

# NATIONAL FOUNDATION DAY of the REPUBLIC OF KOREA

SPECIAL SUPPLEMENT | 3<sup>RD</sup> OCTOBER 2024



**H.E. Yoon Suk Yeol**  
President of the Republic of Korea

### Message from the Ambassador

The Republic of Korea and the People's Republic of Bangladesh established diplomatic ties on December 18, 1973. Over the last 5 decades, our two countries have witnessed a remarkable journey of cooperation in various sectors, including trade, investment, development, and people-to-people exchanges.

Substantial bilateral relations began with the inception of Bangladesh's RMG industry. It is a well-known story that the partnership between Bangladesh Dosh Garment and Korean company Daewoo Corporation in 1979 planted the seed of Bangladesh's RMG industry. Since then, Korean garment enterprises seed of Bangladesh's RMG industry. Since then, Korean garment enterprises have made great contributions to the rapid growth of Bangladesh's RMG industry,

which accounts for over 85% of the country's exports. The KEPZ in Chattogram, the first county-specific private Export Processing Zone, is serving as a symbol of the Korea-Bangladesh business ties. The KEPZ is currently exporting approximately 1.25 billion USD and employing more than 70,000 workers in Bangladesh.

Korea is currently the fourth largest FDI investor in Bangladesh. Recently, there has been an increase in investment in manufacturing industries such as automobiles, mobile phones, and consumer electronics through joint ventures with local partners. Samsung Electronics manufactures consumer electronic goods, including mobile phones, in Narsingdi, while Hyundai cars are being assembled at the plant at the Kaliakoir Hi-Tech Park from 2023. These companies are creating good quality jobs through domestic manufacturing. Korean companies have high expectations for improving the business climate: timely visa issuance & renewal, seamless customs clearance, reduction of high tariffs on raw materials & intermediate goods, and resolution to overdue payment in dollars after the completion of projects and repatriation of profits to the home country.

On the trade front, Korea is currently providing preferential market access to around 95% of Bangladeshi products in the Korean market through the Asia Pacific Trade Agreement (APTA) and World Trade Organization (WTO) arrangements. Bilateral trade has reached a record high, surpassing 3 billion dollars for the first time in 2022. The Economic Partnership Agreement (EPA) or similar arrangements, currently under discussions between Korea and Bangladesh, will further enhance trade and investment in mutually beneficial ways. Korea wishes that the negotiations on bilateral EPA will be soon started.

Bangladesh has a big potential for infrastructure development as its economy has been growing fast with its growth rate recording over 5% in the last 20 years. And its graduation from the Least Developed Country status in 2026 will attract essential foreign

capital required for the ongoing infrastructure development in Bangladesh. Korea aspires to become a vital partner in Bangladesh's infrastructure development, just as we have done in the RMG sector.

According our data, 111 Korean companies have participated in 240 Bangladesh infrastructure projects since 1973. Especially, \$5.4 billion of the projects has been implemented during 2016-22. The Economic Development Cooperation Fund (EDCF) can be utilized by Bangladesh with the condition of 0.01-0.05% of interest rate and 40 years of the maturity. The size of the EDCF has been increased to USD 3 billion until 2027 and there is a possibility for the expansion. Not every Bangladesh infrastructure project can be financed by government budget or international loans, and Public Private Partnership (PPP) can be an option for financing infrastructure development. 'Mirsharai Water Supply Project' is currently being discussed in the PPP mechanism. Korea companies' participation in Bangladeshi infrastructure development has big advantages. Firstly, Korean companies guarantee the quality of the project, regardless of road, bridge, railroad and etc. Secondly, they hire local workers and therefore can contribute to the creation of jobs. Thirdly, they focus on timely completion without any intentional delay or do not inflate the cost of the project deliberately.

Bangladesh has been a key partner in Korea's development cooperation efforts. Currently, it ranks third in Korea's ODA recipients with ongoing projects focused on education, water sanitation, health, public administration, and transportation. This ODA can be applied to the TVET (Technical and Vocational Education and Training) of Bangladesh. There are more than 110 vocational training centers across Bangladesh, but the number of trainers or instructors is small, their technological skill for teaching is lacking, and facility and equipment for teaching is not sufficient. Therefore, Korea International Cooperation Agency (KOICA) can develop the capacity-building projects.

Korea's assistance has extended to serve the humanitarian purpose since 2017. Korea has annually provided humanitarian aids of USD 3 to 5 million through international organizations for the Rohingya and their host communities in Bangladesh. This year, the total amount of our humanitarian aids reached as much as USD 36.6 million and in addition to the funding, the first rice donation of 15,000 tons sufficient for one million Rohingyas for 1.5 months was made, Korea's aids have supported various humanitarian activities under the Joint Response Plan, including the provision of food, LPG, and education.

