APRIL-JUNE' 2025/ VOLUME X/ ISSUE II

INVEST IN BANGLADESH

BANGLADESH'S PHARMA FRONTIER- SHAPING THE FUTURE OF HEALTHCARE

BANGLADESH INVESTMENT SUMMIT 2025: PROMISES A NEW FUTURE

BANGLADESH INVESTMENT SUMMIT 2025

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Bangladesh Investment Development Authority

BANGLADESH INVESTMENT SUMMIT 2025: MOMENTS THAT INSPIRE

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BANGLADESH INVESTMENT SUMMIT 2025: SHOWCASING BANGLADESH TO THE WORLD

Bangladesh Investment Development Authority (BIDA) and Bangladesh Economic Zones Authority (BEZA) jointly hosted Bangladesh Investment Summit 2025 in Dhaka during 9-10 April 2025 that brought together more than 1000 global investors, business leaders, policymakers, and development partners from 25+ countries to showcase the next frontier of investment opportunities in a resilient and reform-ready Bangladesh.

Amid a backdrop of global economic turbulence, the Summit spotlighted Bangladesh as a beacon of resilience, reform, and regional connectivity and marked a pivotal moment in Bangladesh's evolution from an emerging market to a bold, future-ready investment hub.

The summit included in-person visit of the investors to the economic zones, sectoral discussions on selected sectors, focused dialogues, consultation of the investors with relevant government agencies, B2B meetings and signing of a number of MoUs to highlight future areas of cooperation.

KEY FOCUS AREAS

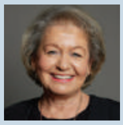
- Renewable Energy & Climate Investment
- Digital Economy & Innovation
- Apparel & Textiles of the Future
- Agro-Processing & Food Security
- Healthcare & Human Capital
- Strategic Governance Dialogues

KEY PERSONNEL ATTENDED

Dr. Muhammad Yunus
Chief Adviser, Govt. of the People's Republic of Bangladesh

Lutfey Siddiqi
Special Envoy to the Chief Adviser

Óscar García Maceiras
CEO of Inditex (Zara)



Baroness Rosie Winterton
UK Trade Envoy

Syed Nasim Manzur
Director, Apex Footwear, Bangladesh

Ismail Ersahin
President, World Association of Investment Promotion Agencies (WAIPA)

AWARDS

The summit awarded **"Excellence in Investment"** award to 4 investors for their standout contributions in the following fields:

- **ESG –** Walton Hi-Tech Industries Plc.
- **Foreign Investment –** bKash Limited
- **Local Investment –** Square Pharmaceuticals Plc.
- **Innovation –** Fabric Lagbe Limited

Special Recognition:

- Honorary Citizenship was conferred upon Mr. Kihak Sung, CEO of Youngone Corporation, for his 45 years of contribution to Bangladesh's industrial growth.

The Award process was facilitated by KPMG and the trophy was designed by sculptor Shyamal Sarker.

PRIORITIES SET BY THE SUMMIT

- Position Bangladesh as a regional manufacturing and logistics hub
- Broaden market vision beyond domestic demand to serve regional and global markets
- Expand port capacity along with green chanels to fast-track customs clearance for trusted clients
- Expand bonded warehouse benefits beyond RMG sector
- Simplify regulatory & licensing processes and implement a one-stop service center
- Establish a private sector advisory council to advise the head of state and align government policies with business needs
- Prioritize training for emerging roles (e.g., caregivers, halal certifiers, digital workforce)
- Encourage ESG practices among businesses, as exemplified by award recipients

SUMMIT SESSIONS AND THEIR TAKEAWAYS

RENEWABLE ENERGY

KEY RECOMMENDATIONS

- Promote Corporate Power Purchase Agreements (CPPAs) to enable large-scale industrial consumers procure renewable energy directly from producers.
- Finalize policies on merchant power plants, solar energy, and CPPAs to open the market to private investors.
- Ensure competitive and transparent procurement for energy sources.
- Base renewable energy strategies on robust data, including energy demand projections and resource mapping.

DIGITAL ECONOMY

KEY RECOMMENDATIONS

- Accelerate Digital Infrastructure Development: Invest in scalable, interoperable systems (e.g., digital IDs, authentication layers).
- Implement Clear and Flexible Regulatory Frameworks like Cyber Safety Ordinance and Data Protection Act.
- Implement Clear and Flexible Regulatory Frameworks like Cyber Safety Ordinance and Data Protection Act.
- Promote partnerships between the government, global tech firms, local businesses, and startups to co-create solutions.
- Upskill the Workforce for the 4IR.
- Enable Cloud Adoption and Digital Tools Access.
- Encourage Open-Source and Inclusive Innovation.

APPAREL AND TEXTILES

KEY RECOMMENDATIONS

- Enhance Port and Customs Efficiency
- Expand Bonded Warehouse Access to include SMEs and migrant entrepreneurs in bonded facility schemes.
- Simplify regulations to support B2C exports and re-export logistics through free zones.
- Invest in Circular Economy Solutions and utilize 500,000 tonnes of annual textile waste for recycling and green job creation. Expand textile recycling infrastructure and promote material reuse across the supply chain.
- Shift from Cotton to Man-Made Fibers (MMF). Upgrade machinery and processes to support MMF and innovative fabric development.
- Invest in product development, digital platforms and next-gen materials (bio-based, enzyme-treated, etc.).

HEALTHCARE

KEY RECOMMENDATIONS

- Prioritize cancer treatment, organ transplants, and maternal-child hospitals to reduce outbound medical travel.
- Scale telemedicine, AI diagnostics, and robotic physiotherapy to expand access, especially in underserved regions.
- Develop inclusive insurance models to reduce out-of-pocket spending and protect households from medical poverty.
- Invest in training for doctors, nurses, and technicians to meet growing demand and improve service quality.
- Simplify licensing, improve capital repatriation policies, and adopt single-window systems to attract foreign investors.
- Implement nationwide electronic medical records to improve care coordination and policy planning.

AGRICULTURE AND AGRO-PROCESSING

KEY RECOMMENDATIONS

- Streamline processes for agricultural exports and accept EU certifications to eliminate redundant testing and delays.
- Make the Plant Variety Protection (PVP) Authority functional to protect seed innovation and attract modern seed technologies.
- Expedite IPR reforms to safeguard innovations and attract foreign companies bringing proprietary technologies.
- Better tax holidays and cash incentives for new agro-investments with capital assistance, cost waivers, and lab development support.
- Prioritize investment in cold storage and logistics to reduce post-harvest losses.

FOCUSED DIALOGUES

Unlocking the full potential of Bangladesh as a regional hub for trade, logistics, and investment

Navigating global markets- Bangladesh's trade and investment strategies in the post-LDC era

Leveraging the nexus between trade, investment, governance, and responsible business conduct for inclusive growth & decent work

Key take always from the summit

- Ensure policy clarity & consultative reforms
- Act on investor-driven sector priorities
- Position local champions to attract FDI
- Integrate ESG, clean energy & circularity
- Streamline trade via regulatory simplification
- Launch Single Window & enhance SEZ readiness
- Upskill workforce to match sectoral needs
- Boost inter-agency coordination for service delivery

BANGLADESH 2.0 : BUILDING A RESILIENT INVESTMENT ECOSYSTEM IN A VOLATILE GLOBAL LANDSCAPE

The global investment and trade landscape are being increasingly defined by uncertainty. Geopolitical realignments, regulatory changes, climate-related risks, and technological shifts are reshaping traditional flows of trade and capital. Thus economic and political shock events are no longer "outliers", rather have become a regular part of our norm. A quick look at global events since the start of the century illustrates this transformation:

- 2000-09: Two major disruption - 9/11 and the 2008 financial crisis.
- 2011-19: One major disruption - "BREXIT".
- 2020-25 (and counting): Four global events - Covid, Russia Ukraine war, the Tariff war and the Middle East Crisis.

