Laws, Regulations, Formalities, Facilities and Incentives for Investment: The Case of Bangladesh

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Abstract

Investment is a crucial component of the factors leading to the economic and industrial development of a country. The main objective of this paper is to highlight and analyse the present investment-related laws and regulations in Bangladesh. An analysis has been conducted to illustrate the different aspects and their impacts on the support for formulations, promotions, incentives and facilities provided by BOI, BEPZA, BSCIC, Ministry of Finance, Bangladesh Bank and National Board of Revenue to both local and foreign investors. The results of the study indicate that variables related to investment in Bangladesh are highly positively correlated with economic growth and industrial development of the country.

Key words: Bangladesh, export processing zones (EPZs), investment laws, regulations

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1. Introduction

Bangladesh has a broadly market-oriented economy and offers the most investor-friendly regulatory regime in South Asia. Bangladesh provides a trainable, enthusiastic, hard-working and competent labour force currently suitable for labour-intensive industries. A recent survey by JETRO pointed out that Bangladesh has, comparatively, lower labour costs than other Asian countries (JETRO Survey, 2013). Bangladesh is one of the top exporters of readymade garments to USA and Europe (Sarkar, 2014) and is now the 27th most attractive investment country in the world (World Bank, 2013). The New York Times recently termed Bangladesh as “an unlikely corner of Asia” (Pant & Mondal, 2014). Another report, ranked Bangladesh in the 172nd position among 185 countries for the ease of doing business in 2015 (World Bank, 2016). Other results of this sort show Bangladesh as being in the 25th position in respect of protecting investors, 83rd in arranging credit, 95th in starting a business and 97th in case of payment of taxes (World Bank, 2013). The World Bank reported that it is easier to lease and buy private land by foreign investors in Bangladesh than India, Pakistan or Sri Lanka. Goldman Sachs included Bangladesh in its next 11 category after the BRICS nations (Goldman Sachs, 2007). A market-based economy has led Bangladesh to encourage the private sector that has provided the main stimulus to its economic development.

Bangladesh is experiencing a steady annual growth in GDP of around 6% (6.5% in 2014-15). A target of 7% growth in GDP has been established for the period of 2015-16. This requires an increase in investment of about 23% to 25% so as to achieve this GDP growth rate. Bangladesh is a highly populated country (approximately 150 million people). Economic growth will enhance the purchasing power of that population and make the country a significantly larger market. Bangladesh is endowed with an abundant supply of natural gas and water, while its soil is very fertile. The geographical location of the country is well-positioned for global trade with very convenient
access to international sea and air routes. The current government has planned to make Bangladesh a middle income country by 2021 by liberating and eliminating unnecessary laws, regulations and bureaucracy in different investment sectors. The government has announced three years of export and import policies (2012-2015) which are consistent with the market economy.

Although a conducive investment environment is prevalent in the country, the present status of both domestic and foreign investment in the country is not satisfactory. The investment in Bangladesh is of different forms, such as private investment, foreign private investment and investment under the Board of Investment (BOI), investment under the Bangladesh Export Processing Zones Authority (BEPZA), FDI and investment under the Bangladesh Small and Cottage Industries Corporation (BSCIC). Different forms of investments are operated and controlled by the respective laws and regulations.

After the Rana Plaza building collapse in April, 2013, the government amended the labour law in July of the same year and allowing full freedom of association in factories outside the export processing zones (EPZ). As a result, a total of 203 trade unions have been registered from January to July in 2013 following the amendment to the labour law. The government moved to amend the EPZ law under pressure from the USA government as the Obama administration suspended the generalized systems of preferences (GSP) status, citing serious shortcomings in labour rights and working conditions. The US government slapped 16 conditions on Bangladesh, including amendments to the EPZ law in order to regain GSP status. Consequently, the cabinet approved a draft law protecting EPZ workers’ right to association on July 7th, 2014 with a provision that at least 30% of the workers of a factory within an EPZ will have to apply for registration of a union. However, foreign investors do not want trade unionism in EPZ because of potential agitation or demonstration that will hamper production and overseas trade in specialized areas. A Japanese investor in Chittagong EPZ (CEPZ) expressed concern about
protection of investments as the cabinet agreed to amend the EPZ law, which will allow unionism in EPZ. Japanese investors also argued that there is no need for additional unionism because there already is a Workers’ Welfare Committee. This committee is enough to protect the interest the workers (Mirdha, 2014). Another Korean investor in Dhaka EPZ claimed to be concerned over compliance issues demanded by international retailers within a rapidly changing business environment (ibid.).

