

EXPLORING THE TRADE AND INVESTMENT OPPORTUNITIES IN AFRICAN COUNTRIES - A GATEWAY FOR THE ECONOMIC DEVELOPMENT OF BANGLADESH

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INTRODUCTION

Bangladesh is considered as one of the global emerging economies among the developing countries in the modern world. Over the last few years, Bangladesh economy experienced sustained growth in GDP. Huge remittance inflows, growth in service sectors contributed largely to the economic development. But Bangladesh will be among the severely affected developing countries due to climate change. She suffers from tidal storms, floods and other natural calamities every year. Besides, the area of land is very meager considering the pressure of the population and gradual reduction of the resources. Thus, Bangladesh needs to explore more beyond her boundary in order to maintain her continuous growth in economy. With abundance of natural resources African countries are still in the middle of crisis in social, economic, education and health care sectors. Recently both the Africans and the world leaders realized the importance of African development from global perspective. This allowed great deal of research work on the potentials of African countries followed by huge inflows of foreign direct investment. Thus, Bangladesh could be one of the beneficiaries in exploiting the immense potentials of African countries. Few private owned organizations have already analyzed African markets and also expressed their potentials provided more organized and effective steps are taken from Governments' side.

Africa is known to be a mysterious continent across the globe. She has vast amount of resources but yet she remains as the most underdeveloped area in the world. Statistics reveals that more than a million Chinese are in Africa exploring opportunities in the country sides of African villages and cities. Over the past two decades, Foreign Direct Investment (FDI) has increased from approximately US\$9 billion in 2000 to US\$18 billion in 2004 and US\$88 billion in 2008 in Africa. According to the statistics, facts and analysis shown in the Millennium Development Goals (MDG) – 2012, Africa can be the source of huge food production in the world. Still she contains a vast area of arable land. Besides, Africans are still continuing with the traditional methods of farming in Agriculture Sector. Moreover, Governments in various African countries could not yet attract their vast populace in Agricultural Sector. Thus modern farming method and Governments' patronizations can change the entire scenario in the Agricultural Sector of Africa. Besides, due to growing trends in income capacity among the Africans, Bangladeshi consumer products, medicines, ready –made garments (RMG), electronic goods, locally made agricultural equipments, ready- made furniture, plastic wares can

explore the African markets in the coming years. Thus exploration in Africa both in Agricultural and Commercial Fields can act as a catalyst in the economic growth of Bangladesh.

Background

Africa is the second largest continent in the world after Asia, and with a total land area of more than 3,025.8 million hectares (ha), its landmass is more than three times that of the United States of America. Approximately one billion people¹ who account about 15% of the world's human population live in Africa². Presently, Africa contains 54 sovereign countries. The region is a mining giant³. But yet its industrial base is insignificant on the global market, and the majority of its people live in growing poverty⁴. Africa has numerous tourist attractions, ranging from wildlife to cultural heritage, and yet it contributes only 4% annually to the multi-million dollar global tourism industry. Issues of poor infrastructure, lingering perceptions of instability and other external factors such as adverse travel advisories conspire to retard any significant development in this sector. In the 21st century, with the expansion of open market economy, the number of armed conflicts in Africa has steadily declined. Since the end of 2002, presidential or parliamentary elections have taken place in countries such as Nigeria, Togo, Rwanda, Guinea, Algeria, South Africa, Ghana, Namibia, Mozambique and Zimbabwe. Opposition politics has flourished since the 1990s and has become entrenched in governance systems across Africa. The ongoing improvement on overall stability and economic reforms has led to a great increase in FDI into many African nations. Presently, several African economies are among the world's fastest growing economy as of 2012.⁵

Africa could feed itself by making the transition from importer to self-sufficiency. The present trend of African economic growth in some countries will largely depend on the investment in different service sectors, telecommunications, medicine and agriculture. Bangladeshi entrepreneurs need to be cautious and take in to consideration about one aspect that many Africans especially uneducated rural people still view the activities of the foreigners in their soil negatively mainly because of their long subjugation and exploitation by the whites. Local people need to be taken on board through CSR activities and given an impression that their investment is to benefit them. As such, local people will protect the business interest of the investors. Needless to mention here that the people of Bangladesh are having a very negative impression about Africa. We must

1. According to the Latest Census in 2009.

2. Internet, 'Africa', retrieved from Internet, <http://en.wikipedia.org/wiki/Africa> Wikipedia, the free encyclopedia accessed on 09 December 2012.