Unsurprisingly, UNCTAD's latest World Investment Report shows global FDI to decline in the last consecutive years. What's more notable is that the forecasts for 2025 is negative as well, with 7 out of 9 key indicators rating negative, including global GDP, trade volume, stock market volatility, and economic policy uncertainty.

In these circumstances, building resilience is no longer a reactive stance - it is a strategic necessity. Interestingly enough, these events have unfurled a unique opportunity for countries like Bangladesh. Emerging markets will be the biggest gainers since investors will increasingly look to diversify their funds. Bangladesh needs to capitalize on this opportunity by utilizing the current reform-centric political window to set up a sustainable investment ecosystem - embedding resilience, targeting strategic investments, and ensuring our institutions are agile and responsive.

MACROECONOMIC REBOUND:
A FOUNDATION FOR CONFIDENCE

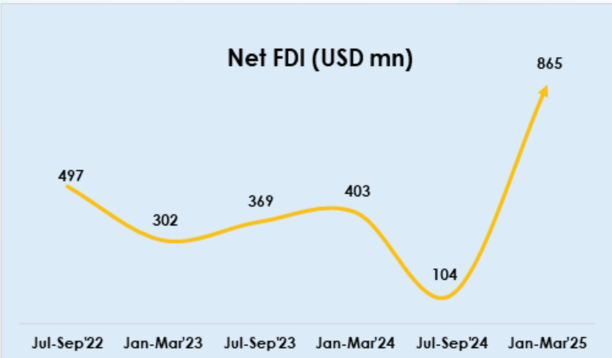
The resurgence in Bangladesh's core economic markers offer cause for cautious optimism. Exports have grown by 9%, and remittance inflows are up by 27% in FY 24-25 - both reflecting renewed dynamism. Inflation has returned to single digits and continues a downward trend.

Despite moving to a free-floating regime, the USD-BDT FX rate has held stable and the foreign reserves have crossed USD 25bn for the first time in years. Such a strong recovery, particularly following a major political transition, reaffirm the strength of Bangladesh's macroeconomic fundamentals. While, for long-term resilience, two domestic fronts need to be further unlocked:

local investment growth and a stronger, more efficient revenue mobilization system, the direction of travel is very positive.

FDI TRENDS:
FOCUS IS ON ENDURING, SUSTAINABLE REFORMS

Net FDI inflow of Bangladesh has shown positive growth in early 2025. While encouraging, this rise is more reflective of improved administrative execution - faster approvals and inter-agency coordination - than of broader, institutional reforms. It also validates the underlying confidence of investors in Bangladesh's potential.



To convert this momentum into sustained progress, structural reforms must continue. Only through a set of credible, well-facilitated investments can Bangladesh build an economy that withstands future shocks. BIDA has already communicated a set of thirty (30) targeted reform initiatives to improve both internal processes and the broader investor experience.

Key reform initiatives among them include:

- **FDI Incentive Scheme:**
  A reward scheme to recognize individuals who bring FDI into Bangladesh, creating a decentralized, democratized and network-driven approach to investment promotion.
- **Colocation of agencies:**
  Multiple government agencies related to the investment ecosystem (NBR, Ministry of Environment, Bangladesh Bank etc.) are now being collocated in one place under BIDA to ensure a single service point for investors.
- **Inter-ministerial and agency coordination:**
  Multiple touchpoints are installed to allow enhanced coordination between agencies for faster and smoother execution of key investor decisions.
- **Relationship Management Team:**
  Starting from August, this team will provide dedicated support to investors, ensuring smoother entry and ongoing facilitation throughout their journey in Bangladesh.

Beyond the above, a fundamental pivot in BIDA's approach has been to move beyond only outreach activities and actively manage the conversion of investment leads. For instance, following promotional activities such as the Bangladesh Investment Summit and the Bangladesh - China Investment Conference, we now track the full journey of engaged investors - from exploration to commitment. Between December 2024 and May 2025, 450 investment proposals amounting to USD 1.0 billion were submitted across various promotion agencies. Of these, 18 proposals worth USD 130 million have progressed toward finalization. This visibility enables tailored, action-oriented follow-up and ensures that promotion efforts are effective, accountable and outcome-driven.

As Bangladesh positions itself to be a premium investment destination during this volatile global landscape, our path forward must be anchored in resilience, agility, and precision. We need to ensure the reforms are implemented based on data driven decision-making, and deep collaboration with both domestic institutions and international stakeholders.

Over time, these effort will deliver a sustainable, resilient investment ecosystem, one that doesn't just react to volatility but thrives through it.

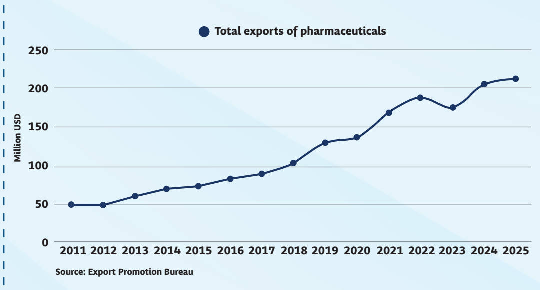
BANGLADESH'S PHARMA INDUSTRY INSIGHTS & TRENDS

INDUSTRY OVERVIEW

Bangladesh is home to 284 registered pharmaceutical companies that supply over 98% of the domestic medicine demand and export to 137 countries. The sector contributes 1.83% to national GDP and holds strategic importance. With a compound annual export growth rate of 12.14% over the past decade, pharmaceuticals have emerged as one of Bangladesh's most promising export sectors. This standing is based on the following footholds:

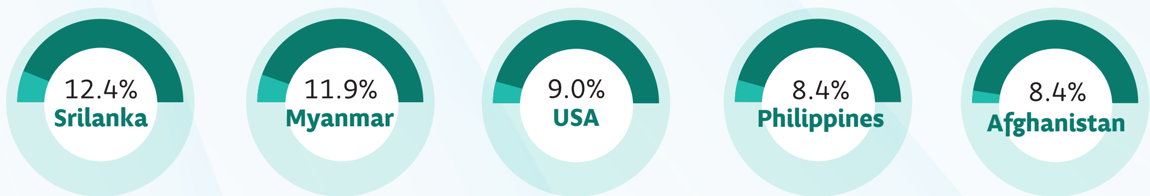
- Domestic regulatory protection by the Drug Control Ordinance of 1982, which bans selling of imported drugs by foreign companies.
- WTO's TRIPS waiver permits the production of patented drugs (by reverse engineering) without licensing until 2033.
- Approximately 15% lower production costs than those in China and India (BIDA, 2023).
- Local firms are increasingly moving up the value chain by manufacturing high-tech products such as lyophilized injectables and sterile ophthalmic (Chaudhuri, 2020).

PHARMA EXPORT FROM BANGLADESH

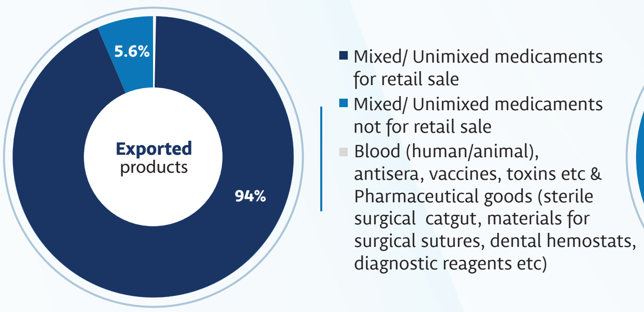


Pharmaceutical and chemical exports have grown fourfold over the past decade, rising from USD 48 million in 2012 to over USD 205 million in 2024. During this period, Bangladesh expanded its pharmaceutical export destinations from 96 to 137 countries, reflecting significant export market diversification.

