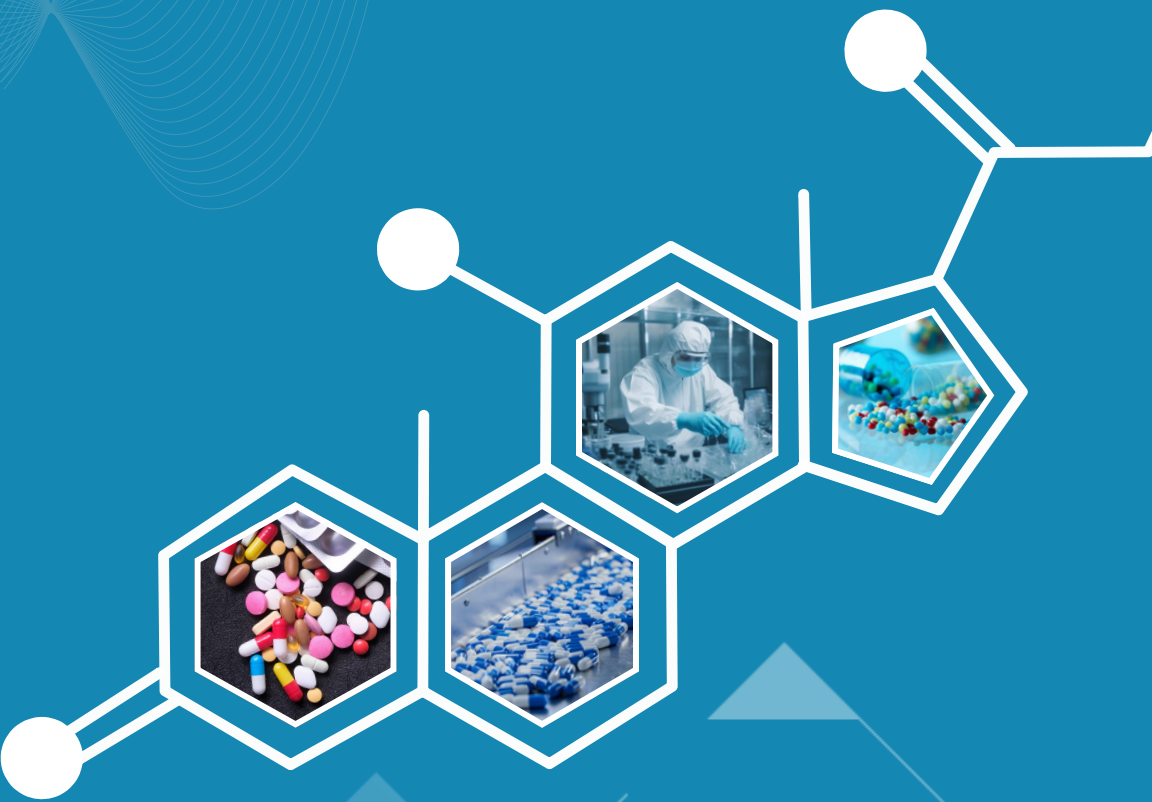




# PHARMACEUTICALS INDUSTRY AND API



# KEY FEATURES

*Pharmaceutical – Classified as an Export Diversification Sector in the Industrial Policy 2022 by the Government of Bangladesh.*

**15** companies are producing APIs.



**3rd largest** exporter of generic drugs globally

**27** companies to set up at API Park in Munshiganj.



257 operational licensed operational companies across the country

**↓ 15%**

production cost lower than India and China in Pharmaceuticals

Pharmaceuticals  
Contributes

**1.83%**  
to the GDP

Covers

**98%**  
of local demand



## Advantages

- Supportive government policies
- Dedicated Park for API factories to encourage production of API.
- Provision of export subsidy
- Favorable trade policies
- WTO extended patent waiver from TRIPS till 2033 helping Bangladesh to produce patented drugs.
- Duty free access to 52 countries
- Low cost of production
- Qualified human resources with expertise in manufacturing generic drugs

# KEY PRODUCTS

The pharmaceutical industry in Bangladesh is one of the most developed technology sectors within the country where almost all kinds of medicines are made.