Investment in Bangladesh is well-protected by laws and practices. The existing rules and regulations differ depending upon the nature of the investment and, hence, the investment authority concerned. Major laws affecting investment include the Foreign Private Investment Act of 1980, industrial policies formulated by the government from time to time, the Bangladesh Export Processing Zones Authority Act of 1980 and the Companies Act, 1994. In addition, foreign investors are also required to follow the regulations of Bangladesh Bank (BB) 2003, the National Board of Revenue (NBR) (for taxation and customs matters), laws relating to wages and employment, trade unions and industrial disputes, working environment, labor administration and related matters, as well as disputes settlement procedures for both domestic and international concerns.

This paper has been designed to provide information to potential investors, entrepreneurs and stakeholders regarding the different laws and regulations, formalities required, facilities and incentives and support services provided, which will attract an inflow of investment and encourage domestic entrepreneurs in establishing their business ventures. In addition, the paper will constitute an aid to policy makers, researchers and academia and the business community internationally.
2. Methodology

2.1. Objectives of the Study

The primary objective of this study is to highlight the present status of various regulations, formalities required, facilities and incentives provided by different authorities involved in stimulating investment in Bangladesh. The specific objectives of the study are:

- To outline the different acts, policies and regulations that govern investment in Bangladesh;
- To identify common formalities and documents required for establishing industrial and business ventures in Bangladesh;
- To depict the formalities and procedures required by BEPZA, BOI and BSCIC;
- To detail the incentives provided by different agencies for investment in Bangladesh;
- To evaluate the problems faced by investors in establishing industries in Bangladesh;
- To provide suggestions as to how to overcome any problems resulting from the above laws and regulations.

2.2. Research Method

The study is based mainly on both primary and secondary data. Secondary data have been collected from publications of the BOI, BEPZA, BSCIC and BB, as well as publications from the Planning Commission, national and international research journals, newspaper articles, World Investment Reports and papers presented by eminent scholars in national and international seminars on investment. Personal interviewing and field investigation techniques were also adopted in collecting primary data. A structured questionnaire was used in collecting primary data from executives of BEPZA, BO, and business leaders from the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), Bangladesh Garment
Manufacturers and Exporters Association (BGMEA) and Chittagong Chamber of Commerce in order to investigate further the problems identified and their severity. Attempts were made to use up-to-date data as much as possible to make the study more rigorous and useful.

3. Findings

3.1. Legal Framework for Investment

Investment in Bangladesh is regulated by the Foreign Private Investment (Promotion and Protection) Act, 1980 (Act. No.X1 of 1980). Major laws related to private investment both foreign and local are listed below:

- The Foreign Private Investment (Promotion and Protection) Act of 1980;
- The Bangladesh Export Processing Zones Authority Act of 1980;
- The Investment Board Act of 1980;
- The Companies Act of 1994;
- The Bangladesh Private Export Processing Zones Authority Act of 1996;
- The Import and Export Policy Order 2012-15;
- The Industrial Policy 2010;
- Policy and Strategy for Public-Private Partnership (PPP), 2010;
- Special Economic Zones Act of 2010.

In addition, foreign investors are required to follow the regulations of the BB and the NBR for taxation and customs matters.

3.1.1. General Formalities and Documents Required for Establishing a New Industrial Unit in Bangladesh

- Trade License from the City Corporation;
Tin Certificate from Income Tax Office;
Chamber Certificate from Chamber Office;
VAT Certificate from Custom Office;
Bank Solvency Certificate from any bank;
Government Permission from BOI;
Land Deed Agreement for the proposed factory;
Import Registration Certificate (IRC) from the Chief Controller of Imports and Exports (CCIE) Office;
Export Registration Certificate (ERC) from the CCIE Office;
Nationality Certificate from the Local Commissioner;
Government fees for the investment as a pay order in favour of the BOI;
Blueprints and floorplans of the factory;
Factory License from the Factory Inspectors Office;
Fire License from the Fire Department;
Power Development Board (PDB) electricity or gas connection if required from PDB or Gas Department;
Incorporation Certificate in the case of establishing a limited company;
Environment Pollution Certificate (EPC) from the EPC Department.

