



Bangladesh – An Emerging Market Business Opportunity



Bangladesh, a country the size of Iowa, situated in the northeastern corner of the Indian subcontinent and bordered by India and Burma, could be easily overlooked. In reality, Bangladesh is a moderate, secular, and democratic country with a population of 160 million, making it the seventh most populous country in the world (larger than Russia). Bangladesh is a big potential market for U.S. exports, with a growing garment sector providing steady export-led economic growth.

Bangladesh will soon attain lower-middle income status of over \$1,036 GDP per capita, thanks to consistent annual GDP average growth of six percent since the 1990s. Much of this growth continues to be driven by the \$20 billion garment industry, second only to China, and continued remittance inflows, topping \$16 billion in 2013. In 2012, Bangladesh's GDP reached \$123 billion, complemented by

sound fiscal policy and low inflation, which measured less than 10 percent in 2012.

Bangladesh offers promising opportunities for investment, especially in the energy, pharmaceutical, and information technology sectors as well as in labor-intensive industries. The Government of Bangladesh actively seeks foreign investment, particularly in energy and infrastructure projects, and offers a range of investment incentives under its industrial policy and export-oriented growth strategy, with few formal distinctions between foreign and domestic private investors. Bangladesh has among the lowest wage rates in the world, which has fueled an expanding industrial base led by its ready-made garment industry. The country is well positioned to expand on its success in ready-made garments, diversify its exports, and move up the value chain.

Bangladesh's economy is dominated by agriculture and manufacturing. With a largely rural population, agriculture accounts for 18.29% of GDP and employs slightly less than half of the population. Rapidly urbanizing, manufacturing accounts for 28.20% of GDP and employs 14.50% of the population, mostly in the ready-made garment sector. The service sector accounts for 43.35% of the GDP and employs 34.60% of the population.

Bangladesh's major imports from the United States include raw materials for the garment sector, including cotton, fabrics, and electrical and mechanical equipment, as well as petroleum products, wheat, edible oils, seeds and other agro-products. U.S. exports to Bangladesh increased by more than 98% from \$577 million in 2010 to \$1.145 billion in 2011, while U.S. imports from Bangladesh rose 13.6% from \$4.3 billion to nearly \$4.9 billion during the same period. Major U.S. companies already present and doing business in Bangladesh



include 3M, Boeing, Chevron, ConocoPhillips, Citibank, Wells Fargo, and many others. American business is supported by an active American Chamber of Commerce and U.S. Embassy advocacy.

U.S. Embassy Commercial Services

U.S. Embassy Dhaka's Trade Center (USTC) works with the U.S. Foreign Commercial Service to offer a variety of fee-based commercial services to U.S. firms pursuing export and investment opportunities in Bangladesh:

Gold Key Matching Service: For visiting U.S. business executives, we will arrange meetings, briefings, and logistical support in order to make your visit to Bangladesh as productive as possible.

International Company Profile (ICP): A confidential business report providing background information on individual firms in Bangladesh. Each report includes information on company activities, product lines, volume of operations, business reputation, and trade references.

International Partnership Search (IPS): We provide background information on qualified Bangladeshi firms willing to represent U.S. companies in Bangladesh. Depending on the U.S. company interests, the USTC can prepare a list of companies in Bangladesh with relevant experience and capabilities.

Advertising and Promotional Events: The U.S. Trade Center can help U.S. firms ensure that potential customers and business partners recognize the existence, availability, and benefits of your company's products/services. The U.S. Embassy collaborates with the American Chamber of Commerce (AmCham) in Bangladesh to co-sponsor the annual U.S. Trade Show in which U.S. firms can showcase U.S. goods and services. American firms or their local agents interested in purchasing a booth at the U.S. Trade Show should contact the American Chamber at amcham@amchambd.org

U.S. Embassy Dhaka's Trade Center (USTC) – Contact Us Today!

Detailed information, including our Country Commercial Guide and our Investment Climate Statement are available at the U.S. Embassy Dhaka website: <http://dhaka.usembassy.gov/doing-business-local.html>

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