## ONCOLOGY DRUGS LARGEST IN THE INDUSTRY

**42** Homeopathic  
Manufacturers

2400 Registered  
Drugs

2353 Retail  
Pharmacies

1140 Wholesale  
Pharmacies

**276** Unani  
Manufacturers

6389 Registered  
Drugs

675 Retail  
Pharmacies

**201** Ayurvedic  
Manufacturers

4025 Registered  
Drugs

405 Retail  
Pharmacies

**528** Herbal  
Manufacturers

32 Manufacturers

11 Retail  
Pharmacies

**257** Allopathic  
Manufacturers

29,486 Registered  
Drugs

3657 Total  
Generics

1,13,872 Retail  
Pharmacies

PHARMACEUTICAL  
INDUSTRY

- 3,534 generics of Allopathic medicine
- 2,313 registered Homeopathic drugs
- 5,771 registered Unani Drugs
- 3,899 registered Ayurvedic drugs

# ECONOMIC OVERVIEW



**Market value \$209.85bn (2021)**

(Growing at a CAGR of 5.9%; forecast period 2023-30)



**\$175.425m worth of export earnings**

FY 2022-23



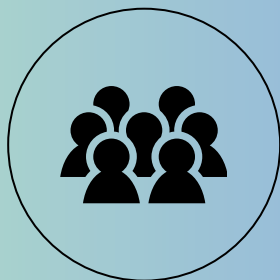
The pharmaceutical industry, **winner of global market through dynamism and technology**, experienced tremendous growth in the last decade. The sector surged to over Tk 30,000 crore by 2024, reflecting an average annual growth rate of around 12%



*"The pharmaceutical market has been witnessing excellent growth in recent years, and it is expected to have a compound annual growth rate of more than 12 per cent during the 2019-2025"*

- Bangladesh Pharmaceutical Market Future Opportunity Outlook 2025

# ECONOMIC OVERVIEW



Total employment is projected to

**461369**

till 2024

Minimum wage set by Government

**USD 68.99**

in Bangladesh

In India - USD 151.33

In China - USD 365.28

# EDUCATION

## Requirement for Pharmacy jobs



Bachelor of Pharmacy  
(B.Pharm)

Pharmacy is taught in

**about 100**

public and private universities  
and around **8000 students**

graduate every year.

# GROWTH DRIVERS



Increasing number of international accreditations received by Bangladeshi firms.



Rising healthcare cost is helping promote generic medicine around the world.



Changing disease profile to lifestyle/non communicable diseases requiring long term treatment and medication for such as cancer, diabetes, cardiovascular disease, and other non-communicable disease.



Increased purchasing power leads to boosting consumer demand, enhancing healthcare access and supportive government policies.

# MAJOR EXPORT DESTINATIONS



**Drug makers are exporting to 157 countries annually**



US\$15.25m worth of shipment to US Market.

Total US\$175.425m export earnings in FY 2022 - 23

Year	Total Export (BDT in Crore)	Countries
2011	426.15	87
2012	551.22	87
2013	619.93	87
2014	733.27	92
2015	1008.08	113
2016	2247.05	127
2017	3196.32	145
2018	3514.28	146
2019	4090.09	147
2020	4155.47	151
2021	6575.80	148
2022	6637.7	157

# HOT SPOTS FOR FOREIGN INVESTMENT



## Advanced Progress:

Bangladesh's pharmaceutical market is experiencing rapid growth, driven by increasing demand for affordable and accessible healthcare solutions.



## Research and Development:

Bangladesh can produce high-quality products as the industry employs state-of-the-art manufacturing facilities, sophisticated quality control equipment and skilled human resources. Thus, gives a great scope for investment.



## Linkage Industries:

Developing strong backward linkages by sourcing local raw materials and improving supplier capabilities, and in leveraging forward linkages to expand market reach and establish robust distribution networks. These integrated value chain enhancements reduce costs, increase reliability, and open new market opportunities, making Bangladesh an attractive investment hotspot.



## Dedicated Industrial Park and Industrial Cluster:

There is scope for establishing API industrial parks with the given space and with proper means of infrastructural knowledge provided. Bangladesh's pharmaceutical market is experiencing rapid growth, driven by increasing demand for affordable and accessible healthcare solutions.



## Set up Environment-Friendly Production Scope:

Foreign investors are expected to develop a non-polluting process for making products and state of the art finishing industry in Bangladesh.



## Testing and certification of medicine:

The "testing and certification of medicine" in Bangladesh is currently not fully updated to meet global standards, presenting a significant opportunity for foreign investment to modernize facilities, implement advanced technologies, and enhance regulatory compliance.



