



CROUCHING TIGER...
5TH WORLD FOOTWEAR CONGRESS

SYED NASIM MANZUR
MANAGING DIRECTOR, APEX FOOTWEAR LTD

25TH NOVEMBER, 2014
LEON, MEXICO

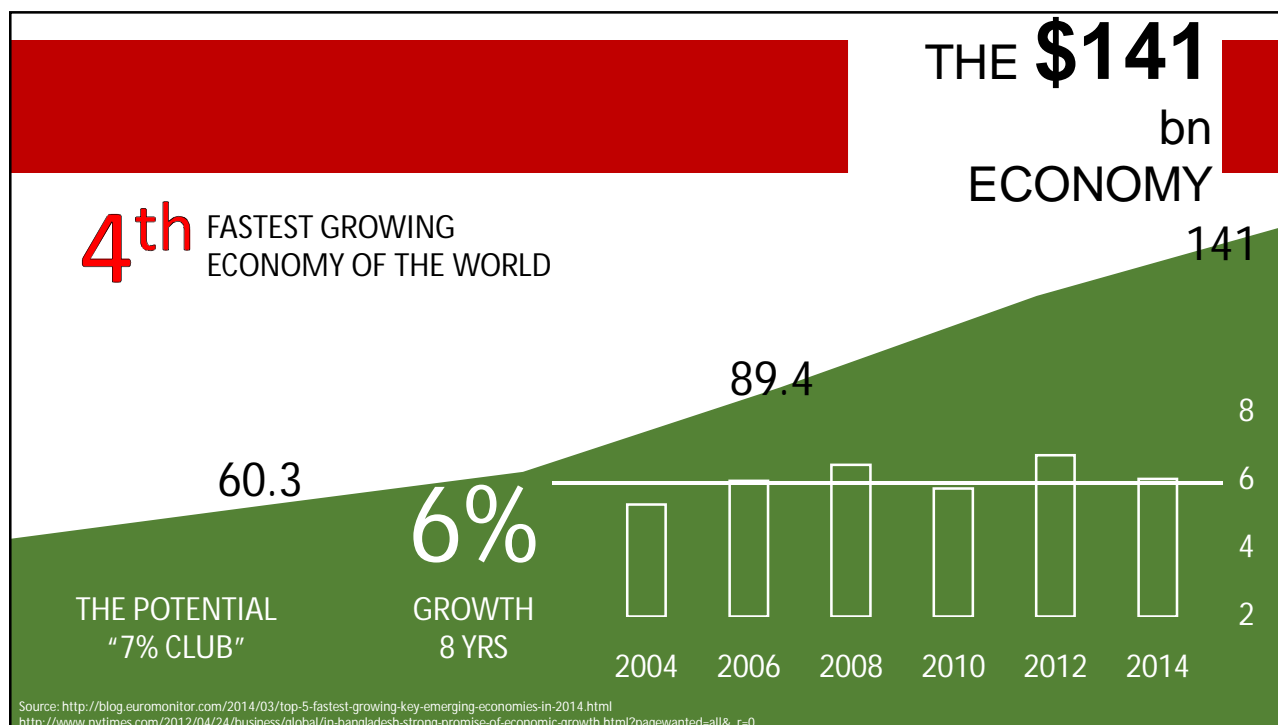
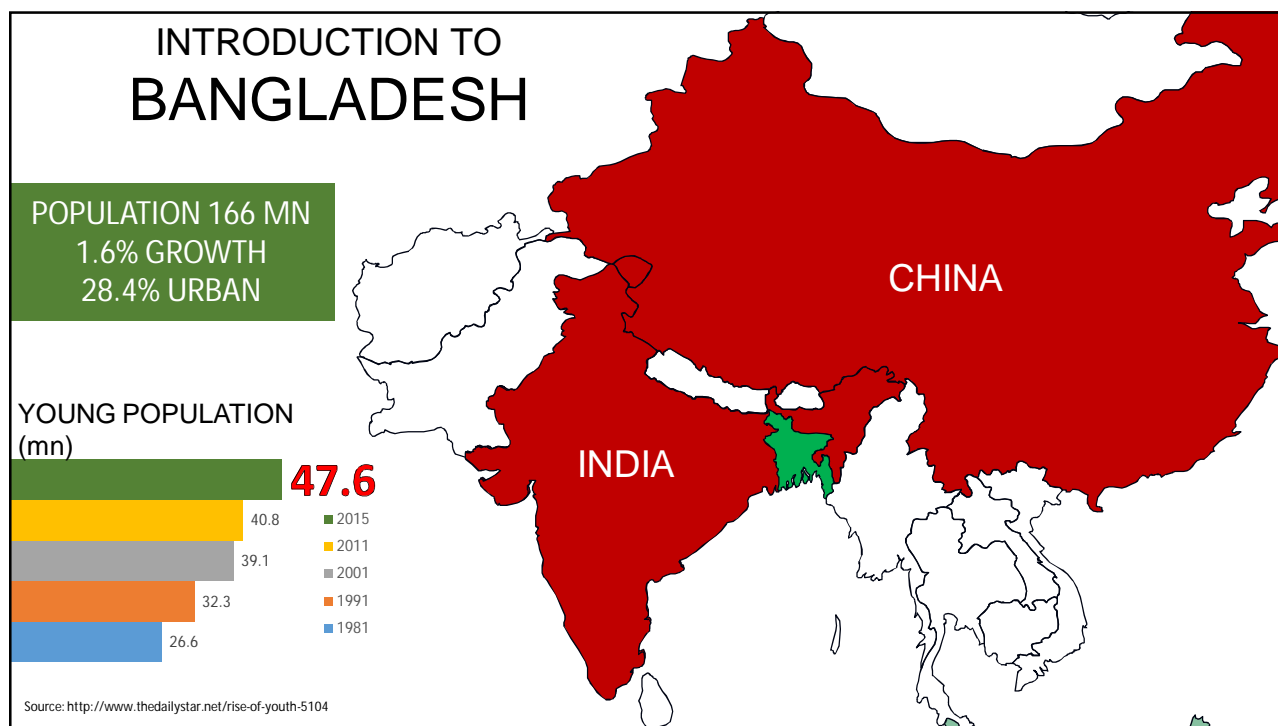