3. Africa produces 77% of platinum in the world; 62% of aluminum silicate; more than 50% of vanadium and vermiculite; more than 40% of diamonds, palladium and chromium; and more than 20% of gold, cobalt, uranium, manganese and phosphate rock.

4. Internet, Land Resources in Africa, http://www.eoearth.org/article/Land_resources_in_Africa accessed on 02 December 2012.

5. The Economist: IMF, accessed on Mar 2012.

shun that age old medieval days ideas about total behavior of the Africans and update ourselves about present day rising Africa.

INVESTMENT OPPORTUNITIES PREVAILING IN AFRICAN COUNTRIES

The African economies rank among the most resilient in the world. Africa is becoming an increasingly attractive hub for foreign investors in light of various economic, political and social reforms that are sweeping through the continent, resulting in a much improved business environment conducive for FDI. Bangladeshi investors who has yet to make a foray into Africa, now is the time to step in and capture a share of Africa's \$1 trillion opportunity⁶.

- a. **Investment in Agriculture.** Most of the African countries are not self-sustained in food production despite vast amount of arable land in possession. One of the reasons for low productivity lies in traditional farming methods. Another reason is historical. In the past, farmers in Africa have often been neglected. Governments didn't care about them⁷. According to the estimate of The Food and Agriculture Organization (FAO), only 14% of Africa's 184 million hectares of arable land is under cultivation, with some 21 million hectares in a state of accelerated degradation. Many international corporations have poured in to Africa in search of farming land. China is pioneer in this regard⁸. Bangladeshi Peace Keepers have undertaken numbers steps to build the image of the country in African soil. Particularly in Liberia under various Agricultural Projects Bangladeshi Peace Keepers providing all kinds of assistance to the farmer including technical support, seeds, pest control in 44 acres cultivable land. These projects have successfully influenced the other inhabitants of the area to go for community cultivation⁹. According to the statistics, in Bangladesh 58% arable land is available¹⁰. This amount is reducing day by day to accommodate the growing demand of her population. Thus, exploring vast amount of unused arable land in Africa could be an effective measure in mitigating this challenge. This will reduce the pressure on importing food items. Besides, Bangladeshi farmers can also provide the agricultural knowledge and technical know-how to the Africans. As the agricultural output is increased, there'll be a business opportunity for the manufacture and marketing of products such as fertilizers,

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6. Lucrative sectors for Bangladeshi investors are: *Agriculture, Tourism, Infrastructure, Fast Moving Consumer Goods, African ICT and Pharmaceuticals*. Opportunities **for trade and investment** in Africa cut across various sectors *starting from setting up clinics, pharmacy, medical laboratory, furniture making and repair, agricultural machinery leasing, restaurant, grocery store, general stores, bakery and many more*.
 7. Africa - The Breadbasket of the Western World. Retrieved from <http://www.english-online.at/news-articles/world/africa/foreign-companies-buy-farm-land-in-africa.htm>. Internet accessed on 29 November 2012.
 8. Japan, Saudi Arabia and South Korea have invested in Africa in order to meet their acute food shortage.
 9. Presentation by Colonel Md Zillul Huq, Contingent Commander, BANBAT 19 at Camp Charlie, Ganta, Liberia under UNMIL on 17 May 2012 (This presentation was given to the researcher when he visited Liberia from 14-28 May 2012 as Head of Mission Assessment Team -MAT comprising members from Armed Forces, Ministry of Commerce, Ministry of Foreign Affairs and representatives from Electronics Media).
 10. Bangladesh Statistics, www.ruralpovertyportal.org retrieved on 24 May 13.

pesticides, agricultural equipment's and seeds as well as a demand for food processing services.

