

Seminar on Trade and Investment

Address by

Her Excellency

Sheikh Hasina

Hon'ble Prime Minister

Government of the People's Republic of Bangladesh

Berlin, Germany, Monday, 24 October 2011

Bismillahir Rahmanir Rahim

President of the German Chamber of Commerce,
Distinguished Leaders of Germany's Business, Commerce, and Industry,
Excellencies, Ladies and Gentlemen,

Assalamu Alaikum and Good Morning to you all.

I am pleased to be here with you today in the picturesque city of Berlin to speak about business opportunities in Bangladesh. I thank the representatives from Germany's business, commerce and industry for taking such an active interest in Bangladesh. I would also like to thank the organizers for putting this important event together.

Bangladesh has always relied on Germany as a trusted development and trading partner, and the two countries enjoy the best of relations based on shared values and convictions. Since our independence, Germany has consistently supported Bangladesh in its socio-economic development, and partly thanks to your help, Bangladesh today, is a democratic and secular country with immense business potential.

During the current global economic downturn, Bangladesh has been able to maintain a healthy GDP growth rate of around 6%, achieving 6.7 % in the last financial year, and aiming for 7% in 2011. Our next Five Year Plan, covering the years 2011 to 2015 is designed with the goal of achieving average growth of around 8%. Moreover, our exports market has proven resilient to the downturn, growing by over 20% over in the last several years, with 41 % in the last year. In addition, remittances by the growing amount of Bangladeshi nationals living abroad has not been affected by the recession. In financial year 2010 remittances reached \$11 billion, a 13.4% increase compared to the year before contributing heavily to our robust internal consumption which grew by 4.2% in 2010.

Over the recent years, Bangladesh has made vast advances in manufacturing, infrastructure, human resource development, banking and corporate sectors. As I am about to demonstrate to you, our macro-economic fundamentals are solid and we are socio-economically a stable country with a domestic market of 150 million people.

Furthermore Bangladesh's strategic geographical location, bordering India and close to China, with regional connections with Nepal, Bhutan, Myanmar, and South East Asia, places us as a natural regional hub at the heart of a 3 billion people economic area.

Bangladesh has the most liberal Foreign Direct Investment regime in South Asia, allowing for the repatriation of 100% of profits and foreign equity. We also provide corporate tax holidays, concessionary duty on the import of machinery as well as full repatriation facilities for dividends and capital on exit. We have also cut significant amount of red tape concerning doing business in Bangladesh, reducing company set up times from several months to a day.

Sixty percent of our population is below the age of 40, providing an abundant and cheap labor force. Furthermore as a Least Developed Country, we enjoy duty free and quota free access to the EU, which has recently also relaxed rules of origin for garments exports from Bangladesh.

Moreover, our Board of Investment (BOI) which deals with the needs of foreign investors is a modern, friendly institution with a "one stop shop service". Our apex trade body is a member of the International Chamber of Commerce with a chapter in Dhaka, and it is gradually becoming

the regional hub for settling trade related disputes. The presence of free press, independent judiciary and statutory bodies such as Election Commission, Human Rights Commission and Anti-Corruption Commission, ensure good governance and the rule of law.

Our successes have also been recognized by major investment banks with Goldman Sachs including Bangladesh in its list of "Next 11" and J.P. Morgan in its "Frontier Five". And the research company, Gartner, lists Bangladesh among its 30 best outsourcing destinations. In 2010 both Standard & Poor's and Moody's gave Bangladesh a credit rating at BB- and Ba3 respectively, placing us ahead of all other South Asian countries, except India, in terms of credit worthiness and investment opportunities.

World Bank has ranked Bangladesh as the 20th country for Investor Protection ahead of India, China and Vietnam; and UNCTAD, in its annual Global Investment Report, mentioned FDI inflows to Bangladesh increased by 30% in 2011.

Our government has also taken on infrastructure projects on a massive scale and adopted the Public-Private-Partnership (PPP) Policy to facilitate the building of more robust infrastructure in a short timeframe. Projects under way include highways, a Dhaka city mono-rail, improved railroad network, and new power stations. I am particularly proud of our advances in energy provisions, which are rapidly improving. My government has added more than 2000 megawatts of power in two years. We have also awarded new contracts for 34 new power plants. By the end of 2013 there will be no more energy shortages in Bangladesh.

We also have a plan to build a third seaport and a deep sea port at strategic location as well as an international airport to meet the rising demand of air travel. Our policy of connectivity with the region includes providing our neighbors access to our ports in Chittagong and Mongla further enhancing our regional hub status. We have also made huge progress in expanding Information and Communications Technology reach in Bangladesh, providing e-governance services and connecting the entire country online. We also have over 70 million mobile subscribers, which is increasing every year, we are on track to ensure that we become "Digital Bangladesh" by 2021.

Furthermore there is huge potentials for joint ventures in Bangladesh, we particularly welcome individual investment in pharmaceuticals, tourism, manufacturing, ICT, ceramics, and renewable energy projects.

I, therefore, invite you to take advantage of the opportunities on offer. We are eager to work in partnership with you for mutual gains and benefits, sharing profits and prosperity as we journey to the future. Come to Bangladesh and help us build "Sonar Bangla" or "Golden Bangladesh" a land of prosperous and happy people as envisioned by Bangabandhu Sheikh Mujibur Rahman, my father and the Father of the Nation.

I hope to see you soon in Bangladesh.

Khoda Hafez.

Joi Bangla. Joi Bangabandhu.

May Bangladesh Live Forever.

Long live Bangladesh-Germany Friendship.

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