



Tipu Munshi, commerce minister, Nurul Majid Mahmud Humayun, industries minister, Salman F Rahman, prime minister's adviser on private industry and investment, and Md Jashim Uddin, president of the FBCCI, attend the FBCCI Business Excellence Awards along with the winners and other dignitaries on the concluding day of the Bangladesh Business Summit at the Bangabandhu International Conference Center yesterday.

PHOTO: PRABIR DAS

FBCCI honours individuals, businesses

STAR BUSINESS REPORT

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) yesterday honoured 10 individuals and companies with the inaugural Business Excellence Awards in recognition of their contribution to the business and the economy.

Flanked by Tipu Munshi, commerce minister, and Md Jashim Uddin, president of the apex trade body, Industries Minister Nurul Majid Mahmud Humayun handed over the accolades to the winners on the concluding day of the Bangladesh Business Summit at the Bangabandhu International Conference Centre in Dhaka.

Nazmul Hassan, managing director of Beximco Pharmaceuticals, picked up the award for his role in the development of the pharmaceuticals industry, especially for making Bangladesh a new manufacturing hub for global generic drugs.

Alihussain Akberali, chairman of BSRM, has been honoured for shaping Bangladesh's steel industry and revolutionising the entire steel market.

In the industry category, Mubarak Ali, managing director of Olympic Industries won the award.

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Huge export market awaits pharma industry

Vast manufacturing capacity to offer edge, say industry people

STAR BUSINESS REPORT

Bangladesh is increasingly becoming a global hub for manufacturing quality and low-cost generic medicines since many countries don't have the facilities needed to produce drugs, industry people said yesterday.

Only two countries, China and India, along with the developed world have pharmaceutical manufacturing capabilities, highlighting the opportunity for Bangladesh to emerge as a hub for drugs for the global market.

"None other than China and India and the western world is as good as Bangladesh in pharmaceuticals. So, Bangladesh has tremendous opportunity," said Abdul Muktedir, chairman and managing director of Incepta Pharmaceuticals Ltd.

"In fact, Bangladesh is becoming a major global hub for high quality, low-cost generic medicines."

He made the comments while presenting a paper on "Pharmaceutical and healthcare in Bangladesh: Investing for growth, global integration and post Least Developed Country (LDC) market opportunities" at the Bangladesh Business Summit.

The Federation of Bangladesh Chambers of Commerce and Industry organised the three-day summit at the Bangabandhu International Conference Centre

to highlight the investment prospect in the country.

Also the senior vice-president of the Bangladesh Association of Pharmaceutical Industries (Bapi), Muktedir said China and India have big markets amounting to \$220 billion and \$40 billion, respectively, and they are growing.

"So, after meeting domestic requirements, India and China may not be enough capacity to meet such a huge global demand."

opportunities for Bangladesh in the global export market," he said, adding that active pharmaceutical ingredients, pharmaceutical formulations, biosimilar, vaccine and medical device segments offer huge growth opportunities.

In Bangladesh, nine companies have already received regulatory approvals from highly regulated authorities in the US, the European Union and Australia as well as the World Health Organisation.



"Everyone is looking for an India Plus One, where Bangladesh has incredible opportunity," he said, at the discussion moderated by Economic Relations Division Secretary Sharifa Khatun.

Muktedir said China is mainly operating in the intermediary and chemical industries and supply from the country may face constraints in the current global geopolitical situation.

"All these geopolitical situations are creating huge

"The number will increase to 20 very soon," Muktedir added.

"This will make us a global supplier of medicines. There is a visible competitive advantage for Bangladesh in the global market."

In Bangladesh, 213 local companies are operational, meeting 97 per cent of the domestic requirements of medicine, clearly showing the manufacturing strength.

On the other hand, countries such as Singapore, Malaysia, the

Philippines and Vietnam import between 60 per cent and 80 per cent of drugs.

Until the third quarter of 2022, the market size of pharmaceuticals in Bangladesh was \$3.32 billion. The market has grown three times in the last decade and it is expected to grow to \$6.68 billion by 2027.

Local companies are capable of producing all types of dosage forms such as tablets, capsules, liquid preparations, dry suspension, injections, nasal spray, and granules in sachets.

Now, drug makers are focusing on making APIs, the raw materials of drugs, in order to enhance competitive strength.

At present, 15 companies are producing APIs and 27 more firms will set up facilities at the API Park in Munshiganj, about 40 kilometres from the capital.