- b. **RMG Sector.** In recent years, the RMG sector has emerged as the biggest earner of foreign currency. The export-oriented garment industry in Bangladesh has grown rapidly for the last three decades and now ranks among the second largest garment exporters in the world. Demand for Bangladeshi RMG goods is increasing, especially in the South Africa and Latin American countries, because of high value of Chinese apparel¹¹. H.E Sylvester M. Grigsby, Foreign Minister of Liberia emphasized on the RMG sector of Bangladesh which can take the opportunity provided by the AGOA¹² by investing in Liberia and take the opportunity of duty free access to USA and western markets¹³.
- c. **Consumer Products.** In addition to economic growth, population growth, urbanization rates, falling poverty levels coupled with an emerging middle-class, improvements in the business environment, increased levels of trade openness and technological innovation are likely to play an important role in the expansion of the African consumer market¹⁴. With high levels of economic growth across the continent, poverty levels as a percentage of total population are forecast to decline to 20% in 2020 from 48% in 2008¹⁵. Expansion of African consumer market will definitely provide an opportunity to Bangladeshi companies to increase their export earnings.
- d. **Pharmaceutical Products.** Bangladeshi Pharmaceuticals sector is the most promising one as the country is very strong in this industry. The size of the pharmaceutical market in Africa is estimated more than US\$10.00 billion. H.E Sylvester M. Grigsby, Foreign Minister of Liberia mentioned that Liberia is currently importing medicines from US which are very expensive. Again expensive medicines are out of reach of local people. Bangladesh produces very high quality international standard medicine with much cheaper cost. He assured that Liberia will explore the possibility of importing medicines from Bangladesh¹⁶. The quality

11. **The Financial Express**, Dhaka, February 12, 2013.

12. Due to AGOA, African nations are now enjoying duty- and quota-free apparel market access to the USA so they oppose such facilities being offered to Bangladesh. If Bangladesh expands trade relations with Africa, they will automatically support Bangladesh to get duty- and quota-free market access to the USA for their own sake.

13. Interview, H.E Sylvester M. Grigsby, Foreign Minister of Liberia on 23 May 2012 at Foreign Minister's Office in Monrovia during visit of the Researcher (Brigadier General Md Habibul Karim, psc) to Liberia as head of the delegation from 13 May 2012 to 27 May 2012.

14. The African population is growing at 2% per annum. The continent's total population is therefore projected to increase by 50% from one billion in 2010 to over 2 billion by 2060. At the same time, the percentage of Africans living in cities is expected to increase to 50% in 2030 from 37% in 2009. Together, these two factors will foster the number of new consumers entering the African market.

15. Ibid.

16. Interview, **H.E Sylvester M. Grigsby, Foreign Minister of Liberia** on 23 May 2012 at Foreign Minister's Office in Monrovia during visit of the Researcher (Brigadier General Md Habibul Karim, psc,) to Liberia as head of the delegation from 13 May 2012 to 27 May 2012.

of Bangladeshi pharmaceutical products is not only more suitable in regards to the pattern of diseases in Africa but the general Africans possess very high impression about the quality and packaging of the medicines produced in Bangladesh. This has largely been achieved by the “*Free Friday Clinics*” being run by the Bangladeshi Peace Keepers Working/or have worked in those countries. Thus with the socio-economic development and increased growing of the middle class in the Africa region Bangladeshi pharmaceutical products are likely to get better market even at a higher rate.

- e. **Investment in African ICT, Tourism and Ship Building Industry.** Africa is being promoted as the next global technology hub and the continent is said to be on the brink of unprecedented growth and prosperity. Africa has experienced rapid growth in the ICT sector¹⁷ and with over half a billion mobile subscribers, the continent is set to become a choice destination for telecom investors. Several African countries like Kenya, Mauritius, Seychelles and Tanzania have become some of the world’s favourite tourism destinations¹⁸ for obvious reasons. We should be taking advantage of it. For example, *Lake Victoria* in Uganda and *Lake Malawi* in Malawi has a substantial number of bodies of water that are still unexploited. A luxury boat cruise or tour operatorship could be a great idea. Ocean going ships or small vessels is an emerging sector for Bangladesh. Bangladesh exported small ships and vessels worth US \$ 45.95 million in 2011-12¹⁹. *Managing Director, Western Marine Shipyard Ltd* said, “The prospect of Ship Building Industry is very high and also the remittance is also huge²⁰”. Development of this sector will lead to the benefit of the country like: *Local industry development, Manpower employment, Foreign currency saving, Backward linkage development and GDP growth*²¹.

17. Mobile telecommunication, **Mobile Money** transactions, **Mobile Internet and investments** in high capacity broad band projects.

18. According to the United Nations World Tourism Organization, tourist arrivals into Africa in the year 2012 exceeded 50 million in 2012.

