

Broward County Office of Economic and Small Business Development (OESBD)
Justification for Broward County's Participation in the
Bangladesh Trade & Business Development Mission
Organized as a collaboration between the Bangladesh Ministry of Commerce, the Bangladesh American Chamber of Commerce, the U.S. Commercial Service and Broward County's Office of Economic and Small Business Development
March 20-26, 2020

Introduction/Background

Bangladesh is a country the size of Iowa, situated in the northeastern corner of the Indian subcontinent and bordered by India and Burma, with a population of 163 million. Bangladesh is the eighth most populous country in the world, and the most densely populated other than city states. Bangladesh is an excellent potential market for U.S. exports.

According to the International Monetary Fund (IMF), Bangladesh's GDP reached \$249.7 billion in FY 17 with an annual growth rate of 7.2 percent. The country has large pharmaceutical, agricultural-processing, and ship building industries. Other important sectors include construction, ICT and business process outsourcing, light engineering, leather products, jute products, and ceramic products.

The United States was the number one export destination for Bangladeshi products, and Bangladesh is currently the United States' 50th largest goods trading partner with \$7.1 billion in total (two-way) goods trade during 2017. U.S. goods exports to Bangladesh totaled \$1.4 billion while goods imports totaled \$5.6 billion, resulting in a U.S. goods trade deficit with Bangladesh of \$4.2 billion in 2017. The top import categories in 2017 were: articles of apparel and clothing (\$5 billion), textile yarn and fabrics (\$237 million), footwear (\$101 million), miscellaneous manufactured goods (\$83 million), and handbags (\$61 million).

The top export categories from the United States to Bangladesh in 2017 were: oil and seeds (\$395 million), textile fibers (\$285 million), metalliferous ores (\$180 million), cereals (\$99 million), and animal fodder (\$81 million). U.S. total exports of agricultural products to Bangladesh grew from \$496 million in 2016 to \$884 million in 2017. Leading domestic export categories included: oilseeds (\$437 million), cotton (\$283 million), grains and feeds (\$139 million), poultry (\$13 million), and horticulture products (\$6 million).

The Bangladesh Minister of Commerce in collaboration with the Bangladesh American Chamber of Commerce is inviting Broward County to participate in a trade and business development mission to Dhaka in Bangladesh. Broward County Office of Economic and Small Business Development (OESBD) is collaborating with the U.S. Commercial Service to facilitate business-to-business (B2B) meetings through the Gold Key Program for Broward participants. Additionally, mission participants will benefit from networking events and meeting contacts outside of the scheduled B2B appointments.

Best Export Opportunities to Bangladesh

Below is a table of leading sectors, according to the U.S. Commercial Service, for Florida exports to Bangladesh and the approximate number of corresponding firms in Broward County:

Leading Sectors:	Approximate Number of Firms in Broward*
Medical Equipment / Pharmaceuticals / Healthcare	219
Agricultural Sector including Equipment	2,391
Education and Training Services	365
Infrastructure Development and Engineering Services	1,363
Power & Energy	46
Information and Communication Technology	1,535
Garment & Textile Machinery / Equipment	3
Defense / Security Equipment and Services	378

* Source: Reference USA

Several of the leading sectors listed are also Broward County targeted industries. Promotion of international trade is consistent with the Broward County Commission's Value of "Ensuring economic opportunities for Broward's diverse population and businesses" as well as OESBD's mission to grow targeted industries in the county.

The three (3) leading sectors in which Broward County has the greatest number of businesses are the *Agricultural including Equipment, Infrastructure Development and Engineering Services and Information and Communication Technology* sectors. Opportunities for each sector are detailed below. This information is available in the U.S. Country Commercial Guide for Bangladesh and is published by the U.S. Commercial Service.