The Bapi aims to produce 800 to 1,000 generic bulk drugs, Muktedir said.

Local companies export products to 157 countries in Asia, Africa, North America, South America and Europe. Export receipts grew almost three times in the past seven years.

Medicines exports rose more than 11 per cent year on year to \$188 million in 2021-22, data from the Export Promotion Bureau showed.

"The shipment will increase to \$450 million by 2025," said

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Lessons for Bangladesh from US bank collapse

AKM ZAMIR UDDIN

Silicon Valley Bank (SVB), the 16th largest lender in the United States, has not reportedly faced any scam or lack of corporate governance. Still, it could not avoid the collapse.

The ongoing macroeconomic stress in the US economy seems to be responsible for the failure of the lender, worth more than \$200 billion.

And the authorities have allowed the closure of the bank, which backed startups and technology companies that usually face difficulties in securing loans from conventional financial institutions.

Two economists and a senior banker in Bangladesh think the country's banking sector could learn a lot from the process.

Many banks in Bangladesh have been facing scams and a lack of corporate governance for a long. But no bank is allowed to liquidate here, a phenomenon that ultimately erodes the strength of the entire financial sector, they said.

"We should follow the US path to strengthen our banking system. The weak banks that have been engaged in irregularities should be allowed to liquidate," said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

"Allowing such liquidation is good for the economy."



WHY SVB WENT DOWN

Started as a California bank in 1983, SVB expanded rapidly over the last one decade.

During the coronavirus pandemic, it gained popularity among tech-based startups. Tech companies preferred SVB to park cash used to pay salaries to employees and meet operating expenditures.

Like other lenders, SVB invested the majority of the deposits. It had invested a large amount of deposits in long-term US treasury bonds, considered safe investment tools.

But the bank began coming under pressure when the Federal Reserve, the central bank of the US, increased its key interest rates repeatedly to tackle higher inflation.

There is a reverse relationship between the price of bonds and the key interest rates of the Fed. If the key interest rates go up, bond prices decline.

So, when the Fed started to hike rates rapidly,

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STOCKS	
DSEX ▲	CASPI ▲
0.13%	0.02%
6,243.57	18,400.65

COMMODITIES	
Gold ▲	Oil ▼
\$1,884.73	\$75.35
(per ounce)	(per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▼ 1.52%	▼ 1.11%	▼ 1.42%	▲ 1.20%
58,237.85	27,832.96	3,132.37	3,268.70

Digitalise land records to boost PPP projects

Experts tell Business Summit

STAR BUSINESS REPORT

The government should digitalise land records and property title registration to help stakeholders find information about properties at ease with a view to giving a boost to the implementation of projects under the public-private partnership (PPP) framework, said speakers yesterday.

In Bangladesh, there is no regulation on land rights under the PPP framework and land documentation is largely manual, said Naser Ezaz Bijoy, chief executive officer of Standard Chartered Bangladesh.

"So, increasing access to and preservation of property records should be initiated by digitalising all land records and property title registration."

He made the remarks while giving a presentation at a session styled "PPPs for Vision 2041: Private Sector Role and Investment Opportunities" on the third and concluding day of the Bangladesh Business Summit at the Bangabandhu International Conference Centre in the capital.

Naser said laws and regulations make it complex, long, and costly to administer and find relevant information for a piece of land.

So, the PPP Authority can have a coordinator for ministerial approvals for land and leases, resettlement and relocation, and assess land-related costs at the outset, he said.

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Locally made laptops, mobile phones and tabs are on display at a stall on the sidelines of the Bangladesh Business Summit 2023 organised by the Federation of Bangladesh Chambers of Commerce and Industry in partnership with the government at Bangabandhu International Conference Centre in Dhaka yesterday.

PHOTO: PRABIR DAS

Trillion-dollar economy achievable before 2040

Says FBCCI

STAR BUSINESS REPORT

Bangladesh will become a trillion-dollar economy much before 2040 because of infrastructural developments, economic growth momentum and the confidence and indomitable spirit of local entrepreneurs, said FBCCI President Md Jashim Uddin yesterday.

"We had a lot of constraints in the economy. We did not get available land to establish factories, get adequate gas and we had faced load shedding," he said.

"Even after these, we have been able to make the size of our economy around \$470 billion," said the chief of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

Bangladesh recorded economic growth of 6.5 per cent to 7 per cent even after so many constraints

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