19. Export Promotion Bureau (EPB).

20. Interview, Engr Md . Sakhawat Hossain, Managing Director, Western Marine Shipyard Ltd, Amin Faruk Park (7th Floor), 1440/a-8, Strand Rd, Chittagong, Bangladesh on 01 June and 31 July 2013.

21. Western Marine has built about 70 ships for inland & coastal use in the domestic market. And exported 13 ships so far, one Floating Reception Vessel has been handed over to a Finnish buyer, eight 5200 DWT MPC ships to Germany, two passenger vessels to Pakistan, one Car Ferry to Denmark & one 4100DWT heavy load MPC ship will be delivered to a European buyer. At the same time protective measures to be undertaken to prevent import of ships. This could be done by imposing high duty on import of foreign ships which are more than 5 years old to protect the local shipbuilders. At present this duty structure is only 10-15% on import of different type of ships which is to be raised at 25-30%.

CHALLENGES TO EXPLORE THE PREVAILING INVESTMENT OPPORTUNITIES

FDI into Africa still faces challenges as she was facing before²². However, the situation is improving gradually²³. It is true that in some African countries data relating to markets and consumers are lacking. Many markets are informal and not secure in driving investment decisions. Detail market investigations will be needed before investment decisions are taken.

- a. **Challenges in Agricultural Sector.** Agricultural productivity in Africa is largely stagnant in comparison to other region. Apart from low power inputs, African agriculture suffers from a lack of investment in irrigation compared with other regions of the world. Only about 5% of Africa's arable land is irrigated, while in India the figure is 40%. Other parts of the developing world average about 30%²⁴. In a changing climate, irrigation is likely to become even more important. Investment in large irrigation schemes would be a long-term process but much might be achieved in small schemes for small groups of farms. In mechanization terms, this suggests a substantial opportunity for sales/leasing of pumps, diesel engines and related equipment.
- b. **Inadequate Infrastructure.** Investors, both domestic and foreign, are naturally hesitant about investing in countries where basic requirements, such as roads, health services and utilities are inadequate. In 2008, only 38% of Africans had access to electricity compared to an average of 68% for all developing countries, 53% for South Asia and 80%-90% for Latin America. The figure is even lower for Sub- Saharan Africa, currently at 26%. The power outages were due largely to lack of regional interconnectivity of the electricity grids and shortages in affected countries. Most of the African countries are suffering from huge loss of working hours due to power deficit.
- c. **Lack of Political Stability.** Political instability substantially affects the ideal investment environment in Africa. Africa today is not only facing an economic crisis characterized by famine, malnutrition, high rates of unemployment,

22. Foreign Direct Investment Risk Destination Africa, retrieved from <http://www.accountancysa.org.za/resources/ShowItemArticle.asp?Article=Foreign+Direct+Investment+Risk+Destination+Africa&ArticleId=2228&Issue=1104>. Internet accessed on 31 Jul 13.

23. E-banking Slowly Driving Financial Inclusion. One of the biggest success stories with regards to financial inclusion in sub-Saharan Africa is M-Pesa's mobile wallet in Kenya. This has successfully penetrated some of the most deprived economies and simultaneously spurred unprecedented demand in a very short amount of time. M-Pesa now provides international money transfers between Kenya and other African countries and even the UK. Countries such as Kenya, South Africa and much of the North African region are now facing 100% m-banking penetration. However, in countries such as Burundi, the Central African Republic, Eritrea, and Rwanda the penetration is far less, standing at roughly 35%. Internet, *"Challenges of African growth, opportunities, constraints and strategic direction"* Internet, www.howwemadeitinafrica.com retrieved on 18 May 13.

24. Agricultural Mechanization in Africa... Time for action Planning investment for enhanced agricultural productivity Report of an Expert Group Meeting January 2008, Vienna, Austria.

refugees, and severe poverty, but is also burdened by serious political problems, including one-person rule, violation of human rights, inter-ethnic and interregional conflict, and the lack of tolerance for minority groups. All these problems have projected an image that Africa is a region riddled by crises and not conducive to investment. Recent uprising in North African Countries like in Egypt, Libya, Tunisia expatriated many investors causing negative impact to the growth in economic development²⁵. It has been observed that many investors are returning to DRC, Liberia and Ivory Coast and Sierra Leone with the gradual restoration of peace and the end of protracted civil war.