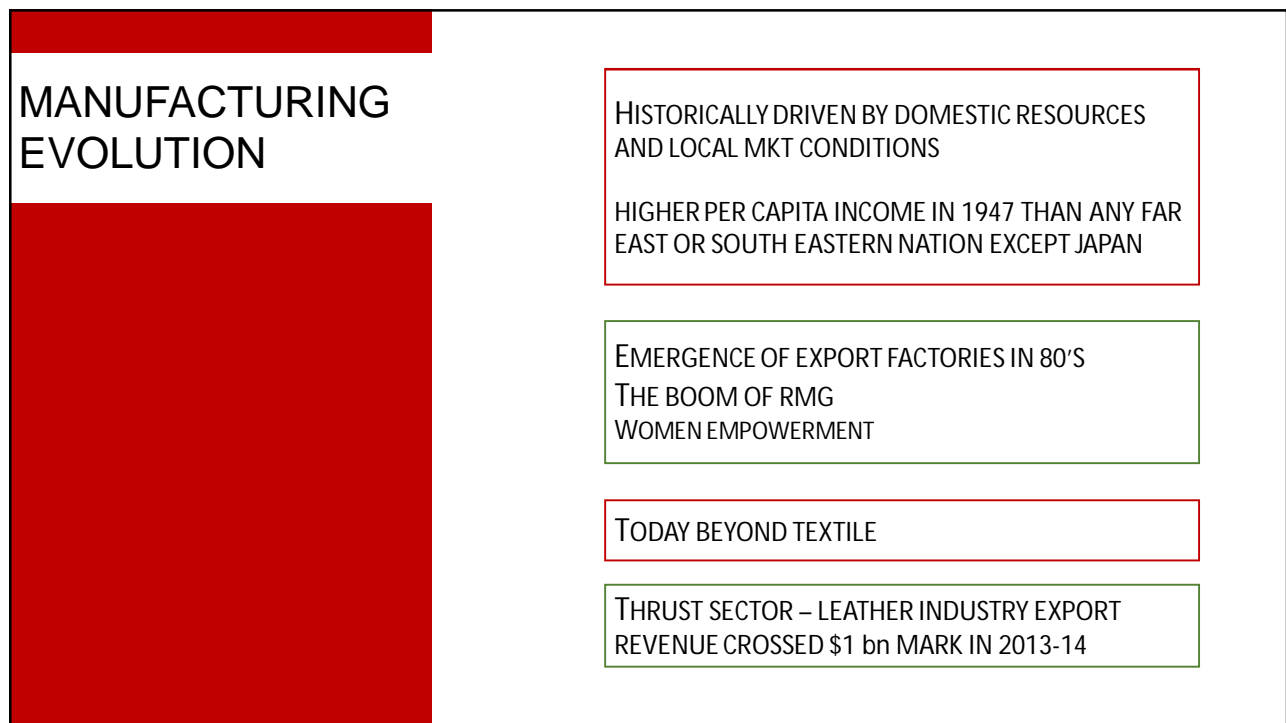
**ANOTHER
BRIC
IN THE WALL**

Goldman Sachs
Selected
Bangladesh
as N-11 in
2005

Forbes - 2nd MOST PRO-FREE ECONOMY

Source: <http://www.dhakatribune.com/bangladesh/2014/nov/01/bangladesh-world%E2%80%99s-2nd-most-pro-free-market-country>







THE NEW DRIVERS

GLOBAL MARGIN PRESSURE
45% RETAIL SPENDING IN UK IS SUPER MARKET BASED

PREFERENTIAL MARKET ACCESS –
EBA, JAPAN

SECURED FOOD, LOW WAGE PRESSURE
CEREAL CROP PRODUCTION INCREASED 233% SINCE 1971

DIVERSIFICATION OF SOURCE
CAPACITY CONSTRAINT

POWER OF

8

Source: <http://boi.gov.bd/>

HOMOGENEOUS SOCIETY

LIBERAL DEMOCRACY

INVESTOR FRIENDLY REGULATION

YOUNG, LOW-COST WORKFORCE

PROXIMITY TO CHINDIA

PRO-FREE ECONOMY

ENGLISH PROFICIENCY

INCREASED MID CLASS PURCHASING POWER

"THE INVESTMENT HAVEN" ... Forbes, 2014

FDI INCREASED **212%** IN 2011-12

FIRST MOVER ADVANTAGE – NOKIA, BAT, UNILIVER

58% FOREIGN FACTORIES FROM **37** COUNTRIES IN
BEPZ

FISCAL / NON-FISCAL INCENTIVES

PRIVATIZATION OF STATE OWNED ENTERPRISES (SOE)

70% CELLULAR CONNECTIVITY, **33 mn** INTERNET
USERS

3RD BEST COST EFFECTIVE / **4TH** ECONOMIC POTENTIAL –
CHITTAGONG EXPORT PROCESSING ZONE

Source: <http://boi.gov.bd/>

<http://www.epzbangladesh.org.bd/>

http://www.businessnews-bd.com/index.php?option=com_content&view=article&id=8860:internet-users-reach-to-3343-million-in-bangladesh

**“THE PEOPLES’ REPUBLIC OF BANGLADESH
IS A CAPITALIST HAVEN”**

Forbes

**“RECENT EVENTS PRESENT A CHALLENGE FOR EVERYONE, BUT
THERE’S NO ALTERNATIVE TO BANGLADESH FOR DOING BIG
PRODUCTION VOLUMES”**

McKinsey&Company

Source: <http://www.dawn.com/news/1044233>
<http://www.forbes.com/sites/alyssaayres/2014/10/28/bangladesh-capitalist-haven/>

THE WORLD IS TAKING NOTICE...