Various procedural formalities and bureaucratic complexities must be faced by entrepreneurs while establishing new industrial units. Besides these, there are many other procedures and documents required and certification can take a long time. Some investors became frustrated and disheartened when establishing their ventures or manufacturing units. Moreover, the following supporting documents are required and procedures are the needed to obtain and maintain an environmental clearance certificate:

- No Objection Certificate from relevant local authority;
- Project Profile (on business letterhead);
- Layout plan;
- Cadastral map with dag (plots) and khotian (tenancies);
Process flow Diagram (on business letterhead);
Registration with BOI (if required);
Rental agreement (if required);
Initial Environmental Examination (IEE Report) (if required);
Environmental Management Plan (EMP Report) (if required);
Environmental Impact Assessment (EIA Report) (if required);
Copy of Treasury Challan (VAT registration).

3.1.2. Formalities and Investing Procedures for EPZ

The concept of EPZ was introduced in Bangladesh as a means of attracting foreign investment by providing special protection and privileges for inwards investment. Consequently, an attempt has been made to highlight the formalities and investment procedures for EPZ are shown in Table 1 below.

<table>
<thead>
<tr>
<th>Requisites</th>
<th>Fees and Rentals Items</th>
<th>Fees (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Proposal Form</td>
<td>Application form</td>
<td>45</td>
</tr>
<tr>
<td>Bank Solvency Certificate</td>
<td>Registration fee</td>
<td>250</td>
</tr>
<tr>
<td>Memorandum of Association</td>
<td>6 months rental (land)</td>
<td></td>
</tr>
<tr>
<td>a) Dhaka, Chittagong, Comilla, Adamjee, Karnaphuli</td>
<td>2200</td>
<td></td>
</tr>
<tr>
<td>b) Mongla, Ishwardi, Uttara (Nilphamari)</td>
<td>1000</td>
<td></td>
</tr>
<tr>
<td>Articles of Association</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificate of Incorporation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joint Venture Agreement</td>
<td>6-month rental (factory building of 1500 m.)</td>
<td></td>
</tr>
<tr>
<td>a) Dhaka, Chittagong, Comilla, Adamjee, Karnaphuli</td>
<td>4125</td>
<td></td>
</tr>
<tr>
<td>b) Mongla, Ishwardi, Uttara (Nilphamari)</td>
<td>2500</td>
<td></td>
</tr>
</tbody>
</table>

Table 1: Formal Documents and Fees for EPZ; source: Compiled by Authors from Various Sources

The following are procedures that should be followed for establishing business at a glance, according to the BOI:
3.2. Investment Facilitation and Promotion Agencies in Bangladesh

The government of Bangladesh has recognized the importance of private sector investment for accelerating the industrial growth of the country since 1980 and, consequently, has formulated relevant industrial policies on an occasional basis (e.g. the Foreign Private Investment (Promotion and Protection) Act). The following table
displays the key investment promotion and facilitation agencies of Bangladesh.

<table>
<thead>
<tr>
<th>Agency</th>
<th>Areas of Concern</th>
<th>Investment Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh Small and Cottage Industries Corporation (BSCIC)</td>
<td>Small cottage industries</td>
<td>Domestic</td>
</tr>
<tr>
<td>Bangladesh Processing Zones Authority (BEPZA)</td>
<td>Exported-oriented industries located in EPZ</td>
<td>Domestic and FDI</td>
</tr>
<tr>
<td>Board of Investment (BOI)</td>
<td>All other industries including promotion of the above</td>
<td>Domestic and FDI</td>
</tr>
<tr>
<td>Bangladesh Zones Economic Authority (BEZA)</td>
<td>Established new industrial Area</td>
<td>Domestic and FDI</td>
</tr>
<tr>
<td>Privatization Commission</td>
<td>Privatization of public enterprises</td>
<td>Domestic</td>
</tr>
<tr>
<td>Public Partnership Office (PPP)</td>
<td>Partnership with national and international investment community</td>
<td>Domestic and FDI</td>
</tr>
<tr>
<td>SME Foundation</td>
<td>Small and medium enterprises promotion by technical and financial support</td>
<td>Domestic</td>
</tr>
</tbody>
</table>