- d. Foreign Exchange (FOREX).** The chronic and persistent shortage of foreign exchange and restrictions on foreign currency transfers is considered as a serious constraint for investors in Africa. FOREX regulations have undergone major changes in most of the African countries to be more investment friendly and to attract FDI. Bangladesh's Foreign Currency Regulation doesn't allow investors to take money out of the country formally²⁶. We need to delineate our Foreign Currency Regulation to allow genuine investors to invest in Africa for overall economic benefit of the country.
- e. Vast Territory of Africa.** FDI into Africa has increased significantly over the last decade and this trend is set to continue, but the decision on where to invest in this vast and diverse continent can prove challenging. The sheer size of the continent can prove daunting for many investors as well as the different sets of rules, regulations, stakeholders and market dynamics that exist across the 54 countries.
- f. Negative Image/Image Issue.** There is a negative perception about Africa almost all over the world. Beyond economic policies and issues, the major obstacle of Africa has to overcome in attracting FDI is that of negative attitudes towards the continent. Bangladeshis are no exception to that. In general we have a negative perception about Africa. Lack of knowledge about Africa is a major predicament for investment in African regional countries²⁷. It is true that Africa has long suffered from adverse media and academic exposure. The stereotypical image of the continent is that of corruption²⁸, hunger and

25. The Daily Financial Express, 23 November 2011.

26. Annual foreign exchange quota for business travel abroad for new exporters has been set at US \$ 6000. Bonafide requirement beyond US \$ 6000 is accommodated by Bangladesh Bank upon written request submitted with supporting documentation, Foreign Exchange Transaction Guidelines, Bangladesh Bank, Central Bank of Bangladesh, Internet, <http://www.bb.org.bd/aboutus/regulationguideline/foreigexchange/convertk.php> accessed on 25 July 2013.

27. Interview, Syed Nasim Manzur, Managing Director, Apex Adelchi Footwear Limited after presentation on Entrepreneurship Development and Manufacturing process in Bangladesh" at National Defence College, Mirpur Cantonment, Dhaka 02nd May, 2013.

28. Corruption often cited as a major constraint on investment in Africa, in fact, only 7% to 9% of Africa's GDP is related to corruption, while the percentage is much higher in China (30%) and in South East Asia (average 11%). Ref: Private Equity and Investment in Africa by Ying Lu and John Battersby, Internet: <http://www.south Africa.info/Africa/investment-220711.htm#> accessed on 22 June 2013.

starvation, drought, ethnic wars, coup d'états and now AID/HIV. A part of such attitudes is deliberately prejudicial, sometimes justified by events and the behaviour of some governments in Africa but a part is simply due to lack of adequate information about the continent. A positive campaign by the strong Bangladeshi Media emphasizing the positive aspects of African countries and fastest growing economies will make a great difference. There are countries in Africa which continue to enjoy relative political and economic stability. It should be informed that like Asia and rest of the world, Africa has its good parts too, and in some cases better than elsewhere. The strength of African culture and the hospitality of the Africans should be highlighted. The benefit of such campaign by the media will be immense which will ultimately convince potential Bangladeshi investors to pay more attention to Africa. Intra ministerial coordination will be necessary in doing this.

- g. Gap between Perception and Reality.** There is certainly a gap between the reality of Africa's potential for investment and the perception. If it is told to the investors that some of the highest investment returns in the world are made through investing in Africa, they often don't believe. So there is certainly a gap between perception and reality. If Information is now better and more readily available compared to 10 years ago, making investors seemingly more sophisticated and better informed to make decisions and influencing how investors perceive Africa. To speak of the opportunity cost of not investing in Africa, without speaking of politics, would be foolhardy. Promises of young democracies budding from the unrest in the north and pressure mounting on undemocratic regimes are proof that the people of Africa are indeed taking the tentative steps forward in making Africa the "place to be" for investors²⁹.