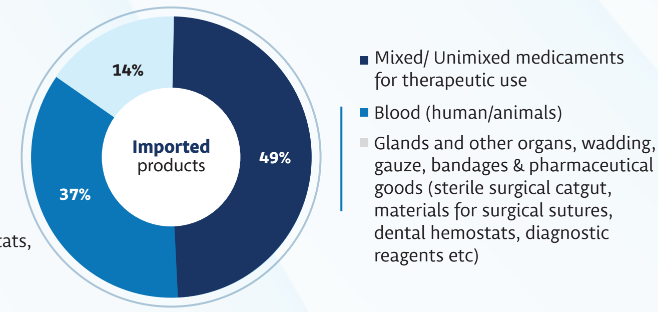
TOP EXPORT DESTINATIONS



Among the export destinations, Myanmar accounts for 15% of exports of non-retail packaged medicines, making it the largest single buyer in this category. Together, Myanmar, Thailand, Ethiopia, and Sri Lanka represent 45% of total demand for such medical products. In contrast, the United States (13%) and Sri Lanka (12%) are the top destinations for medicines packaged for retail sale.

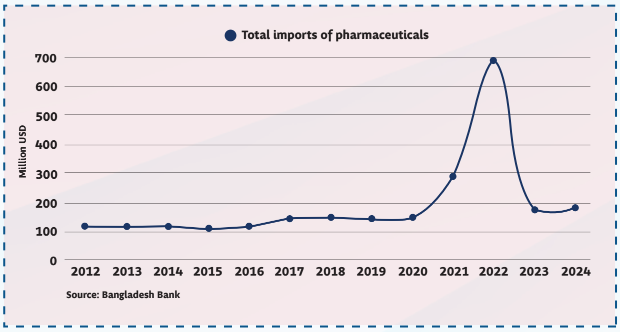


Source: Export Promotion Bureau (EPB)



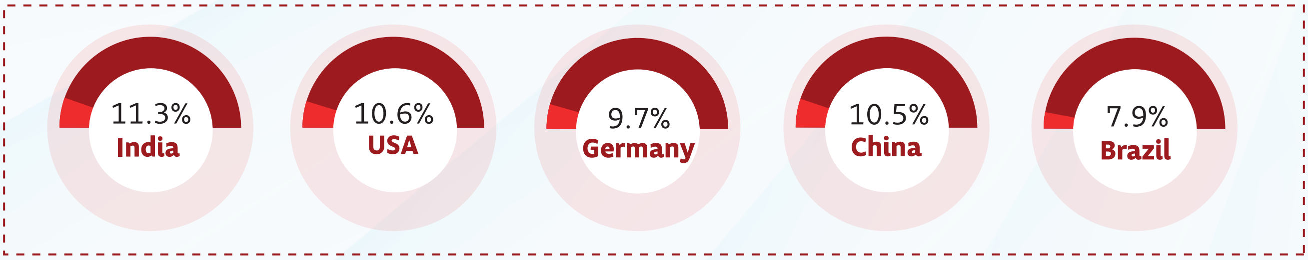
Source: Bangladesh Bank

IMPORT OF RAW MATERIALS



Pharmaceutical and chemical imports remained relatively stable from 2012 to 2020, averaging around USD 120 to 150 million annually. A sharp surge followed in 2021 and peaked in 2022 at nearly USD 700 million, driven by pandemic-induced demand for Active Pharmaceutical Ingredients, medical supplies, and raw materials. Notably, for the first time during this period, exports exceeded imports in FY2024 by more than USD 22 million, signaling a significant shift toward export-led growth and reduced reliance on imported inputs.

TOP IMPORTING SOURCES



PHARMA RELATED TRADE POLICIES

POLICIES/ACTS	RELEVANCE
Export Policy (2024–2027)	Contains provisions to support and encourage the export of pharmaceuticals including incentives and facilities
Import Policy Order (2021–2024)	Includes provisions focusing on quality, safety, and ease of access to medicines via promoting international standards and affordability
National Industry Policy (2022)	Seeks to increase the industrial sector's contribution to the national income to 40% by 2027. Includes incentives (API, R&D, upskilling workforce)
National Drug Policy (2016)	Contains information on the scope of the drug regulatory authority, and registration processes in line with international standards
Drugs and Cosmetics Act (2023)	Regulate the entire lifecycle of drugs and cosmetics and establishes the Directorate General of Drug Administration (DGDA) as the sole authority for licensing and oversight of both drugs and cosmetics
Drug Rules (1945)	Covers licensing forms, fees, labeling, shelf-life essential for production and retail operations
Bangladesh Patent Act (2022)	Includes provisions for compulsory licensing, parallel importation, a 20-year patent term, and utility models
Pharmacy Council of Bangladesh Act (2013)	Provides regulatory framework for pharmacists and pharmacy education
Bangladesh Labor Act (2022)	Outlines laws pertaining to labour
Bangladesh Labor Rules (2022)	Protects the rights and welfare of workers
Foreign Private Investment (Promotion & Protection) Act (1980)	Provides legal protection to foreign private investment
Foreign Exchange Regulation Act (1947)	Regulates different aspects of foreign exchange transactions, including imports, exports, and dealings in foreign currency

TARIFF STRUCTURE

Bangladesh's tariff structure for pharmaceuticals reflects a strategy to ensure affordability, encourage local manufacturing, and comply with international commitment:

- **Zero import duty** on most essential rawmaterials and finished pharmaceutical products, including
  - Vaccines (for human and veterinary use)
  - Antisera, blood fractions, and immunological products
  - Anti-cancer, anti-TB, anti-malarial, cardiovascular, and kidney dialysis drugs
  - Insulin, certain antibiotics, and psychotropic drugs
- **5% import duty** applies to
  - Most general finished medicaments in retail packaging (not classified as critical care)
  - Antibiotics, corticosteroids, and vitamin-based formulations
  - Surgical goods like dental cement, diagnostic reagents, and first-aid kits
- **10% import duty** on medical gauze, wadding, adhesive dressings, and bandages
- **25% import duty** only applies to pharmaceutical products containing more than 15% absolute alcohol

INVESTMENT INCENTIVES

TAX HOLIDAYS FOR API PRODUCERS:

- **From 2022 to 2032:**
  - **100% tax holiday** for firms producing at least 5 molecules annually
  - **75% tax holiday** for firms producing at least 3 molecules annually
- **Full tax holiday** for all local and joint-venture API and lab reagent producers

CASH INCENTIVES:

- **20% cash incentive** for producers with at least 20% local value addition (review due after 2026)
- API and raw material producers may retain **40% of their export earnings**

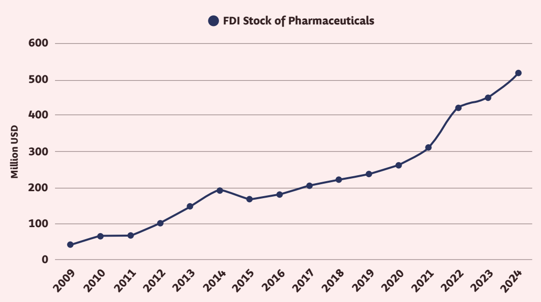
VAT WAIVER:

- **15% VAT** exemption on API production until December 2025
- Value addition threshold reduced from **60%** to **20%**, recognizing the technical realities of pharmaceutical production

FOREIGN CURRENCY AND FINANCING SUPPORT:

- **Bonded warehouse** license tenure extended to 3 years
- Extended payment window for importing raw materials: **180 days to 360 days**
- For machinery imports: payment time extended to **up to 3 years** in case of irregular payments
- **Back-to-back L/C facility** available for API manufacturers

