CA for bringing all investment agencies under one umbrella

BSS – Chief Adviser Professor Muhammad Yunus today asked the authorities concerned to resolve the land rights issue of the Korean Export Processing Zone (KEPZ) by early next month and bring all the investment promotion agencies under one umbrella to attract more foreign investment in the country.

He gave the instructions when Kihak Sung, the chairman of the Youngone Corporation, and several other top foreign investors met him at the State Guest House Jamuna here.

Kihak Sung, whose South Korean company is the largest exporter from Bangladesh, raised several issues that he believed were discouraging FDI in Bangladesh and urged the chief adviser to improve the conditions for large-scale investment in Bangladesh.

The chief adviser told Sung that the land issue of the KEPZ, which acted as a key deterrent to FDI in the industrial park, would be solved by February 6.

“We want the Korean EPZ to be the model for everyone in Bangladesh. We hope it will attract big investments and create a lot of jobs,” he said.

Kihak Sung appreciated the Interim Government’s fast-tracked move to resolve the long-standing issues involving the KEPZ. He said more Korean investors would now be keen to invest in Bangladesh.

“It will open the doors for other investors. The KEPZ surely will be a model for the investors,” he said.

The Youngone Corporation chairman also urged the government

for expedited shipments through the Chittagong Port, saying slow turnaround time in the country's largest port was largely to blame for the lack of high-end and fashion clothing orders from top global brands.

Fashion clothing needs very quick exports, possibly in 10-15 days, he said, adding that Bangladesh does not have high-end fashion orders because sometimes it takes months to ship the orders.



Youngone Corporation chairman Kihak Sung and other foreign investors with Chief Adviser Professor Muhammad Yunus. Photo: PID

He cited the example of Vietnam, as to how the Southeast Asian nation, where he invested hugely in recent years, took moves to expedite exports.

Prof Yunus said he has asked the authorities to make port operations efficient. He also said Special Envoy Lutfey Siddiqi is working on a series of plans to make Chittagong a top port in the region.

Kihak Sung and British investor Mohammed A Matin spoke for the need to bring all the investment promotion agencies under one umbrella, saying it will offer efficient one-stop services to foreign investors.

The chief adviser said he has asked the Bangladesh Investment Development Authority (BIDA) chief, Chowdhury Ashik Mahmud Bin Harun, to bring all five investment agencies under one office.

Ashik said the five different agencies for investment promotion were a legacy of the inept and corrupt governments in recent decades.

He said the BIDA has undertaken a move to bring the agencies under one umbrella.

Sung said Youngone was building one of the world’s largest textile institutes in the country, which will train thousands of young Bangladeshis every year.

He invited Prof Yunus to join the opening ceremony to be held within three months.

Matin has called for streamlining labour laws and introducing a net metering system for solar panels set up in the export processing zones.

He also said due to discriminatory policy, investors in EPZ pay at least 26 percent taxes on the import of solar panels.

The chief adviser said the Interim Government has moved to carry out vital labour reforms and said his special envoy, Lutfey Siddiqi, was working on the issue.

He also said the government would likely introduce green channels in the Chittagong Port to fast-track exports from the country.

“We need clarity. We need it simple,” Kihak Sung said, referring to the labour laws.

Javier Carlos Santonja Olcina, the country head of clothing giant Inditex, praised the efforts of the Interim Government to conduct vital business reforms and ease the conditions for doing business in Bangladesh.

“I am really impressed. This is the new Bangladesh we need,” he said, adding he hoped the country’s exports would increase substantially this year.

Paul Anthony Warren, Director of Dewhirst, which operates several garment factories in Bangladesh, also attended the meeting.