PROBABLE BANGLADESHI ORGANIZATIONS FOR BEST UTILIZATION OF THESE OPPORTUNITIES

Vast resources and huge potentials of Africa have already started attracting foreign investors. Several Bangladeshi organizations stepped in to Africa to explore the opportunities. But these are mostly private organizations. Government could not make any progress in this regard³⁰. Only private sectors cannot make any noteworthy exploration in Africa. Investors in Africa are likely to be confronted with the embedded constraints and challenges. Besides, there are many legal aspects which can only be solved by bilateral and multilateral treaties. Diplomatic steps taken by the government will facilitate huge investment both in private and public sectors. Rapport already established by the

29. Foreign Direct Investment Risk Destination Africa. Retrieved from <http://www.accountancysa.org.za/resources/ShowItemArticle.asp?Article=Foreign+Direct+Investment+Risk+Destination+Africa&ArticleId=2228&Issue=1104>. accessed on 03 Jul 13.

30. Interview, Dr Muhammad Abdur Razzaque, Minister for Food, Government of the People's Republic on 26 May 2013.

Bangladesh Military contingents deployed for peace keeping operations in the African countries can be utilized for this purpose. However, Bangladesh Government should act as the key player in exploring Africa. Until now, few foods/beverage companies and pharmaceutical companies have launched their product and successfully carrying out their mission in Africa. In the following paragraphs, potential private organizations/sectors to exploit the opportunities in Africa have been discussed:

- a. **PRAN Group.** PRAN Group is a highly reputed company both in home and abroad. It has the distinction being the largest exporter of processed agro products with compliance of HALAL to more than 70 countries from Bangladesh³¹. PRAN is the only company in Bangladesh which exports food and agricultural items to the African Countries. They are yet to trade plastic items, RFL products. African Market could be one of the best markets that this company can explore.
- b. **Pharmaceutical Companies.** The pharmaceutical industry in Bangladesh is one of the most developed hi-tech sectors within the country's economy. Up to 2000, there were 210 licensed allopathic drug-manufacturing units in the country, out of which only 173 were in active production³². At present some of the companies started exploring the market in African countries. Currently, the US \$ 1 billion pharmaceuticals can meet 97% demand for the local market. In 2011-2012 fiscal year, Bangladesh exported pharmaceuticals products worth US \$ 48.25 million. Bangladesh's pharmaceutical exports last year in 83 countries in Europe, Asia, Africa and Latin America and stood at \$52.65 million³³. Presently African market is controlled by Indian Pharmaceutical products because of low production cost. Bangladeshi medicines can be proved as much better quality material if proper initiative is taken.
- c. **RMG Sector.** In recent years, the RMG sector has emerged as the biggest earner of foreign currency. The RMG sector has experienced an exponential growth since the 1980s. The sector contributes significantly to the GDP. It also provides employment to around 4.2 million Bangladeshi workers³⁴ out of which 80% workers in this sector are women. This has affected the social status of many women coming from low income families. African countries can be an ideal market place for this sector. Till now, significant progress in exploring this sector is not made by the concerned group. Only South Africa is the export destination in African market. Recent experience of Bangladesh Military Contingents deployed in Africa says that Bangladesh can explore African market offering much lower and competitive price.

31. *ibid.*

32. Pharmaceutical Industry in Bangladesh, en.wikipedia.org/wiki/Pharmaceutical_industry_in_Bangladesh, retrieved on 10 June 13.

33. Bangladesh: Next Pharma Hub, Incepta MD Abdul Muktadir speaks at D-8 meeting, Internet, <http://www.skyscrapercity.com/showthread.php?p=91632461> accessed on 16 July 2013.

34. Bangladeshi RMG Sector, en.wikipedia.org/wiki/Bangladeshi_RMG_Sector retrieved on 21 May 13.

- d. **Abul Khayer Steel Group.** The company started serving the market, supplying import product from the year 1972 and became the largest player in supply of plain/corrugated galvanized steel sheets in Bangladesh by 1993³⁵. Presently this company has overseas offices in many African countries³⁶. The prospects of steel products in African countries are very high. The quality of this product already earned the reputation in African markets. Now the exploration has to be started in full swing. These will be able to meet the growing demand of Africans' development activities.
- e. **Nitol Niloy Group.** This Group has a strong, diversified profile in Bangladesh. It has opted for trading assembling of vehicles, bus body making, after sales support, transport and aviation services, financial institutions, manufacturing industries, real state including building of satellite townships, properties development and sports promotion. The group annual turnover is estimated to cross taka 500 cores³⁷. This group can easily seize business opportunities in African countries.
- f. **Walton.** Walton brand's main products are; Motorcycle, Refrigerator & Freezer, Air Conditioner, Mobile Phone, Television of different models, DVD Player, Microwave Oven & Steam Oven, Washing Machine, Iron, Domestic and Industrial Generator adorn Walton Hi-Tech Industries Ltd. Indian made MCs have good market in Africa. Furthermore, with the gradual improvement of living style and improvement and transmission of electricity demand for electric items is rapidly increasing. Company like WALTON is likely to do better in African countries in marketing their products.