Additionally, Korea has emerged as a noteworthy destination for Bangladeshi migrant workers. Between 2008 and 2023, approximately 33,000 workers went to South Korea under the Employment Permit System. Korea's labor laws are equally applied to both domestic and foreign workers and therefore, the level of salary is 7-10 times higher than workers who are dispatched to the Middle East. The Korean government is dedicated to ensuring that migrant workers benefit from safe and cozy working environment.

Korean culture, including K-dramas, K-movies, K-pop, K-art, K-food, and K-beauty, is gaining popularity in Bangladesh. This trend reflects the shared values and creative expressions that bridge the geographical distance between our two nations. I anticipate that the Hallyu (Korean Wave), a cross-border cultural phenomenon, will deepen mutual understanding and enhance a long-lasting cooperation between Korea and Bangladesh.

Korea does not pursue strategic interests in the region and hopes our two countries could further develop bilateral relations in a mutually beneficial way by collaborating with each other in areas such as Footwear & Leather, ICT, Pharmaceuticals, Ship Building Industry, Blue Economy & Deep-Sea Fishing, Agriculture & Agricultural Machinery, Green House & Carbon Trading Scheme, and etc.

Korean companies have new technologies, while Bangladeshi companies can start new businesses. There is a big potential that a new type of investment combined with technology and capital will flourish in Bangladesh.

The great Bengali poet and the first Asian Nobel Laureate, Rabindranath Tagore, wrote a poem in 1929 for the Koreans, calling Korea as "the Lamp of the East." That poem instilled courage and determination to the Korean people. With Tagore's inspiring and shared values of democracy, market economy and human rights, Bangladesh and Korea have cultivated reciprocal relations across all fields. Building on what Korea and Bangladesh have achieved together over the last 50 years, both nations are committed to making the next 50 years a brighter and more prosperous in all areas.



**H.E. Park Young-sik**  
Ambassador of the Republic of Korea  
in Bangladesh

রিপাবলিক অব কোরিয়ার জাতীয় প্রতিষ্ঠা দিবস এক সাথে উদযাপন করার জন্য আপনাদের ধন্যবাদ। আমি আপনাদের সুখ, শান্তি ও সুস্বাস্থ্য কামনা করছি।



**Shahab Uddin Khan**  
President, KBCCI



### Message from the President of KBCCI

I am deeply honored and pleased to extend my heartfelt greetings to the people of the Republic of Korea on the auspicious occasion of Korean National Foundation Day on the 3rd of October 2024. The people of Bangladesh stand in solidarity with the people of the Republic of Korea on this significant day.

Since its establishment in 2009, with the vital support of the Embassy of the Republic of Korea, the Korea-Bangladesh Chamber of Commerce & Industry (KBCCI) has continuously aimed to promote, develop, and enhance trade and investment opportunities between our two nations. Our key objectives remain to facilitate business connections, explore new opportunities for joint ventures or direct investments, and address trade barriers to strengthen the bilateral economic ties and partnership between Korea and Bangladesh.

The highlight of this year was the KBCCI Delegation to Korea, which took place from September 9 to 13, 2024. Led by H.E. Mr. Park Young-sik, the Honorable Ambassador of Korea to Bangladesh, and accompanied by key members of the KBCCI leadership, this mission was a resounding success with remarkable outcomes. During the delegation, we signed two vital MOUs—one with the Korea Packaging Association (KOPA) and another with the Korea Importers Association (KOIMA) at their headquarters, in Seoul. Our delegation also engaged in high-level meetings with the Federation of Korean Industries (FKI)

and the Korea International Cooperation Agency (KOICA), laying the groundwork for future partnerships in key sectors like manufacturing, vocational training, education, health, and agriculture.

Beyond the delegation, KBCCI has continued to lead with fruitful initiatives. We were proud to participate as an Industry Partner at the 14th INTEX Bangladesh, further enhancing our presence in RMG sector. And our commitment to Corporate Social Responsibility (CSR) was highlighted through a Tree Plantation Program at the Cumilla Economic Zone and Flood Relief in Feni, offering support to victims affected by the recent floods in Bangladesh.

On behalf of the Board of Directors and Members of KBCCI, I extend my warmest greetings to the people of the Republic of Korea and the Korean Community in Bangladesh on the occasion of the Korean National Foundation Day.

Long live Korea-Bangladesh friendship.




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