

Cash incentives for Japanese companies needed : Naoki Ito

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Dhaka : Bangladesh offers cash incentives for RMG exports to new markets to Joint Ventures and fully domestic companies (Type B and C). However, Japan owned foreign companies (Type A) are not eligible for this cash incentive. This policy is very discouraging for Japanese investors in Bangladesh.

Japanese Ambassador in Bangladesh Naoki Ito said this at a business discussion event held in the capital on June 26 by Novo Cargo Ltd.

The ambassador said the policy's purpose was to encourage exports of RMG to new markets such as Japan, Korea, China and Australia. But, since, for some reason, Japanese foreign companies do not get to avail this cash incentive, this goes against the main purpose of the policy.

Therefore, this should be immediately revised, urged the ambassador. However, there seems to be no progress in this regard, he sighed.

Be that as it may, still amid even the coronavirus crisis, Japanese companies are continuing their business operations in Bangladesh, showing great business commitment to Bangladesh, praised the ambassador. New and new companies and investments are coming into the country's EPZs.

Thus, business environment and investment climate is improving in Bangladesh. Hence the ambassador hoped remaining issues will immediately be resolved.

Other issues hampering business investments include restrictions on telegraphic transfer for temporary trade and import account. Customs clearance being expensive is another discouraging matter for the investors.

The ambassador urged the government to take necessary actions to resolve these issues as soon as possible to better facilitate trade among the two countries.

Novo Cargo Services Managing Director SM Rahman and other business investors of both Bangladesh and Japan spoke at the event.