FOREIGN DIRECT INVESTMENT IN PHARMACEUTICALS

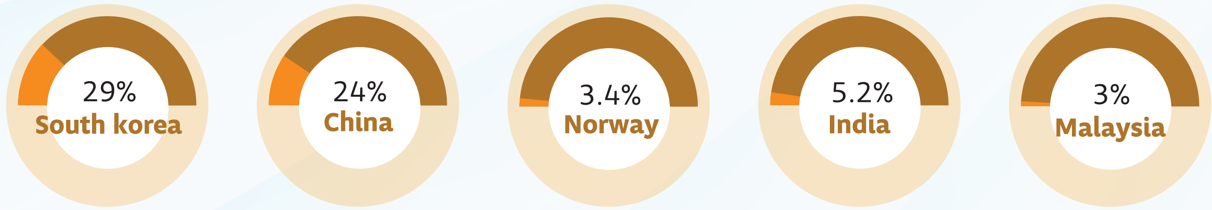


Source: Bangladesh Bank

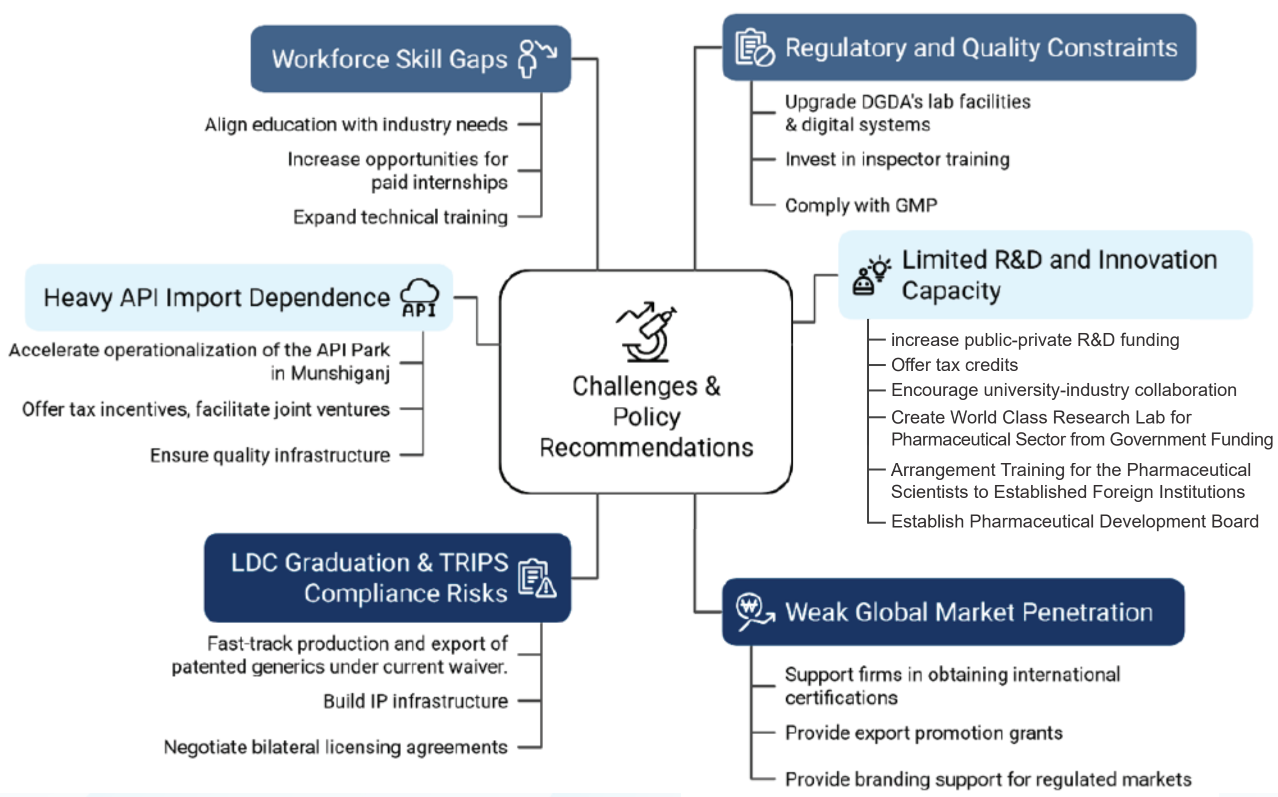
FDI stock in Bangladesh's pharmaceutical and chemical sector has demonstrated sustained growth, rising from just USD 40 million in 2008 to a record USD 516 million in 2023. The sector has experienced consistent capital acceleration since 2020, reflecting growing investor confidence in Bangladesh's pharmaceutical capabilities, fueled by cost competitiveness, expanding export markets, and supportive government policies.

TOP 5 INVESTMENT PARTNERS BY FDI INFLOW

South Korea remains the top investor in Bangladesh's pharma sector by FDI inflow, followed by China and India. Recent capital injections from the UK and Switzerland, exceeding USD 25 million in FY 2023–2024, indicate a broadening investor base.



KEY CHALLENGES AND RECOMMENDATIONS



FUTURE INVESTMENT OPPORTUNITIES

- Hubs for formulation innovation and complex generic development to drive advancement in pharmaceutical technologies
- Building technical expertise in high-demand biologics like monoclonal antibodies and insulins
- Development of Active Pharmaceutical Ingredients and complex molecules with a high value to volume ratio
- Development of bio-equivalency labs and clinical trial labs (animal lab) to facilitate clinical and bio testing
- Development of Hightech Computer based testing System to examine and formulate the IDEAs and Innovations

SUCCESS STORIES IN PHARMACEUTICALS: BANGLADESH CASES

INCEPTA VACCINE:

BANGLADESH'S PIONEERING VACCINE MANUFACTURER

Incepta Vaccine Ltd, a subsidiary of Incepta Pharmaceuticals, was established in 2011 with the goal of providing affordable, high-quality vaccines for the people of Bangladesh and also becoming a global supplier of WHO-standard vaccines. It is the first full-fledged human vaccine manufacturing facility in Bangladesh with complete capability for research, bulk production, formulation, and fill-finish of both bacterial and viral vaccines. Incepta Vaccine Ltd is one of the 15 global recipients of the WHO-led mRNA vaccine technology transfer hub. Incepta works in partnership with:

- Afrigen Biologics (South Africa)
- The Weissman Lab (University of Pennsylvania)
- Imperial College London
- Quantoom Biosciences

INCEPTA AT A GLANCE

Metric	Data
Revenue	62,429 million BDT (~$543 million)
Employees	~ 11,500
Export Countries	~100
US FDA Approved	☑ Yes
Biosimilars from Own API	Filgrastim, Pegfilgrastim, Adalimumab
Vaccine from Own API	Hepatitis B, Rabies, Cholera, Meningococcal, Typhoid
Investment until now	USD 450 M
Planned investment	USD 160 M

FACILITY OVERVIEW

Incepta Vaccine Ltd operates a state-of-the-art GMP-compliant facility that includes:

- Dedicated bacterial and viral bulk suites
- Separate fill finish lines (ampoules, vials, prefilled syringes)
- Largest animal house in Bangladesh (~24,000 sq ft)
- Dedicated cold chain logistics including:
  - 5±3°C cold rooms: capacity for 500 million doses
  - -20°C and -80°C storage
- Bacterial and viral fermentation (5L 1500L)
- Scale X™ intensified bioreactors
- Conjugation, purification, and QC analytics lab
- WHO aligned animal testing facility

MANUFACTURING CAPACITY

Type	Capacity (per year)
Single dose vials	~180 million doses
Multi dose vials (10 dose)	~1.08 billion doses
Filling Lines	4 modern lines for vials, ampoules, and PFS

VACCINES DEVELOPED FROM INCEPTA'S OWN API (BULK ANTIGEN):

