

# EMBASSY OF THE UNITED STATES OF AMERICA

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**REMARKS  
BY  
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**“STRENGTHENING THE BANGLADESH-U.S. BILATERAL  
ECONOMIC RELATIONSHIP”**

**AmCham Bangladesh  
April 15, 2015**

AmCham President Aftab Ul Islam, Director Gafur, Board of Directors, business leaders, members of civil society, representatives of multilateral institutions, fellow diplomats, and friends.

Thank you for the invitation to speak with you today so early in my tenure. I appreciate your sharing your valuable time. I have been honored to meet many of you in various occasions over the past few months and have been looking forward to my inaugural lunch with AmCham for even longer.

It is truly a pleasure to be here today. You are representatives of what are truly some of the world's best companies. And AmCham is the premier trade body for advancing our bilateral commercial relationship. As many of you know, I began my career in the private sector and know first-hand the importance of an environment that allows business to unleash its energy. I have also proudly worked with AmChams in numerous countries. In all those cases, the Chambers significantly improved the business and investment climate for American and host country companies alike.

I have had my eye on serving in Bangladesh since my earliest days as a diplomat. I have additionally had the privilege of working in and on South Asia throughout my career. I was a desk officer for Nepal and India in the late 1980's as international commerce was beginning to evolve beyond the Cold War era and build what we see today as a digitized web of complex cross-border supply chains and service networks. As Deputy Political Counselor at the U.S. Embassy in New Delhi, I developed a deep appreciation for the importance of this region, home to over a third of the world's population. Most recently, as Office Director for India, Nepal, Sri Lanka, Maldives, and Bhutan from 2006 – 2008, I had the opportunity to dive into the incredible richness and diversity of this incredible region. I have seen how South Asia has developed, grown, and changed over this time. Positive change has in general been linked hand in hand

with sound economic growth policies. Ideally, South Asia's regional interconnectivity would have grown with its economies, but it has lagged. To maintain economic prospects going forward, the countries in this region will ideally prioritize the flowering of trade and transportation linkages among them.

For those of us who know and love Bangladesh, the reasons to live here, serve here, and do business here are clear. Bangladeshis are a wonderfully warm, industrious, charitable, and hospitable people. With over two decades of robust growth, this country is on the cusp of becoming an important regional lynchpin and consumer market. Oh... don't let me forget... the food is delicious! Maybe too delicious - and the culture vibrant and rich.

As the represent of the President of the United States in Bangladesh, my instructions are clear: to help this country, home to 166 million people, further develop economically and to strengthen our bilateral relationship, including our commercial ties. Bangladesh is of strategic interest to the United States. We see this country not only in terms of our bilateral ties but also as a partner in addressing issues outside of our two countries. For example, Bangladesh already plays an admirable role on the global stage as a model of tolerance, generous contributor of peacekeepers to UN missions around the world, and force in regional security.

On the economic front, I could spend all afternoon referring to the innovations taking place here, the giant strides in building export capacity, the remarkable progress in lifting people out of poverty, the strategic location on the Bay of Bengal, counter-terrorism operations to prevent the spread of violent extremism, and the essential role Bangladesh will play in boosting regional inter-connectivity in the 21<sup>st</sup> century as it forges productive ties with its neighbors. The list goes on and on, and I am so pleased that the U.S. embassy in Dhaka is your partner in that process.

Business partnerships between Americans and Bangladeshis are about more than just the exchange of goods and services. They reflect the exchange of ideas, of philosophies, of new technologies and systems. Our countries have much to gain from increased trade and investment across a wide range of sectors. Ricardo got it right: voluntary trade between two countries holds the potential to make citizens of both countries more prosperous.

Prior to coming to Bangladesh, I met with many U.S. companies who do business here. These businesspeople lauded Bangladeshis – noting that Bangladeshis are people with an intrinsic knowledge and appreciation of business, entrepreneurship, and value. One company, for example, told me in great detail about prospects for improving water transportation, suggesting the potential for "doing well by doing good." Such contributions are the essence of what American investors and traders can bring to the table here. Other business representatives told me of Bangladeshis' extraordinary work ethic, resourcefulness, and creative thinking. Indeed, we have seen this in the United States as the 500,000-strong Bangladeshi diaspora in my country includes some of the most successful members of our society. My follow-on interaction

with U.S. business representatives as cemented in my own mind what I now routinely say to those I meet with from the private sector: Bangladesh is home to a tremendous consumer market with increasing purchasing power and an advantageous demographic mix; it is a country where businesses can succeed. Trust me – the U.S. private sector is listening, and I believe we will see interest continue to grow.