GLOBAL BRANDS, LOCAL PRESENCE

GRAMEENPHONE CROSSES REVENUE **\$ 1.3 bn** IN 2013

YOUNGONE’S PLANNED BIGGEST SHOE FACTORY: TARGETING **32 mn PRS** ANNUALLY

1300 PRS HUGO BOSS SHOES PRODUCED EVERYDAY

BLUE OCEAN FOOTWEAR PRODUCES ESPRIT AND TAMARIS – **2mn PRS / YR**

STELLA PRODUCTION OF TIMBERLAND SHOES - **1 mn PRS**

Source:
<http://www.forbes.com/sites/naazneenkarim/2014/08/27/bangladesh-shoefootwear-industry-is-making-tracks/>

A LOOK INTO THE BANGLADESH LEATHER INDUSTRY

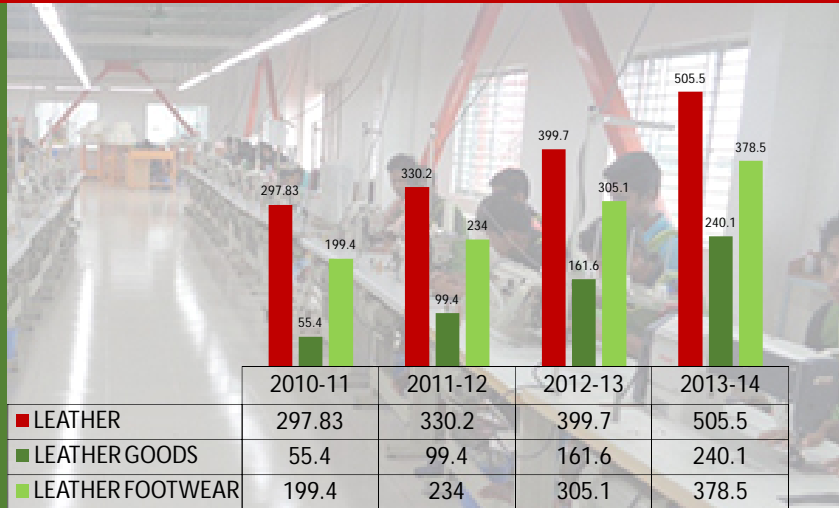
200 ACRE SAVAR LEATHER PARK

205 INDUSTRIAL PLOTS, 155 TANNERIES – CUSTOM BUILT DEDICATED ETP

TOTAL BD EXPORT ~USD 27 B, LEATHER SECTOR USD 1B, 2ND, WITH ALMOST 4% SHARE OF TOTAL EXPORT (2013-14)

DIRECT JOBS CREATED FOR 800,000+ PEOPLE

VALUE ADDITION 85% +



Source: <http://www.ifmeab.org/>

WHY BANGLADESH?

220 mn SQFT DOMESTIC LEATHER EVERY YEAR

1.7% OF GLOBAL LIVESTOCK

RELOCATION OF TANNING INDUSTRY

MOST SUPPORTIVE FREE ECONOMY

BONDED WAREHOUSE LICENSE SYSTEM ALLOWS EASY IMPORTS

PORT CITY CHITTAGONG EMERGING TO BE A MAJOR SHOE MAKING HUB

INCREASED LINKAGE INDUSTRIES – PACKING, LASTS, ADHESIVES, OUTSOLES

DECLARED A **'THRUST SECTOR'** WITH A HOST OF POLICY SUPPORT

INTERNATIONALLY CONNECTED WORLD CLASS MANAGERS

MINIMUM MONTHLY WAGE OF WORKERS - **USD 66**

Source: <http://www.ifmeab.org/>

EXPORT FRIENDLY EPZ POLICY

EPZ – 8 IN OPERATION, MORE IN THE PIPELINE
 DUTY FREE IMPORT OF CONSTRUCTION & RAW MATERIALS AND FINISHED GOODS
 RELIEF FROM DOUBLE TAXATION
 EXEMPTION FROM DIVIDEND TAX
 REMITTANCE OF ROYALTY, TECHNICAL AND CONSULTANCY FEE ALLOWED
 DUTY FREE, QUOTA FREE ACCESS TO EU, CANADA, NORWAY, AUSTRALIA, JAPAN
 100 % FOREIGN OWNERSHIP PERMISSIBLE
 NO CEILING ON FOREIGN AND LOCAL INVESTMENT
 FULL REPATRIATION OF CAPITAL AND DIVIDEND
 CUSTOMS CLEARANCE AT FACTORY SITE
 RELOCATION OF FOREIGN INDUSTRIES ALLOWED
 NON-RESIDENT FOREIGN CURRENCY DEPOSIT (NFCD) ACCOUNT PERMITTED

Source: <http://www.ifmeab.org/>
<http://www.epzbangladesh.org.bd/>