Vaccine Brand	Type / Target Disease	API Source	Status
Hepa-B	Hepatitis B (rDNA)	Own bulk	Licensed
Rabix-VC	Rabies Vaccine	Own bulk	Licensed
Cholvax	Inactivated Oral Cholera Vaccine	Own bulk	Licensed
Typhocon	Typhoid Polysaccharide Vaccine	Own bulk	Licensed
Ingovax ACYW	Meningococcal Polysaccharide Vaccine	Own bulk	Licensed

- Live attenuated Dengue vaccine
- HPV conjugate vaccine
- Rotavirus, Tetanus-Diphtheria,
- mRNA-based vaccine platform under development

PRODUCTION FACILITIES – INSIDE VIEW

INCEPTA PHARMACEUTICALS LIMITED

R&D-Inside View

Fermentation

Incepta Manufacturing Site, Dhamrai

SQUARE PHARMACEUTCALS PLC:

SETTING THE STANDARD FOR INDUSTRIAL EXCELLENCE

CORPORATE OVERVIEW

Established in 1958 and publicly listed since 1991, SQUARE Pharmaceuticals PLC is Bangladesh's leading pharmaceutical company with approximately 17.3% of the domestic market share, while the company has successfully expanded its markets to over 45 countries, encompassing Asia, Africa, Europe and America. Founded by the Samson H. Chowdhury,

TECHNOLOGICAL AND MANUFACTURING CAPABILITY

SQUARE Pharmaceuticals with its advance, comprehensive automation and digitization strategies and state-of-the-art manufacturing facilities in Pabna and at Kaliakoir in Dhaka produce an extensive array of pharmaceutical products encompassing tablets, capsules, injectables, ophthalmic, oral liquid, vials, semisolid topical products, suppository, metered dosage inhaler, dry powder inhaler, nasal spray, prefilled syringe injection, IV infusion, insulin (human and analogue), suspension, solution, lotion, shampoo, sachet preparation and specialized nano-formulations.

RESEARCH AND DEVELOPMENT STRENGTH

SQUARE Pharmaceuticals maintains significant investments in R&D, demonstrated by the introduction of 33 new products in FY 2022-23, 39 new products in FY 2023-24 and 36 new products during FY 2024-25. Its dedicated R&D division employs highly qualified national and international PhD-level researchers, while its strategic international partnerships further enhance developmental pipeline, positioning SQUARE at the forefront of pharmaceutical innovation. As a result, it has launched Semaglutide injection developed in own R&D, and Tirzepatide injection will be launched shortly.

REGULATORY COMPLIANCE AND QUALITY ASSURANCE

SQUARE Pharmaceuticals maintains a strong track record in regulatory compliance, consistently meeting the highest international regulatory standards, including **USFDA, UK MHRA, WHO GMP, UNICEF, PIC/S, SAHPRA, TGA Australia, TMDA, EFDA, PPB, ANVISA** certifications and so on. The company implements a robust, lifecycle-oriented Quality Management System (QMS) and risk-based validation approaches, supported by proactive employee training.

FINANCIAL PERFORMANCE AND INVESTMENT HIGHLIGHTS

SQUARE Pharmaceuticals comprehensively invested in its manufacturing, research, and distribution capabilities.

As on March 2025, total investment on property plant and equipment is US$416.84M, and running investment is US$189.85M. Demonstrating exceptional financial performance and reporting consolidated net revenue of US$623.00M with net profit of US$186.00M for FY 2023–24, marking a y-o-y increase of 10.3%. The first half of FY 2024-25 generated revenues of US$318.00M (+6.1%) and a net profit surge of 12.89%, totaling US$107M.

INTERNATIONAL PRESENCE AND MARKET ACCESS

SQUARE'S export business significantly contributes to its revenues, achieving US$21.63M in FY 2023-24, an impressive 10.64% annual growth. The company's international market penetration is further strengthened by its subsidiaries, such as SQUARE Pharmaceuticals Kenya EPZ Ltd. and Samson Pharma Inc. (Philippines), enabling enhanced distribution capabilities across Africa, Asia, and beyond. Regionally, SQUARE has opportunities to deepen its presence in the Philippines, Central America, Latin America, and Southeast Asia.

SUSTAINABILITY AND ESG PRACTICE

SQUARE champions sustainability with solar-powered plants, effluent treatment, waste recycling, and biodiversity programs. Its ESG practices include prioritizing employee well-being, industrial relations, safe and healthy work environment, women empowerment, community healthcare initiatives, and good corporate governance, including zero tolerance to corruption policy measures and transparent reporting. It is rated "AAA" (long term) and ST-1 (short term)by CRISL and is the first UNGC signatory in Bangladesh.

STRATEGIC INVESTMENT OPPORTUNITIES

SQUARE's established regulatory approvals with USFDA and UK MHRA open avenues for further investment in highly regulated markets, notably the US and Europe, with potential for rapid expansion through accelerated product launches. SQUARE stands financially robust, technologically advanced, operationally efficient, and strategically positioned for future growth. Its proven track record of consistent profitability, debt-free financial discipline, global market penetration, and unwavering commitment to innovation and sustainability presents investors with a unique, low-risk, high-return opportunity.

FACE TO FACE

WITH
TAPAN CHOWDHURY
MANAGING DIRECTOR
SQUARE PHARMACEUTICALS PLC

Tapan Chowdhury, MD of Square Pharmaceuticals PLC leads one of the largest drugs making facilities in South Asia. He has earned the reputation of being a corporate leader with empathy and honoring a value system where people come first.

Q: How would you describe the current state of Bangladesh's pharmaceutical industry in terms of growth, challenges, and global competitiveness?

A: Bangladesh's pharmaceutical sector is demonstrating robust double-digit growth rates, with a domestic CAGR of around 11–13% and an export CAGR of 14–16%. Currently, the industry meets over 98% of domestic demand and exports to over 150 countries, including highly regulated markets. Compliance certifications such as WHO-GMP, UK-MHRA, EU-GMP, and USFDA have enhanced our global credibility.

While the industry remains generics-focused—particularly in antibiotics, cardiovascular, antidiabetic, antiulcerant, antiasthmatic, antihistamine, dermatological products, calcium supplements and gastroenterological treatments—it is gradually evolving toward high-value segments such as complex generics, biosimilars, and specialty therapeutics like oncology and nephrology.

Expansion into regulated markets such as the US, UK, and EU requires elevated standards in quality assurance, regulatory compliance, and supply chain readiness. The sector is heavily dependent on imported APIs, excipients, analytical reagents, machineries and packaging materials, creating supply chain vulnerabilities amid global uncertainties. High R&D costs, compounded by the lack of domestic clinical research infrastructure, hinder innovation. Infrastructure gaps in power supply, logistics, and cold chain capacity have to be improved to enhance operational efficiency. With Bangladesh's LDC graduation approaching in 2026, enhancing local technological capabilities, fostering advanced R&D, upskilling human resources, strengthening local value chain and reducing import dependence will be crucial for maintaining momentum and achieving long-term global competitiveness.

Q: How supportive is the current policy environment for the pharmaceutical industry? Are there specific areas where you would like to see more policy support?

A: To sustain the achieved momentum and advance toward global leadership, several critical policy enhancements are needed. These include the formulation of a harmonized national pharmaceutical policy aligned with international regulatory standards (ICH, WHO, EMA, USFDA), and the strengthening of the DGDA through capacity building in dossier evaluation, GMP inspection, and post-marketing surveillance. Introducing targeted fiscal and non-fiscal incentives for investment in APIs, complex analytical work, and advanced formulations will be essential. BIDA's proactive role in championing these reforms—through inter-agency coordination, policy advocacy, and streamlined single-window services—can be transformative in positioning Bangladesh as a globally competitive and innovation-driven pharmaceutical ecosystem including animal health and crop care. To strengthen the industry's base and sustain this upward trajectory, several strategic interventions are critical. These include establishing domestic bioequivalence (BE) testing centers to reduce dependency on international CROs, incentivizing R&D-driven manufacturing clusters, aligning regulatory processes with international benchmarks, and attracting global API producers to localize supply chains. If implemented effectively, these initiatives can position Bangladesh not just as a low-cost manufacturer but as a credible, innovation-driven player in the global pharmaceutical landscape.