# POLICIES

- Dedicated Park for API factories to encourage production of API.
- Provision of export subsidy.
- WTO extended patent waiver from TRIPS till 2033 helping Bangladesh to produce patented drugs.
- Duty free access to 52 countries
- National API/ Laboratory Reagents Production and Export Policy 2018



# INCENTIVES



## Fiscal Incentives

- For 5 API molecules producers will get 100% tax holiday.
- For 3 API molecules producers will get 75% tax holiday.
- Active Pharmaceuticals Ingredients (API) and laboratory reagent producers, registered in Bangladesh will enjoy 100% corporate tax holiday until 2021-22.
- After 2021-22, Active Pharmaceuticals Ingredients (API) and laboratory reagent producers, will further enjoy tax holiday (from 2023-2032) if they could produce API molecules domestically.
- No AIT will be applicable for API producers on import of chemical compounds (Technical Grade/Chemically pure).
- Firms established between July 1, 2019 and June 30, 2024 are eligible for phased or partial tax exemption from 5 up to 10 years.



## Eligible Industries

- API and radio-pharmaceuticals
- Pharmaceuticals
- Barrier contraceptive and rubber latex



## Export/Cash Incentives

- 20% export subsidy on exporting Active Pharmaceuticals Ingredients (API) from Bangladesh.
- 7% export subsidy on exporting pharmaceuticals products.



## Conditions

- Paid-up capital of not less than BDT 2 million on the date of beginning of commercial production.
- 30% of the exempted has to be reinvested in the same or other industrial undertakings within one year.

# TOP INVESTOR COUNTRIES



U. S. A.



Australia



Germany



Ireland



Switzerland

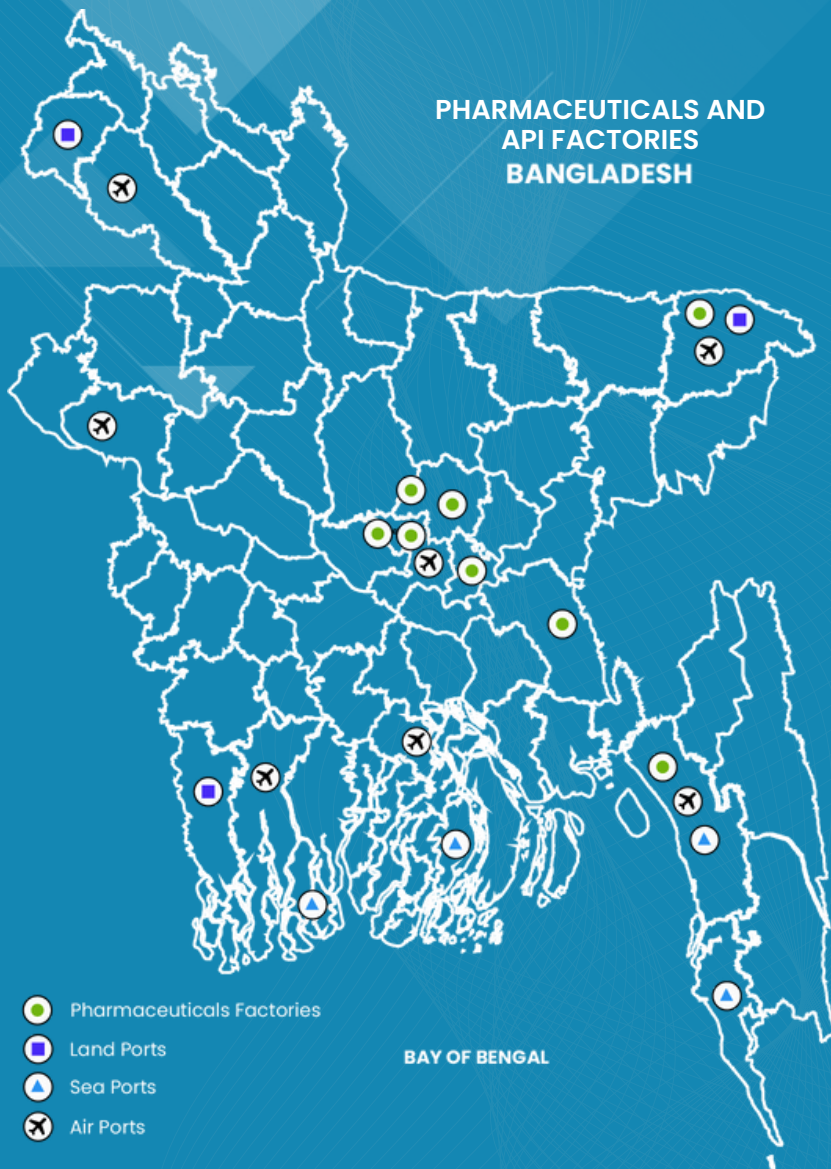


Belgium

# GLOBAL COMPANIES INVESTING IN PHARMACEUTICALS IN BANGLADESH



## PHARMACEUTICALS AND API FACTORIES BANGLADESH



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