

Bangladesh - Pushing for Development

Living in the midst of a group of large and fast-growing emerging economies, with a domestic market of 165m - ranking in the world's top ten - and a growing, skilled workforce, Bangladesh is one of the world's most dynamic and promising countries. The World Bank has said that the South Asian nation is "at an inflection point in its development path" as it pushes towards middle-income status, with an eye on becoming a developed country within the next two decades.

"Bangladesh is now one of the five fastest growing economies in the world," Bangladeshi Prime Minister Sheikh Hasina told the UN General Assembly in September 2022. "We are 41st in terms of GDP. We have reduced the poverty rate from 31.5% to 20.5% in the last decade. Our per capita income has trebled to \$2824 in just a decade. Even amidst the pandemic, the economy of Bangladesh expanded by 6.94% in the fiscal year 2020-21...We are working towards transforming Bangladesh into a knowledge-based developed country by 2041."

As Hasina noted, Bangladesh achieved GDP growth of 8.15% the year before the covid-19 pandemic, having notched up an expansion of 7% each of the three previous years consecutively. It is now aiming to



Sheikh Hasina
Prime Minister of Bangladesh

accelerate growth even further through a wave of mega-project infrastructure investments, while continuing to strengthen the environment for investors. The government is in the process of establishing 100 special economic zones across the country with one-stop services for businesses, as well as high-tech parks to develop technology and

innovation-intensive industries. Foreign direct investment from the United States alone averaged \$1bn a year before the pandemic, a figure both countries are keen to increase.

"Bangladesh has the most liberal investment policy in South Asia," Sheikh Hasina told a business roundtable in New York. "It includes protection of foreign investment by law; generous tax holiday[s]; concessionary duty on import of machinery; unrestricted exit policy; full repatriation of dividend[s] and capital on exit, to name a few. Foreign investment is protected by relevant acts of parliament and bilateral investment treaties."

Bangladesh's natural strengths as a hugely fertile country, combined with this favourable investment climate, have made it the world's third largest producer of vegetables and fourth largest producer of rice, while it boasts the fifth largest inland fisheries industry on the planet. For some investors it is best known for its huge ready-made garment industry; the country is the world's second-largest RMG exporter. Other sectors on the rise include pharmaceuticals, ceramics, shipbuilding, and ICT.

"With India on the west, China on the north and South East Asia on the East.. Bangladesh is in the middle of a combined market of 4 billion people," Hasina said.

InnStar - Bangladesh's green building champion

With growth expected to average 7% annually to 2033, Bangladesh is "a thriving investment hub" according to global professional services company PWC. Preferential trade agreements and pro-business policies are major attractions, PWC has said, noting the growth of both FDI and exports.

Bangladesh's economic success has been driving the development of the property sector, with the country's urban population trebling between 1990 and 2018, according to real estate company JLL. Dhaka is the largest-growing megacity in the world, property segments such as residential townships, healthcare, tourism, and logistics all showing great promise.

High-end real estate and construction company InnStar is catering to this fast-growing market, delivering properties that not only meet consumer demand, but address the pressing challenge of climate change - a particularly important issue in low-lying Bangladesh.

"Climate change is real and every industry needs to begin considering their contribution towards reducing carbon emissions," says InnStar chairman Arman Haque. "Whatever we do as a company has to be sustainable, or at least move towards that direction. In 2017 InnStar mandated that every commercial building we build will be US Green Building Council LEED certified. Today, we have three USGBC LEED



Arman Haque
Chairman

certified buildings under construction and a couple more on the way. InnStar currently has the highest number of LEED projects in the country."

On founding the company thirteen years ago, Haque saw a gap in the market for a company focused on customer service and absolute credibility to clients, and these are facets that continue to distinguish InnStar from the rest of the market. The company treats every customer with equal importance, without any assessment of their ability to buy. They believe that if they can peak someone's interest today, that person may

be a potential customer tomorrow. InnStar aims to meet changing needs in compliance with global standards. This customer centric and transparent model has allowed InnStar to expand rapidly.

"As we continue to grow, we will seek partnerships in all shapes and forms that offer a unique business proposition for InnStar and a developing Bangladesh," says Haque. "Moving forward, our group is particularly interested in real estate tech-focused partnerships to support our successful and sustainable expansion. However, we are also open to diversified industries."

Haque leads from the front, empowering his team to make their own decisions. He says that

"Investors should put their trust in Bangladesh because of our strong potential for economic growth and proven track record of local businesses. You would be hard pressed to get such strong entrepreneurial spirit in individuals anywhere else," says Haque. "Bangladesh is a highly reliable source for global buyers and investors, as it continues to develop its infrastructure with special economic zones, multi-faceted transport systems, and economic facilities, which will enable growth for generations. Whoever invests in Bangladesh now with their relevant expertise can enjoy consistent growth and profit."