Pharmaceutical packaging industry should get more support from govt. side by duty free import & tax benefit so encourage more manufacturing industries to grow for pharma grade plastic industries, glass vial, glass ampoule, glass bottle, bottle cap, rubber stopper etc.

Q: What steps are needed to flourish the pharmaceutical industry in Bangladesh?

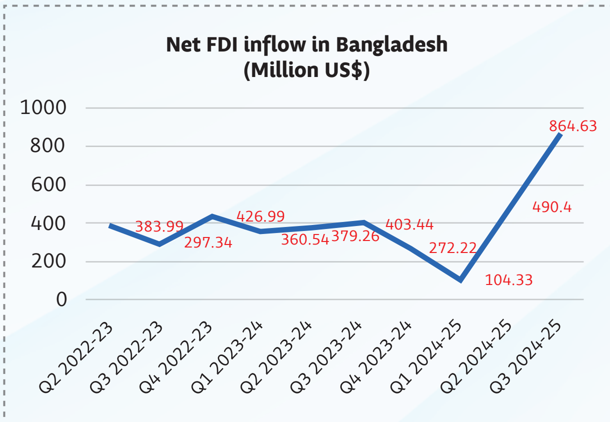
Bangladesh benefits from an extended TRIPS waiver until 2033, competitive labor costs, supply of skilled pharmacist, chemist and engineers, and a rapidly growing domestic market, making it an attractive option for global pharmaceutical firms. However, fully integrated value chains and advanced R&D capabilities are still under development. To bridge this, government can play a pivotal role by fast-tracking the development of USFDA-compliant API parks, reducing dependence on imports, and encouraging local production of primary packaging materials like HDPE bottles and glass vials to strengthen the supply chain. In addition, partnerships with international CROs to establish domestic bioequivalence centers and analytical labs, while coordinating with ministries to improve power reliability, logistics, and cold-chain infrastructure are also crucial.

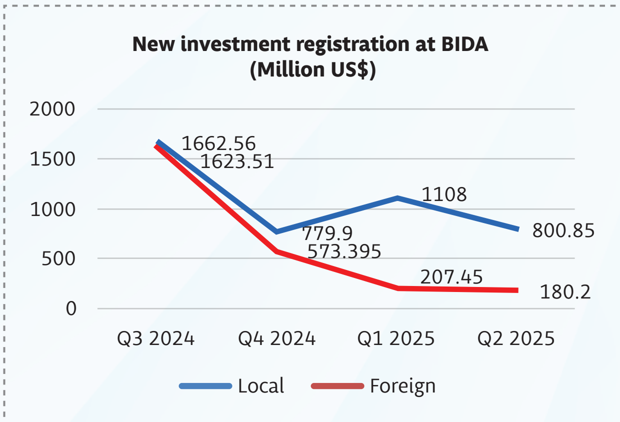
To elevate Bangladesh's pharmaceutical industry to a globally competitive level, several foundational steps must be prioritized. Chief among them is aggressive backward integration through the development of dedicated Special Economic Zones (SEZs) that offer strong incentives for local manufacturing of APIs, excipients, tools, machineries, technologies, bioequivalent testing, lab equipment and packaging materials—reducing external dependence. Simultaneously, investment in advanced R&D and clinical infrastructure is essential, including the establishment of accredited bioequivalence centers, state-of-the-art analytical laboratories, and translational R&D hubs that connect academia with industry for applied innovation. BIDA can invite Chinese/European top API manufacturers for FDI in API Park, which will directly support our pharmaceutical industry at the same time our people will also get proper technology advancement experienced in hand particularly in API manufacturing sector. It can also regularly host prospective international buyers meeting and showcase our high production standards and strong compliance which will help drawing foreign collaboration and foster continued growth of our industry.

INVESTMENT ECOSYSTEM STATUS

FDI INFLOW

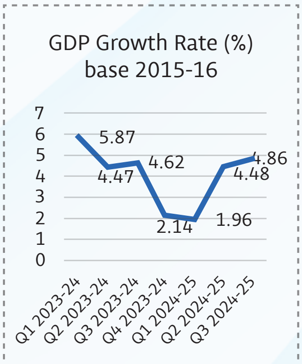
Net FDI inflow during the 2nd quarter of 2024-25 has shown a rebound from what had been a lower dip in the previous two quarters, caused by global conflicts and political events. New project registration data in BIDA had remained stable and is expected to bring further positive growth in FDI inflow.

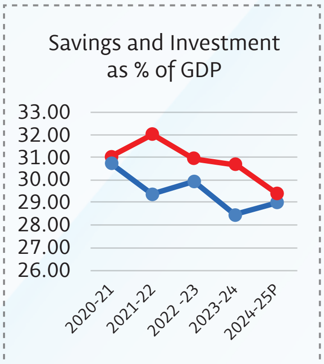


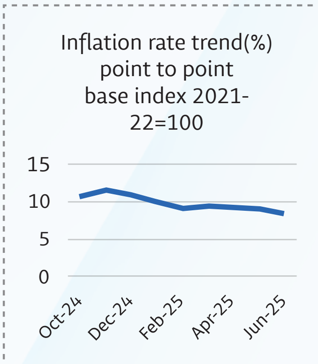


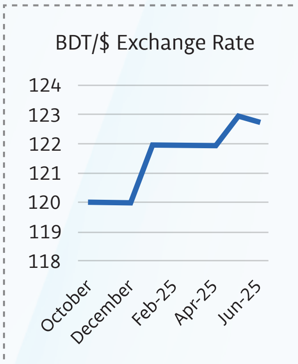
MACROECONOMY

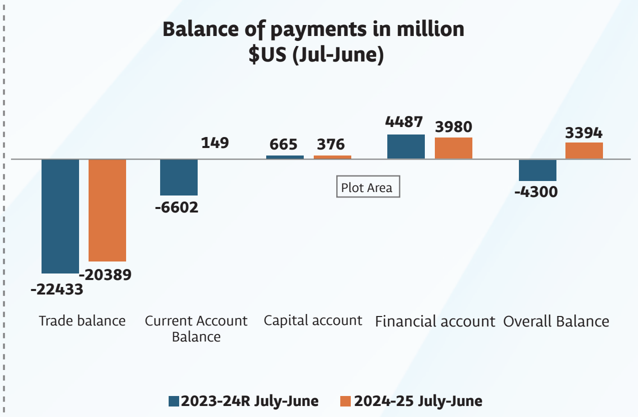
Other macroeconomic indicators relevant to investment remains stable, while the inflation rate is falling. GDP growth rate is rebonding while BDT/$ exchange rate has remained stable. Balance of payment is at its best scenario in the last 6 years.





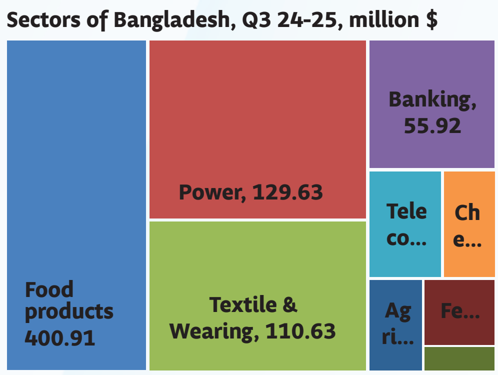






FDI SECTORS

Replacing the traditional textile sector, most investment in Q3 of 2024-25 has come in the food processing sector from the Netherlands. Power and Textiles still remain strong, in the 2nd and 3rd place.