RECOMMENDATIONS

Basing on the facts and assessments of the previous paragraphs, followings are recommended:

- a. Bangladesh missions in African countries and/or in the neighbouring countries, should be instructed by our government to identify the potential sectors for our industrialists and traders with the necessary guidelines based on the fiscal, monetary, administrative and logistical facilities being extended by these governments including the provisions of concerned laws so that initiative can be undertaken without much risk but with success.
- b. Ministry of Foreign Affairs is to carry out an assessment on the favourable terms and conditions for joint treaty/ agreement/MOU and to formulate an in depth

35. Internet, www.web.Abulkhayergroup.com retrieved on 21 June 13.

36. Offices established in Angola, Ghana, Mozambique, Senegal, Sierra Leone, Guinea and Uganda.

37. Nitol Niloy Group BangladeshDir.com at www.bangladeshdir.com retrieved on 21 May 13.

strategy in the exploration of African potentials with the African countries. It is better late than never.

- c. A task force may be formed to work out on the priority on which the trade and investment cooperation can be enhanced on bilateral and regional basis. Tourism can be taken as a priority sector in this regard.
- d. Ministry of Agriculture is to work details about the research and development on the feasibility in under the agricultural sector.
- e. Ministry of Foreign Affairs is to undertake effort to appoint Honourable Counselor to those countries where we do not have our embassy. Visa and other formalities should be made simpler and more hassles free for better people to people contact and create a congenial atmosphere throughout Africa.
- f. Ministry of Finance is to promote investment opportunities both in private and public sectors.
- g. Ministry of Commerce is to formulate general guideline in exploring the opportunities in African Countries.
- h. FBCCI is to carryout a detailed research in exploring the opportunities in Africa taking the comparative advantage of positive impression cemented by the Bangladeshi Peace keepers in minds of general people of various parts of Africa.
- i. Bangladesh Bank (BB) is to undertake an effort to formalize and streamline banking process with banks operating in Africa.
- j. A positive campaign by the strong Bangladeshi Media emphasizing the positive aspects of African countries and fastest growing economies will make a great difference. The benefit of such campaign by the media will be immense which will ultimately convince potential Bangladeshi investors to pay more attention to Africa. Intra ministerial coordination will be necessary in doing this under the overall guide line of Ministry of Information and Ministry of cultural affairs.
- k. Trade enabling policies and regulations need to be addressed directly by the govt in a comprehensive, coherent and integrated manner. At present Bangladesh has trade agreements with 11(eleven) African countries out of 54 African countries. Ministry of Commerce should conclude bilateral trade agreements with more African countries.
- l. It is true that in some African countries data relating to markets and consumers are lacking. Many markets are informal and not secure in driving investment decisions. Detail market investigations will be needed before investment decisions are taken.

CONCLUSION

Africa is the world's second-largest and second-most-populous continent with 54 sovereign countries and their boundaries were marked during European colonialism. Due to ethnicity and other political, regional and local issues most of the African countries were involved in armed conflicts over last few decades. Thus poverty, political instabilities, unemployment problems, social unrest, deprivation of basic human rights was found very common in Africans' life. Due to open market economy, recently African countries experienced steady progress in economic growth. Africans also started getting habituated with the civilized pattern of life. This has also resulted into FDI at a significant amount³⁸. But still African countries are far away from the expected standard of modern life. Majority of Africans remain below the vulnerable poverty margin. Africans could not also make secured access to food despite of having vast amount of arable land. The main reason of this condition is due to traditional agricultural system and lack of adequate agricultural infrastructure.