Table 2: Investment Authorities; source: Compiled by Authors from Various Sources

In addition, two government owned companies, Infrastructure Investment Facilitation Center (IIFC) and Infrastructure Development Company Limited (IDCOL), are also working in the interests of the private sector infrastructure development in Bangladesh.
3.3. Incentives Provided

3.3.1. Incentives Provided by Bangladesh Export Processing Zones Authority (BEPZA)

Under the BEPZA Act (1980), EPZ are provided with infrastructural facilities, as well as administrative and support services for investors along with incentives to invest and produce in the country. BEPZA runs eight EPZ and facilities investment by local and foreign firms to produce goods for exports. Now, there are 428 industrial units operating in EPZ with a total investment of US$402.58 million in FY 2013-14, an increase on the US$328.53 million of FY 2012-13, representing a 22.54% increase year-on-year. It is mandatory to form a Workers’ Welfare Committee (WWC) at every factory in an EPZ. The WWC is to be formed in collaboration with six important stakeholders, which are the Bangladesh government, World Bank, American Federation of Labor Congress of Industrial Organization, US Embassy in Dhaka, International Labour Organization and BEPZA. The major incentives and facilities provided by BEPZA are listed in Table 3 below.

Different support services like telephones, electricity supply, port facilities, customs, banking and insurances facilities, Security and Exchange Commission (SEC), cost and freight (C&F) agents, shipping facilities, investors’ club, medical centre, school and college services are also provided to the entrepreneurs by BEPZA and BOI.
<table>
<thead>
<tr>
<th>Fiscal Incentives</th>
<th>Non-Fiscal Incentives</th>
<th>Infrastructure and Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concessionary tax for five years after completing initial ten years</td>
<td>100% foreign equity allowed</td>
<td>Fully-serviced plots</td>
</tr>
<tr>
<td>Duty free import of machinery and raw materials</td>
<td>Unrestricted exit policy</td>
<td>Ready factory building</td>
</tr>
<tr>
<td>Avoidance of double taxation based on double tax treaties (DTT)</td>
<td>Full repatriation facilities of dividend and capital at the event of exit</td>
<td>All types of utilities</td>
</tr>
<tr>
<td>All other incentives as provided by BOI</td>
<td>Import of raw materials allowed on Documentary Acceptance basis</td>
<td>Warehouse and secured bonded area</td>
</tr>
<tr>
<td></td>
<td>Intra and inter-zone export is allowed</td>
<td>Business support services</td>
</tr>
<tr>
<td></td>
<td>Subcontracting within EPZ permitted</td>
<td>Administrative services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Customs clearance at plant site</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Workers dormitory enclave</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Recreational amenities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10% sales to domestic tariff area</td>
</tr>
</tbody>
</table>

**Table 3:** Facilities and Incentives given by BEPZA; **source:** Compiled by Authors from Various Sources
3.3.2. Facilities and Incentives Provided by BOI

The BOI was established to encourage the establishment of facilities and to promote investment in the private sector from both local and foreign investors under the Investment Board of Act of 1989. It provides all sort of information required by an investor. The following facilities and incentives are provided by the BOI to investors and Non-Resident Bangladeshis (NRB).

**Investment Incentives**

- Investments of NRBs will be treated as FDI and will enjoy all facilities of foreign investors;
- NRBs are granted 10% quota for all initial public offerings (IPO);
- NRBs can trade shares and debentures of Bangladeshi companies on the stock exchange;
- NRBs can transact in foreign currency in their Non-Resident Foreign Currency Deposits (NRFD) account;
- Important NRBs will be designated Important Non-Resident Bangladeshi (INRB) status upon fulfillment of certain conditions;
- Full repatriation of investment and profits is allowed;
- Re-investment of dividends will be considered as new investment;
- Multiple entry visa for six months to prospective new investors;
- Citizenship is granted for non-returnable investment of at least US$500,000 in production concerns and US$1,000,000 in financial institutions;
- Permanent residency is granted for investment of at least US$75,000 (non-returnable);
- Special facilities and venture capital support will be provided to export-oriented industries under “thrust sectors” concept.
Tax Exemptions

- Royalties and fees on technical know-how of foreign collaborators, firms, companies and experts are subject to tax exemption;
- Interest on foreign loans under certain conditions can be deducted from taxable income;
- Income taxed in the home country will not be taxed again (ensured by bilateral agreements);
- Foreign technicians in specific industries (as mentioned in tax ordinance) will receive tax exemption for three years;
- Fifteen year tax exemption on income from commercialized private sector power generation companies;
- Tax exemption on capital gains from the transfer of shares of public limited companies listed with the stock exchange.

