable regulatory environment.

Even though the Marketplace model, an essential business modality of e-commerce, has been recognized in the VAT regulations in 2023, challenges still remain in its practical implementation. Hence, it is high time that the Marketplace definition is duly complemented with an explanation letter exempting it from the obligation to hold VAT receipts—a responsibility that more appropriately falls on individual sellers. This differentiation is imperative as it will remove any grey area and relieve marketplaces from a complex regulatory burden.

Daraz Bangladesh, the standard-bearer of Bangladesh's e-commerce sector, has been growing with a Compound Annual Growth Rate (CAGR) of 28% from 2018-2024, with more than 50,000 registered sellers and 8 million monthly active users. The numbers paint a picture of the industry's potential to grow, but beneath the numbers lie Daraz's continued struggle to establish itself as a household name in the country, even after investments from Alibaba and access to its cutting-edge tech-infrastructure. On a similar line, many other companies and SMEs, have struggled to survive, let alone grow. This highlights the pressing need for a more supportive regulatory framework that enables sustainability in the e-commerce space.

Daraz Continues to Lead as Number One E-Commerce Brand for the Fourth Consecutive Year

The importance of e-commerce has become evident during the COVID-19 pandemic, and continues to grow, particularly in light of the growing tech-savviness of customers and the shift towards the convenience of digital commerce. However, this potential must be nurtured with accommodating tax policies. The current 10% TDS on commissions—even for loss-making companies—hampers cash flow, the lifeline for startups. Most e-commerce companies are start-ups that are not yet profitable and rely on investments for growth. Removing this TDS burden, particularly when these companies already pay a minimum turnover tax, would have minimal impact on NBR's collections. For instance, Daraz Bangladesh Limited, the highest taxpayer in the industry, paid BDT 220 million in taxes in FY 2023-24, a fraction of NBR's BDT 3 trillion total.

The global e-commerce industry is projected to reach a market size of 6 Trillion USD by 2029 with a CAGR of 8.02%. If Bangladesh is to be part of this e-commerce revolution, NBR should provide the sector with a sandbox of favourable policies. This would bring in foreign investments from global players like Amazon, Walmart and with a friendly regulatory environment, the startups operating today can become the unicorn company of tomorrow, contributing a lion's share to NBR's revenue.

CONDUCIVE FISCAL POLICIES AND TAX REGULATIONS: CATALYZING GREATER FDI FROM BANGLADESH PERSPECTIVE

CA | THE INSTITUTE OF CHARTERED ACCOUNTANTS OF BANGLADESH
(Established by the President's Order No. 2 of 1973)

Maria Howlader, FCA
President
The Institute of Chartered Accountants of Bangladesh (ICAB)

Introduction

At the end of last December, the London-based Center for Economics and Business Research (CEBR) forecast that Bangladesh will become the world's 20th largest economy by 2038. It will move up rapidly in the World Economic League Table (WELT) rankings in the next 15 years. According to the forecast, the future economic progress of Bangladesh has shown strong potential for attracting foreign investment as well as improving Bangladesh's diplomatic relations with those countries. Also the World Bank (WB) ranked Bangladesh the 32nd largest economy on the planet based on gross domestic product (GDP). Despite severe economic headwinds owing to social complexity and political instability, it has continued to grow.

Bangladesh has enormous potentials like a young, and hard-working workforce (demographic dividend), a strategic location between the large South and Southeast Asian markets, deep sea port and a vibrant private sector to become fastest-growing economies in the world.

In order to mobilize resources for development through utilizing these potentials, prudent fiscal policies are crucial as they influence how resources are allocated, impacting economic growth, stability, and overall well-being. We believe, a well-designed fiscal policy can foster growth, improve public services, and reduce poverty.

FDI and Economic Growth: Bangladesh Perspective

Foreign Direct Investment (FDI) is crucial for its economic growth, acting as a potent tool for development. Undoubtedly, FDI has long been recognized as a key driver of economic growth, technology transfer, and job creation, especially for emerging economies.

But attracting FDI is always a struggle for Bangladesh. According to the Daily Star's report, the flow of FDI in Bangladesh fell to $104.33 million in the July-September quarter of fiscal year 2024-25, the lowest in at least six years. It is 71 percent less foreign investment year-on-year. Moreover, compared to regional peers, it has low FDI as a percentage of GDP. This low level and decline in foreign investment are not just economic issues but reflections of deeper structural and governance challenges including fiscal policies and tax regulations.

We believe that reshaping fiscal priorities and eliminating tax burden could be a lucrative offer for prospective investors.

Evolution of Fiscal Policies and Tax Regulations Supporting FDI Growth

Since the 1990s Bangladesh's fiscal policies have been steadily transitioned from a restrictive regime to a more liberal and open one. Recognizing the importance of private sector investment, it has undergone a series of reforms to simplify business procedures. Bangladesh has signed Bilateral Investment Treaties (BITs) with over 30 countries and has joined international investment-related organizations such as the Multilateral Investment Guarantee Agency (MIGA) and the International Centre for Settlement of Investment Disputes (ICSID), with a view to enhancing investors' confidence in the country.

We have seen a number of fiscal and other incentives were given to entities in Export Processing Zone and Economic Zones in the country which included tax holiday, duty free import of raw materials, duty free of import of capital machineries, bonded warehouse facilities, cash incentives for export, repatriation of capital and dividends, repatriation of salaries of foreign management staff members, quota-free and duty-free market access to developed and developing world for our products, relaxed rule of origin of products etc. But, despite such incentives the inflow of FDI in our country has not increased significantly. The reason is that policy shifts or strategic initiatives are affecting the capital inflows and the investor confidence. While Bangladesh does offer some fiscal incentives, they are generally seen as less competitive in comparison. Moreover, as you may know, the National Board of Revenue (NBR) is currently moving away from broad-based exemptions and tax holidays, shifting toward a more streamlined and restrictive incentive regime. This shift could have significant implications for future investor interest, we have a great apprehension on this move.

Here we could refer to Vietnam as a case study. The country has successfully attracted substantial foreign direct investment by offering targeted tax incentives, including corporate income tax reductions, tax holidays, and import duty exemptions in key sectors such as manufacturing and technology. This strategy has made Vietnam a competitive destination for global investors and could offer useful insights for our context as well.

In our country we observe frequent changes in tax laws, duties, or investment rules which discourage foreign investors. The investors always expect a consistent and long-term fiscal and investment policy to continue with their business through a decision. Because these inconsistent fiscal policies undermine trust and increase perceived risk. Moreover, bureaucratic hurdles and poor coordination among regulatory bodies reduce the overall attractiveness of investments.

Currently, Bangladesh's tax-to-GDP ratio remains among the lowest in the world, hovering around 8-9%. This reflects not only an underdeveloped tax collection infrastructure but also complex, inconsistent, and opaque tax policies.

Bangladesh imposes relatively high corporate tax rates compared to regional competitors like Vietnam and India. While there are sector-specific incentives, the base rate often discourages broad-based investment. Slow adoption of alternative dispute resolution mechanisms and corruption also hinder foreign investment. The unpredictability in tax enforcement, delays in VAT refunds, and frequent policy changes without proper stakeholder consultation undermine investor confidence.

The Way Forward: Reforms Needed to Catalyze Greater FDI

The interim government constituted an advisory committee for reforms of NBR which was a laudable initiative. Policy separation should get priority in reforms of NBR. The IMF recommended a separate policy wing of the National Board of Revenue (NBR) to ensure an effective tax system. While formulating the policies, implementing of the following initiatives will be a sine qua non for attracting more FDI.

- Need to set a predictable tax policy and ensure its consistency, so that investors and the Businesses plan on the basis of existing policy. if sudden changes are made within six months that would discourage both local and foreign investment.

- Need a clear pathway to restore investors in business in Bangladesh through ensuring discipline in revenue management and public expenditure. Without confidence being restored among local investors, why would foreign investors come to Bangladesh to invest?

- Address structural and operational issues, Bangladesh must prioritize comprehensive reforms to its fiscal and tax systems.

- Introduce a simplified and lower corporate tax regime aligned with regional competitors to enhance attractiveness. It is a long due issue and we hope reform committee brought this matter and NBR will take action.

- It is required to re-design investment incentives to be performance-based, time-bound, and sector-specific with clear eligibility and access criteria.

- Need to Promote Tax Treaties and International Standards through strengthening the application of DTTs and aligning tax regulations with OECD and WTO norms to enhance international credibility.

Conclusion

Our present Government is giving highest priority on attracting more FDI. Recent Bangladesh Investment Summit 2025 organized by the Bangladesh Investment Development Authority (BIDA) instigates a new hope for more foreign investment in the country. But it may not happen overnight. First, the government should improve the Ease of Doing Business index. A coordinated approach—bringing together fiscal reform, policy predictability, and investor facilitation—is essential for that to unlock the full potential of FDI in driving inclusive and sustained economic development. But what is needed the most is pro-people political will and stability.

CONDUCIVE FISCAL POLICIES AND TAX REGULATIONS: CATALYZING GREATER FDI IN BANGLADESH

ICMAB
THE INSTITUTE OF COST AND MANAGEMENT ACCOUNTANTS OF BANGLADESH

Mahtab Uddin Ahmed, FCMA
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In Bangladesh, being an honest taxpayer often feels like a punishment; you are rewarded with higher taxes, surprise audits, and the occasional fine. Tax evaders, meanwhile, are treated like rare wildlife, untouchable and well-protected. Politician-businessmen dodge taxes and bank dues with ease, while foreign investors are milked like colonial-era cash cows. Local firms, armed with "creative" accountants, thrive under the radar. Fair play? Only if cricket were played uphill, blindfolded. It's less of a tax system and more of a tragicomedy. Yet, despite this skewed landscape, many foreign investors have thrived profitably, mastering the art of survival in an environment where unpredictability is the only constant. That resilience, not the rules, defines success here.

Foreign Direct Investment (FDI) plays a pivotal role in fostering sustainable economic growth, industrialisation, and employment generation. With its strategic location, large consumer base, and young workforce, Bangladesh has enormous potential to attract FDI. Yet, it continues to underperform compared to its regional peers. In 2023, Bangladesh attracted around USD 3.5 billion in FDI, significantly lower than Vietnam's USD 36 billion and India's over USD 70 billion. This disparity highlights underlying issues in the investment climate, particularly in fiscal policies and tax regulations.

One of the central reasons for Bangladesh's lag in attracting investment lies in the complexity and inconsistency of its fiscal and tax systems. The existing tax regime is considered one of the most burdensome in the region, with high corporate tax rates, especially for non-listed and foreign companies. Investors frequently express frustration over unpredictable tax policies, lengthy VAT refund processes, unclear incentives, and arbitrary enforcement. Often, tax holidays and other fiscal benefits are granted on a discretionary basis, resulting in uncertainty and unequal treatment. Moreover, weak implementation of bilateral tax treaties and protracted dispute resolution mechanisms discourage cross-border investment.

The country's approach has often been reactive, prioritising short-term revenue collection over long-term investment facilitation. This has led to a fiscal environment that is neither competitive nor conducive to large-scale foreign investment. For Bangladesh to compete regionally and globally, a fundamental shift is needed in the way fiscal policy is designed and executed. Rather than relying on case-by-case negotiations, the government should adopt a rules-based incentive framework that provides transparency, fairness, and predictability. A unified incentive code encompassing tax holidays, VAT exemptions, and customs duties should be introduced to replace the current fragmented and discretionary system.

Fiscal incentives should be aligned with national development priorities and targeted towards high-potential sectors such as renewable energy, digital services, pharmaceuticals, agro-processing, and export-oriented industries. These incentives should be time-bound and performance-linked to ensure accountability and return on investment. Moreover, long-term investors need assurance against sudden policy reversals. This can be achieved by embedding fiscal stability clauses in investment agreements that safeguard investors from arbitrary changes during the lifespan of a project. Public expenditure should also support private sector growth through investments in infrastructure, human capital, and essential services that raise productivity and reduce business costs.

On the tax front, simplification and modernisation are urgently needed. Gradual reduction in corporate tax rates, especially for non-listed and foreign companies, would make Bangladesh more competitive. Hidden costs such as advance income tax and advance tax, which often remain non-adjustable, should be rationalised. Equally important is the digital transformation of tax administration. End-to-end e-governance—covering tax registration, filing, payment, and audit—would reduce corruption, increase compliance, and boost investor confidence. Greater clarity and faster implementation of double taxation avoidance agreements would also help in eliminating cross-border tax ambiguities, making Bangladesh a more attractive destination for multinational companies.

Another critical area is dispute resolution. Currently, investors face prolonged delays in receiving VAT refunds or settling tax-related appeals. Time-bound mechanisms, independent dispute resolution bodies, and automatic refund systems can go a long way in easing investor concerns. The goal should be to reduce uncertainty and minimise operational friction.

While fiscal and tax reforms are central to the FDI agenda, they must be supported by broader institutional and regulatory changes. Investors consistently identify regulatory unpredictability, land access issues, weak contract enforcement, and utility bottlenecks as deterrents. Bangladesh must move toward a more investor-centric model that offers not just incentives, but also efficient service delivery and legal protection. Infrastructure must be upgraded, commercial dispute mechanisms must be strengthened, and access to industrial land must be simplified through digitised land registries and one-stop services.

Labour market reforms are equally important. Although labour is abundant and relatively cheap, skills shortages and rigid employment laws constrain productivity. Investments in vocational training, coupled with more flexible labour regulations, can help match the needs of modern industries. Special Economic Zones must evolve beyond tax breaks and offer world-class logistics, reliable utilities, and single-window clearance systems that reduce transaction costs and procedural delays.

Bangladesh stands at a crossroads. With global investment patterns shifting and regional competition intensifying, the country must act decisively to improve its investment climate. By reforming fiscal policy, modernising tax administration, and addressing infrastructure, legal, and institutional bottlenecks, Bangladesh can unlock its full FDI potential. The time for incremental change is over. A bold, coherent, and investor-friendly reform agenda is essential to transform Bangladesh into a regional investment powerhouse.

Despite the fiscal theatrics and tax acrobatics, some investors still survive, not because the system welcomes them, but because they have mastered the art of navigating chaos. Bangladesh's potential remains undeniable, but potential alone doesn't attract capital. Until real reforms arrive, resilience will remain the business model, and missed opportunities the recurring headline.

PREDICTABLE AND SIMPLIFIED TAX POLICIES: WHAT BANGLADESH LOOKS FORWARD TO

Paul Holloway
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Bangladesh has steadily emerged as a prime destination for foreign direct investment (FDI), driven by its robust economic growth and strategic geographic location. The tobacco industry, notably, has attracted substantial foreign investment, exemplified by JT Group's landmark investment of $1.476 billion in 2018. As someone who has managed multinational companies across various markets, I have witnessed firsthand the transformative impact of predictable tax and fiscal policies in creating a favorable environment for FDI. Bangladesh, with its strategic location and burgeoning economy, is poised to become a major investment hub. However, to fully realize this potential, the predictability of its tax regime is crucial.

The tobacco industry in Bangladesh is a major contributor to the national economy, generating substantial tax revenues. In the 2023-24 fiscal year alone, the industry contributed approximately Tk 40,000 crore (BDT 400 billion) to government revenue, which is more than 10% of collected tax revenue. Despite this, the industry faces challenges, including a complex ad-valorem tax system and regulatory unpredictability, which can deter potential investment.

Predictable Tax Regulation

Investors prioritize stability and predictability in the regulatory environment, particularly regarding tax policies. Clear and consistent tax regulations enable businesses to plan long-term investments, forecast financial outcomes, and allocate resources effectively. This predictability reduces investment risks, making Bangladesh a more attractive destination for foreign capital. The recent abrupt tax increase on January 9th, occurring outside the regular budget cycle, has had significant consequences, highlighting the need for a stable and transparent tax regime.

Equitable Taxation

Implementing a balanced tax regime that does not disproportionately burden legitimate businesses is crucial. Sudden and excessively high taxes as a rule of thumb lead to rise in illicit trade and criminal operations that do not pay taxes undermining both government revenues and public health objectives.

Following the tax increase in January 2025, there has been a significant rise in illicit cigarette sales. Media reports estimate that the government loses approximately Tk 1,500-2,000 crore annually due to these illicit activities. According to our internal assessment, the actual losses may be twice as high.

What Bangladesh looks forward to

Simplified Tax Structure: Streamlining the complicated ad-valorem tax system to a more straightforward and simplified structure such as specific taxation on product volume, will make it easier for foreign investors to navigate. A more straightforward tax structure reduces administrative burdens and minimizes opportunities for rise of illicit trade and criminal operations evading taxes, thus creating a more stable business environment.

We recommend the government to opt for a simpler, more sustainable tax framework that benefits both the government and the industry. A well-balanced tax policy would ensure that consumers buy only legal products, the government secures its revenue, and businesses operate sustainably.

Enhanced Transparency: Implementing transparent tax administration practices can build investor confidence. This includes clear guidelines on tax compliance and dispute resolution mechanisms.

Strengthened Anti-Illicit Trade Measures: Robust enforcement of anti-illicit trade laws can ensure that tax revenues are not lost to the black market and support protecting legitimate business.

Stability and Assurance: Long-term policy assurances can attract sustained investments. This includes commitments to not alter tax policies abruptly and to engage industry stakeholders in policy formulation. Introducing a three-to-five-year tax calendar would benefit both the government and the industry by enabling businesses to plan their operations and investments more efficiently. The absence of a structured multi-year tax roadmap diminishes confidence in the business climate, making long-term commitments challenging.

Simplified and Digitized processes:
The government is investing in digital infrastructure to streamline tax filing and payment processes. Alongside that, these measures can reduce the complexity and cost of compliance for foreign investors and attract FDI:

- **Streamlined Approvals** - Digitizing approval processes, such as trade license renewals, can significantly reduce delays and enhance efficiency, making it easier for foreign investors to navigate the regulatory landscape.
- **Centralized Systems** - Centralizing administrative processes ensures consistency and transparency, which boosts investor confidence and reduces the risk of corruption.

Bangladesh is a nation of visionaries and changemakers. To bring about meaningful reforms for a better future, it is imperative that policymakers adopt simplified and effective tax policies. After the off-cycle tax hike in January, it is important for the government to closely monitor the market's response for now before making any further adjustments to the current tax policy. This approach would help stabilize the market and prevent additional revenue losses due to the proliferation of illicit products.

However, it is crucial to acknowledge that the existing tax structure is failing and requires a long-term solution. Policymakers must consider implementing a different and simplified tax framework for the tobacco industry and immediately start crafting the framework through dialogue with experts and industry who are equipped with practical and in-depth experience of how fiscal policies are impacting the industries. This move could serve as an exemplary step towards future fiscal policies, setting a precedent for sustainable economic growth and stability.