Exploration of investment opportunities in Africa has their inbuilt limitations. African agriculture still entirely depends on the manual cultivation. Traditionally African governments did not take adequate care to the farmers. As a result strong agricultural infrastructures were not developed in African countries. Besides agriculture, African also deprive of the modern infrastructure like road networks, transportation system and urban facilities. In addition, political instabilities, tariff and non-tariff barriers in few African countries also pose more challenges to the investors. These seriously reduce the possibilities of exploring the prevalent opportunities in Africa. Government organizations in coordination with the private organizations can also play their leading role in the exploration of Africa. RMG and wooden furniture sector could not start their operation at large scale in Africa. They can explore the prevalent investment in Africa taking the advantage of Africa Growth and Opportunity Act (AGOA). Thus exploring the prevalent opportunities in Africa will have positive impact on the economic development of Bangladesh.

By 2015, African infrastructure will allow more foreign investors to explore the opportunities. Bangladesh Government and potential investors can take initiative to explore the prevalent opportunities. Due to long experience of Bangladeshi people in agricultural outfits, lot of Bangladeshis can act as experts in Africa. Many Bangladeshi military contingents are employed across Africa for peace-keeping and peace support operations. They can provide real time security assessment to the government. Besides, they can also provide the security to the Bangladeshi entrepreneurs in Africa. Government can also take on diplomatic efforts to relax the taxes, tariff and non-tariff barriers in African countries. Thus, an ideal environment will be set for Bangladeshi investors to explore the African potentials.

38. Over past few decades, China became the large contributor in investing in this sector. They started their research and development activities to increase the food production. Besides China, Saudi Arabia, Japan, India, Sweden and South Korea also made their investment to explore the huge agricultural opportunities prevailing in Africa.

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14. H.E Ms. Miata Beysolow, Commerce and Industry Minister of Liberia on 24 May 2012 at Commerce Minister's Office in Monrovia during visit of the Researcher (Brigadier General Md Habibul Karim, psc,) to Liberia as head of the delegation from 13 May 2012 to 27 May 2012.
15. H.E Sylvester M. Grigsby, Foreign Minister of Liberia on 23 May 2012 at Foreign Minister's Office in Monrovia during visit of the Researcher (Brigadier General Md Habibul Karim, psc) to Liberia as head of the delegation from 13 May 2012 to 27 May 2012.
16. Ms Christina Dagado, County Superintendent, Nimba County (Largest County), Republic of Liberia on 20 May 2012 at Sanniquille Capital of the County during visit of the Researcher (Brigadier General Md Habibul Karim, psc) to Liberia as head of the delegation from 13 May 2012 to 27 May 2012.
17. Dr Muhammad Abdur Razzaque, Minister for Food, Government of the People's Republic on 26 May 2013.
18. Mr Ghulam Mohammed Quader, Minister, Ministry of Commerce, Government of the People's Republic of Bangladesh on 02 July 2013.
19. Mr Md Nazrul Islam Khan (NI Khan), Secretary, Ministry of Information and Communication Technology (MOICT) at BANSDIIOC Building, Agargaon Office, Dhaka on 30 July 2013.
20. Dr Md Shamser Ali, Director Research, Bangladesh Rice Research Institute (BRRI), Gazipur 1701, Bangladesh on 09 August 2013.
21. Syed Nasim Manzur, Managing Director, Apex Adelchi Footwear Limited after presentation on Entrepreneurship Development and Manufacturing process in Bangladesh" at National Defence College, Mirpur Cantonment, Dhaka 02nd May, 2013.
22. Engineer Md . Sakhawat Hossain, Managing Director, Western Marine Shipyard Ltd, Amin Faruk Park (7th Floor), 1440/a-8, Strand Road, Chittagong, Bangladesh on 01 June 2013.
23. Mr Ghulam Mustafa, Former President, Bangladesh Association of international Recruiting Agencies (BAIRA) and Fellow of the EDI of the World Bank on 24 June 2013.
24. Colonel Okechukwu Nkem Ugo, Nigeria (Army), Attending National Defence Course 2013 at National Defence College, Mirpur, Bangladesh on 02 June 2013.
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Author

Brigadier General Md Habibul Karim, ndc, psc was commissioned in December 1985 as 2/Lt in the Corps of Infantry. He is a graduate from Defence Service Command and Staff College in Bangladesh and from Nanjing Army Command College, CPLA, China as well. He has attended various courses at home and abroad. He has completed MBA from Royal Rhodes University, Canada and Masters in Defence Studies (MDS) from National University of Bangladesh.

In the Army he has served in various Command, