

Country Paper- Bangladesh

Bangladesh: Main Changes and Developments in Investment Policy and Regulatory Framework during 2016-2017

To foster investment in Bangladesh, and to target the untapped investment opportunities, Bangladesh Investment Development Authority (BIDA) and to attract the global investment is created from erst-while Board of investment and Privatization Commission in September, 2016. Apart from conventional investment promotion and facilitation activities BIDA has focused on new outlook which to address the the overarching issues such as ensuring ease of doing business for the investors and installing world class One Stop Services (OSS) preferring Singapore or New Zealand for the investors.

Investment in Bangladesh is to be spearheaded by ensuring adequate infrastructural support. Govt. is building huge physical infrastructural facility to cater the physical need. In line of it developing of 100 Economic Zones (EZs) are ongoing for industrialization towards a target 10 million jobs in the country by 2030. By September'2017, 66 EZs are identified & approved for development. Power situation is easing up to address the need of the investors.

Development Strategy of Bangladesh

Bangladesh is the pioneer among the LDC'S in attaining almost all the goals of MDG assigned to achieve by 2015. Govt. of Bangladesh has taken huge initiatives to fulfill the goals adopted in SDGs to end the poverty, protect the planet and insure prosperity for all. Bangladesh has devised its National Development Agenda under 7th Five Year Plan (7FYP) to be implemented in the period 2016-2020 in aligned with SDGs to implement the development agenda involving all lead ministries/divisions identifying which ministries will be responsible for reaching which goal within the targeted period.

1. Govt. has direction to co-ordinate the whole implementation process to achieve the goals & vision of the country;
2. Following that directions, each ministry has taken initiatives to well reflect the targets in the "Annual Work plan" as well as in "Annual performance Agreement (APA)"
3. At the same time, govt. appointed the Chief Coordinator to co-ordinate the whole implementation process to achieve the targets in 2016.

Ease of Doing Business

To address the regulatory infrastructure Govt. of Bangladesh has focused on easing the doing business in Bangladesh. The rank of Bangladesh in “The Doing Business Report” of the World Bank is 176 which is in the bottom tier among the 189 countries. We are planning to improve this rating to double digit by 2021.

The policy dimensions are focused on attaining the Middle Income Country (MIC) status by 2021 as envisioned by Govt. of Bangladesh. This goal is aligned with IPOA goals envisioned in LDC summit, SDG goals to be attained by 2030 as well national 7th Five Year Plan (7FYP) and associated sectoral policies.

As a tool of improving investment climate development BIDA has taken exhaustive measures in a multipronged approach. BIDA with the support of IFC, World Bank and JICA Japan is studying existing processes of services required by enterprises in doing business. These include reviewing existing processes, and afterwards re-engineer the process to match the global need.

With the initiative of the Business Performance Secretariat, in order to implement all the elements that have already been created for creating an environment-friendly environment, a planned action plan has been prepared for the removal of every barrier with the representatives of the concerned ministry and division on the processes, policies and procedures that obstruct the law. Based on the 10 indices related to the creation of an investment-friendly environment, the Ministry-based Action Plan has been prepared (Appendix-B).

One Stop Service

BIDA has undertaken massive efforts to implement the One Stop Service (OSS). An Act titled as “Bangladesh One Stop Service Act” aimed at delivery of services with ease and comfort and to ensure all eligible investors prompt delivery of the investment services of global standard, is already placed in the Parliament for enactment.

This Act will address the followings:

- (a) A provision for a unified and single “One Stop Services (OSS)” offered by such agencies as Bangladesh Investment Development Authority - BIDA, Bangladesh Economic Zones Authority - BEZA, Hi-tech Park and other similar agencies that need to provide such services as are offered by the OSS Centre.
- (b) a provision that the service providers receive the application, process or get them processed and get the final decision/ approval by the appropriate authority.

- (c) an officer of appropriate level is deputed to the OSS Centre empowering him to approve or get approved and or to decide and/ or get a decision taken by the appropriate authority.
- (d) a senior officer of the deputing organization supervises the provision of the services by the representative of his organization deputed to the OSS Centre.
- (e) Rules are framed under the Act for relevant agencies, for operationalizing the Act, and in particular specifying a time frame for agency-specific services and the modalities of inter-agency communication and disposal procedure.
- (f) the services needed to promote investment and economic development are detailed in the definition part or in a schedule of the Act.
- (g) the agencies shall have web portal for lodging application for services, notifying the status of the pending issues and making available necessary forms, instructions and directives etc. for investor's conveniences.

The proposed Act aims at providing world-class services for investors especially the foreign investors, enabling them to engage and contribute in production, income and employment generation, promotion of export and attaining economic development and growth.

Economic corridor:

Considering the success of the industrial corridor in different parts of the world, especially in Ahmedabad, 350 kilometers from Ahmedabad to the south coast of Gujarat in India. Bangladesh is planning to establish industrial corridor in Bangladesh. We are planning to build corridor in Dhaka-Mongla Highway Mongla port to be extended to the two kilometers of the planned area. In the 1st Governing Board Meeting (Sep. 2016), BIDA has got the approval in principal to develop the Economic Corridor in the country. A law is drafted and will be placed in the parliament soon.

Entrepreneurship Development Program:

Entrepreneurship development is one of the important tasks of BIDA. Quality entrepreneurs can boost local investment and to tie up, partner and work with the foreign investor. BIDA has taken a Entrepreneurship Development Program by its **Program Facilitation Unit (PFU)** to develop a pool of entrepreneurs. To do these BIDA already has formed several investment forums in the Divisional, District and Upazila level which is named as Divisional Investment and Business Forum (DIBF), District Investment and Business Forum (DisIBF) and Upazila Investment and Business Forum (UIBF) respectively.

An effective task-Force with optimal mix of representatives from academia, private sector- and the Government and affiliated with BIDA will regulate, manage and oversee the program under the supervision of the Executive Chairman of BIDA.

Conclusion:

According to 7FYP, Bangladesh has targeted to achieve US\$ 9.6 bn FDI inflow in the country by 2020; BIDA is playing a vital role to achieve the target. Our ultimate mission is to take the nation at the threshold of a high middle income country and then towards a develop country making the drive of real 'Sonar Bangla'.