NATIONAL BUDGET AND INSURANCE SECTOR: TIME TO TAKE ACTION

MetLife

Ala Uddin Ahmad
Chief Executive Officer
MetLife Bangladesh

Life insurance is a fundamental component of financial services in any country's economic planning. Yet, in Bangladesh, a large portion of the population still remains outside insurance coverage. As a result, a single accident or illness can lead to financial disaster for individuals and families. This, in turn, increases the government's burden on social protection. The life insurance sector in Bangladesh can make a significant contribution to the country's economy if it were given the chance to grow under business-friendly policies and initiatives.

The growth of the life insurance sector depends on people's participation. The more people are covered by life insurance, the more encouraged companies will be to invest, innovate, bring in new products, and foster a healthy competitive market. In the 2025-26 national budget, we hope to see policy measures that enable insurance companies to pursue focused and long-term business plans.

MetLife has been providing individual and institutional life insurance services in Bangladesh since 1952. As one of the largest long-term foreign investors in the country, we currently serve nearly 1 million individuals and 900 institutions with life and health insurance, and we've created employment for more than 13,000 agents. MetLife is also one of the largest investors in government treasury bonds and a top taxpayer in Bangladesh.

Based on our 70+ years of experience in contributions to the financial sector, we would like to propose three essential policy reforms in the upcoming budget to help the insurance sector reach its full potential.

1. Make Life Insurance More Customer-Friendly

Currently, life insurance maturity proceeds are subject to Tax Deducted at Source, or TDS of 5% to 7.5%. This rate should be brought down to zero. Life insurance is a long-term financial product—people deposit money year after year for security and future certainty. However, when they finally receive the maturity benefit, a portion is deducted as TDS, which disrupts their financial plans. This discourages people from choosing insurance and deters potential customers.

Removing this TDS will make life insurance more attractive and bring many new customers into the fold. It won't reduce government revenue because taxpayers usually adjust this amount in their annual tax returns. In fact, eliminating TDS could boost the sector's popularity, ultimately contributing positively to the economy and increasing total tax revenue in the long run.

2. Make the Insurance Profession More Attractive for Agents

Currently, insurance agents are subject to TDS on all commission earnings, even though annual income up to BDT 350,000 is tax-exempted for individuals. There should be an exemption threshold for agent commissions as well.

Willingness in purchasing insurance is still relatively low in Bangladesh, which affects agents' incomes. Most agents rely solely on commission from policy sales, and taxing their limited income reduces their take-home pay. For many, this creates difficulty in covering personal and household expenses. Waiving the TDS on lower-income agent commissions would provide real support for this group.

With over 2.6 million officially unemployed people in Bangladesh (and likely many more in reality), removing this tax could attract more individuals to become agents. This would promote human resource development, generate employment, and expand insurance coverage in the long run.

MetLife Bangladesh recognises top agency forces

3. Make the Insurance Sector More Attractive for Investors

Reducing the corporate tax rate for insurance companies would ensure long-term growth and economic stability. The current rate stands at 40%, which is a major barrier. This should be brought down to 30%.

The insurance sector helps reduce financial risk for individuals and families, lowering the government's need to spend on social protection. A reduced tax rate would allow companies to expand operations and strengthen their role in sustainable development and social security. A competitive tax structure also encourages companies to improve efficiency and capacity.

Our neighboring and competitor countries have more favorable tax rates for the insurance sector, for example, Vietnam (20%), Sri Lanka (30%), Saudi Arabia (20%), and Nepal (25%). The insurance sector in Bangladesh has been facing a contraction for years. Lowering the tax rate would revitalize it and, in the long run, lead to higher revenue collection.

The development of the life insurance sector is not just about the growth of one industry - it is deeply linked to the country's overall economic stability, social protection, and employment generation.

If the upcoming budget includes practical and business-friendly policies, the insurance sector will gain new momentum. Millions of people across the country will gain long-term financial security, and the government will gain a strong, sustainable source of revenue.

Now is the time to give this promising sector the attention it truly deserves.

CONDUCIVE FISCAL POLICIES AND TAX REGULATIONS: CATALYZING GREATER FDI IN BANGLADESH

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Director & Chief Operating Officer
Nippon Express Bangladesh Ltd

Bangladesh being one of South Asia's fastest-growing economies, is steadily gaining traction as a lucrative destination for foreign direct investment (FDI). Recent Bangladesh Investment Summit 2025: A definite step accelerates enormous FDI; The four-day Bangladesh Investment Summit 2025 enfolded up recently, sparking optimism and reflection where local and international stakeholders have participated actively. It aimed to present Bangladesh as a serious, forward-looking destination for investment. This collective presence created seems to be a vibrant environment where ideas flowed, and connections were built as per feedback from various international participants. Foreign community hoping that this summit would signal Bangladesh's readiness to engage in serious conversations about both opportunities and challenges.

Before political instability, the FDI inflows were steady but moderate, concentrated in key sectors such as textiles, garments, pharmaceuticals, and ICT. However, recent political instability, bureaucratic inefficiencies, and inadequate infrastructure posed significant barriers to growth. Limited energy resources and service facilities further deterred large-scale investments. However, the interim government has initiated significant policy changes to attract FDI, recognizing its critical role in job creation and fostering economic and social development.

Economic constraints: Low wages, delayed salary payments, difficulties in accessing industrial loans, and burdensome VAT laws hindering industrial growth.

- Opportunities and strategies to attract FDI such as renewed investor interest. The new government's pro-business policies have garnered interest in sectors such as renewable energy, infrastructure development, and ICT. Regional and global dynamics as geopolitical stability and trade diversification are creating new opportunities, though competition from neighbors like Vietnam and India necessitates innovative strategies. The interim government may consider promoting and reinforcing inter- and intra-regional investment and trade agendas through BIMSTEC, D-8, and SAARC mechanisms. The current interim government's recent initiative to merge several investment-related agencies, such as BEJA, BEPJA, BHTPA, BSCIC, and PPPA, under the single umbrella of the Bangladesh Investment Development Authority (BIDA), will help increase FDI in Bangladesh by centralizing the investment platform, reducing bureaucratic overlap, and creating a unified gateway for local and foreign investors.

If we may propose strategies regarding policy enhancements to ensure consistency in pro-investment policies and strengthen intellectual property protections. To facilitate Infrastructure development expediting transport, facilitate port and customs efficiency mainly energy sector, urban projects and improve SEZ facilities. Differentiate investment sources by engaging with non-traditional markets like ASEAN, the Middle East, and Africa while leveraging displacement networks. Branding and promoting Bangladesh as a competitive investment destination through targeted campaigns and agreements, such as foreign investment protection agreements. Digital transformation such as e-governance, tax holidays, incentivize startups, and enhance digital infrastructure. Focusing sustainability and prioritizing eco-friendly projects and partnering with international organizations to meet ESG standards.

Bangladesh's economy is significantly dependent on its export earnings. The export sector has faced several challenges, but business insiders opine that the recent political disturbance has created an uncertain environment for businesses. The interim government's efforts to restore stability are becoming visible, but the situation has led many international buyers in the garment sector to reconsider placing orders in Bangladesh, anticipating potential disruptions.

Rising temperatures due to climate change have increased heat stress among factory workers, potentially affecting productivity, lead times, and timely shipments. Global brands are legally required to address these conditions in their suppliers' factories under new EU regulations, exerting pressure on Bangladeshi exporters to improve working conditions.

USA president Donald Trump new tariff would lead to another challenges towards exporters to raise competitiveness ahead coupled with the country's graduation from the least developed country (LDC) status in 2026. Business leaders have expressed concerns that could adversely impact industries already struggling with increased production costs and global competition.

* Reducing logistics costs, which can significantly boost exports. Implementing the National Logistics Policy 2024 aims to lower business costs, enhance competitiveness, and integrate Bangladesh into the global value chain. However, a periodical review and revision of logistics policy is necessary. Investing in infrastructure, such as ports and transportation networks, which can improve efficiency and reduce costs, making Bangladeshi exports more competitive.

* Curtailing dependency on the garment sector by supporting other industries such as leather, agriculture, handicrafts, Semi-conductor, Electronics, Automobile, Healthcare & Pharmaceuticals, Tourism, ICT and Service Sectors etc . Inconsistent policies have been barriers to export diversification and addressing these can open new markets.

* Developing logistics park, ports, and transportation networks, which is important to enhance export efficiency and reduce costs, thereby increasing competitiveness in the global market.

Cold chain can save food supply chain - When Brazil, the Philippines and the Caribbean countries have been supplying banana, a highly perishable fruit, to the other corners of the world, Bangladesh cannot do so even within its small boundaries without using toxic preservatives.

Transporting and storage of fruits, vegetables, meat, and other perishable foods within the nation and creating facilities for temperature-controlled supply chain is essential for the country and focusing COLD CHAIN LOGISTICS as infrastructure industry to facilitate food safety and reduce post-harvest losses. Invite local and international operators to support TCL (temperature control logistics) and facilitate airport storage, faster customs clearance, and domestic delivery. The issue came to the fore in recent years after food adulteration reached alarming magnitudes. Tax free equipment to enhance TCL industry is necessary to facilitate the food value chain.

Among the sectors with significant untapped potential is logistics, which forms the backbone of trade and commerce. With Bangladesh's strategic geographical location bridging South and Southeast Asia, the country is naturally positioned to become a logistics hub. However, realizing this potential hinges largely on the effectiveness of its fiscal policies and tax regulations in attracting and retaining foreign investment.

The Importance of Freight and Logistics in Bangladesh
Bangladesh has seen rapid growth in industrial output which growth has dramatically increased the demand for efficient transportation, warehousing, customs clearance, and freight handling services. However, inefficiencies in logistics—such as ports, customs, outdated infrastructure, and regulatory bottlenecks—have raised the cost of doing business.

Modernizing this sector not only enhances trade facilitation but also attracts multinational companies seeking streamlined supply chains in Asia. This is where targeted fiscal policies and tax incentives become critical.

Key Fiscal Policies to Attract FDI:

1. Tax Incentives and Holidays:
Offering tax holidays for logistics, freight forwarding industry including cold chain logistics; especially in special economic zones (SEZs)can significantly lower entry barriers for foreign firms. Several SEZs already provide reduced tax rates for up to 10 years, but broader application of such incentives in logistics-specific zones could stimulate further interest.

2. VAT and Customs Duty Rationalization:
Reducing or exempting VAT and import duties on logistics equipment (such as cargo scanners, tracking technology, warehouse automation systems and temperature control equipment, forklift, stacker, palletize equipment, cold boxes, warehouse racking items) would make it more attractive for foreign investors to establish advanced logistics operations in Bangladesh.

3. Depreciation and Capital Allowances:
Enhanced capital allowances on logistics infrastructure (e.g., cold storage units, distribution centers) could be introduced. Allowing accelerated depreciation can provide significant relief to firms investing heavily in fixed assets.

4. Double Taxation Avoidance Agreements (DTAA):
Bangladesh has signed DTAAs with over 30 countries. Promoting and expanding these agreements can protect foreign investors from tax-related uncertainties and encourage reinvestment of profits.

Streamlining Tax and Regulatory Framework
A key concern for international logistics companies is regulatory predictability. Despite reforms, Bangladesh's tax regime is often seen as complex and inconsistently enforced. Simplifying tax codes, ensuring transparency in audits, and digitizing compliance can create a more investor-friendly environment.

The National Board of Revenue (NBR) could consider establishing a dedicated unit for foreign logistics investors, offering advisory services and fast-track resolution of tax disputes.

Additionally, customs procedures remain a major pain point. The adoption of the National Single Window (NSW) platform and alignment with World Trade Organization (WTO) Trade Facilitation Agreement (TFA) guidelines are welcome developments. Full implementation would greatly enhance efficiency and reduce lead times—key concerns for logistics providers.

Public-Private Partnerships (PPP) and Infrastructure Investment
To further encourage FDI, Bangladesh can expand its PPP framework to logistics. Foreign investors often seek stable, long-term opportunities with risk-sharing mechanisms. By offering co-investment opportunities in logistics parks, inland container depots, and multimodal transport hubs, the government can attract world-class operators while improving national logistics capabilities.

5. Enhancing Tax and Regulatory Clarity

- One-stop investment service with the Bangladesh Investment Development Authority (BIDA) to streamline licensing, VAT registration, and customs approvals.
- Digitize customs and taxation systems to reduce corruption and inefficiency.
- Introduce bilateral tax treaties to avoid double taxation and increase investor confidence.

Policy Recommendations for Greater Impact

To capitalize on the freight and logistics boom, Bangladesh should:

- Establish sector-specific fiscal incentives targeting logistics FDI.
- Improve customs and taxation transparency and minimize bureaucratic hurdles.
- Encourage infrastructure investment through PPPs and streamlined land acquisition policies.
- Strengthen coordination between the NBR, Bangladesh Investment Development Authority (BIDA), and port authorities for one-stop services.
- Include customs licensing in the same forwarding license all over the country's ports & land borders

Conclusion

Bangladesh stands at a pivotal moment in its economic journey. With strategic fiscal policies and a forward-thinking tax regime, the country can transform its logistics and freight forwarding sector into a magnet for global investment. Doing so not only enhances trade competitiveness but also generates employment, technology transfer, and long-term economic resilience. The roadmap is clear—what's needed now is bold execution.

MACRO-FISCAL MANAGEMENT IN BANGLADESH: PROGRESS, EMERGING CONCERNS, AND REFORM OPTIONS

Dr. M. Masrur Reaz
Chairman and CEO
Policy Exchange Bangladesh

1.0 Revenue, Debt, and Public Investment Management Emerging Priorities in Macro-fiscal Space

Bangladesh has long pursued an expansionary fiscal policy with a moderate budget deficit typically around 5% of GDP to support rapid economic growth, poverty reduction, and improved social outcomes [1]. Despite achieving steady GDP growth over last three decades, critical challenges are emerging in maintaining macro-fiscal stability. These include a persistently low tax-to-GDP ratio, underdeveloped public investment management systems, and growing public debt pressures.

As the country aims to raise revenue to 11.2% of GDP and public expenditure to 16.2% of GDP by FY 2025-26, effective macro-fiscal management becomes more vital than ever [2]. Three critical areas that underpin Bangladesh's macro-fiscal stability debt management, revenue mobilization, and public investment management highlighting the key challenges in each area and strategic recommendations for improvement.

2.0 Rising Debt and Shrinking Fiscal Space: Addressing Bangladesh's Mounting Risks

Bangladesh's rising debt levels since the Fiscal Year 2017 have emerged as a critical macro-fiscal concern, reflecting increased fiscal pressures and growing vulnerabilities.

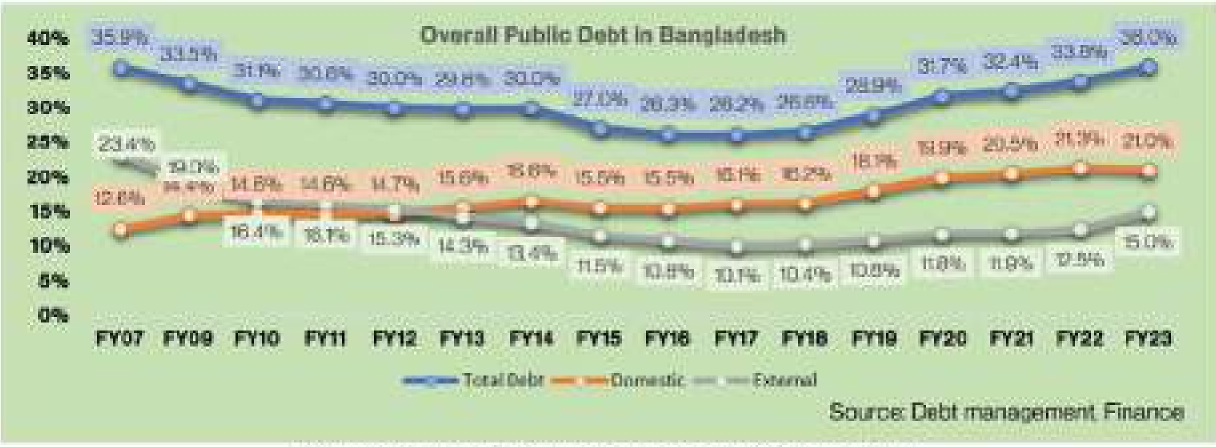

Figure 1: Trends in Overall Public Debt in Bangladesh

The country's total debt-to-GDP ratio climbed to 36.30% in FY2024 from 32.41% in FY2021, driven by substantial expansion in both domestic and external borrowing. External debt rose to BDT 8.12 trillion, pushing the external debt-to-GDP ratio to 22.60%, amid rising repayment obligations and declining foreign exchange reserves.

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1 "MTMPS 2023-24 English.Pdf," accessed May 10, 2025, https://mof.portal.gov.bd/sites/default/files/files/mof.portal.gov.bd/page/c8f50e8b_1e35_4697_81ba_29ed66b1b2d1/MTMPS%202023-24%20English.pdf.

2 "MTMPS 2023-24 English.Pdf."

Alarmingly, the debt service-to-revenue ratio is projected to exceed 100%, indicating unsustainable debt dynamics and undermining fiscal space. In FY2025, 14.24% of the national budget is allocated solely for interest payments, severely limiting funds for development priorities. These trends point to an urgent need for robust debt management reforms including improved debt transparency, a strengthened Medium-Term Debt Strategy (MTDS), and prudent borrowing practices to ensure long-term fiscal sustainability and reduce the economic risks of excessive debt burden.

Figure 2: Commitment & Disbursement of Loans by Major Development Partners in FY24

2.1 Systemic Challenges in Bangladesh's Debt Management and Fiscal Oversight

Bangladesh's growing debt burden is compounded by several systemic and structural challenges that hinder effective and sustainable fiscal oversight:

- **Fragmented Institutional Data:** The absence of an integrated debt information system across institutions delays real-time access, weakening debt monitoring and timely decision-making.
- **Underdeveloped Bond Market:** With the bond market constituting only 21.3% of the financial sector, the country lacks diversified financing instruments beyond bank borrowing.
- **Excessive Bank Dependence:** The limited bond market compels the government to borrow primarily from the banking sector, creating risks of crowding out private investment and stressing the financial system.
- **Foreign Exchange Vulnerabilities:** Persistent depreciation of the Taka is escalating external debt servicing costs, intensifying fiscal pressures and increasing exposure to currency risks.
- **Operational Inefficiencies:** The lack of streamlined centralized data continues to hinder proactive debt management and strategic planning across government entities.