Agricultural Sector including Equipment

A rising middle class (estimated at over 30 million) has fueled demand for high quality agriculture products. According to the Bangladesh Bureau of Statistics (BBS), crops, livestock, fisheries, and forest products account for about 16 percent of Bangladesh's total GDP and employs approximately 47 percent of the total population. Most agricultural production in Bangladesh is characterized by traditional subsistence farming. Bangladesh produces a variety of agricultural products such as rice, wheat, corn, legumes, fruits, vegetables, chicken meat, fish, and seafood. Rice is considered the main staple in the Bangladeshi diet. Less arable land and limited natural resources increase the importance of developing new agricultural technologies, such as salt tolerant or submergence tolerant seed varieties, to help increase productivity for future demand needs. Strikes, floods, cyclones, and drought also can affect agricultural productivity levels and incomes.

Although Bangladesh imports bulk commodities such as wheat and rice, there are niche segment opportunities for high-value agricultural product imports, particularly in more affluent urban centers like Dhaka and Chittagong. Strong consumer demand exists for imported fresh fruits, as well as processed food products.

Leading Sub-Sectors

The processed food industry accounts for approximately 12.3 percent of all manufacturing production value and employs six percent of the manufacturing labor force. The sector is dominated by small and medium-sized enterprises strongly linked to local production. There are nearly 246 medium-sized food manufacturing enterprises in the country processing baked goods, confectionery items, fruits and vegetables, cereals, dairy goods, fruit juices, and various other foods and beverages.

The food and beverage sector in Bangladesh has an estimated annual value of gross domestic production of \$8.3 billion.

Opportunities

Agriculture equipment and technology; Agriculture inputs, including feed, seeds, and fertilizer; Dairy processing equipment; Fish processing equipment; Canning equipment and technology; agriculture infrastructure consulting services and solutions, including silos and cold storage facilities.

Infrastructure Development and Engineering Services

Infrastructure bottlenecks are among the largest inhibitors of economic growth in Bangladesh. The World Bank estimates that Bangladesh must spend \$7.4 billion to \$10 billion a year until 2020 to bring its power grids, roads and water supplies up to the standard needed to serve its growing population. The transportation sector alone will require between \$36 and \$45 billion of investments. Other priority sectors identified by the World Bank include water supply and sanitation, solid waste management, and telecommunications.

The substantial infrastructure needs offer opportunities for U.S. infrastructure development and engineering services. Many of the donor-funded infrastructure projects require foreign consultant services. While Asian firms are sometimes more cost-competitive in construction work, government and private firms have turned to U.S. consultants for specialized engineering and construction oversight for major infrastructure projects including roads, bridges, highways, land and sea ports, oil refinery and grain silo projects.

Leading Sub-Sectors

Sea and River Dredging; Transportation Infrastructure; Port Development.

Opportunities

Heavy equipment; Engineering and Consulting Services.

Information and Communication Technology

Dhaka is emerging as a freelance IT and IT-enabled services outsourcing (ITES) center and the ICT sector in Bangladesh is poised for continued expansion. According to the International Telecommunication Union (ITU), the number of internet users has nearly tripled from 6.5 percent of the population in 2013 to 18.2 percent in 2017 and continues to grow. While only 1.9 percent of the population has a fixed-broad band connection, 30 percent of the population has a mobile-broad band subscription. Nonetheless, Bangladesh still ranks 147 out of 176 on the ITU's ICT Development Index 2017, an annual report that captures the level of ICT development. According to the Bangladesh Association of Software and Information Services (BASIS), around 1500+ software and IT-related companies have registered in Bangladesh. The size of the ICT market, excluding telecommunications, is estimated to be worth \$600 million and approximately 250,000 professionals are now employed in the sector. According to BASIS, over 400 IT companies currently export to over 60 countries, with North America being the main destination. The growth in the ICT sector is expected to create services, including training, and equipment export opportunities for U.S. businesses.

Leading Sub-Sectors

ICT Infrastructure and Equipment, including telecommunications towers and related infrastructure; Data Centers and related equipment and services.

Opportunities

Mobile Applications; Data and Content Development; Online Healthcare and Government Services Solutions; E-commerce Applications and Solutions.