BIDA EVENTS

Hon’ble Chief Adviser Dr. Muhammad Yunus joins a photo session with guests attending the China-Bangladesh Conference on Investment and Trade at the BIDA Headquarters in Agargaon, Dhaka, on Sunday, 1 June 2025.

Hon’ble Chief Adviser DR. Muhammad Yunus presents ‘ART OF TRIUMPH’ to Martin Kriegner, Head of Asia, Middle East, and Africa for Holcim Group, at the State Guest House Jamuna in Dhaka on Wednesday, 9 April 2025. The artwork features wall paintings by Bangladeshi students on the July Revolution.

IGP of Bangladesh Police Mr. Baharul Alam and BIDA Executive Chairman Chowdhury Ashik Mahmud Bin Harun meet with executives from Nestle, Unilever, Coca-Cola, and other multinational companies, assuring full safety and dedicated police emergency lines for foreign investors following recent vandalism. The high-level discussion at the police headquarters reinforced Bangladesh’s commitment to protecting businesses, with new security measures and rapid response plans unveiled to strengthen investor confidence.

On Tuesday, 24 June 2025, Adviser for Power, Energy and Mineral Resources, Mr. Muhammad Fouzul Kabir Khan, addressed the gas sales agreement signing ceremony between Jalalabad Gas Transmission and Distribution System Ltd. and LafargeHolcim Bangladesh PLC, highlighting the government's commitment to facilitating industrial growth through energy sector collaboration.

To streamline, expedite, and digitize the business startup process in Bangladesh, six government agencies sign Memorandums of Understanding with the Bangladesh Investment Development Authority (BIDA) at a ceremony held at the BIDA Conference Hall in Dhaka. Executive Chairman of BIDA and BEZA.

Executive Chairman (State Minister) of BIDA and BEZA, Mr. Chowdhury Ashik Mahmud Bin Harun, chairs a high-level meeting with a visiting Azerbaijani business delegation led by H.E. Mr. Elnur Mammadov, Hon'ble Deputy Foreign Minister of Azerbaijan, at the BIDA conference room on April 28, 2025.

On April 30, 2025, a high-level Pakistani textile delegation met with BIDA officials at the BIDA conference room, where Executive Chairman (State Minister) Mr. Chowdhury Ashik Mahmud Bin Harun led discussions on Bangladesh's investment climate, with a focus on the textile and RMG sectors and the incentives available for foreign investors.

On May 13, 2025, a consultative meeting was held at the BIDA conference hall under the chairmanship of BIDA and BEZA Executive Chairman (State Minister) Chowdhury Ashik Mahmud Bin Harun to discuss policy continuity, ongoing reforms, and recent progress in ensuring a sustainable investment environment in Bangladesh. Representatives from 17 major political parties, along with senior officials from BIDA, BEZA, and the Chief Adviser's office, participated and shared valuable recommendations.

NEWS FLASH

FILE PHOTO

Bangladesh's RMG exports to the US rise by 29% in Jan-Apr

STAR BUSINESS REPORT

Garment shipments from Bangladesh to its single largest destination, the USA, surged by 29.33 percent year-on-year to $2.98 billion in the January-April period of the year, according to data from the Office of Textiles and Apparel (OTEXA).

Also, the overall import of garments by the USA from the world increased by 10.65 percent year-on-year to $26.22 billion in the same period, according to OTEXA, which works with other Department of Commerce units and US agencies in advancing US competitiveness at home and abroad.

Apparel shipments to the USA have shown significant growth as US-based international clothing retailers and brands sourced goods from all over the world to escape the Trump administration's high reciprocal tariff.

US President Donald Trump imposed high reciprocal tariffs on imported goods, and the new rate was supposed to come into effect from April 9. However, just before the new tariffs came into effect, Trump announced a three-month pause, the deadline for which will end on July 9.

In his announcement, Trump also said the baseline 10 percent new tariff would be in place for all countries except China, as the tariff on Chinese goods was 145 percent.

Exporters from all over the world took advantage of the comparatively lower tariff during the three-month pause and exported goods in significant volumes to the US.

As a result, garment exports from other countries also increased during this time.

For instance, China experienced a 0.66 percent rise in exports, while the amount stood at 20.3 percent for India, 19.57 percent for Pakistan, and 16.06 percent for Vietnam.

In terms of volume, garment exports to the US also increased during the January-April period.

Bangladesh witnessed an increase of 28.30 percent, Vietnam 12.05 percent, China 1.80 percent, India 20.63 percent, and Pakistan 24.07 percent.

However, the unit price per piece varied across countries.

In the case of Bangladesh, the per-unit price increased by 0.80 percent, which rose by 3.58 percent for Vietnam.

However, the per-unit price decreased by 1.12 percent in the case of China, while the decline was 0.27 percent for India and 3.63 percent for Pakistan, according to the OTEXA data.

Sikder Insurance declares 5% cash dividend

COMPANY - BANGLADESH

TBS REPORT

Sikder Insurance Company, a concern of the Sikder Group, has recommended a 5% cash dividend for its general shareholders for 2024, according to a disclosure published on the Dhaka Stock Exchange (DSE) yesterday.

The declared dividend is not applicable to shareholders who held shares of the company before an initial public offering (IPO).

Sikder Insurance had paid a 3% cash dividend to its shareholders for 2023. According to its financials, its earnings per share (EPS) increased by 56% in 2024 to Tk1.28, compared to Tk0.82 in 2023.

The insurer has scheduled its annual general meeting (AGM) on 21 August through the digital platform, and to identify its shareholders, the record date has been fixed for 26 June.

In 2024, its net asset value per share declined to Tk12.28, and net operating cash flow per share increased to Tk1.26, which was Tk18.76 and Tk0.22, respectively, in 2023, its disclosure reads.

Bata Shoe profit doubles, revenue rises 28% in Q1

STOCKS - BANGLADESH

TBS REPORT

Bata Shoe Company (Bangladesh) Ltd reported a 100% year-on-year increase in profit and a 28% rise in revenue for the January-March quarter of 2025, compared to the same period in 2024.

According to the company's unaudited financials published on its website, Bata posted a profit of Tk36.83 crore for the quarter, with earnings per share (EPS) of Tk26.92. Revenue during the period rose to Tk358.18 crore.

The multinational shoemaker attributed the growth to improved consumer sentiment and festive season demand. In line with the revenue increase, the cost of sales rose by 26% and operating expenses by 12%, which the company said contributed to the robust profit growth.

On Wednesday, Bata shares closed 0.31% higher at Tk739.60 on the Dhaka Stock Exchange.

Earlier on 22 April, the company announced a 105% final cash dividend for 2024, bringing the total payout to 445% for the year, including a 340% interim dividend already disbursed.

Bata's annual general meeting (AGM) is scheduled for 26 June, with 26 May set as the record date for shareholder entitlement.

Despite the strong first-quarter performance in 2025, the company's full-year profit in 2024 fell 26% year-on-year to Tk29.58 crore, down from Tk40 crore the previous year, according to a price-sensitive statement.

Bata began its operations in Bangladesh in 1962 and currently runs two manufacturing plants in Tongi and Dhamrai with a combined daily production capacity of 1.6 lakh pairs of shoes. Its annual sales stand at around three crore pairs.

Midland Bank declares 6% dividends

STAR BUSINESS DESK

Midland Bank PLC has announced 6 percent dividends for the financial year 2024, including a 3 percent cash dividend.

The announcement was made at the bank's 12th annual general meeting (AGM), which was recently held virtually, according to a press release.

Ahsan Khan Chowdhury, chairman of the bank, presided over the AGM.