2.2 Key Considerations for Strengthening Debt Management

- **Establish an Integrated Debt Data and Monitoring System**
- **Adopt and Operationalize a Comprehensive Medium-Term Debt Management Strategy (MTDS)**
- **Strengthen the Legal and Institutional Framework**
- **Develop the Domestic Bond Market and Diversify Financing Sources**
- **Enhance Risk Management Capacity and FX Resilience**

3.0 Public Investment Management: Fiscal Efficiency Through Better Execution

Public Investment Management (PIM) is a foundational element of the public financial management (PFM) system, guiding how governments plan, allocate, and execute development spending to maximize economic and social outcomes. In Bangladesh, PIM primarily operates through the Annual Development Program (ADP), alongside other channels such as public-private partnerships, climate fund initiatives, and operating budget programs. While the ADP has consistently accounted for about 30% of the total national budget over the past decade growing annually at 6.6% since 2010 the efficiency and effectiveness of public investment have remained suboptimal.

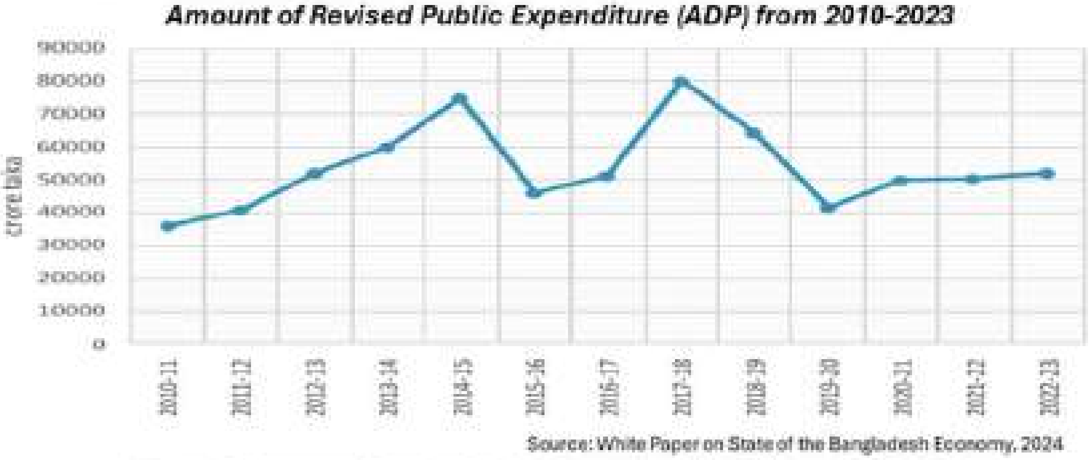


Figure 3: Amount of Revised Public Expenditure (ADP) from 2010-2023

Table 1: Sectoral Allocation as % of Development Budget

3.1 Key Challenges in Public Investment Management

- **Fragmented Institutional Coordination:** Overlapping mandates, weak inter-ministerial coordination, and irregular oversight lead to duplication, delays, and poor project alignment.

- **Policy and Political Distortions:** Lack of a PIM reform roadmap and political interference result in ad hoc project selection, ghost projects, and cost overruns.

- **Outdated and Disconnected Systems:** Absence of an integrated digital PIM platform, outdated tools, and poor data interoperability limit effective planning and monitoring.

- **Capacity and HR Constraints:** Shortage of skilled personnel and frequent turnover of project directors reduce implementation efficiency and oversight quality.

- **Weak Appraisal and Monitoring:** Poor logical frameworks, missing impact assessments, and limited post-project evaluations hinder accountability and learning.

3.2 Strengthening Public Investment Management for Stronger Fiscal Discipline

- **Strategic Policy Reforms:** Implement a comprehensive PIM reform roadmap with clear milestones, enhance institutional coordination, promote bottom-up project selection, and enforce transparent and criteria-based approval processes. Strengthen donor alignment and depoliticize project selection for better efficiency and accountability.

- **Institutional Strengthening:** Empower the PIM Reform Wing, reinforce the Planning Commission's appraisal capacity, and mandate ministerial vetting of projects. Improve inter-agency coordination and M&E systems and invest in specialized human resources to ensure sound project planning and execution.

- **Technical System Upgrades:** Upgrade and integrate digital systems (PPS, IMED, AMS), develop a unified PIM platform, and modernize software to cover full project lifecycle. Incorporate GPS, GIS, and real-time monitoring tools to enhance transparency and performance tracking.

- **Climate and Risk-Responsive Planning:** Strengthen and expand DRIP for national and sector-wide coverage, fully implement Green Climate & Resilience frameworks, and mainstream climate-risk assessments in planning. Ensure multi-year, risk-informed investment programming aligned with MTBF.

Sectoral Allocations as % of Development Budget

Sector	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Public Service/Administration	4.59	3.99	6.60	6.23	6.51	6.04	6.44	7.50	12.73
Local Government & Rural Dev	19.74	18.85	16.58	17.02	17.40	17.61	16.31	17.12	16.93
Education & Technology	12.15	15.51	16.27	15.49	17.95	17.43	17.76	13.94	12.76
Health	5.53	4.37	5.66	5.82	4.58	6.67	6.80	5.04	4.36
Social Security & Welfare	3.84	3.76	2.65	2.94	3.09	2.72	3.23	3.83	3.40
Energy & Power	17.86	12.86	15.68	15.21	12.87	11.39	11.00	11.21	10.84
Agriculture	6.43	6.38	5.49	5.69	5.36	6.17	6.16	7.72	8.04
Transport & Communication	22.08	25.97	25.21	23.32	24.23	24.25	24.98	25.56	24.49

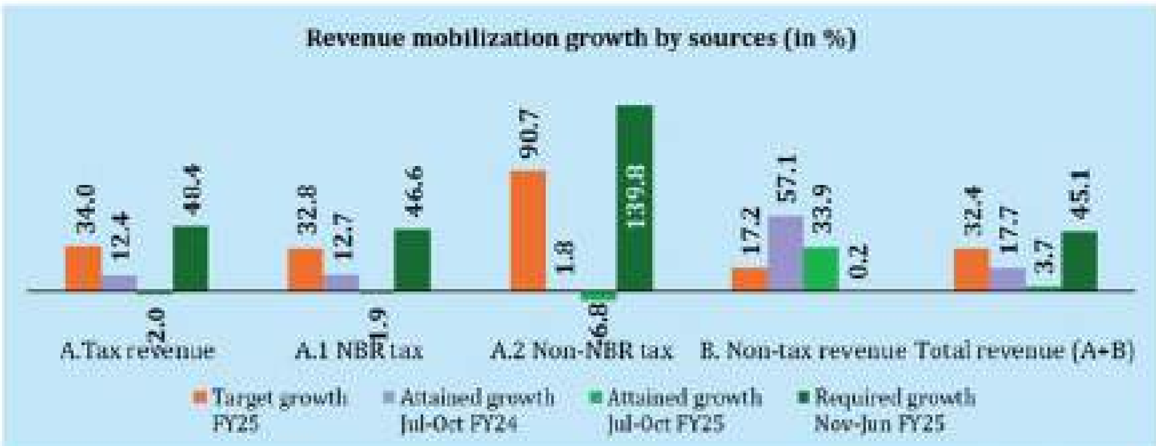
Sectoral Allocations as % of Development Budget

4.0 Domestic Revenue Mobilization: A Cornerstone of Macro-fiscal Stability

Effective revenue mobilization is central to ensuring macroeconomic stability, financing public services, and achieving sustainable development goals. However, Bangladesh consistently fails to meet its revenue targets, with tax revenue falling short by 2.0% and NBR tax by 1.9% in the first half of FY25far below the 34% growth required to meet the full-year target.

Source: Ministry of Finance

Figure 4: Revenue Mobilization Trends in Bangladesh



Source: CPD; PE Analysis

Figure 5: Revenue Mobilization Growth by Sources

This shortfall underscores persistent structural and institutional weaknesses in the tax system. The country's continued reliance on indirect taxes not only limits the revenue base but also imposes a disproportionate burden on lower-income groups, undermining equity and sustainability. Although recent reform initiatives, including the proposed bifurcation of the National Board of Revenue (NBR), aim to modernize tax policy and administration, concerns remain over the technical soundness, governance structure, and alignment with expert recommendations. Without resolving these core challenges particularly ensuring competent leadership and a stable reform framework for Bangladesh's risks compromising both its tax-to-GDP ratio and broader macro-fiscal resilience.

4.1 Structural Barriers Undermining Revenue Mobilization and Fiscal Credibility

- **Fragmented Digital Systems and Limited Automation:** Both income tax and VAT systems suffer from inadequate digital infrastructure, manual processes, and lack of skilled personnel. Minimal online filing, weak system integration, and outdated IT capacity hinder efficient tax administration and data-driven enforcement.

- **Inaccurate Forecasting and Methodological Deficiencies:** Revenue and macro-fiscal forecasts lack accuracy, transparency, and institutional scrutiny. MTMF projections are often based on unvalidated assumptions, with no structured evaluation or sensitivity analysis, reducing their reliability and planning utility.

- **Inefficiencies in Legal and Administrative Frameworks:** Lengthy litigation, overlapping procedures, and poor coordination across NBR units delay revenue collection. Complexity in VAT rates and paper-based systems further contribute to weak compliance monitoring and data disorganization.

- **Low Taxpayer Compliance and Public Awareness:** Complex tax processes, fear of harassment, and limited access to taxpayer services deter voluntary compliance. Poor awareness and education regarding VAT and income tax rules contribute to avoidance, particularly among small businesses and informal sectors.

- **Weak Policy Design and Implementation Capacity:** NBR's lack of structured research and training limits its ability to formulate and enforce responsive tax policies. Complexity in new VAT legislation and poor communication of policy changes hinder consistent and equitable application of tax laws.

- **High Tax Expenditures and Poorly Targeted Incentives:** Tax exemptions remain high and uncoordinated, estimated at over 3.5% of GDP, eroding the tax base. The absence of a strategic framework for tax incentives creates fiscal imbalances and reduces transparency and efficiency in revenue generation.

4.2 Recommendations for Strengthening Revenue Mobilization in Bangladesh

Enhancing domestic revenue mobilization is critical for financing Bangladesh's development priorities, reducing fiscal deficits, and ensuring economic resilience. To meet the ambitious FY25 targets and beyond, the government must adopt a comprehensive reform agenda combining political commitment, institutional reforms, and digital transformation.

- **Enhance Political Commitment and Strategic Oversight:** Establish a high-level Revenue Strategy Council to drive reforms, monitor NBR performance, and enforce accountability. Embed tax targets in high-level performance agreements and ensure regular reporting to Parliament.

- **Broaden the Tax Base and Rationalize Exemptions:** Conduct a comprehensive review of tax exemptions and remove outdated incentives. Bring under-taxed sectors (e.g., real estate, agriculture, and the informal economy) into the tax net through improved data sharing and compliance drives.

- **Modernize Tax Administration and Strengthen NBR Capacity:** Reorganize NBR into function-based units, upgrade human resources, and strengthen audit and enforcement functions. Establish dedicated research and policy units to support data-driven decision-making and realistic revenue forecasting.

- **Accelerate Tax Digitization and Improve Compliance:** Expand e-filing, e-payment, and real-time tracking systems using platforms like VAT Online and iBAS++. Use AI and data analytics for taxpayer risk profiling, detection of evasion, and improved enforcement.

- **Improve Taxpayer Services and Public** Trust: Establish one-stop taxpayer service centers, simplify procedures, and publish clear guidelines. Strengthen taxpayer grievance redress mechanisms and launch nationwide tax literacy campaigns to build compliance culture.

BANGLADESH'S ECONOMIC TRANSITION: REFORMING FISCAL POLICIES FOR A COMPETITIVE EDGE

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Bangladesh stands on the brink of a major economic shift as it prepares to graduate from Least Developed Country (LDC) status in 2026. Although it will usher in an array of opportunities as developing countries are considered to be more stable and attractive for longer-term investment (on account of better infrastructure, governance and market potential, wider access to international loans and capital financing opportunities) compared to LDCs, this transition would pose some challenges as well, such as not availing LDC-specific trade benefits, concessional financing and special treatment. The country must, therefore, gear up for a more competitive global landscape.

To reap the benefits of this graduation, the government is focusing on measures to attract higher foreign direct investment (FDI). The recently concluded BIDA Investor Summit created the much-needed buzz within the international investor community. While it is encouraging to see the interest generated in the country's economy, the actual figures of investment need to be tracked in the forthcoming days to see whether it matches the sentiment. As per official figures [1], Bangladesh received USD1.47bn as FDI during FY 2023-24. In the same period, other middle-income economies have had far more investments (for example, in 2024, Vietnam had a total FDI of USD25bn [2] and Cambodia ~USD 8.1bn [3]).

Thoughtful and investor-focused fiscal policies, supported by tax reforms that are clear, consistent and in line with international practices is the need of the hour. Some of the measures which might aid investor confidence are deliberated herein.

Tax incentives: Certainty, flexibility and practicality

In Bangladesh, tax incentives are typically introduced during the national budget process and become effective for a short term, say, a year or two, with annual extensions declared close to the sunset date. This approach makes it almost impossible for investors to have an adequate amount of time to consider whether they can set up a new industry. Many industries have a long gestation period spanning several months, if not years. Adequate time should be allowed after declaring incentives in order to invite the interest of investors and to enable them to plan and set up a new industrial enterprise. Moreover, flexibility in the period of incentives (say, 10 out of the first 15 years) would allow the industry to maximise the benefit.

1 https://www.bb.org.bd//pub/halfyearly/fdisurvey/foreign%20direct%20investment%20and%20external%20debt.pdf
2 https://www.mpi.gov.vn/en/Pages/2025-1-14/FDI-attraction-situation-in-Vietnam-and-Vietnam-s-ehsipf.aspx
3 https://www.khmertimeskh.com/501602507/fdi-inflows-hit-8-1b-in-one-year/

Tax treatment of profits in JVCAs

Joint Ventures, Consortiums or Associations (JVCAs) of foreign entities are commonly seen in the execution of infrastructure projects, profits from which need to be routed through local branch offices for repatriation. The existing tax law has certain ambiguities regarding the taxability of such profits received by the branch office, creating a risk of double taxation. A clearly stipulated mechanism on the tax incidence in respect of the entire fund flow under the JVCA model (such as timing of taxation, quantum, mitigating and multiple layer taxation) could provide the much-needed certainty.

Royalties and FTS payments

Newly set up enterprises need to cross charge royalties and fees for technical services (FTS) to overseas group companies for technology transfer, brand, SOP and know-how, as per transfer pricing (TP) regulations, consistent with global principles. The current thresholds for expense deductibility (10% of profits) and remittance mechanism (6% of previous year's turnover) create a limitation for new-age industries which are heavily dependent on technology support from the parent. Typically, in the initial years, companies would generally have low turnover and might be incurring losses, thereby limiting their ability to avail the desired technology and brand support, imperative for their growth. With TP laws already in place which brings in the control on the quantum of remittance, due consideration may be given to the relevance and requirement of these thresholds in alignment with economic substance and international practices.

Furthermore, most Bangladesh tax treaties do not deal with the taxation of FTS, leading to divergent views and long-drawn litigation. An attempt should be made to bring the FTS taxation clause within the ambit of tax treaties to provide more certainty and tax benefits to investors.

Other measures

Currently, company information is not easily accessible. Making essential data publicly available would help investors conduct due diligence and assess potential local joint venture partners more effectively. Separately, if initial investment is allowed to be brought in shortly after company incorporation (similar to liaison office and branch registration), it could potentially fast track the process of new company set up.

Conclusion

Certainty in policies, flexibility in implementation and practicality in alignment with globally accepted norms of business can act as major drivers to boost investor confidence, while ramping up Bangladesh towards its development journey. A collaborative approach in policy formulation involving the industry, trade bodies and knowledge partners during such a transformation phase can bring in well-rounded reforms, aiding long-term sustainable growth and stability.

SQUEEZE ON FISCAL SPACE SLOWING EMPLOYMENT GENERATION IN DIGITAL ECONOMY

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When the telecom industry started out in Bangladesh in the latter half of 90s, telecom sector was the place every aspiring young talent wanted to work in. Tremendous growth of the industry in early years and its glamour started to define a new aspiring Bangladesh.

Once awe inspiring industry has today slowed down considerably in terms of employing people in the industry. Let's delve into the context that forced the industry to retract today when it still has room for expansion.

As the growth journey continued, the sector gradually began to garner special attention of the Government as a source of state revenue. It soon reached a point where revenue generation became more important for the Government than ensuring sustainable growth of the industry.

SIM tax (300 taka), Minimum Turnover Tax (2% of total revenue), Social Obligation Fund (1% of revenue), VAT payment on practically every item without recourse to rebate since BTRC chooses not to get a VAT registration from NBR, high customs duty on import of telecom equipment- the industry was squeezed out of its fiscal space.

One only needs to look at the financial performance of the mobile operators in 2024. Only Robi registered tiniest of marginal growth in the industry while others had experienced de-growth. Though the market leader and Robi made profit last year, it's apparent that industry's revenue growth has stagnated in line with the wider trends in the economy.

Since SIM tax was raised to 300 taka last year, the new subscriber acquisition has petered out; meanwhile, raising supplementary duty from 15 to 20% in the last budget and the overall economic downturn saw many subscribers leaving the telecom sector as they struggle with the economic hardship.

While the industry is struggling to grow its revenue, there is massive pressure on the industry to lower the tariff of the data service. It's worth mentioning that only spectrum acquisition and annual fees related cost make up around 10% of Robi's annual revenue. Hence, its only logical to expect that any discussion on price reduction of telecom services would include drastic reduction of regulatory costs, such as, spectrum pricing.

Amidst the doom and gloom of the industry, the Government is mounting pressure to substantially improve the quality of service. Government also expects the telecom industry to go beyond the traditional telco products like voice and data services. Though it ties into the industry's stated vision for growing the digital service segment, the transition is lacking in momentum since revenue from traditional telco services is dwindling.

4G service is considered as the key enabler for the growth of digital services. Unfortunately, we don't yet have 50% of all the devices in use in the market to be 4G; although, the network towers are 100% 4G enabled ensuring coverage for nearly 99% of the population.

Hence, even if the operators were to invest heavily to promote digital services, the return won't be there due to lack of readiness for availing such services. Besides, it doesn't make sense to explore experimental business models when the mere sustainability of the overall business is at stake.

Market leader with its large subscriber base had posted a profit last year that was 22% of its revenue. Certainly such profit margin would excite any investor. Unfortunately, the market leader is an outlier in Bangladesh's telecom industry with regards to the profit margin it enjoys due to its economy of scale.

The only other operator to post profit in 2024 was Robi; but the company's highest ever profit registered last year was only 7% of its annual revenue, which is lower than the current policy rate (10%) set by Bangladesh Bank. In other words, one can earn better return by just depositing the revenue amount in a bank.