OESBD Participation in the Trade and Business Development Mission

The role of the OESBD's representative on the mission will be to provide support and export assistance to Broward County firms, as needed, during the mission. OESBD's representative will also work to build and strengthen ties with the Bangladesh government agencies and associations at the national, state and local levels to identify future export opportunities for Broward County firms. OESBD's representative will also be available to provide international protocol support for the Broward County delegation.

To date, thirteen (13) Broward County firms have expressed interest in this trade mission including eight (8) businesses that are potentially eligible for the Gold Key Program. The Gold Key Program provides vetted matchmaking and appointment-setting services to qualified Broward County firms with potential buyers in Bangladesh.

The thirteen (13) Broward businesses include:

1. Eco Tabs (Manufacturer) – Gold Key Eligible
2. Calma (CBD Oil + construction materials + consumer products)
3. Global 6 (textile industry)
4. Global Health Academy (Education/Life Sciences) – Gold Key Eligible
5. Desi Solution (CBD oil)
6. AI Technology (Technology)
7. World Wide Sports Management Group (Sports Services) – Gold Key Eligible
8. TelOnline (Telecommunication) – Gold Key Eligible
9. Core & Main (Water/Wastewater Engineering) – Gold Key Eligible
10. Kollektive Moda (Fashion)
11. Miami Grill (Franchising) – Gold Key Eligible
12. Broward College (Education) – Gold Key Eligible
13. Larkin University (Education) – Gold Key Eligible
14. Mawona Atlantic Export, Inc
15. EAC Consultants

OESBD will work closely with the U.S. Commercial Service to qualify Broward businesses for the Gold Key Program. OESBD will also coordinate complimentary meetings for the entire delegation (meetings are listed below) and will work with all Broward County firms to provide one-on-one technical assistance, counseling and protocol support during and following the mission. OESBD will also identify additional organizations and contacts in Bangladesh with the assistance of the Bangladesh American Chamber of Commerce which may lead to future export opportunities for these firms as well as other Broward County firms that are not participating in this trade mission. OESBD will also seek foreign direct investment opportunities for Broward County. Another objective will be to promote the 2020 Florida International Trade and Cultural Expo (FITCE) to recruit international delegations to the conference.

Tentative Meetings for the Mission

- Meetings that are included in the mission agenda (U.S. Department of Commerce Briefing in Bangladesh by The U.S. Embassy, Session / Conference / Seminar Targeting Export Opportunities in Bangladesh, Meeting the U.S. Ambassador to Bangladesh, one-on-one matchmaking meetings for Gold Key participating companies)
- Special meetings for Broward County elected officials and leaders of Florida delegation
- Potential meetings for Broward County:
 - Local chambers of commerce
 - Association of importers / exporters in Bangladesh / other related associations
 - Media: potential interviews with the largest newspaper/TV/radio station in Bangladesh

- Meetings with large importers/distributors

OESBD Mission Goals and Objectives

1. Organize export-related and business meetings for the Broward Delegation
2. Provide international protocol support to the Broward County delegation.
3. Provide export assistance to participating Broward County businesses as needed.
4. Participate in meetings with the Bangladesh government agencies and associations at the national, state and local level to build relationships that will aid in identification of future export opportunities for Broward County firms.
5. In addition to meetings arranged for participating Broward County firms through the Gold Key Program, OESBD is also working to arrange meetings for Broward County firms with economic, trade and industry organizations/associations designed to help Broward County firms build relationships that will lead to future export opportunities. Targeted organizations/associations include:
 - a. Association of Importers and Exporters in Bangladesh
 - b. National Manufacturing Industry Chamber
 - c. AMCHAM Bangladesh

Estimated Mission Costs:

REGISTRATION: Delegate Package \$350

HOTEL

Room Rate: **\$145/night + Taxes**

FLIGHT

FLL – Dhaka, Bangladesh roundtrip **\$1,099 (estimated)**

Costs for ground transportation, per diem have yet to be estimated