

# Roundtable on “Bangladesh Doing Business”

Jan 20, 2018

## Background and Introduction

On the 20th of January 2018, the Policy Research Institute (PRI) of Bangladesh held a roundtable on the state of Doing Business in Bangladesh. Executive Chairman of Bangladesh Investment Development Authority (BIDA) Mr. Kazi M. Aminul Islam was present as the chief guest. Other distinguished researchers, private sector business leaders and former policy makers of the country and people directly and indirectly involved with business and investment issues were in attendance.

The program began with the opening remarks by Dr. Ahsan H. Mansur, Executive Director, PRI,



and then followed by a keynote presentation by Dr. Sadiq Ahmed, Vice Chairman, PRI. Ambassador Farooq Sobhan, President of Bangladesh Enterprise Institute; Barrister Nihad Kabir, President of Metropolitan Chamber of Commerce and Industries; Mr. A.K. Azad, Managing Director of Ha-Meem Group

of Companies; Dr Masrur Reaz, Senior Economist and Programme Manager of the World Bank Group were among the panelists and discussants.

The main objective for the roundtable discussion was to identify the barriers to investment and investment facilitation in Bangladesh and how to comprehensively overcome them through multi-stakeholder involvement and policymaking.

## Main Observations from the Event

- The policy dialogue at the Policy Research Institute Conference Room was attended by representatives from various policymaking organizations, research institutes, opinion leaders, current and previous policymakers, business leaders and members of the print and electronic media. Notable businesses and institutions represented were FBCCI, BGMEA, PricewaterhouseCoopers (PwC), BEZA, BKMEA, Abdul Monem, World Bank Group, Bangladesh Enterprise Institute, Business Initiative Leading Development (BUILD),

Standard Chartered Bank, Ministry of Commerce, BIDA, Exim Bank of India, AK Khan & Company, and MCCI.

- Among the panelists and other stakeholders, there was an acknowledgement improving doing business and focus on specific indicators in order to boost up the Bangladesh's "Doing Business" ranking of the World Bank.
- At the roundtable it was said that Bangladesh's ranking is at the lower end of the rankings in 9 out of the 10 categories. Urgent reforms are needed.
- The event was well covered in the print and electronic media. The Daily Star, New Age and Financial Express, the most important daily English newspapers, covered the event comprehensively as their lead business news. Bengali daily newspapers, including the most circulated Prothom Alo, also covered the event widely. Numerous TV journalists attended the event and telecast the relevant footage as part of their regular news coverage.

### **Keynote Presentation at the Event**

In his detailed power point presentation, Dr Sadiq Ahmed said was ranked 177 out of 189 economies in 2018, down one notch from 2017. Bangladesh's ranking is at the lower end of the rankings in 9 out of the 10 categories. Bangladesh fares the worst in enforcing contracts, registering property, getting electricity and trading across the borders. These suggest that the investment climate challenges are broad-based and will require fundamental reforms over a long period of time. He mentioned that the Bangladesh Investment Development Authority has prepared an action plan for eight indicators of doing business through stakeholder consultations.



According to Dr Sadiq Ahmed the National Committee for Monitoring Implementation of Doing Business Reforms needs to be operationalized for stronger oversight of the reforms. He also suggested addressing the problems faced by the banking sector. The pressure on the balance of payments and on the credit-side needs to be resolved quickly. He said that there is a risk that some of the gains made on the economy might be lost. He also suggested reducing the corporate tax rate as well as simplifying and streamlining the tax laws and administration.

## Selected comments from the panel discussion:

**Dr Ahsan Mansur**, Executive Director of Policy Research Institute, stated that regulatory reforms are the key. BIDA can take steps to receive feedbacks from the private sector about reforms and take a proactive role in resolving the problems of doing business.

**Nihad Kabir**, President of Metropolitan Chamber of Commerce and Industry, said that problems related to processes for doing business are quite well known. There needs to be practically-orientated, time-bound, measurable and implementation-capable plans. And the government and the private sector must sit together and do it with earliest possible time.



**Ambassador Farooq Sobhan**, President of Bangladesh Enterprise Institute, mentioned that Samsung had desired to invest in Bangladesh but subsequently shifting to Vietnam. And that the factory is functioning very successful in Vietnam, bringing in immense revenue from foreign trade.

**Anwar-Ul-Alam Chowdhury**, former President of BGMEA, stated that building human resources is important and there needs to be more attention to it. He mentioned that Bangladesh has been dependent on garment sector for 30-40 year and it's unfortunate that there hasn't been any diversification.

**Kazi M Aminul Islam**, Chairman of BIDA, and Chief Guest of the event, said that a detailed plan of action has been prepared and this has been shared with the agencies for implementation. Bangladesh is planning to reach “double digit growth with double digit rank”, meaning in order to achieve double digit goal, Bangladesh have achieve double digit rank in the “Doing Business” index.



Representatives from different private sectors also ease of doing business reforms needs to be accelerated. Many mentioned that reforms have helped India improve its doing business ranking

and Bangladesh can learn from its neighbor. Representatives from World Bank Group, business houses (Abdul Monem Group, AK Khan & Companies, Ha-Meem Group, etc), government agencies (Ministry of Commerce, BUILD, etc) and several business associations, among others, spoke at the meeting.