The only way to unblock the industry's growth is to allow it a bigger fiscal space to operate. This can only happen when the regulatory cost, tax and customs duty regime and of course the consumer tax on usage of telecom services is brought down to a level appropriate for the market realities.

While the ongoing reform of the licensing regime heralds the dawn of a better tomorrow, it still doesn't go far enough to allow the mobile operators to offer fixed broadband services and lay its own fibre optic network.

It's interesting to note that the monthly average revenue per user (ARPU) in Bangladesh is only US$ 1.22 when the global average is US$ 8.5. Therefore, without allowing enough fiscal space, even the bare minimum health of the industry can't be ensured. End of the day, it's a question of investment. If the current situation persists, we will continue to see the industry struggle to grow and without growth employment generation will naturally come to a screeching halt.

EXPECTATIONS FOR THE UPCOMING FINANCE BILL 2025

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The interim government will present the Finance Bill on June 2, 2025. Currently, Bangladesh's economy faces several major challenges. These includes improving law and order, increasing investment from both local and foreign sources, creating more jobs, unabated inflation, managing foreign exchange reserves, increasing and diversifying exports and finding new markets to reduce dependency on existing market which we have experienced through Trump administration, improved financial and banking sectors, improving tax policies and ensuring coordination between financial and economic policies, ensuring good governance and maintaining overall economic stability

Because of these challenges, we expect changes in income tax, VAT (Value Added Tax), and customs laws.

Income Tax Proposals:

1. Corporate Tax Rate:

To simplify complex tax rate for other than listed & other industry, a fixed 25% tax rate is proposed, coupled with a gradual decrease in the allowable percentage of cash transactions: 20% in the first year, 15% in the second, 10% in the third, and 5% in the fourth. Exceeding these cash transaction limits would result in a higher tax rate of 27.5%. This aims to make tax compliance easier while progressively encouraging the use of banking channels for business transactions.

2. Source Tax Deduction (TDS):

It will be rare to find a transaction that does not attract source tax (TDS). Although TDS has been introduced, no surveys were undertaken to set appropriate rates, resulting in deduction rates exceeding tax payable on actual business profits. This inflates the effective tax rate and raises the "cost of doing business," hindering not only Bangladesh's international competitiveness but also increasing the cost to local consumers, thus necessitating immediate government action to survey and properly adjust these rates.

3. Advance Income Tax (AIT):

To lower the cost of industrial operations, the AIT paid by manufacturers on imported raw materials could be gradually reduced.

4. Source Tax on Non-Resident Income:

The current rate of 20%-30% source tax on payments made to non-residents is very unreasonable which should be brought down to 10%-15%. This is because the current high rate, as per section 119 of the Income Tax

Act, 2023, cannot be credited by the non-residents in their home countries, causing double taxation. Recent DTAAs with Hong Kong and the Netherlands, which include lower rates for "Fees for Technical Services," set a precedent. Therefore, similar provisions for "Fees for Technical Services" must be included in all of Bangladesh's DTAAs by immediate ratification.

5. Promotional Expenses:

The current tax regulations in Bangladesh limit allowable promotional expenses up to 0.50% of the disclosed turnover; however, section 55(Jha) allows for setting different limits for various industries (Pharmaceuticals, Food and Toiletries, Other industry) for free samples. Furthermore, payments for royalty, technical service fees, and technical assistance fees impose a maximum allowable limit of 10% on the net business profit. This must be aligned with the approval of the Bangladesh Investment Development Authority (BIDA). Finally, the incentive bonus must be excluded from the definition of excess perquisite.

6. Penalties for Source Tax Deduction Failures:

Since there's already a provision to deduct 50% more source tax from suppliers for not submitting required documents (PSR), the provision of a Tk 1 million fine and disallowing expenses for the person responsible for source tax deduction is unfair. One cannot be punished thrice for single non-compliance. Therefore, this provision should be removed.

7. Minimum Alternate Tax (MAT):

The provision for minimum tax could be eliminated in the long term, and a MAT policy could be implemented in the short and medium term, provided that the TDS rate as well as tax on turnover are reduced. Many countries use the MAT policy. In the MAT system, if a company pays MAT in one year, it can carry forward the MAT credit to offset it against the tax payable in later years, up to 15 years. This means that if the company can claim deductions in future years that reduce its taxable income, the MAT paid in previous years can be used to reduce the regular tax liability in future years.

8. Personal Income Tax:

Upon considering the unabated inflationary pressure and lower real income of low and middle-income people, it is recommended to increase the tax-free income limit for individual taxpayers by Tk 100,000 to Tk 450,000, and set it at Tk 500,000 for senior citizens and women. Medical claim re-imbursement should be excluded from income. Income from Provident Fund, Gratuity fund and WPPF should be exempt like the Government funds.

9. Prospective Taxation System:

Currently, income tax rate(s) and withholding tax rate(s) are applied on a prospective basis. But most of the other changes in the Income Tax Act are applied retrospectively. Any changes brought to the Income Tax Act through the Finance Act, effective from the income year starting from the 1st of July.

VAT Proposals:

1. Definition of "Inputs":

The definition of "inputs" in section 2(18k) of the Value Added Tax (VAT) and Supplementary Duty (SD) Act, 2012, needs to be changed. Currently, according to 2(18k), some goods and services are not considered as inputs, making it impossible to claim VAT rebates. This results in VAT being charged on VAT. Therefore, if a VAT-registered person buys goods or services from another supplier using VAT form 6.3, it should be considered an input. The current definition needs to be changed to allow this as an input tax credit.

2. Importing Taxable Services:

When importing taxable services from outside Bangladesh, VAT is payable on the service value, as stated in section 20 of the Value Added Tax (VAT) and Supplementary Duty Act, 2012. Also, for input tax credit under section 46(1)(kha), the service recipient must separately show the payable output tax for the imported service in the declaration form according to section 20. However, there are no clear instructions as to how to disclose the VAT paid on the imported service in the VAT return, creating unnecessary legal disputes.

3. VAT Invoice Process:

The VAT 6.3 tax invoice issuance process should be automated, and electronic invoices (E-Invoices or Electronic VAT challans) should be introduced.

4. Advance Tax on Imports:

The 3 percent advance tax on the import of industrial inputs and raw materials under section 31 of the VAT Act could be gradually reduced. This is because it ties up the working capital of industrial producers and increases their costs.

5. Source VAT Deduction:

Source VAT should not be deducted on the supply of goods or services that are exempt from VAT. If a source deducting entity provides a VAT-6.3 form certified by a revenue officer after charging 15% VAT on another source deducting entity, the source VAT should not be deducted.

6. Depositing Source VAT:

Currently, source-deducted VAT money has to be deposited separately, which goes against the principle of VAT law i.e., section 45 of the VAT and SD Act 2012. The law states that the net payable amount should be deposited by adding increasing adjustments with payable tax and subtracting decreasing adjustments with input tax. This legal provision (section 45) should be followed, and the SRO 240 must be aligned with the law.

7. Appeal Deposit Amount:

The disputed VAT amount required to be deposited for filing appeals to the Commissioner (Appeal), the Tribunal, and the High Court should be reduced to 5% from 10% to make the appeal less costly to seek justice.

8. VAT Forms:

Instead of the complex and information-heavy purchase account (VAT 6.1) and sales account (VAT 6.2) forms, simpler and easier-to-use new VAT 6.1 and 6.2 forms should be introduced. However, registered persons who use their own software to record transactions and maintain accounts according to IAS/IFRS should not be required to maintain separate 6.1, 6.2, and 6.2.1 forms.

Customs Proposals:

1. Modernization of Customs Laws:

All customs and tax laws, rules, and the process of clearing and supplying goods at the production, import, and export stages should be updated and modernized. This should be done in consultation with relevant parties and aligned with the standards of the World Trade Organization, the World Customs Organization, and international best practices.

2. Customs Valuation:

The existing rules on tariff value and minimum value, which can facilitate money laundering, should be abolished. The Customs Valuation rule of 2000, based on the World Trade Organization's Customs Valuation Agreement, should be incorporated into Section 27 of the Customs Act 2023 after required modification and be implemented in full.

3. Automation of Customs System:

Instead of focusing on revenue collection targets for customs on imports, the focus should shift to modernizing and automating the customs system. We must emphasize on trade facilitation by speeding up the clearance of imported goods as much as possible, following international standards. To achieve this, the current AEO (Authorized Economic Operator) program must be popularized by carrying out rigorous workshops with the business community and by fully implementing the NSW (National Single Window) modules.

BHAG: BIG HAIRY AUDACIOUS GOALS
5 BIG BOLD MOVES BUT A GIANT LEAP FOR BANGLADESH

Zaved Akhtar
Chairman & MD, Unilever Bangladesh
President, FICCI

Making Transformation Matter

Bangladesh is at a juncture where we have an opportunity to transform the some of the bureaucratic red tapes and introduce targeted reforms that could unlock immense potential that it possesses. Since independence while we have taken big strides, we have not taken a leap to change complexities in investment procedures and regulatory bottlenecks which continue to challenge businesses and investors. Neither have we put in a concerted effort to addressing these roadblocks will not only streamline operations but also elevate Bangladesh's position in the global marketplace. Let me deliberate on a few:

• An Integrated Investment Promotion Agency (IPA)

At present, investors navigating Bangladesh's investment landscape face significant hurdles. With multiple agencies—such as the Bangladesh Investment Development Authority (BIDA), Bangladesh Economic Zones Authority (BEZA), Bangladesh Export Processing Zones Authority (BEPZA), Hi-Tech Park Authority etc operating separately, the approval process becomes confusing, complicated and cumbersome. Foreign investors often struggle to determine which agency to approach, causing delays, higher costs, and uncertainty.

A consolidated investment-promotion authority that acts as a one-stop service centre would be a fantastic solution. Instead of investors running between multiple agencies and departments, this unified platform would oversee the entire process—from securing land and utilities to obtaining permits and regulatory clearances. A streamlined system like this would not only enhance efficiency but also make Bangladesh a more attractive investment destination. If regional competitors simplify their investment frameworks while Bangladesh remains bogged down by bureaucracy, the country risks losing out on critical opportunities.

- **Separation Policy and Administrative arm of National Board of Revenue**

One of the latest developments that has just been gazetted is the separation of the National Board of Revenue's (NBR) policy and administrative functions—an effort long advocated by the Foreign Investors' Chamber of Commerce & Industry (FICCI). This restructuring will create a more efficient tax policy framework while ensuring smoother implementation of revenue administration. This now needs to be executed in the right spirit so that we are living up to the promise of the intent and accountability does not fall the crack while we transition and start executing the two entities.

- **Protecting Intellectual Property Rights**

While intellectual property laws—such as IT regulations, trademark protections—are already in place, enforcement remains a major concern. Without robust protective mechanisms, Bangladesh risks losing the economic benefits of innovation and intellectual property. Businesses will not transfer technology or even provide us with manufacturing, services without assurance that we can protect their Ips. Immediate action is needed to remove these bottlenecks and bring enforcement efforts in line with international standards.

- **Pivot to Responsible Business**

As Bangladesh moves toward graduating from its Least Developed Country (LDC) status, safeguarding workers' rights and maintaining strong regulatory compliance will be critical. With evolving trade dynamics, businesses must embrace sustainable models that align with Environmental, Social, and Governance (ESG) principles. FICCI has repeatedly emphasized the importance of fiscal measures that uphold labour protections, ensure fair wages, and foster responsible corporate practices. For a seamless transition into the post-LDC landscape, the government must introduce policies that prioritize worker welfare. Without these safeguards, Bangladesh may struggle to navigate the complex economic challenges that lie ahead.

• Branding and Re-positioning Bangladesh

In today's global economy, strategic branding plays a vital role in attracting investment. Bangladesh's narrative must be one of resilience, opportunity, and seamless business facilitation. Addressing the challenges of LDC graduation while showcasing the country's strengths will be key to positioning itself as an investment- friendly nation. We need to create a communication plan to promote the transformation that we will be doing.

SOURCE: BIDA

The Future We Deserve Will be Based on How we Act Now

Bangladesh stands at a crossroads, and decisive action will determine its trajectory in the global economy. Streamlining investment procedures, separating regulatory responsibilities, safeguarding workers, and strengthening intellectual property enforcement are key elements that will define the country's long-term prosperity. If Bangladesh takes these steps proactively, it can position itself as a competitive, investor-friendly economy that thrives beyond LDC graduation.

STRENGTHENING CORPORATE GOVERNANCE BY IMPROVING BANGLADESH'S FRAGILE FINANCIAL REPORTING ECOSYSTEM FOR ATTRACTING FDI AND ENHANCING EASE OF DOING BUSINESS

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Bangladesh stands at a critical juncture in its economic development journey. With sustained growth over the past decade and increasing global interest in its market potential, the country must now focus on strengthening its institutional and regulatory frameworks to unlock the next phase of progress. Among the most critical areas requiring reform is the financial reporting ecosystem—an essential pillar of corporate governance, transparency, investor confidence, and ultimately, economic competitiveness. A fragile financial reporting environment not only erodes trust in the private sector but also acts as a serious impediment to foreign direct investment (FDI) and ease of doing business.

The Importance of Financial Reporting in Corporate Governance

Financial reporting is the backbone of any corporate governance architecture. It ensures that stakeholders—shareholders, creditors, regulators, and investors—have access to accurate, timely, and comprehensive financial information. Sound financial reporting reduces information asymmetries, facilitates better risk assessment, and helps companies attract capital at competitive costs. In the context of Bangladesh, where the private sector is increasingly integrated into global value chains, the demand for high-quality, credible financial statements has never been more critical.

The current ecosystem in Bangladesh is characterized by weak enforcement, limited capacity among preparers and auditors, non-compliance with standards in some sectors, and fragmented regulatory oversight. These shortcomings compromise the quality of financial information and diminish confidence in both public and private institutions.

Current Challenges in Bangladesh's Financial Reporting Ecosystem

1. **Weak Regulatory Enforcement:** While Bangladesh has adopted international financial reporting standards (IFRS), their enforcement remains uneven. Regulatory bodies such as the Financial Reporting Council (FRC), Bangladesh Securities and Exchange Commission (BSEC), Registrar of Joint Stock Company (RJSC), Insurance Development and Regulatory authority (IDRA), SOE Monitoring Cell, Micro Credit Regulatory Authority (MRA), Bangladesh Bank and the Institute of Chartered Accountants of Bangladesh (ICAB) face capacity and coordination constraints.

2. **Quality of Audits:** Audit quality is a serious concern. Many audits are conducted with inadequate due diligence, and there is a perceived lack of independence between auditors and their clients. Weak peer review mechanisms and an underdeveloped audit regulatory regime allow subpar practices to persist. This undermines investor confidence in the financial statements presented by companies, especially in the non-listed sector.

3. **Limited Financial Literacy and Governance Capacity:** Many company boards, especially in family-owned or SME businesses, lack members with sufficient financial insight. This hampers internal governance mechanisms and leads to poor oversight of financial reporting processes. Additionally, preparers of financial statements often lack the training needed to apply complex accounting standards properly.

4. **Lack of Transparency and Public Disclosure:** Transparency in corporate disclosures, particularly among non-listed firms, is minimal. Many businesses remain reluctant to provide adequate information to the public or investors. This culture discourages foreign investors seeking reliable information.

5. Overlap and Gaps in Institutional Roles: The presence of multiple regulators with overlapping mandates creates confusion and regulatory arbitrage. There are gaps in monitoring compliance, especially among non-listed companies. Without clear accountability including those of oversight bodies, efforts to reform the system remain fragmented.

Implications for FDI and Ease of Doing Business

Foreign investors prioritize jurisdictions where transparency, accountability, and consistent reporting are the norm. Bangladesh's current financial reporting environment creates uncertainty and elevates perceived risks for international capital. Investors may fear misrepresentation of financial health, tax compliance issues, or hidden liabilities, all of which drive up the cost of due diligence and discouragement. Similarly, for businesses operating in or entering Bangladesh, a weak reporting environment creates inefficiencies in legal, financial, and tax assessments, thereby dragging down the country's global rankings in the ease of doing business.

Pathways for Reform

To strengthen corporate governance and attract sustainable FDI, Bangladesh must embark on a multi-pronged reform of its financial reporting ecosystem:

1. Strengthening the FRC and Audit Oversight: The FRC must be equipped with clear roles, funding, and capacity to monitor professional accountancy organizations and spearhead a risk-based inspection system to identify and penalize poor practices while incentivizing quality.

2. Capacity Building for Accountants and Auditors: There should be a national initiative to upskill financial professionals. ICAB and ICMAB should revise curricula prioritizing IT and business communication and introduce more robust continuing professional development at various levels.

3. Mandating IFRS for All Public Interest Entities (PIEs): Adoption of full IFRS for all PIEs—including banks, insurance companies, large corporates, and SOEs—should be made mandatory. Simplified standards can be designed for SMEs to avoid undue burden.

4. Enhancing Board and Audit Committee Competency: Regulatory bodies should enforce minimum competency requirements for board members and audit committee chairs.

5. Coordination Among Regulators: A high-level coordination council involving BSEC, FRC, Bangladesh Bank, ICAB, RJSC, IDRA, SOE Cell and MRA should be institutionalized to align reporting requirements, avoid overlaps, and ensure unified enforcement strategies.

Conclusion

Improving Bangladesh's financial reporting ecosystem is not just a technical reform—it is a strategic imperative for enhancing the country's competitiveness, attracting FDI, and advancing good governance. As Bangladesh aspires to achieve upper middle-income status, robust financial transparency and accountability mechanisms will be essential for building investor confidence and ensuring long-term economic sustainability. With focused reforms and strong political will, the country can transform its fragile reporting landscape into a model of corporate governance excellence in South Asia.

BANGLADESH INVESTMENT SUMMIT 2025

APRIL 07 - 10
THE INTERCONTINENTAL, DHAKA

ORGANIZED BY

BIDA

SUPPORTED BY

UNDP

THE WORLD BANK

FICCI
FOREIGN INVESTORS

40+ COUNTRIES
50+ GLOBAL SPEAKERS
1000+ ATTENDEES

JOIN THE RISE OF BANGLADESH

#INVESTBANGLADESH

BANGLADESH INVESTMENT SUMMIT 2025

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BANGLADESH INVESTMENT SUMMIT 2025: A GLOBAL PLATFORM FOR GROWTH

The Bangladesh Investment Summit 2025, hosted by the Bangladesh Investment Development Authority (BIDA), was held from April 7 to 10 at the Hotel InterContinental in Dhaka. With the theme of fostering global partnerships and unlocking investment potential, the four-day event brought together over 2,300 participants from 50 countries, including more than 550 international investors.