Rezaul Karim, chairman of the executive committee of the bank; Mohammad Asif-uz-Zaman, chairman of the audit committee; and Mostafizur Rahman, chairman of the risk management committee joined the meeting.

A significant number of general and institutional shareholders participated in the AGM, both physically and through the digital platform.

The shareholders approved the financial statements along with other relevant agenda of the bank.

Md Ahsan-uz Zaman, managing director and CEO of the bank; Md Zahid Hossain, deputy managing director; Khalid Mohammad Sharif, company secretary; and Delarul Islam, chief financial officer, were also present at the meeting, alongside independent directors, sponsor shareholders, external auditors, and the independent scrutiniser.

Ahsan Khan Chowdhury, chairman of Midland Bank PLC, presides over the bank's 12th annual general meeting, which was held virtually recently. The meeting declared 6 percent dividends for 2024, including a 3 percent cash dividend.

Exports in May highest in 23 months

STAR BUSINESS REPORT

Bangladesh recorded $4.73 billion in exports in May, the highest in at least 23 months, owing to increased shipments of manufactured commodities, especially apparel, ahead of the Eid-ul-Azha festival to be celebrated on Saturday.

Exports grew 11.45 percent in May this fiscal year (2024-25) from $4.25 billion in the same month the previous year, according to data from the Export Promotion Bureau (EPB) yesterday.

Garments, which account for more than 80 percent of export receipts, recorded a year-on-year growth of nearly 12 percent to $3.91 billion in May of this fiscal year (FY) 2024-25.

Overall exports in the July-May period of FY25 grew 10 percent year-on-year to $44.94 billion, a development that is helping the country gradually come out of economic stress.

The surging inflow of remittances provided further impetus to the recovery, although Bangladesh recorded a 3.97 percent economic growth in FY25, the lowest since the Covid-19 pandemic year, due to a slowdown in the agricultural and services sectors.

Mahmud Hasan Khan, president-elect of the BGMEA, said the situation regarding work orders was good.

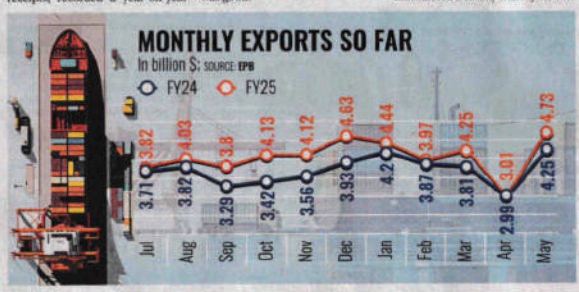
Bangladesh's exports will continue to grow," Khan said.

He also said the export earnings from the garment sector would have been much better had there been no gas crisis last month.

Total garment exports rose 10 percent year-on-year to $36.55 billion in the July-May period of FY25.

Mohiuddin Rubel, additional managing director of Denim Expert Ltd, attributed the spike to advance shipments ahead of Eid-ul-Azha, the second biggest religious festival in the country.

The government earlier announced a 10-day holiday for Eid.



The shipment of apparel, comprising knitwear and woven garments, was the highest in 35 months, according to data compiled by the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Exports of major manufacturing items, namely leather and leather goods, jute and jute goods, and non-leather footwear, also increased last month. Agricultural product shipments, however, fell.

"This is why exports showed better performance. Also, some work orders that were suspended were reinstated recently. Those factors had a positive impact on the earnings from exports," he said.

"If the 37 percent tariff announced by the Trump administration as part of its reciprocal tariff move on dozens of countries, including Bangladesh, is not properly negotiated and this rate continues, exports will be affected," he added.

"But if the tariff can be reduced from the proposed 37 percent,

The EPB data showed exports of leather and leather goods, the second-largest export earner after garments, climbed 35 percent year-on-year in May, while non-leather footwear exports shot up 21 percent in the same month.

During the July-May period of FY25, leather and leather goods exports crossed the $1 billion mark, posting a 12.55 percent year-on-year growth.

Non-leather or artificial footwear clocked roughly half a billion in exports in the 11 months of the fiscal year ending this month.

Akij Group, Pan China to launch joint business venture for Bangladeshi mega projects

Sk Amin Uddin, and David Liu Xian Wei, along with others, attended the signing of a Memorandum of Understanding (MoU) and the formal launch of their joint business venture between Akij Bashir and Pan China at a high-profile event held on 2 June at a renowned venue in the Baridhara Diplomatic Zone, Dhaka. PHOTO: COURTESY

BUSINESS - BANGLADESH

TBS REPORT

Akij Group (Bangladesh) and Pan China Group (China) officially announced their business partnership at a high-profile event held on 2 June at a renowned venue in the Baridhara Diplomatic Zone, Dhaka.

During the ceremony, Sk Amin Uddin, director of Akij Group, and David Liu Xian Wei, general manager of Pan China Group, signed a Memorandum of Understanding (MoU), followed by the formal launch of their joint business venture.

The event was attended by senior representatives from the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), Bangladesh Investment Development Authority (Bida), the Civil Aviation Authority, high-ranking government officials, and leading business figures from Bangladesh and China.

Representatives from the Bangladesh Chamber of Industries (BCI), Bangladesh Great Wall Engineering, CLB Legal & Accounting, the Overseas Chinese Association in Bangladesh, Bangladesh Peaceful Reunification Promotion Association, China Railway 24th Bureau Group Co, Ltd, and China Construction Sixth Engineering Bureau were also present, along with senior executives from both Akij Group and Pan China Group.

The Akij-Pan China alliance is poised to invest in innovative and large-scale projects across Bangladesh, in collaboration with both public and private sectors. The partnership will focus on nurturing visionary ideas by developing project profiles and securing appropriate funding sources to bring these projects to fruition.

Open to collaboration with entrepreneurs, corporations, and government agencies, Akij-Pan China Group aims to support impactful ventures and iconic developments by offering comprehensive assistance from concept to execution.

Despite April decline, pharma exports maintain upward trend

Bangladesh can be a first choice for our investment: Chinese business leaders

Our Points

This issue distills what we've learned—from the Bangladesh Investment Summit 2025 to the ongoing effort to position Bangladesh as a high-value investment destination.

We have tried to synthesize the cross-cutting and sectoral takeaways from the summit—emphasizing the need to deepen policy predictability, delivering on sector-specific investor priorities, and enabling local champions to lead. Across sectors—renewable energy, digital transformation, healthcare, agro-processing, and advanced textiles—the signals are decisive. The question is not if they will come, but whether we can move fast enough to meet them.

Our pharmaceutical industry offers a compelling signal of what is possible. Few countries of our scale can claim near-complete self-sufficiency in meeting domestic needs while growing their global footprint. The next move is precision — measured in regulatory trust, international partnerships, and a shift from capability to competitive strength. Our sector spotlight captures this transition.

The moment speaks for itself. What we do next will matter more.

Ashik Chowdhury
Executive Chairman (State Minister)
Bangladesh Investment Development Authority (BIDA)

BIDA OSS

BIDA OSS - a single-window platform for availing time bound and real time investor services

ONLINE OSS (UP TO 30 JUNE 2025) AT A GLANCE

16,265 Applicant Companies	1,93,759 services delivered	134 services of 44 agencies
84,539 feedbacks	4.5 out of 5 average feedback rating	5,010 lacal project 382 foreign projects 375 JV project

Spatial Distribution of Industries in Bangladesh

bida.gov.bd

Find us on

BIDA Head Office: Biniyog Bhaban, E-6/B, Agargaon, Sher-e-Bangla Nagar, Dhaka-1207
Help Desk at Shahjalal Int. Airport: Phone: 02-8901499, Mobile: +8801558930199
BIDA Office Desk: Phone: +88-02 44826795-9, Fax : +88-02 44826792
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