While in Bangladesh, I have also seen the strong interest here in building commercial ties with the United States. To cite a few examples... Chevron is welcomed as the largest foreign investor in the country and provides over half of the natural gas consumed. ConocoPhillips is evaluating deep-water exploration activities; service companies such as Halliburton provide valuable technical skills and abilities. Consumer products such as Coca-Cola, Pepsi, Johnson and Johnson, Proctor and Gamble, and many more provide safe and high-quality products. Caterpillar generators and heavy equipment help build this nation's infrastructure and keep it running when there are outages. Biman Airlines is now the proud owner of top of the line Boeing planes, and GE equipment is providing power, medical diagnoses, aviation engines, and potentially much more. This is just the tip of the iceberg and I wish I could individually name all of the great work being done by AmCham members and the U.S. companies sitting in this room. However, the message is clear: U.S. companies and their local partners are investing in Bangladesh, bringing great technology, and selling valuable goods and services.

While this is a good news story, and one which I am so very pleased to tell both here and throughout the United States, we cannot rest on our laurels. There is much room for improvement and we -- those of us in this room today -- have the power to strengthen the U.S.-Bangladesh economic relationship. Doing so will likely consist of many small actions taken over and over again which lead to profound change. I'm reminded of the proverb that, drop by drop, a lake is made. This proverb is also true in terms of areas that need to be tackled such as clear pathways to dispute resolution making bureaucratic interaction more user-friendly are essential to boosting the appeal of Bangladesh's commercial environment. Boosting the climate for business is a challenge for all countries, including the United States. It is essential to increasing trade and growth.

Let's take a look at where we are right now: bilateral trade is currently around \$6 billion a year. \$5 billion of that consists of Bangladeshi exports to the United States, primarily ready-made garments, and \$1 billion is in U.S. exports to Bangladesh in a wide-range of sectors ranging from planes to chemicals. Can we increase this number? I believe the answer is yes and I will turn to you, business leaders, to help make this a reality during my tenure in Dhaka. Our bilateral trade creates a significant number of jobs, particularly in the ready-made garments sector. Many of these jobs are for women and create opportunities for economic empowerment. This is reflected in social development indicators where Bangladesh is often scoring as well as or better than its neighbors: life expectancy, infant mortality, primary school enrollment, and birth rates. Economic development and social development are truly connected.

The path forward is clear. We need to spread the word that Bangladesh is a vibrant economic partner, a partner which is improving workers' rights and creating safe working environments. But spreading the word is not enough; you have to constantly push the envelope forward so that Bangladesh is synonymous with the best work practices and the safest factories. We need to spread the word that Bangladesh is a partner with skilled manufacturing capabilities that is interested in further developing its technical base. This should include a story of robust efforts to protect intellectual property rights so that Bangladesh's citizens and foreign partners can know their best technology here and it will be safe. Already, Bangladesh has a strong economic growth rate and will soon begin enjoying a demographic dividend that will combine a young population with increased purchasing power. I am encouraged that so many in policy and business circles are now turning to the question of necessary infrastructure and capital investments to ensure Bangladesh's productivity rises to build upon what it has achieved. I assure you that the United States stands with you in making this happen.

Secretary Kerry has clearly stated that Economic Statecraft is Diplomacy. In fact, I recently returned from the global Chiefs of Mission conference where Under Secretary Catherine Novelli – one of the highest ranking U.S. officials working on economic issues - outlined her goals for economic diplomacy. She highlighted commercial advocacy, the trade agenda, sustainable energy, and our oceans, among other priorities. . I was not surprised to see that we are already doing many of them here in Bangladesh and have plans to keep broadening, deepening, and strengthening our engagement in each area. Our embassy in Dhaka provides strong support for business: we have an economic and commercial officer with talented team members, we bring multiple trade delegations to the United States every year to meet with a terrific range of companies, and our USAID mission has a number of activities supporting the private sector and boosting regional trade. In November 2013, the United States and Bangladesh signed the Trade and Investment Cooperation Framework Agreement, or TICFA, and held our first forum a year ago here in Dhaka to discuss critical trade and investment issues between our countries, a process we plan to continue in the future.

Please know that you have the full support of the U.S. embassy. We are your long-term friends and partners and wish Bangladesh the absolute best.

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*\*As prepared for delivery*