3.3.3. Facilities and Incentives Provided by BSCIC

In 1992, through parliamentary legislation, the Bangladesh Small and Cottage Industries Corporation (BSCIC) was established to provide comprehensive services for the development and expansion of small and cottage industries for the economic development of the country. The following are the major facilities and incentives provided by BSCIC.

- Identification & selection of entrepreneurs;
- Entrepreneurship development;
- Project selection for the entrepreneurs on the basis of his education, professional background, financial solvency and past experience;
- Preparation of project proposals;
- Project appraisal (Technical, Financial, Economic and Management);
- Credit arrangement, and supervision of credits
- Supervision of project implementation;
• Infrastructure development and allotment of developed plots to the entrepreneurs.
• Management and skill development;
• Design, prototype development and distribution;
• Research and development;
• Evolve appropriate production process, adoption and transfer;
• Assist entrepreneurs in quality control and quality improvement;
• Prepare marketing study and provide marketing assistance (including exports);
• Initiate integrated programs through co-ordination with other agencies involved in small and cottage industry (SCI) development;
• Publication of information materials on SCI.

3.3.4. Incentives Provided by Others Government Agencies

The Bangladesh government aims to stimulate the national economy and transform a poverty-stricken country to a newly industrialized economy (NIE) by 2021. The government has liberalized industrial and investment policies in recent years by reducing regulatory requirements and opening up many sectors for international competition. BB tries to encourage foreign firms and investors by permitting them to take back higher portions of their business returns. It has also agreed to accept the market value approach, income approach or discounted cash flow approach or an average of these for the valuation of shares, depending on the nature of the company. Substantial incentive programmes have also been implemented and details of this are presented below.
<table>
<thead>
<tr>
<th>Approval Authority</th>
<th>Major Incentives</th>
<th>Fiscal Incentives</th>
<th>Major Non-Fiscal Incentives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Finance</td>
<td>Tax holiday</td>
<td>Remittance of royalties on technical know-how and technical assistance fees</td>
<td></td>
</tr>
<tr>
<td>Bangladesh Bank</td>
<td>Accelerated depreciation allowance (ADA) instead of tax holiday</td>
<td>100% foreign equity allowed</td>
<td></td>
</tr>
<tr>
<td>National Board of Revenue</td>
<td>ADA</td>
<td>Unrestricted exit policy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Concession on duties over imported machinery</td>
<td>Full return of investment and dividend at closure of business</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Elimination of double taxation</td>
<td>Permanent residency permit and citizenship for investing US$75,000 and US$500,000 respectively</td>
<td></td>
</tr>
</tbody>
</table>

Table 4: Incentives offered by MOF, BB, and NBR; source: Compiled by Authors from Various Sources

4. Problems Faced

4.1. Problems Faced by Investors in Establishing a Business in Bangladesh

According to a survey by the World Economic Forum, inadequate infrastructure, corruption and inefficient bureaucracy continue to haunt entrepreneurs in Bangladesh and are major problems for attracting investment, especially FDI. Recently, Japanese Prime
Minister Abe visited Bangladesh and pointed out one of the key impediments to investment, which is that Bangladesh did not have a one-stop service office to ensure hassle-free completion of necessary formalities for investors when starting a new business. Consequently, an attempt has been made to identify the problems and their severity related to investment and this is shown below.