Beacon Pharmaceuticals

Bringing life-saving medicines to the world

Bangladesh's economy is growing fast, with the country targeting an economic expansion of 7.5% for the 2022/23 fiscal year, to build on an average GDP growth rate of 6.6% over the last 13 years. In recent years Bangladesh's pharmaceutical industry has also risen in importance, part of a general trend of economic and social growth that has enabled the country to move from least developing country to developing country status.

The pharmaceutical industry in Bangladesh is one of the fastest growing industries in the country, and is forecast to grow to \$6 billion by 2025, up 114% from 2019 levels, according to a report from market insight and analysis firm Research and Markets.

Although Bangladesh previously had the capacity to manufacture 90% of its own pharmaceuticals, for life saving drugs, like cancer medicines and technologically advanced drugs, Bangladesh has long been import-dependent. This is changing.

"We are well known both locally and globally as a quality, innovative and latest drugs manufacturer. From its inception, we have started to produce technologically advanced dosage forms, which were basically import dependent, says Mohammed Ebadul Karim, managing director of Beacon Pharmaceuticals, one of the leading Bangladeshi pharma companies. "Globally there is a scarcity of affordable life-saving drugs. Our aim is to offer these drugs for global patients at affordable price, so that no one will die without getting the advanced treatment of cancer", he added.

Beacon Pharmaceuticals was established in 2006, at the time when Bangladesh already had the capacity to produce most drugs in the country. Karim, however, dreamt of a company which could serve patients with lifesaving drugs.

Beacon Pharmaceuticals' focus is on life saving cancer drugs; the company has dedicated facilities for manufacturing Oncology, Biotech, advanced antibiotics (Cephalosporin) & conventional products. "We brought the advanced technologies like freeze-drying from Western countries to Bangladesh, as well as new high-tech solutions. We, now manufacture more than hundred oncology products and have one of the largest anti-cancer portfolios," Karim says. In total, Beacon manufactures more than 350 generic drugs, bringing an average of 15 to 20 new products to market every year.

The company began with a global vision



Mohammed Ebadul Karim
Managing Director

and has since expanded its reach to the extent that patients in 135 countries are now using its products. The company prides itself on offering high tech new products at fair pricing, and as a result has earned a reputation for being a pharmaceutical pioneer whose efforts have improved quality of life across the globe. "In many countries, our products are already in used for a decade" says Mr. Karim.

During the global coronavirus pandemic, Beacon Pharmaceuticals launched two products: Favipiravir - an oral tablet for covid treatment and Ramdisivir injection, with high demand both domestically and internationally for the products.

Governments in different countries have approached Beacon Pharmaceuticals about potential partnerships. "There is such huge demand, which has created real opportunities," says Karim. "There are huge demands from Latin America and Asian countries. We have tried to meet global demand after fulfilling local demand; we gave free support to all doctors and hospital

staffs in Bangladesh during covid," he adds.

Increasingly, the company is looking at becoming a pioneer in research and development. "I believe in exploring business opportunities, particularly in the manufacturing of active pharmaceutical ingredients (APIs) and Biological products like Monoclonal Antibodies," Karim says, adding that Bangladesh is increasingly a great location for this kind of work. "It is cost-effective for world-class quality; you get capable scientists here at reasonable prices."

Beacon Pharmaceuticals is currently exploring the idea of developing new oncology facilities that will cover not only the North American and European market but will also help to meet the huge global demand. "We have very good R&D facilities and good R&D teams. We currently have two R&D facilities in Bangladesh and plan to build more abroad, not only in Asia but also in North America."

The company is also currently in the process of finalising some business tie-ins with global leaders in the industry, and is open to others.

"We are interested in more partnerships," says Karim. "We want to manufacture advanced drugs here. For the past 10 years we have been the leader in oncology in Bangladesh. We hope that in the next 2-3 years we will be also entering many countries in the CIS region, Africa as well as Latin American countries," he says.

Despite potentially expanding operations outside of Bangladesh, Karim is bullish about his country, with the economy expanding fast, the nation coming out of the global pandemic strongly, and more awareness of Bangladesh as a great investment destination, which can only benefit pharmaceutical companies.

"The local market is growing very fast. It is growing yearly 18-20% and we are aiming to be one of the top ranked pharma companies in Bangladesh" he says. "It is a big and lucrative market for investors, with governmental policies very favourable for investors."