Strategically partnered by the Foreign Investors' Chamber of Commerce & Industry (FICCI), this high-profile summit showcased Bangladesh's readiness for investment, its evolving economic environment, and key sectoral opportunities. The presence of global leaders from business, government, and development sectors underscored the country's growing appeal as a reliable and resilient investment destination.

This year's summit reflected increasing global confidence in Bangladesh's economic potential. The overwhelming participation and meaningful discussions underscored a shared vision: positioning Bangladesh as a thriving hub for sustainable investment, innovation, and growth.

On April 9, Nobel Laureate Chief Adviser Professor Dr. Muhammad Yunus formally inaugurated the main event. Highlighting Bangladesh as the prime investment destination, the Chief Adviser called upon global investors to do business in Bangladesh because the country is the best place for investment. During the inauguration of the Bangladesh Investment Summit-2025 at Hotel Intercontinental, he stated "Bangladesh is a country with crazy ideas to change the world... so we invite you to join that craft not only to change Bangladesh by your business but to change the world."

Kihak Sung, chairman of Youngone Corporation and a pioneer in Bangladesh's readymade garments (RMG) and textile sectors, was **awarded honorary citizenship of Bangladesh** for his outstanding contributions to the industry and the national economy. The day featured multiple sessions, including a youth entrepreneurship expo and a renewable energy forum co-hosted by the EU and UNDP. A cultural evening highlighted Bangladesh's rich heritage, offering visiting delegates an immersive experience beyond the boardrooms.

The summit kicked off with **"Bangladesh Startup Connect 2025"**, a dedicated platform spotlighting the country's vibrant startup ecosystem. Early-stage entrepreneurs, venture capital firms, and tech enthusiasts gathered to explore innovations and forge connections.

This was followed by investment site visits to key economic zones—including the Korean EPZ and National SEZ in Chattogram, and the Bangladesh SEZ in Narayanganj—offering delegates firsthand exposure to the country's industrial infrastructure.

April 10 was packed with sectoral breakout sessions, covering high-potential areas such as the digital economy, textiles and garments, healthcare, agriculture, and agro-processing. Matchmaking sessions and roundtables encouraged targeted dialogue between policymakers, investors, and business leaders on actionable investment strategies.

BANGLADESH INVESTMENT SUMMIT 2025

The day concluded with the "Excellence in Investment Award 2025", honoring companies making significant contributions to Bangladesh's economic development.

Led by Chowdhury Ashik Mahmud Bin Harun, the newly appointed Executive Chairman of BIDA, the summit marked the beginning of a new era in Bangladesh's investment landscape—ambitious, reform-minded, and increasingly global. With a background in international finance and strategic planning, his leadership emphasized transparency, policy stability, and inclusivity. His decision to engage not only investors but also political stakeholders from across the spectrum was a notable step toward rebuilding trust in Bangladesh's governance ecosystem.

BANGLADESH INVESTMENT SUMMIT 2025

The summit attracted influential global figures including Inditex CEO Óscar García Maceiras, DP World Chairman Sultan Ahmed Bin Sulayem, Samsung C&T Vice President Kyeongsu Lee, Excelerate Energy CEO Steven Kobos, and representatives from Meta, Uber, and major venture capital firms such as B Capital, Gobi Partners, and Marubeni Ventures.

Alongside FICCI, key institutional partners such as the World Bank, UNDP, FCDO, and Grameenphone lent their support, reinforcing the collaborative and cross-sectoral nature of the summit. Their involvement highlighted a shared commitment to inclusive and sustainable investment.

The Bangladesh Investment Summit 2025 successfully positioned the country as a rising hub for global investment. More than just a promotional event, it served as a dynamic platform for dialogue, partnership-building, and long-term strategic planning. With the active participation of both local and international stakeholders, the summit reflected Bangladesh's ambition and preparedness to integrate deeper into global value chains.

PARTNERS

EVENT HIGHLIGHTS

Day 1: Innovation & Infrastructure

- **Economic Zone Visits**
  - o Korean Export Processing Zone (KEPZ), Anwara
  - o National Special Economic Zone, Mirsharai, Chattogram
- **Startup Connect**
  - o Curated networking and pitch session at Intercontinental Dhaka
  - o Showcased Bangladesh's most promising startups

Day 2: Investment Landscape & Insights

- **Site Visit**
  - o Bangladesh Special Economic Zone (BSEZ), Araihazar, Narayanganj
- **Private Sector Diagnostic Launch**
  - o In collaboration with the World Bank Group
  - o Assessed Bangladesh's investment competitiveness and policy outlook

Day 3: Visionary Leadership & Global Dialogue

- **Inauguration Ceremony**
  - o Led by Hon'ble Chief Adviser of Bangladesh, Nobel Laureate Professor Muhammad Yunus
  - o Attended by global industry leaders and stakeholders
- **Key Sessions**
  - o Youth Entrepreneurship Expo
  - o Global Market Integration
  - o Renewable Energy Insights
  - o Fireside Chat with the Chairman of DP World

Day 4: Sectoral Focus & Development Dialogue

- **Sectoral Discussions**
  - o Morning: Digital Economy, Apparel & Textiles
  - o Afternoon: Healthcare, Agriculture & Agro-processing
- **Development Roundtable**
  - o Jointly hosted by BIDA, UNDP, and ILO
  - o Focused on aligning investment with inclusive and sustainable development goals

The four-day summit successfully unlocked strategic partnerships, showcased Bangladesh's economic potential, and reinforced its position as a reliable and rewarding investment destination on the global stage.

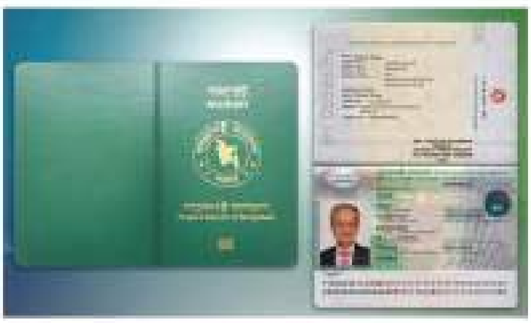
Kihak Sung
Chairman and CEO
Youngone Corporation

YOUNGONE CORPORATION CHAIRMAN MR. KIHAK SUNG AWARDED HONORARY CITIZENSHIP OF BANGLADESH

At the Bangladesh Investment Summit 2025, held from April 7-10 at Intercontinental Dhaka, one of the nation's highest recognitions was bestowed upon a visionary leader whose unwavering dedication has significantly shaped Bangladesh's industrial landscape. Mr. Kihak Sung, Chairman of Youngone Corporation, a longstanding member of FICCI, was awarded Honorary Citizenship of Bangladesh in recognition of his exceptional contributions to the country's readymade garments (RMG) and textile sectors.

The honorary citizenship certificate was formally presented by Chief Adviser Professor Muhammad Yunus during the summit's most prestigious session. In his acceptance remarks, Mr. Sung expressed deep gratitude, saying he was truly honored by the gesture and reaffirmed his continued commitment to Bangladesh's sustainable growth.

Mr. Sung first arrived in Bangladesh in the mid-1990s, and under his visionary leadership, Youngone has grown into one of the country's largest foreign investors. With expansive operations in both Dhaka and Chattogram EPZs, and its flagship investment in the Korean EPZ (KEPZ), the company now employs over 72,000 Bangladeshis. Remarkably, all earnings are reinvested locally—demonstrating a rare and admirable level of commitment to the host country.



FICCI is proud to extend its heartfelt congratulations to Mr. Sung on this well-deserved honor. His recognition as an Honorary Citizen of Bangladesh stands as a shining testament to his impactful legacy, and it brings immense pride to FICCI to see one of its distinguished members embraced not only as a partner in economic progress but now also as an esteemed citizen of Bangladesh.

MEMBER'S STORY

FICCI MEMBER COMPANIES PLAY A SIGNIFICANT ROLE IN THE SUSTAINABLE CIRCULAR ECONOMIC GROWTH & DEVELOPMENT OF BANGLADESH

EMPOWERING COMMUNITIES, ENABLING INVESTMENT: A STRATEGIC PARTNERSHIP BETWEEN BATA BANGLADESH AND SOS CHILDREN'S VILLAGE INTERNATIONAL

In the journey toward building a sustainable and attractive foreign direct investment (FDI) environment in Bangladesh, investing in human capital is just as critical as infrastructure, policy, and economic incentives. Recognizing this, Bata Bangladesh has renewed its impactful partnership with SOS Children's Village International at Bangladesh to address two key pillars of community development: youth employability and psychosocial support for children.

This partnership reflects our belief that economic growth and social development go hand in hand. By equipping young people with market-relevant skills and preparing them for the evolving job landscape, we are not only improving individual livelihoods but also strengthening the national talent pool—a fundamental enabler of sustainable FDI.

On the other hand, psychosocial support for children—especially those from underserved communities—ensures the emotional resilience and mental well-being of the next generation. A stable and supported youth population lays the foundation for a productive and inclusive society, which investors increasingly look for when entering emerging markets.

The agreement signing ceremony was a reaffirmation of our long-term commitment to inclusive development. It was followed by a Code of Conduct session, underscoring our dedication to ethical collaboration and shared accountability with our partners.

As Bangladesh continues to attract global investors, initiatives like these demonstrate how corporate-NGO partnerships can contribute to a more robust, socially responsible investment climate—one where both people and businesses thrive.

At Bata Bangladesh, we are proud to be part of this transformation. Because building a better Bangladesh isn't just about creating opportunities—it's about preparing people to seize them.

EMPOWERING CHANGE: THE RISE OF WOMEN'S LEADERSHIP AT CCI BANGLADESH

Women's Empowerment in Bangladesh: A Journey of Progress

Bangladesh stands as a remarkable example of progress in women's empowerment. Over the past few decades, the nation has witnessed a transformative rise in women's participation across education, healthcare and entrepreneurship. Women now make up nearly half of the population, and while only 17.2% of women are participating in the labor force under the service sector, their overall contribution to Bangladesh's development continues to grow stronger. Bangladesh consistently ranks among the top countries in the Global Gender Gap Report, reflecting significant strides toward gender equality. Yet, structural inequalities and limited access to leadership roles remain persistent challenges. At CCI Bangladesh, we recognize that the progress of a nation is intertwined with the progress of its women. Their journey is our inspiration, and their empowerment is our mission.

The Power of Gender Balance in the Workforce

Diversity drives innovation. Research shows that companies with greater gender equality outperform their peers in profitability, creativity, and problem-solving. At CCI Bangladesh, we believe that careers have no gender. True inclusiveness is not about statistics; it's about creating an open, embracing and trusting culture in which all employees create value as they are. When women are represented at every level, organizations benefit through broader perspectives, enhanced collaboration, greater engagement, and stronger community trust. Representation is not just a corporate goal for us – it is a business imperative.

Women's Rights in Bangladesh and Our Commitment to SDG

Women's rights in Bangladesh have seen significant advances, with notable improvements in workforce, education and healthcare access. However, leadership representation and gender parity in executive roles continue to require urgent focus. At CCI we have aligned our 2030 Sustainability Commitments to actively contribute to Sustainable Development Goal 5 – Gender Equality. By 2030, we aim to ensure that 50% of new hires are women, 40% of managerial positions are held by women, and 50% of executive committee members are women.

Through conscious initiatives and leadership development, we aspire to create a more inclusive environment that not only supports but champions the success of women across our value chain and our communities.

From WING to the CCI Women's Network: A Story of Evolution and Strength

Before the acquisition by Coca-Cola İçecek (CCI), we had "WING - Women Navigating Growth," a platform that was more informal and community-driven, offering a space for connection and inspiration. With the acquisition and integration into the broader CCI family, we have transformed this initiative into the "CCI Bangladesh Women's Network," a bold, structured, and action-driven platform across all CCI countries. The CCI Bangladesh Women's Network now stands as the biggest ambassador for women's empowerment and inclusivity at CCI Bangladesh. Through this evolution, we have moved from informal discussions to strategic initiatives, aligning our goals with broader organizational commitments and creating tangible impacts on leadership, development, and community contribution.

Inclusive Policies and Culture at the Heart of CCI Bangladesh

At CCI Bangladesh, equal opportunity is at the heart of our organization's growth and future. We drive inclusion and leadership development through a combination of platforms and initiatives that champion gender equality and foster growth. Through our "Women in Leadership" program, we are building a strong leadership pipeline among our employees. CCI Human Rights Policy, supported by our Gender Inclusive Language Communication Guideline, Domestic Violence Policy and the Speak Up platform, reinforces our commitment to providing a safe, equitable, and empowering workplace. At every level, CCI Bangladesh is shaping an environment where all our employees can thrive, lead, and drive meaningful change.

The Launch of CCI Bangladesh Women's Network: A New Dawn

April 2025 marked a significant milestone with the official launch of the CCI Women's Network in Bangladesh. Originally established as the CCI Women's Club in Azerbaijan in 2014 with five foundational pillars—More Women Leaders, Women-Friendly Workplaces, Contribution to Society, Synergy Between Us, and Celebration—this initiative has grown into a vibrant, cross-country platform uniting women across all CCI markets since 2019.

The Future of the CCI Women's Network: Our Commitment Ahead

CCI's efforts toward gender equality are strongly supported by its leadership team. Our leaders are deeply committed to advancing the gender diversity agenda across all CCI markets. Guided by core principles, every Executive Committee member has taken a pledge and signed their commitment to achieving gender equality. In alignment with our 2030 Sustainability Commitments, we are determined to ensure that by 2030, 50% of new hires, 40% of managerial roles, and 50% of Executive Committee members will be women.

In line with these goals, future of the CCI Bangladesh Women's Network is focused on deepening its impact and expanding its reach. The Network will serve as a catalyst for achieving these goals, focusing on developing leadership capabilities, promoting women-friendly policies, contributing to societal progress, enhancing internal collaboration, and celebrating achievements. Our journey forward will continue to inspire courage, resilience, and innovation among our people, building a truly inclusive future.

At CCI
#CareersHaveNoGender

Driving Change, Creating Value - #CareersHaveNoGender

In Bangladesh, where women has driven progress for decades, CCI Bangladesh is proud to stand as a beacon of inclusion, empowerment, and change.

As a global company with local roots, we understand our responsibility. We are not only creating careers; we are creating futures. We are not just achieving targets; we are transforming mindsets. We are not just building a company; we are fostering a movement.

At CCI Bangladesh, we believe that Careers Have No Gender—every individual has the chance to shape their future, free from stereotypes or expectations. Talent, ambition, leadership are not defined by gender. They are powered by dreams, determination, and the courage to rise.

Together, we are shaping a future where opportunity is limitless, and leadership is truly inclusive. Together, we are CCI Bangladesh.

DHL GLOBAL FORWARDING BANGLADESH HOSTS "RETAIL POWER TABLE" EVENT: SHAPING THE FUTURE OF RETAIL IN BANGLADESH

by DHL Global Forwarding Bangladesh

DHL Global Forwarding recently held the esteemed "Retail Power Table" event, a significant gathering aimed at addressing the evolving landscape of the retail and apparel sector in Bangladesh. Under the leadership of Peter Deuringer, the VP Global Sector Head of Consumer and Retail, this event convened prominent global retail brands to engage in critical discussions regarding current market dynamics and future opportunities.

In the context of DHL Global Forwarding, the retail sector encompasses logistics and supply chain solutions tailored to meet the unique demands of fashion and apparel businesses. This includes managing the movement of goods from suppliers to retailers, ensuring timely deliveries, optimizing inventory management, and facilitating seamless distribution channels. Recognizing the complexities of the retail environment, where speed, efficiency, and reliability are paramount, DHL Global Forwarding offers specialized, tailored freight forwarding services that cater to the diverse needs of retail clients.

The "Retail Power Table" served as a vital platform for industry leaders to explore the extraordinary potential that Bangladesh offers in the retail and apparel sectors. The event provided an opportunity to highlight the country's strategic advantages, including its rich resources and workforce, and strong positioning of Bangladesh as a key player in the global retail market. DHL Global Forwarding remains committed to facilitating growth and innovation within this thriving sector.

M. Morshed Amin, Country Manager for DGF Bangladesh, concluded the formal discussions with insightful remarks that encapsulated the day's key themes. His reflections underscored DHL Global Forwarding's dedication to its customers and its strategic vision for fostering collaboration and innovation in the retail space. The event then concluded with an engaging Q&A session, allowing guests to connect directly with DHL Global Forwarding representatives. This interactive segment encouraged the exchange of valuable perspectives, enabling attendees to discuss challenges and insights critical to navigating the evolving retail landscape.

M. Morshed Amin, Country Manager for DGF Bangladesh, concluded the formal discussions with insightful remarks that encapsulated the day's key themes. His reflections underscored DHL Global Forwarding's dedication to its customers and its strategic vision for fostering collaboration and innovation in the retail space. The event then concluded with an engaging Q&A session, allowing guests to connect directly with DHL Global Forwarding representatives. This interactive segment encouraged the exchange of valuable perspectives, enabling attendees to discuss challenges and insights critical to navigating the evolving retail landscape.

The "Retail Power Table" event not only showcased DHL Global Forwarding's leadership in the Fashion & Apparel sector but also illuminated the significant role that Bangladesh plays on the global stage. With a steadfast focus on innovation and partnership, DHL Global Forwarding looks forward to continued collaboration in powering the future of fashion alongside its esteemed partners.

Overall, this event was a resounding success, demonstrating the collective commitment of all participants to shape the future of retail in Bangladesh and beyond.

EXCELERATE ENERGY

EXCELERATE ENERGY: ACCELERATING GROWTH, ENERGIZING TRANSFORMATION IN BANGLADESH

Energy: The Big Question to Solve

Humans have been harnessing power from different energy sources since the beginning of time. Today, in a continuously evolving and growing world, the global demand for energy is surging.

Liquefied Natural Gas (LNG) is the cleanest fossil fuel, and it is playing a pivotal role in shaping the global energy landscape. It addresses key challenges in energy security, environmental sustainability, and economic development, while serving as a crucial bridge in the transition toward renewable energy. Until renewables become widely accessible and affordable, LNG remains the most viable solution to the world's energy crisis.

Empowering Countries with Energy Security

Energy security remains an important topic for people around the world. Excelerate Energy (NYSE:EE) leads the LNG industry in advancing solutions to deliver gas the last mile, ensuring reliable access to energy where it's needed most. By delivering regasified LNG, Excelerate Energy is changing the way the world accesses cleaner, more reliable energy, thereby benefiting hundreds of millions of people around the world. The company is committed to providing integrated LNG solutions to emerging markets and cleaner energy alternatives for regions that predominantly rely on coal.

