



Bangladesh Investment
Development Authority



HEALTHCARE INDUSTRY

June 2024

KEY FEATURES



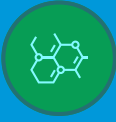
Bangladesh's healthcare and medical device sector grew by 14.6% between FY 16 and FY 19, recording the fastest growth globally.

The Bangladesh Medical Equipment and Devices Sector was worth USD 442 Million in 2022, with a CAGR of 13%.

Boosting consumption in the local market



Growing per capita income



Changing disease profile



Population growth



Lifestyle changes



Increasing patient population



Increase in disease

- Diabetes: In 2021, an estimated 13.1 million people were living with diabetes, which is projected to increase to 22.3 million by 2025 and 43 million by 2030
- Cancer: Till 2022, there were 1.5 million cancer patients in Bangladesh, with 150,000 succumbing to the disease annually
- Heart disease: In the last 10 years, the death rate due to heart attacks has increased 35 times for men and 48 times for women in Bangladesh.



All these imply a growing demand for medical device related to non-communicable diseases

KEY PRODUCTS


Healthcare services

Hospitals, clinics, diagnostic centers, digital healthcare services, clinical researchers and medical device manufacturing.

**IN LAST
20
YEARS**
AS PER 2021 DATA

- Private hospitals
1125 to 4452
- Clinics
411 to 1397
- Dental clinics
122 to 839
- Diagnostic centres
1778 to 10,291

- 654 government hospitals.
- 5,000+ private hospitals and clinics.
- 10,675 privately registered diagnostic centers.
- 16,438 community clinics and health centres



  1 bed for every 990 people; leading to a massive gap between the demand and the supply.

ECONOMIC OVERVIEW

16979 private hospitals, clinics, diagnostic centres and blood banks.

According to **World Health Organization (WHO)**, there are 5.26 doctors for every 10,000 population in Bangladesh.

Medical colleges in Bangladesh:
Government: 37
Private: 72

- Education required for doctors — MBBS
- Education required for nurses — Bsc in Nursing
- Postgraduate degrees — FCPS, MD, MPH, MS, Diploma

Institutes and seats disaggregated by public and private sector

Institutions/ Sectors	Educational Institutes			Seats		
	Total	Public %	Private %	Total	Public %	Private %
Medical colleges	113	34%	66%	11069	41%	59%
Dental Colleges	35	26%	74%	1937	27%	73%
Nursing colleges/BSC	174	18%	82%	17080	11%	89%
Nursing Institutes/Diploma	223	20%	80%	12085	28%	72%
Midwifery Institutes	112	37%	63%	3740	28%	72%
Medical assistant training schools	209	4%	96%	14001	6%	94%
Technology Institutes	110	12%	88%	11391	20%	80%



GROWTH DRIVERS

Lifestyle-related diseases like cancer, diabetes, and heart disease now require long-term treatment and medication.

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

- **Population Growth:** Expanding population boosts demand for healthcare.
- **Urbanization:** More urban residents require improved healthcare infrastructure.
- **Government Initiatives:** Policies and programs aimed at enhancing healthcare facilities and services.
- **Technological Advancements:** Adoption of digital health and medical technologies.
- **Health Awareness:** Rising awareness about health and wellness among the population.
- **Pharmaceutical Industry Expansion:** Growth in local pharmaceutical production and exports.
- **Training and Education:** Improved medical education and training programs for healthcare professionals.



The total number of hospital beds is 1,71,675 and 71,660 of them are in public hospitals. The number of beds for every 50 people in public hospitals is 0.0211 and there is one bed for every 990 people.

This data demonstrates the unmet demand for tertiary hospital facilities, to which foreign investors are encouraged to contribute to.

HOTSPOTS FOR FOREIGN INVESTMENT



Tele-healthcare:

The global digital health market is projected to reach USD 872.2 billion by 2031, with tele-healthcare having vast potential due to over 131 million internet users in Bangladesh. The pandemic has boosted online consultations, making Medi-tech a promising investment segment in the country.



Manufacturing Medical Equipment:

Bangladesh uses over 4,000 medical devices, with 5-7% locally manufactured, including consumables like syringes and blood bags, forming a USD 55-60 million market. The country also produces orthopedic products, surgical sterilizers, hospital furniture, and small-scale home care devices.

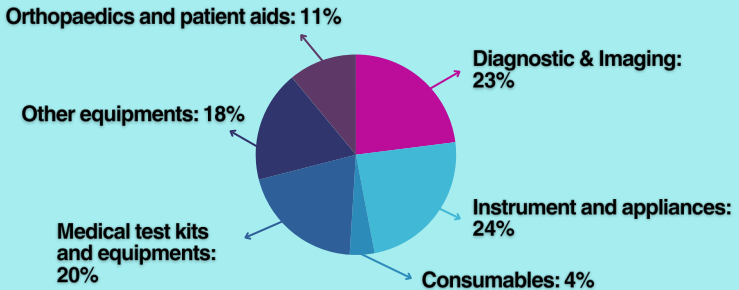


Quality Assurance:

Foreign investors can establish quality assurance labs in Bangladesh for testing and certification of medical devices, and provide training to local engineers and technicians on international standards and quality management.

Segment-wise breakdown of medical devices import value

(Source: Bangladesh Bank)



Changing disease profiles with shift to NCDs which require surgery and long-term treatment is expected to boost the demand for medical devices.



Consumables & surgical instruments:

The demand for consumables and surgical instruments like syringes, needles, and bandages is expected to grow with the increase in healthcare providers. Items such as catheters, suturing kits, and masks will also see rising demand.