<table>
<thead>
<tr>
<th>Problems Recognized by Respondents</th>
<th>%age Agreeing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureaucratic red tape</td>
<td>100</td>
</tr>
<tr>
<td>Poor infrastructure facilities</td>
<td>100</td>
</tr>
<tr>
<td>Excessive procedural formalities</td>
<td>50.0</td>
</tr>
<tr>
<td>Political unrest</td>
<td>100</td>
</tr>
<tr>
<td>Inadequate privatized industrial base</td>
<td>50.0</td>
</tr>
<tr>
<td>Corruption</td>
<td>100</td>
</tr>
<tr>
<td>Uninformed and unpredictable tax structure</td>
<td>50.0</td>
</tr>
<tr>
<td>Manpower and training issues</td>
<td>50.0</td>
</tr>
<tr>
<td>Absence of strong and stable capital market</td>
<td>33.3</td>
</tr>
<tr>
<td>Image problems</td>
<td>50.0</td>
</tr>
<tr>
<td>Inadequate research and development facilities</td>
<td>33.3</td>
</tr>
<tr>
<td>Poor credit rating agencies</td>
<td>33.3</td>
</tr>
<tr>
<td>High corporate tax</td>
<td>33.3</td>
</tr>
<tr>
<td>Lack of coordination between investment policies and their implementation</td>
<td>66.7</td>
</tr>
<tr>
<td>Absence of efficient and effective banking system</td>
<td>33.3</td>
</tr>
</tbody>
</table>

Table 5: Perceptions of Problems Faced by Potential Investors in Bangladesh; source: Original Research (n = 30)

Analysis of the above figures indicates that bureaucratic red tape, poor infrastructural facilities, political unrest and corruption are the most commonly reported problems encountered when seeking to attract investment to Bangladesh, which are reported by 100% of the sample. Excessive procedural formalities, inadequate privatized industrial base, uninformed and unpredictable tax structure, manpower and training issues, image problems and lack of coordination between
industrial policies and their implementation were reported by half of the respondents. On the other hand, inadequate R&D facilities, absence of a strong and stable capital market, poor rating agencies and high corporate tax were reported as present by one third of the respondents.

4.2. Remedial Measures to Overcome These Problems

According to The Daily Star newspaper, foreign investors desire all sorts of facilities and promotions under the umbrella of the BOI so that they can receive one stop service and proceed quickly without any hassle. They have strongly requested the BOI to give major permissions in terms of trading, imports, bond and factory licenses, environmental clearance, taxation and VAT registrations, certification for safety and the tax exemptions that are required to establish a business. Consequently, an attempt has been made to identify some remedial measures for overcoming problems that are faced by investors in Bangladesh.

- Sustained socio-political stability;
- Development of infrastructure facilities;
- Development of a capital market;
- Increase in efficiency and effectiveness of the banking system;
- Development of skilled manpower;
- Decrease in corporate and other taxes and determination of foreign exchange rates through market mechanisms;
- Development of private sector industrial base;
- Establishment of regional and sub-regional zones;
- Increase the functioning of independent commissions against corruption;
- Creation of a good living environment for foreign investors;
- Rebuild the image problem;
- Continuity of investment policy;
• Improvement of investment climate;
• Removing needless bureaucratic complexities;
• Government services will be result-oriented;
• Reductions in corruption and hidden costs;
• Consistent electricity, gas and water supplies.

5. Conclusion

There are many problems in attracting investment. Information asymmetry is one of them. Lack of information increases uncertainty that reduces the attractiveness of potentially lucrative investments. This study considered to some extent the importance of providing a one-stop source of all required information to potential domestic and foreign investors regarding investment laws, regulations, formalities and facilities and incentives in Bangladesh and, thereby, encouraging the level of investment to that which is the desired level of the country. The main focus has been on establishing manufacturing organizations in the country. Attempts have also been made to suggest how to minimize bureaucratic complexities to expedite investment in the country. Necessary policy directives will provide meaningful guide to all the stakeholders related to establishing ventures in Bangladesh. The Bangladesh government should come forward to enhance the entrepreneurial capabilities of investors through providing more liberalized laws, regulation policies, facilities and incentives. The recommendations given in this paper, it is hoped, would help to improve the investment climate in Bangladesh. This, in turn, gives a positive message to both domestic and foreign investors about the investment-friendly environment now prevalent in Bangladesh. Concerned authorities involved with investment can also find suggestions as to how to make continual improvement and reform in the policies, regulations, formalities and required activities that will be supportive for attracting more inflow of FDI into the country.
6. References