Figure 1: LNG Terminal at Moheshkhali "FSRU Excellence"

This narrative embarks on a voyage through the transformative impact of Excelerate Energy's LNG solutions on the pillars of global energy security, environmental sustainability, and economic development. From its inception, Excelerate has been steadfast in its commitment to meet evolving energy needs worldwide. To support these efforts, the Company has a strategic presence in pivotal locations such as Abu Dhabi, Antwerp, Boston, Buenos Aires, Chattogram, Dhaka, Doha, Dubai, Hanoi, Helsinki, London, Rio de Janeiro, Singapore, and Washington, DC.

With a leading portfolio of floating LNG terminals worldwide and a track record of safely developing, building, and efficiently operating complex projects, Excelerate is delivering real energy solutions to the countries that need it the most.

11
FSRUs
In operation or under construction

3,000+
Ship-to-Ship Transfers
In operation or under construction

7,400+
Bcf
We have safely delivered over 7,400 Bcf of regasified natural gas

60+
Years
We have more than 60 years of combined customer regasification experience

As the leader in floating storage and regasification units (FSRUs) and downstream LNG infrastructure, Excelerate has safely delivered more than 7,400 billion cubic feet of natural gas through 16 LNG regasification terminals. With over 60 years of combined operational experience, the company has a legacy of solving global energy needs. The company offers a full range of services including FSRUs, LNG import infrastructure development, and LNG and natural gas supply.

Delivering Clean Energy to a Developing Wonder

Bangladesh is a nation at the crossroads of progress and sustainability. As one of the world's fastest-growing economies, Bangladesh grapples with the imperative of meeting its increasing energy demands while safeguarding its natural environment. Amidst this backdrop, Excelerate Energy serves as a catalyst for change.

Figure 2 Natural Gas Supply Chain

Excelerate supports Bangladesh's quest for energy security and environmental resilience. With innovative LNG solutions at its core, Excelerate helps to empower Bangladesh to navigate the delicate balance between progress and sustainability. From powering industrial plants to bolstering power generation, this presence in Bangladesh is more than a business venture; it is a testament to its commitment to fueling progress while preserving the planet for future generations.

Moheshkhali Floating LNG Terminal

In Bangladesh, Excelerate Energy has helped the economy accelerate through its two floating LNG terminals. Excelerate achieved a milestone on August 18, 2018, with the commissioning of the Moheshkhali Floating LNG (MLNG) terminal, marking the beginning of Bangladesh's inaugural LNG import facility. The terminal provides up to 600 million standard cubic feet of gas per day (MMscf/d) of regasification capacity, promoting power reliability, industrial development, and job creation in Bangladesh. The MLNG terminal not only bolsters the country's energy security but also spurs economic growth and industrial development. The terminal is the world's first fully integrated turnkey floating LNG terminal. This state-of-the-art facility serves as a beacon of progress, ushering in a new era of sustainable energy consumption and economic prosperity.

Figure 3: Ship-to-Ship Transfer

Creating Employment Opportunities for Bangladeshi Mariners: An integral look towards a better tomorrow

As Bangladesh's economy grows, expanding employment remains vital. Beyond supplying LNG, Excelerate has contributed to economic development by creating jobs, particularly in the maritime sector. Partnering with the Bangladesh Marine Academy, Excelerate supports local seafarers and offers global career opportunities through its fleet. In 2020, the company made history by recruiting the first female Bangladeshi marine cadet aboard an FSRU, advancing gender inclusion in the traditionally male-dominated industry.

Committed to the Community and the Environment

Excelerate Energy goes beyond energy provision by actively engaging in community development and environmental stewardship. Through tree planting, beach cleanups, and a strong environmental risk management program, the company supports resource conservation and sustainability. In partnership with local organizations and agencies, Excelerate implements initiatives in education, healthcare, disaster response, and socio-economic empowerment, reflecting its commitment to holistic, responsible energy solutions.

Environment Protection Initiatives

- Excelerate is a proud sponsor of Short Film Lab, which helps to empower youth to develop their filmmaking skills while simultaneously increasing environmental awareness.

- Excelerate has planted over 30,000 mangroves across four acres at Zero Point, Moheshkhali Island in Cox's Bazar over the past three years, working with the local community and officials to combat coastal erosion.

- Excelerate employees from multiple offices joined local communities and officials to remove over 5,000 kg of waste from Moheshkhali Beach. A separate cleanup was also conducted at Parki Beach, Chittagong, in collaboration with Bangladesh Marine Academy.

Healthcare Initiatives

- In partnership with the Hope Foundation, Excelerate Energy has opened the first phase of the Excelerate Hope Hospital in Kutubjom, Moheshkhali. The 17,280 sq. ft. facility has started outpatient services and will expand into a 30-bed hospital.

- Excelerate, in partnership with U.S.-Bangladesh Business Council members and Project C.U.R.E., supported the airlift of vital COVID-19 medical supplies to Bangladesh, including 60 oxygen concentrators, 20 ventilators, 80 transformers, and 29 protective masks.

- Excelerate periodically arranges general health and eye checkups for the students of Moheshkhali Island.

Education Initiatives

- Excelerate Futures: Global Leadership and Skills Development. This program allows students and young professionals from Bangladesh to earn professional certificates online through Cornell University's eCornell platform.
- Excelerate distributed over 2,500 school bags and supplies to the students in the fishermen village of Ghotibhanga in Moheshkhali.

Community Skill Development Training

- Excelerate Energy completed a sewing training initiative in Moheshkhali, Bangladesh, aimed at empowering women through financial independence. The program provided women with sewing machines and training, enabling them to create income-generating opportunities.
- Excelerate facilitated welding training to 10 local people of Moheshkhali Island through a three-month course in an institution at Fotikchori.

Disaster Response Initiatives

- To demonstrate compassion and community support, Excelerate distributed 2,500 blankets to aid those fishermen community affected by harsh winter conditions in Ghotibhanga village of Moheshkhali.
- Following the June 2022 Sitakunda container depot explosion, Excelerate Energy donated to the Fire Service Welfare Trust to support families of the fallen and injured firefighters.

Figure 4: (Clockwise) Tree Plantation at Moheshkhali, Beach Cleaning, Blanket Distribution, Launching of Sewing Training, School Bag Distribution and inauguration of Excelerate Hope Hospital Moheshkhali.

Excelerate's holistic approach to the energy question exemplifies the transformative power of sustainable energy solutions in driving socio-economic progress worldwide. With a focus on innovation, sustainability, and community engagement, Excelerate is not only reshaping the global energy sector but also laying the foundation for a more resilient, equitable, and sustainable future for Bangladesh and its people. This reflects the ethos of the company, its far-reaching influence, and its pivotal role in shaping the landscape of a world where energy is not just a commodity but a catalyst for progress, prosperity, and a greener tomorrow.

By leveraging LNG as a catalyst for growth and sustainability, Excelerate is driving innovation in the energy sector while empowering nations like Bangladesh to overcome 21st-century challenges and emerge stronger and more resilient than ever.

INSEE CEMENT From Thailand

BUILDING A SAFER FUTURE: INSEE CEMENT MARKS WORLD DAY FOR SAFETY & HEALTH AT WORK

INSEE Cement Bangladesh proudly celebrated the "World Day for Safety and Health at Work 2025" this April, taking a bold step forward in reinforcing its long-standing commitment to creating a safe, healthy, and sustainable workplace for all. The event was held at the SCCBD Plant premises in Narayanganj, bringing together the entire workforce in a united display of dedication to health and safety excellence.

The day was marked by a comprehensive lineup of awareness-building and participatory activities aimed at strengthening the company's safety culture. The program began with an inspiring rally, which served as a powerful symbol of collective responsibility and solidarity in promoting workplace safety. This was followed by a detailed safety briefing conducted on-site, where employees were reminded of critical safety practices, hazard prevention and control strategies, and emergency preparedness measures. The session served to refresh and reinforced the company's stringent safety protocols.

A central highlight of the observance was a large-scale gathering involving both employees and members of the management team, further emphasizing the importance of visible safety leadership in achieving safety goals. In line with its broader commitment to community welfare, INSEE also arranged a free medical camp during the event. This initiative provided basic health screenings and consultations for employees as well as residents of the local community, reflecting the company's inclusive approach to health and wellness.

To communicate safety messages in an engaging and relatable manner, a drama was performed portraying workplace scenarios that highlighted the consequences of not following isolation and lockout. This creative effort left a lasting impression on the audience.

Through these initiatives, INSEE Cement Bangladesh continues to lead by example, reinforcing that workplace safety and health are not just operational requirements, but core values essential to the company's long-term vision and success.

mastercard

MASTERCARD AND MERCANTILE BANK PLC ANNOUNCED THEIR COLLABORATION TO LAUNCH A COMPREHENSIVE PORTFOLIO OF NEW CARDS

Mastercard and Mercantile Bank PLC announced their collaboration to launch a comprehensive portfolio of new cards, offering unmatched convenience, benefits and financial flexibility to cardholders in Bangladesh. The range of card portfolio include the Mastercard Titanium Credit Card, World Mastercard Credit Card, Debit Card, Platinum Global Debit Card, and Prepaid Card. Featuring contactless technology, dual-currency support, and two-factor authentication, the cards offer cardholders enhanced security, financial flexibility, and exclusive privileges on travel, lifestyle, and dining. Cardholders can also enjoy exciting offers at 9,000+ partner outlets and access funds via domestic and international ATMs. The event was graced by Chief Guest Dr. Salehuddin Ahmed, Adviser, Ministry of Finance, and Special Guest Md. Zakir Hossain Chowdhury, Deputy Governor, Bangladesh Bank. Also, present were Md. Anwarul Haque, Chairman; Mati Ul Hasan, Managing Director; Dr. Md. Zahid Hossain, Deputy Managing Director & CBO; Mostafizur Rahman, Head of Cards & ADC of Mercantile Bank PLC; Syed Mohammad Kamal, Country Manager, and Zakia Sultana, Director, Mastercard, along with senior officials and dignitaries from both organizations.

About Mastercard

Mastercard powers economies and empowers people in 200+ countries and territories worldwide. Together with our customers, we're building a resilient economy where everyone can prosper. We support a wide range of digital payments choices, making transactions secure, simple, smart and accessible. Our technology and innovation, partnerships and networks combine to deliver a unique set of products and services that help people, businesses and governments realize their greatest potential.

MetLife

LINDE BANGLADESH LIMITED TO GET INSURANCE SERVICES FROM METLIFE

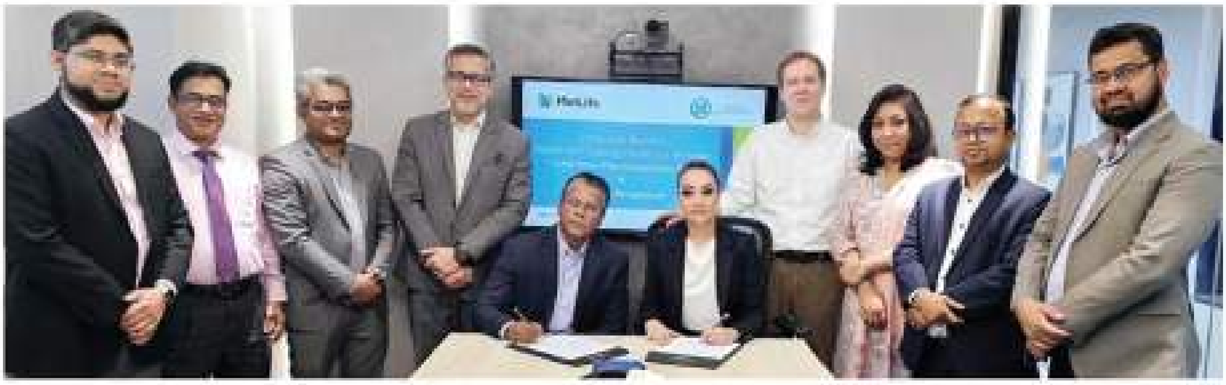
Linde Bangladesh Limited has recently penned a contract with MetLife Bangladesh to provide insurance facilities to their employees.

The company has selected MetLife as their employee insurance provider due to the insurer's expertise in providing customized and innovative solutions, including cashless hospital and ambulance service, advance client dashboard, faster payment of insurance claims, and financial strength.

Linde Bangladesh Limited has been serving Bangladesh for over 70 years, and its gases and technologies are used in countless applications, including life-saving medical oxygen and high-purity and specialty gases for various critical industrial purposes.

In Bangladesh, MetLife provides insurance protection to over 300,000 employees and their dependents of more than 900 organizations. In the year 2024, MetLife policyholders received about BDT 2,895 crore in claims. The agreement was signed by Bibhabasu Sengupta, Managing Director, Linde Bangladesh Limited, and Ala Ahmad, Chief Executive Officer, MetLife Bangladesh, at the former's office premises.

AKS KHAN PHARMACEUTICALS LTD. EMPLOYEES TO GET INSURANCE SERVICES FROM METLIFE



AKS Khan Pharmaceuticals Ltd., one of Bangladesh's premier business conglomerates, has recently penned a contract with MetLife to provide comprehensive insurance services for its employees in Bangladesh.

Under this agreement, employees of AKS Khan Pharmaceuticals Ltd. will be covered for loss of life, accidental death, disability and hospital expenses. The company selected MetLife as its employee insurance provider due to its tailored solutions, prompt claims processing and strong financial standing.

AKS Khan Pharmaceuticals Ltd. operates two profit centers, AKS Pharmacy and AKS Diagnostics, which are interconnected to provide a seamless customer experience across both categories. AKS Pharmacy has been enhancing community healthcare since 2018 by offering fast and personalized services.

In Bangladesh, MetLife serves over 300,000 employees and their dependents across more than 900 organizations. In 2024, MetLife policyholders received approximately BDT 2,895 crore in claims.

The agreement signing ceremony was attended by Samanzar Shama Khan, Managing Director of AKS Khan Pharmaceuticals Ltd., and Tauhidul Alam, Assistant Managing Director & Chief Human Resources Officer of MetLife Bangladesh at the AKS Khan Pharmaceuticals Ltd. premises.

RAK
CERAMICS

RAK CERAMICS HAS INAUGURATED A FLAGSHIP SHOWROOM IN KAZIR DEWRI, CHITTAGONG

RAK Ceramics, the world's number one multinational tiles brand, has inaugurated a flagship showroom in **Kazir Dewri,** the heart of Chittagong. With a unique combination of world-class premium tiles, sanitary ware and modern bath solutions, RAK Ceramics is ready to transform customers' dream homes or modern workplaces.

RAK Ceramics' new showroom is designed to offer a unique experience of sustainable quality, a touch of luxury, and cutting-edge design.

Location: H. Tower, 889, Noor Ahmed Road, **Kazir Dewri,** Chittagong.

ROBI PARTNERS WITH FLOSOLAR AND GREENPOWER ASIA TO BUILD 100 MW SOLAR POWER PLANT

Robi Axiata PLC. has signed a tripartite Memorandum of Understanding (MoU) with FloSolar Solutions Ltd. and GreenPower Asia to form a Special Purpose Vehicle (SPV) for the development and operation of a 100 MWp solar power park.

Perihane Elhamy Ahmed Metaweh, Chief Technology Officer, Robi Axiata PLC, Mustafa Azim Kasem Khan, Founder and Managing Director, FloSolar Solutions Ltd, and Pierrick Morier, President, GreenPower Asia signed the MoU on behalf of their respective organizations at the Robi Corporate Office today.

Under the groundbreaking partnership, several sites has been shortlisted. The final site location will be decided following a detailed feasibility study. The project will be executed under a Build-Own-Operate (BOO) model, marking a milestone in Robi's journey toward net-zero carbon emissions and accelerating its transition to clean energy.

The MoU has been signed in anticipation of the quick passage of the draft Merchant Power Plants (MPP) policy that enables private entities to develop and sell power without long-term government off-take agreements.

Once the MPP policy is framed, following all applicable formalities as laid down by the regulatory authorities concerned, Robi will procure power according to the company's requirements through a Corporate Power Purchase Agreement (CPPA), marking a transformative step in Bangladesh's renewable energy landscape.

The event was graced by Robi Acting CEO & CFO M. Riyaaz Rasheed and Shahed Alam, Chief Corporate and Regulatory Officer of Robi. Mr. Julien Duer, Head of the Economic Department at the French Embassy in Dhaka, acknowledged and appreciated GreenPower Asia's strong investment intent in the project. Tashfiqul Alam Khan, Technical Director of FloSolar Solutions Ltd., was also present at the ceremony.

The initiative reinforces Robi's Environmental, Social, and Governance (ESG) commitments while supporting Bangladesh's renewable energy goals. By reducing operational costs and carbon emissions, the project sets a precedent for sustainable digital infrastructure development in the region. The project is expected to reduce 68,200 tons of co2/year.

The MoU also includes the scope to conduct a joint assessment to explore the possibility of generating electricity out of solar panels across 16,000 of Robi's BTS sites which are generally assumed to fulfill the technical criteria to set up such solar power installations.

The project brings together a globally reputed GreenPower Asia, a fully owned subsidiary of Volta Groupe from France which has already raised 100 million Euro and has an operating or in construction portfolio of 200 MWp with a project pipeline of 500 MWp.

FloSolar Solutions Ltd. is an emerging leader in the renewable energy sector and is making a shift in its strategy from an EPC company into a full-scale project developer, renewable energy asset manager.

"bdapps is committed to fostering innovation and building a robust digital future for Bangladesh," said Shihab Ahmad. "This summit provides a platform for young minds to showcase their creativity and contribute to the nation's technological advancement."

Shahed Alam highlighted bdapps' role in the country's tech ecosystem, stating, "bdapps is not only transforming Bangladesh's technology industry but also paving the way for youth entrepreneurship."

Shafiq Shamsur Razzaq elaborated on the summit's objectives: "The bdapps Innovation Summit will serve as a platform where young individuals can present digital ideas addressing practical issues in sectors like education, healthcare, agriculture, and climate change. This initiative aims to accelerate the development of innovative digital solutions and enrich the country's technology ecosystem."

Competition will unfold in multiple phases. Interested participants can register and submit their digital solutions through the official website, bdappsinnovationsummit.com. After some evaluation of the submissions, the top teams will participate in the grand finale scheduled for 19 June, where their innovative solutions will be assessed for feasibility, potential impact and showcased to audiences.

The total prize money of the competition is 5 Lakh taka. Additionally all finalists will receive certificates and integration into the bdapps ecosystem.

bdapps, an initiative by Robi Axiata PLC, stands as one of Bangladesh's leading mobile application development platforms, providing local developers with tools, resources, and support to transform innovative ideas into reality.

standard chartered

BANKING ON A BETTER TOMORROW: STANDARD CHARTERED HIGHLIGHTS SUSTAINABILITY INITIATIVES ACROSS BANGLADESH

Standard Chartered Bangladesh reaffirmed its long-standing commitment to community development and environmental stewardship by announcing the impact of its sustainability initiatives across six core areas: agriculture, education, entrepreneurship, environment, health, and disaster management.