Equipment required in ICU/OT:

The demand for ICU and operation theatre equipment, including ventilators, ECG machines, and oxygen masks, is expected to rise. Hospital furniture demand is also projected to increase rapidly.

ENABLING INCENTIVES

- 10-year corporate tax exemption for general & specialized hospitals established outside Dhaka, Narayanganj, Gazipur & Chattogram.
- 10-year corporate tax exemption to institutes providing technical training to healthcare-related skills development such as nursing, pharmacy, etc.
- Concessional import duty on raw material import of medical equipment.
- Waiver of import duties for all raw materials used for production of PPE, face mask, hand sanitizer due to the COVID-19 pandemic.
- 50% tax exemption for income derived from export.
- No VAT imposition on export of goods.
- 10% cash incentive on export value.

RELEVANT POLICIES

- Bangladesh Digital Health Strategy 2023 - 2027
- The Health Care Financing Strategy (HCFC)
- Bangladesh Health Workforce Strategy 2016 – 2021
- 4th Health Nutrition and Population Financing Program (HPNSP)
- National Health Policy 2011
- National Strategy for Adolescent Health 2017-2030
- Healthcare Financing Strategy 2012 – 2032
- Registration Guidelines for Medical Devices Bangladesh 2015

INVESTMENT PROCESS

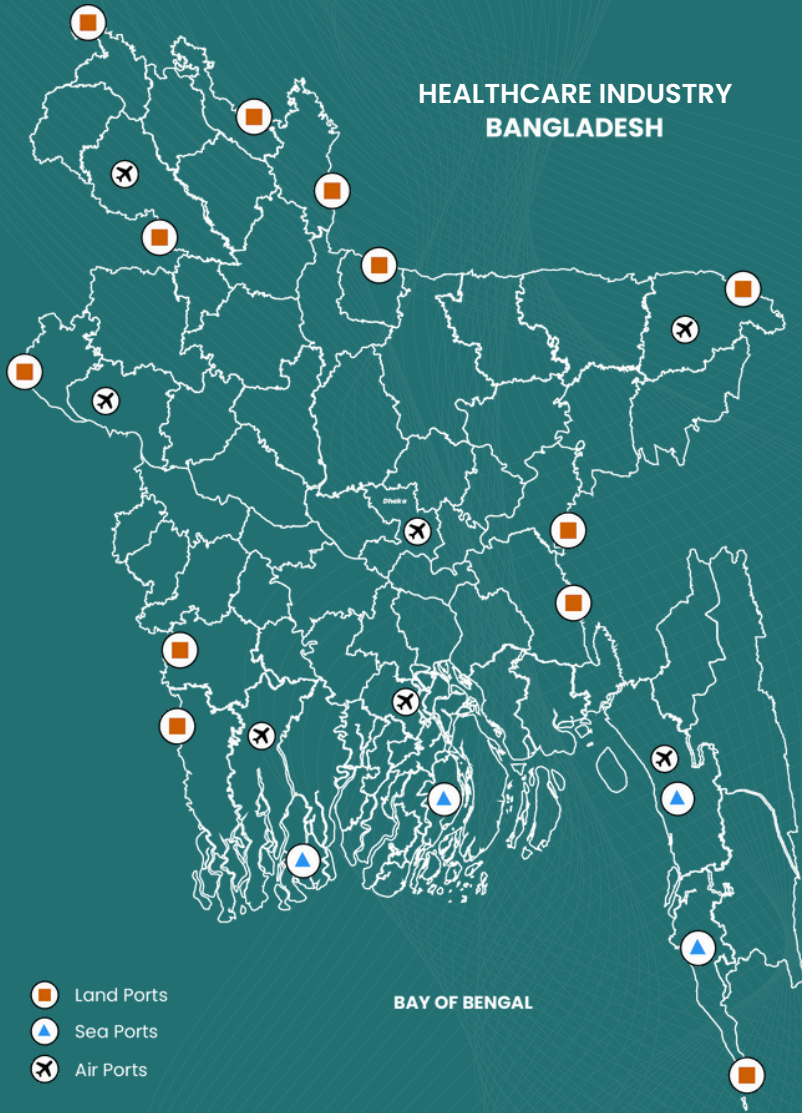
- Obtain registration from Bangladesh Investment Development Authority (BIDA)
- Obtain licence / NOC from the Directorate General for Health Services (DGHS) for investment in hospitals and medical education; Obtain license from DGDA for investment in pharmaceutical and medical device.
- Top investor countries

List of registered medical equipment/devices manufacturers with BIDA		
Year	Country of Origin	Proposed projects as of registration
2013	Taiwan	Medical wears/aprons, other disposable products
2013	USA	Disposable plastic items
2014	South Korea	Medical/surgical equipment, orthopedic appliances, medical infusion tubes and bags
2014	Malaysia	Latex powdered/non-powdered gloves, surgical gloves
2016	China	Flexible/complete/acrylic denture, metal/porcelain crown
2016	USA	Reagents
2017	Netherlands	Ophthalmic lenses
2020	Sweden	Medical/dental instruments and supplies

GLOBAL COMPANIES INVESTING IN HEALTHCARE IN BANGLADESH



HEALTHCARE INDUSTRY BANGLADESH



Bangladesh Investment
Development Authority

BIDA

E-6/B Agargaon, Sher-e-Bangla Nagar
Dhaka-1207. Tel: +880-2-44826795-99
Email: info@bida.gov.bd

Supported by



UK International
Development

Partnership | Progress | Prosperity