Naser Ezaz Bijoy, Chief Executive Officer, Standard Chartered Bangladesh, said, "Our community initiatives are not add-ons to our operations – it is central to who we are and how we serve our communities. At Standard Chartered, we are investing in long-term impact: empowering entrepreneurs, nurturing students, protecting the environment, supporting agriculture, promoting innovation and standing by communities in times of need."

Project Highlights:

• Agriculture: Completed implementation of 11 projects across 23 districts in areas such as crop productivity, aquaculture, apiculture, mechanisation and agro processing. Funded 7 research projects across 4 universities to drive innovation and resilience in farming.

• Health: Supported 1,150,000 individuals through nationwide eye care camps. Provided health care to 50,000 individuals in remote villages with floating hospitals. Trained 118 nurses and established the fourth medical oxygen plant (across 4 community hospitals).

• Education and entrepreneurship: 7000 youths received skills development training followed by job placement support through Futuremakers initiative with UCEP. Established a conference centre and a teacher's Lounge at Dhaka University's Institute of Business Administration (IBA). Provided educational essentials for 5,000 students from JAAGO Foundation schools. Empowered over 116,000 youth through access to Standard Chartered online entrepreneurship learning platform.

• Environment: Partnered with Khulna Mukti Sheba Sangstha (KMSS) and Bidyanondo Foundation for improving floriculture practices and reduction of plastic pollution activities respectively. Launched a five-year initiative to convert 50 hectares of land into mangrove forest – protecting biodiversity and enhancing climate resilience.

• Disaster management: Provided emergency flood relief to over 100,000 people across northeastern and southeastern regions and winter clothes to over 10,000 people in northern Bangladesh in recent years. Built 8 plinths across northern char-areas to protect vulnerable communities during flood.

Projects are being monitored and evaluated by third party assessors to ensure effective implementation and sustainable impact on target communities.

Selected Community Impact Highlights:

• Haor Farmers' Development & Ensuring Food Security Sunamgonj & Habigonj Project interventions led to a 15.57% increase in average annual agricultural income among beneficiaries, from BDT 85,002.70 to BDT 98,238.61. Introduced early-maturing rice varieties resulting in a 32.11% increase in yield per decimal. Mechanization decreased time required for threshing by 83.03%, for harvesting by 79.54%, and for cleaning by 71.90%, while cost reductions ranged from 55.40% to 75.53%.

• Improving Climate-Impacted Rural Livelihoods through Agricultural Support project in char-areas led to 92% of households reporting improved diet illustrating improved food access. Plinths for habitation were utilised 100% capacity, thereby providing stable habitats and reducing mental stress for 49%. Combining these interventions stimulated a rise in income, with the average monthly household income increasing from BDT 7,519 to BDT 17,262.

• Increase income of beekeepers through safe honey production, processing and marketing intervention led to improvements in honey production by 25.89%, sales volume increase by 13.10% and sales prices by 17.85%. About 70% of beneficiaries noticed an increase in secondary crop production, especially litchi, mango, mustard, and coriander.

Bitopi Das Chowdhury, Head of Corporate Affairs, Brand & Marketing, Standard Chartered Bangladesh, said "None of this would be possible without our implementation partners on the ground. Their expertise and ability to engage at the grassroots level across the far fringes of our nation continue to drive our shared mission of inclusive growth."

These initiatives are part of Standard Chartered's broader strategy to support Bangladesh's sustainable development, while delivering on the Bank's brand promise – Here for good. As Bangladesh's long-term partner in progress, Standard Chartered has been deeply embedded in the nation's growth story for over 120 years. The Bank remains committed to driving commerce, fostering inclusive development, and investing in communities through impactful initiatives that create lasting impact.


Celebrating
120 years
in Bangladesh
standard chartered
Agriculture
Helped nearly 300,000
individuals enhance livelihood and build a sustainable future by funding 11 agriculture projects, empowering beneficiaries across 23 districts and 8 agro-ecological zones
Built 2 farming smart model villages
Developed 300 polyhouses
Distributed 700+ eco-friendly agricultural machinery and nearly 15,000 kg seed
11 agricultural projects commissioned to boost agricultural productivity and agro processing
Financed 7 agricultural research projects through 4 different universities
Health
Supported 1,150,000 individuals through nationwide eye care camps with Ispahani Islamia Eye Institute and Hospital
Provided 50,000 individuals in rural areas with vital medical services through Jibon Kheya floating hospital
118 nurses trained at Kumudini Nursing School to become healthcare professionals and serve their communities with Kumudini Welfare Trust of Bengal
4 medical oxygen plants were established in Chattogram, Jamalpur, Bogura and Tangail including a donation to Kumudini Hospital to support rural healthcare facilities
Education & Entrepreneurship
7,000 individuals received training in skills development and job placements through the Futuremakers programmes with UCEP
Provided 5,000 students with education essentials through JAAGO Foundation
Trained 150 marginalised women on livelihood development
Established Conference Centre and Teacher's Lounge at the Institute of Business Administration, University of Dhaka
Over 116,000 youth registered at Online Learning Platform learning skills that supports their entrepreneurship journey
Environment
More than 16,400 families received essential food and household commodities in exchange of 325 metric tonnes of plastics
Supported 800 returnee migrants and aspiring entrepreneurs in their journey to sustainable farming
50 hectares of land to be converted into a mangrove forest through a 5-year long initiative with Friendship
Disaster Management
Supported 100,000 individuals in northeastern and southeastern Bangladesh with emergency relief during flood
Donated over 10,000 winter clothes in northern Bangladesh
8 plinths established to protect communities during flood in char areas
scan to visit our facebook page
scan to know more about our sustainable initiatives

UNILEVER BANGLADESH HOSTS THE RT HON BARONESS WINTERTON OF DONCASTER, DBE : A TESTAMENT TO BRITISH BUSINESS SUCCESS AND BANGLADESH'S INVESTMENT POTENTIAL

Unilever Bangladesh recently welcomed The Rt Hon Baroness Winterton of Doncaster, DBE, the UK Government's Trade Envoy to Bangladesh, to its corporate office in Dhaka. The visit, joined by H.E. Sarah Cooke, British High Commissioner to Bangladesh, and senior representatives from the British High Commission, reaffirmed UBL's position as one of the leading business companies in the country, and served as a significant opportunity to highlight Bangladesh's growing potential as a prime destination for global investment.

Unilever Bangladesh's journey in this country of red and green, spanning over six decades, is a story of trust, innovation, and deep-rooted local impact. Today, its brands reach 9 out of 10 households in the country, shaping everyday habits and improving quality of life across communities. The company has continually adapted to the evolving needs of Bangladeshi consumers—introducing purpose-driven innovations, investing in local capabilities, and building a resilient business model that aligns global expertise with local relevance.

Baroness Winterton's visit was a strong endorsement of Unilever's longstanding contribution to Bangladesh's economic and social development. It also offered a unique opportunity for Unilever Bangladesh to showcase the immense potential of the country as an emerging hub for global investment. With a population of over 170 million, a growing middle class, and a vibrant entrepreneurial ecosystem, Bangladesh is rapidly positioning itself as one of Asia's most promising markets.

During the visit, Unilever Bangladesh presented a detailed overview of the country's consumer landscape, highlighting how shifting demographics, rising incomes, and digital adoption are transforming the market. These insights reinforced the message that Bangladesh is not just an emerging economy—it is a dynamic, forward-looking destination for sustainable, long-term investment. At the same time, the company also demonstrated how its deep understanding of the growing local consumer needs—combined with global expertise—has enabled it to lead in categories across home care, personal care, beauty & wellbeing and foods.

A central part of the visit was an engaging roadshow that showcased UBL's bold ambitions and actions to build a sustainable future. This included its roadmap to achieve net-zero emissions, circular economy initiatives that collect more plastic than the company uses in its packaging, and innovative models that support waste worker empowerment and inclusive livelihoods. The roadshow also covered how UBL is leveraging their innovation capabilities to reduce plastic in their packaging and build products to meet the growing needs of the consumers.

One of the highlights was the Urefill machine—a refill solution designed to reduce single-use plastic, supported by TRANSFORM - a collaboration between the UK's Foreign, Commonwealth and Development Office (FCDO), Unilever and EY. The innovation is already delivering promising results in the market and serves as a successful solution against plastic pollution which does not only stop at building a model, but also actively contributes towards promoting positive behaviour in the community.

To give a comprehensive experience, the delegation was given a tour of Unilever Bangladesh's Consumer Insight and Innovation Centre (CiiC)—a unique setup that replicates a typical retail shop environment. The CiiC enables the company to simulate real-world shopping experiences while leveraging technology and behavioural science to gather deep consumer insights. This immersive experience helped the delegation understand how Unilever is using innovation to stay connected with the evolving needs of Bangladeshi consumers.

This visit reflected the ongoing commitment of the UK government to strengthen trade and investment ties with Bangladesh and support British businesses operating in the region. Through this visit, UBL not only reaffirmed its role as a successful British company in the country but also contributed to the broader narrative of Bangladesh as a vibrant, high-potential market for sustainable and inclusive growth.

After the visit, the Rt Hon Baroness Winterton of Doncaster, DBE said, "Unilever exemplifies what enduring trade partnerships look like. It is inspiring to see how a company with British origins has become such a vital part of Bangladesh's development story. Their legacy here goes far beyond commerce—it is about shared prosperity and responsible business."

UBL continues to be a shining example of how businesses can thrive through purpose-led strategies, meaningful partnerships, and a deep commitment to the communities they serve. As Bangladesh moves forward, UBL remains committed to playing a pivotal role in shaping a brighter, more resilient, and sustainable tomorrow.

FICCI ACTIVITIES

OUR JOURNEY WILL CONTINUE FOR A MORE GLORIOUS BANGLADESH

as we still have a long way to go with many roads unexplored

JOINTLY ORGANIZED BY

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(Established by the President's Order No. 2 of 1973)

FICCI FOREIGN INVESTORS' CHAMBER OF COMMERCE & INDUSTRY

JBCCI JAPAN-BANGLADESH CHAMBER OF COMMERCE AND INDUSTRY

SEMINAR ON

FISCAL ISSUES FOR NATIONAL BUDGET 2025-26 TO FOSTER ECONOMIC AND BUSINESS GROWTH

Foreign Investors' Chamber of Commerce & Industry (FICCI), in collaboration with The Institute of Chartered Accountants of Bangladesh (ICAB) and the Japan-Bangladesh Chamber of Commerce and Industry (JBCCI) hosted a seminar titled "Fiscal Issues for National Budget 2025-26 to Foster Economic and Business Growth" on May 4 at Sheraton Dhaka. Bringing together policymakers, business leaders, and economic experts, the event provided a platform to discuss key fiscal priorities ahead of the upcoming national budget.

Md. Abdur Rahman Khan FCMA, Secretary of the Internal Resources Division and Chairman of the National Board of Revenue (NBR), attended as the Chief Guest, while ICAB's Council Member and Past President, Mohammed Humayun Kabir FCA, chaired the session. The seminar featured insightful keynote presentations from M Masrur Reaz, Chairman of Policy Exchange Bangladesh, and Snehasish Barua FCA, Partner at Snehasish Mahmud & Co., Chartered Accountants.

Dr. M Masrur Reaz highlighted the formidable challenges facing Bangladesh's economy, emphasizing that its resilience is being tested amid global economic uncertainty. "With inflation hovering near double digits and foreign direct investment at a six-year low, Bangladesh must take decisive fiscal and monetary action to navigate these headwinds," he remarked. He called for urgent structural reforms in debt management, governance, and banking sector regulation, stressing that rising debt servicing costs are limiting productive investments while fragmented institutional coordination hampers effective policy responses. Greater transparency in public investments and the revitalization of capital markets, he noted, would be essential in reducing dependence on bank borrowing.

Despite these challenges, he pointed to signs of optimism, noting that exports are gradually rebounding and remittances remain strong. However, he warned that sustaining this momentum requires policy consistency, supply-side improvements, and robust fiscal reforms that strengthen investor confidence and financial discipline.

Echoing these concerns, Snehasish Barua stressed the need for bold fiscal policies in the upcoming budget. "Incremental changes won't be enough—we need a forward-thinking, investment-friendly strategy that directly addresses revenue mobilization, rising debt, and tax compliance," he said. He highlighted Bangladesh's low tax-to-GDP ratio as a key issue, calling for a broader tax base, VAT modernization, and full automation of tax administration to improve transparency and compliance. Additionally, he underscored the importance of ensuring an investment-friendly climate, advocating for policies that facilitate private sector growth, support export diversification, and enhance ease of doing business to bolster both domestic and foreign investor confidence.

The seminar also featured an engaging panel discussion with industry leaders, including Mohammad Iqbal Chowdhury, CEO of LafargeHolcim Bangladesh Limited; Manabu Sugawara, Country Head of Bangladesh at Marubeni Corporation; Yuji Ando, Joint Secretary General of JBCCI; Dr. Abdul Mannan Shikder, Former Member of NBR; and Md. Afzal Hossain, Former Secretary to the Government.

NBR Chairman Abdur Rahman Khan addressed the issues raised during the discussion, saying that most investment -related tax matters have already been resolved by the National Board of Revenue [NBR]. He assured that NBR is working closely with stakeholders to solve the remaining problems. He also highlighted the government's focus on a responsible national budget and warned against too much borrowing, which could be a burden for future generations. Reaffirming the government's support for business-friendly reforms, he stressed the need to improve enforcement to stop tax non-compliance. He further announced an important policy change—moving the power to grant tax exemptions to Parliament. This step is expected to increase transparency, reduce undue influence, make it easier to do business, and better connect fiscal policy with long-term economic goals.

ICAB President Maria Howlader FCA emphasized the need for predictable tax policies, digitalization, and structural reforms to create a more business-friendly environment. She highlighted controlling of inflation,

enhancing revenue mobilization and promoting Sustainable Investment. We need to set a predictable tax policy and ensure consistency - investors and the Businesses plan on the basis of existing policy, but sudden changes within six months discourage, she added.

We call for a clear pathway to ensure discipline in revenue management and public expenditure, questioning. Without confidence being restored among local investors, why would foreign investors come to Bangladesh to invest, she questioned.

She also said, Bangladesh's economy, like many others, continues to be influenced by global price fluctuations and political developments. Domestically, inflation remains a major concern, with general inflation rates persisting at around 9-10%. To address inflation effectively, it is essential to ensure better coordination between fiscal and monetary policies. Unchecked fiscal deficits and excessive government borrowing can intensify inflationary pressures, ultimately threatening overall economic stability, she observed.

She urged policymakers to focus not just on revenue collection but also on trade facilitation, advocating for automation, institutional coordination, and policy stability to restore investor confidence.

FICCI President Zaved Akhtar emphasized the need for an integrated tax system to enhance revenue collection while ensuring transparency and efficiency. He stressed the importance of distinguishing policy formulation from revenue administration to foster fairness and predictability. Optimizing tax rates—through rationalizing TDS, eliminating inadmissibility thresholds, and phasing out minimum tax—will be key to attracting foreign investment. He also advocated for a unified VAT rate, proper classification of raw materials, and the gradual removal of non-tariff barriers to strengthen Bangladesh's trade competitiveness amid its upcoming LDC graduation.

JBCCI President Tareq Rafi Bhuiyan (Jun) welcomed the upcoming budget's focus on improving ease of business, highlighting its potential to attract investment and foster stronger Bangladesh-Japan economic ties.

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ECONOMIC REPORTERS' FORUM

FICCI
FOREIGN INVESTORS' CHAMBER OF COMMERCE & INDUSTRY

SEMINAR ON

MACROECONOMIC PERSPECTIVE AND FISCAL MEASURES

FICCI and the Economic Reporters Forum-ERF jointly organized a seminar on "Macroeconomic Perspective and Fiscal Measures" on 29 April 2025, at the ERF Auditorium, bringing together key stakeholders for a timely discussion on fiscal policy, taxation, and investor confidence ahead of the national budget.

Mr. Abdur Rahman Khan, Chairman of the National Board of Revenue, Bangladesh (NBR), attending as Chief Guest, assured that the upcoming budget will support compliant businesses while tightening enforcement against evasion. He also announced plans for parliamentary oversight on tax exemptions to reduce undue influence.

In the keynote presentation, Dr. M Masrur Reaz, Chairman of Policy Exchange Bangladesh, urged for realistic revenue targets and welcomed NBR's decision to halt traditional audits to limit discretionary power.

FICCI Executive Director T.I.M. Nurul Kabir acknowledged recent reform progress but stressed the need for further tax simplification, streamlined VAT, and automation."Our member companies contribute about 30% of total government revenue," he noted, underscoring the importance of foreign investors. FICCI remains committed to fostering a fair, transparent, and investor-friendly fiscal environment in Bangladesh.

BIDA & POLICE REASSURE FOREIGN INVESTORS; LAUNCH EMERGENCY SUPPORT LINE

In a high-level meeting on April 15, the Bangladesh Police and BIDA assured FICCI member companies of strengthened safety measures following recent protest-related vandalism. The meeting, co-chaired by IGP Baharul Alam and BIDA Executive Chairman Ashik Chowdhury, brought together representatives from affected companies including Nestlé, Coca-Cola, Unilever, Bata, Reckitt Benckiser, PepsiCo, and Jubilant FoodWorks.

The dialogue resulted in a joint action plan, including enhanced security protocols, rapid response units, and improved crisis communication. FICCI members welcomed the initiative and expressed renewed confidence in continuing and expanding operations in Bangladesh.

"This meeting reflects our commitment to stand with investors—not just during growth, but also in times of crisis," said Ashik Chowdhury.

FOODPANDA EMERGES CHAMPION IN FICCI'S FIRST-EVER FOOTBALL TOURNAMENT 2025

foodpanda Bangladesh Limited won the championship trophy of the Foreign Investors' Chamber of Commerce & Industry (FICCI) Football Tournament 2025 by defeating DHL by a thrilling 1-0 goal in the final match held in Dhaka on May 16, 2025. Launched on May 1st at Nutmeg Dhaka, this tournament marked a major milestone in corporate sports in Bangladesh, bringing together 16 leading multinational companies in a month-long celebration of football. Organised by FICCI, the first-ever tournament aimed to foster employee wellness, team spirit, and sportsmanship, uniting professionals through the universal language of the beautiful game.

Robi Axiata Limited, Grameenphone Ltd., Banglalink Digital Communications Ltd., Baraka Power Limited, Bayer CropScience Ltd., Amann Bangladesh Limited, DHL Worldwide Express (BD) Pvt. Ltd., Commercial Bank of Ceylon PLC, foodpanda Bangladesh Pvt. Ltd., Singer Bangladesh Ltd., Chevron Bangladesh, Unilever Bangladesh Ltd., The Hongkong & Shanghai Banking Corporation Ltd. (HSBC), Edotco Bangladesh Co. Ltd. Citibank, N.A., Standard Chartered Bank participated in the tournament.

The opening ceremony was graced by distinguished guests including Mr. Zaved Akhtar, President of FICCI & Chairman & Managing Director of Unilever Bangladesh; Mr. Fahad Karim, Vice President of Bangladesh Football Federation; Mr. Najith Meewanage, CEO of Commercial Bank of Ceylon PLC; Mr. Mohamed Fairoz, CEO of Singer Bangladesh Ltd.; Mr. TIM Nurul Kabir, Executive Director of FICCI; and Mr. Mahbub Alam, Managing Director of Nutmeg Dhaka. Their presence and encouraging remarks set the tone for a spirited competition rooted in camaraderie, corporate sportsmanship, and teamwork.

A Historic Win for Foodpanda

In a thrilling finale on 16th May captivated the crowd, Foodpanda Bangladesh emerged as the Cup Champion, defeating DHL 1-0 to lift the FICCI Football Tournament 2025 Trophy.

After a tense and goalless first half, Sayem of Foodpanda broke the deadlock with a composed penalty in the second half. DHL mounted a fierce comeback attempt, but goalkeeper Samir of Foodpanda delivered a heroic performance – earning Player of the Final and Best Goalkeeper accolades for his match-winning saves.

Individual Honors & Team Highlights

- Player of the Tournament: Saikat (DHL) - for his consistent brilliance throughout the campaign.
- Top Scorers: Shahnur (DHL), Joyim (Foodpanda), and Babu (Banglalink) - each netting 5 goals.

Plate Final Drama

In the Plate Final, Amann Bangladesh clinched a hard-fought victory over Grameenphone Ltd. via penalty shootout after a 0-0 draw in regular time. Goalkeeper Tamal of Amann was named Player of the Plate Final for his crucial saves under pressure.

Grand Finale Celebration

The closing ceremony was graced by a distinguished lineup of guests, including Mr. Md. Nasser Shahrear Zahedee, Vice President of the Bangladesh Football Federation (Chief Guest); Mr. Ala Uddin Ahmad, Director of FICCI and CEO of MetLife Bangladesh; Ms. Rubaba Dowla, Director of FICCI and Country Director of Oracle Bangladesh Limited; Mr. TIM Nurul Kabir, Executive Director of FICCI; Mr. Mahbub Alam, Managing Director of Nutmeg Dhaka; Mr. Mahmud Hossain, Deputy CEO of Commercial Bank of Ceylon PLC (Title Sponsor); and Mr. Shabbir Hossain, Marketing Director of Singer Bangladesh Ltd. (Co-Sponsor).

16TH FICCI BOARD MEETING

FICCI held its 16th Board Meeting on April 20, 2025, at its office, with President Zaved Akhtar chairing the session. The meeting was attended by the Senior Vice President and other board members, offering a meaningful platform for strategic dialogue and planning. It reaffirmed FICCI's dedication to advancing a robust and dynamic business climate in Bangladesh.

FICCI DIRECTOR WARNS OF TARIFF IMPACT AT CPD DIALOGUE

Mr. Md Mahbub ur Rahman, FICCI Board Member and CEO of HSBC Bangladesh, participated in a dialogue titled 'Trump Reciprocal Tariffs and Bangladesh: Implications and Response' organized by CPD on April 17, 2025. He cautioned that such tariffs could erode Bangladesh's competitive edge in global trade and stressed the need for a strategic roadmap to boost product competitiveness and identify key export markets. The event brought together policymakers, business leaders, trade experts, and media representatives for an engaging exchange of views.

ACCA MEETS FICCI

Mr. Pulkit Abrol, Managing Director of ACCA Asia Pacific, along with Ms. Prawns Tapashi Khan FCCA, Country Manager of ACCA Bangladesh, met with Mr. TIM Nurul Kabir, Executive Director of FICCI, at the FICCI office.

PRI DISCUSSION ON MACROECONOMIC TRENDS, MONETARY POLICY, AND ECONOMIC OUTLOOK OF BANGLADESH

PRI recently organized a productive discussion on recent macroeconomic trends, monetary policy, and the overall economic outlook of Bangladesh.

The session featured insightful contributions from Dr. Anisuzaman Chowdhury, Special Assistant to the Chief Adviser (State Minister), Ministry of Finance, and Dr. Md. Habibur Rahman, Deputy Governor, Bangladesh Bank. We were also pleased to have the Deputy High Commissioner of the Australian High Commission in attendance. FICCI Executive Director TIM Nurul Kabir highlighted that while there are signs of recovery, Bangladesh's economic rebound remains fragile—primarily due to tepid revenue mobilization and persistent fiscal weaknesses. He mentioned, addressing these challenges is crucial for ensuring sustained and inclusive growth.

45TH NBR-FBCCI CONSULTATIVE COMMITTEE MEETING

The 45th NBR-FBCCI Consultative Committee Meeting on the upcoming national budget for FY 2025-26 was held on 30 April 2025 at a hotel in Dhaka. The meeting brought together key stakeholders from the government and business community to discuss fiscal priorities and share recommendations for the forthcoming budget.

Finance Adviser Dr. Salehuddin Ahmed attended as the Chief Guest, while Commerce Adviser Sk. Bashir Uddin was present as the Special Guest. Executive Chairman of BEZA and BIDA, Mr. Chowdhury Ashik Mahmud Bin Harun, attended as Guest of Honour. The session was presided over by NBR Chairman Md. Abdur Rahman Khan and emphasized inclusive dialogue between policymakers and the private sector. FICCI Executive Director Mr. TIM Nurul Kabir also participated in the meeting.

ENGAGEMENT WITH FICCI MEMBERS AND STAKEHOLDERS

FICCI EXECUTIVE DIRECTOR HOLDS COURTESY MEETING WITH AMBASSADORS OF SPAIN, ARGENTINA, AND ITALY

NAUSHAD EKRAMULLAH, NEW MANAGING DIRECTOR OF EY BANGLADESH

Mr. Naushad Ekramullah
Managing Director
Ernst & Young Advisory Services
Bangladesh Limited

Building a better working world

Mr. Naresh Raghubir Chaudhary joins DACHSER (Bangladesh) Limited as Country Manager. With nearly two decades of extensive experience in the freight forwarding industry, Mr. Naresh has held leadership roles at renowned global logistics firms including DHL, DB Schenker, Dachser, and Aramex. His proven track record of delivering results through strategic insight and dynamic leadership—both in domestic and international markets—positions him well to lead DACHSER Bangladesh into its next phase of growth and excellence.

Known for his expertise in people management, stakeholder engagement, and business development, Naushad is passionate about working with teams from diverse cultural and professional backgrounds. He is a respected voice in Bangladesh's financial landscape and continues to drive innovation and growth through collaborative leadership. Outside of work, Naushad is an avid reader and enjoys spending time with friends, reflecting his well-rounded approach to both life and leadership.

FARID SIKDER APPOINTED MANAGING DIRECTOR OF LINDE BANGLADESH

Mr. Farid Sikder
Managing Director
Linde Bangladesh Limited

Mr. Farid Sikder has been appointed as the Managing Director of Linde Bangladesh Limited (LBL), effective May 2025. An MBA graduate from the Institute of Business Administration (IBA), University of Dhaka, Mr. Sikder began his professional journey with Sanofi (formerly Fisons Pharma) in 1988.He joined Linde (formerly BOC) in 1997, and subsequently held senior leadership roles across Linde, Nokia Networks, and GSK, contributing to strategic functions in Finance, Government Affairs, Corporate Governance, Planning, and Marketing.

Most recently, he served as the Chief Executive Officer of TigerIT, before returning to Linde Bangladesh to lead the company's operations and country team. Mr. Sikder succeeds Mr. Bibhabasu Sengupta, who has transitioned to a new leadership position within Linde's South Asian Region.

NIPPON EXPRESS BANGLADESH LTD. APPOINTS NEW MANAGING DIRECTOR

Mr. Kei Sakai
Managing Director
Nippon Express Bangladesh Ltd.

Nippon Express Bangladesh Ltd. is pleased to announce the appointment of Mr. Kei Sakai as its new Managing Director, effective January 2025. Mr. Sakai brings with him over three decades of extensive experience in the freight forwarding and logistics sector. Having commenced his career with Nippon Express Co., Ltd. in 1992, he has since held several key leadership roles across Japan, the United States, and Indonesia. His core expertise lies in air freight operations and strategic logistics management, particularly across South Asia and Oceania.

Mr. Sakai is widely recognized for his dynamic leadership style and a strong commitment to operational excellence. In his new role, he aims to further strengthen Nippon Express's footprint in Bangladesh and contribute meaningfully to the country's growing logistics sector. His vision, energy, and international perspective are expected to steer the company toward enhanced efficiency and regional integration. Nippon Express Bangladesh Ltd. extends a warm welcome to Mr. Kei Sakai and looks forward to his leadership in driving sustained growth and innovation.

PROBAHO - EVERY DROP COUNTS!

PROBAHO
Every Drop Counts

Access to safe drinking water is a fundamental necessity for maintaining good health. Unfortunately, many regions in Bangladesh still face significant health risks due to arsenic contamination and high levels of salinity in their water sources. Recognizing the importance of this issue, the Government of Bangladesh has set a goal to ensure 100 percent of the population has access to safe drinking water by the year 2030.

In alignment with this goal, 'Probaho' - a safe drinking water initiative, started its journey in 2009 to support the government in addressing the clean water scarcity faced by citizens. The initiative's work is crucial, especially as climate change continues to impact the availability and quality of freshwater sources. Since its inception, Probaho has been dedicated to providing communities with water that is free from arsenic and other impurities, particularly in areas where water is either hazardous or scarce.

With its unwavering dedication, Probaho, celebrating its 16th anniversary in 2025, is making considerable progress in providing access to safe drinking water for all individuals. This initiative is crucial in improving the health and well-being of communities throughout Bangladesh.

Total Districts Coverage

- Kushtia
- Meherpur
- Chuadanga
- Jhenaidah
- Satkhira
- Lalmonirhat
- Rangpur
- Madaripur
- Manikganj
- Tangail
- Gopalganj
- Jamalpur
- Natore
- Faridpur
- Khagrachari
- Bandarban
- Gaibandha
- Khulna
- Rajshahi
- Cox's Bazar
- Barisal
- Moulvibazar
- Barguna
- Feni
- Rangamati

Probaho inaugurates its 126th plant in Gabura, Satkhira on World Water Day

In the remote village of Gabura in Satkhira, where salinity once made safe water a distant hope, the new Probaho plant is now transforming lives by ensuring clean drinking water for hundreds.

Beneficiary Story

"Before the new Probaho plant arrived, we in Gabura struggled daily with salty, contaminated water that made our families sick. Now, since the plant was inaugurated in March, our children haven't fallen ill with waterborne diseases. We feel healthier, more secure, and hopeful for the future knowing every drop we drink is safe."

- Jorina Begum
Gabura

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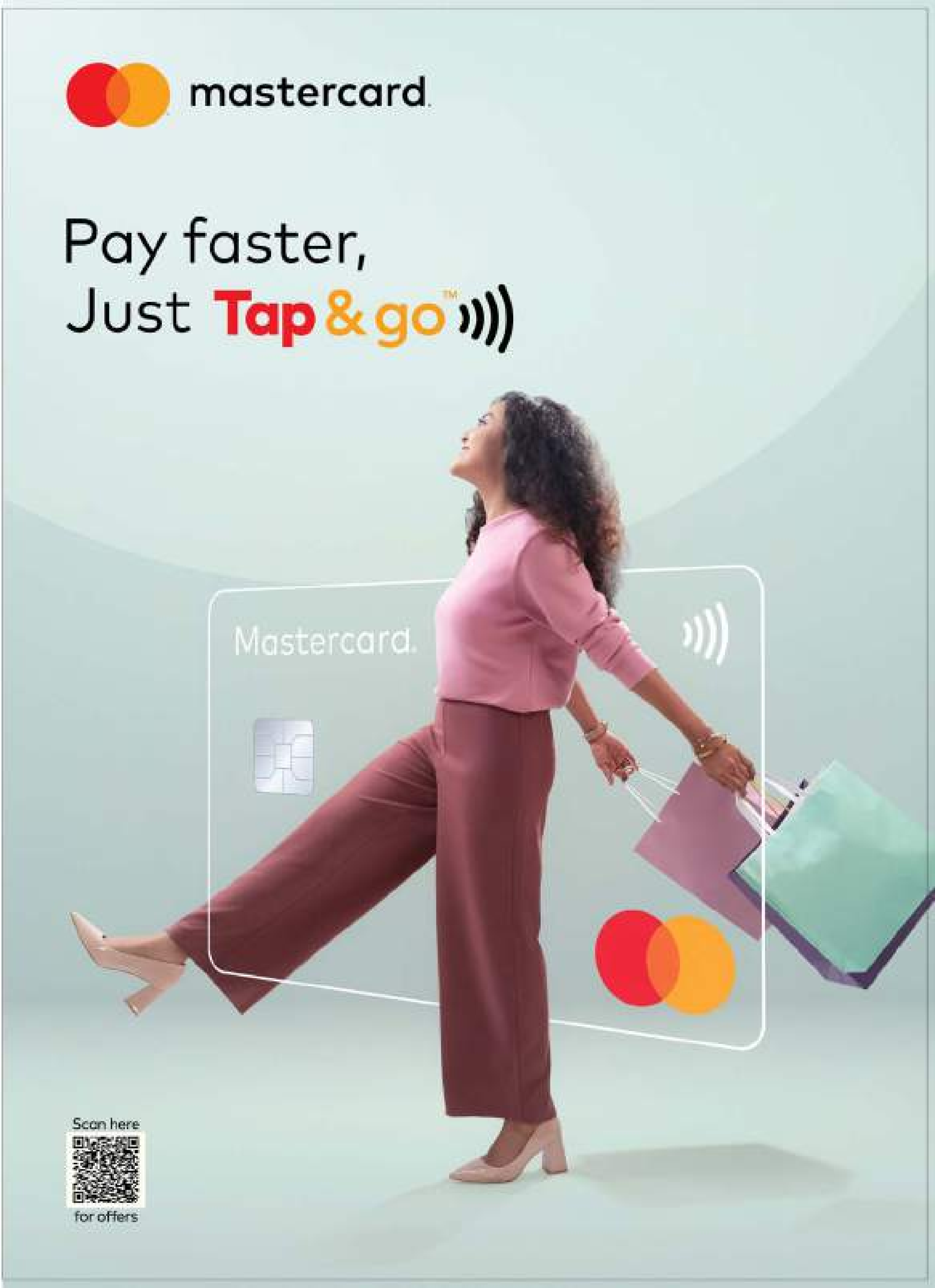
126 PLANTS
ACROSS THE COUNTRY

~310K+
BENEFICIARIES

~620K LITERS
WATER PROVIDED DAILY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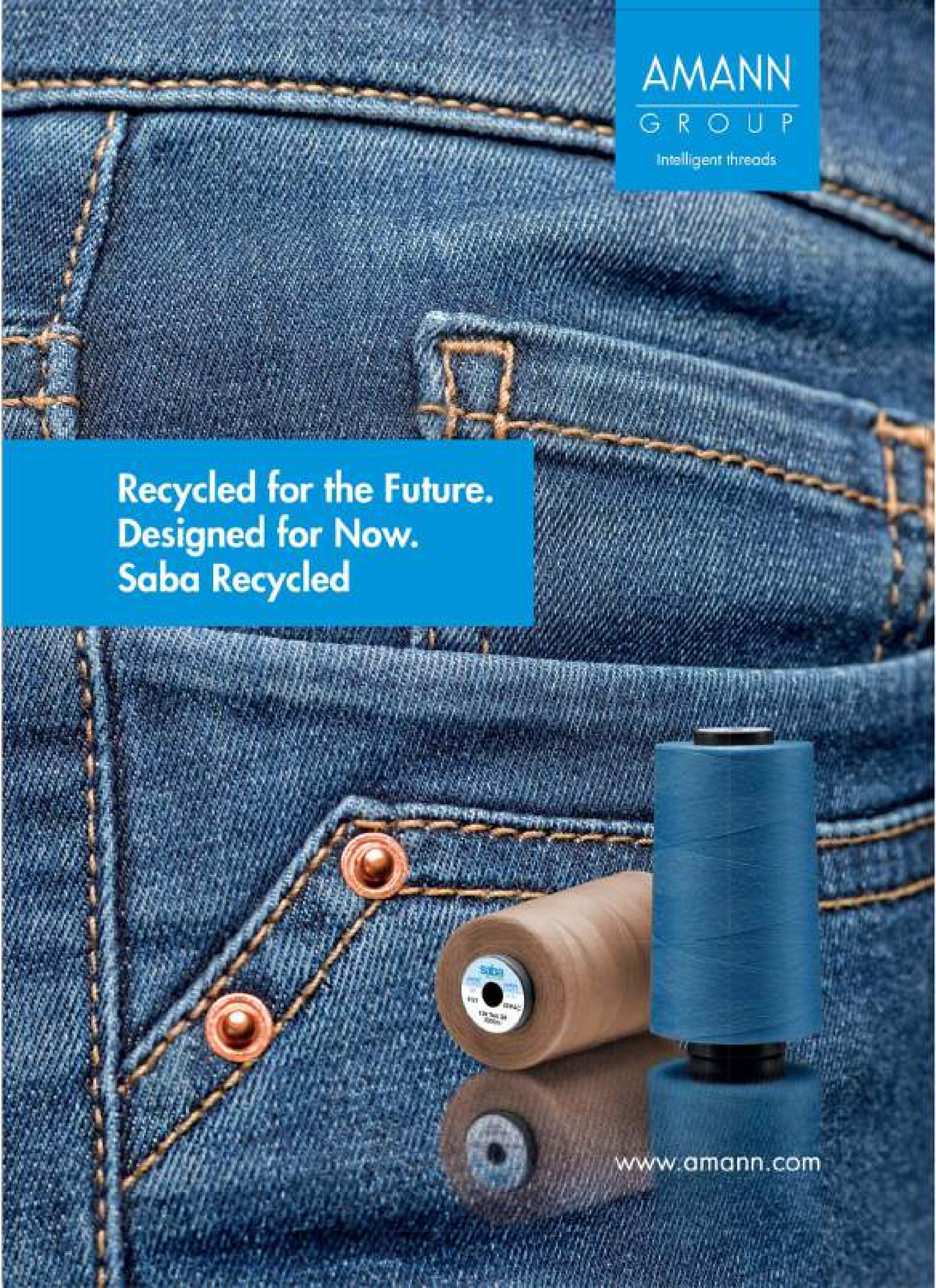
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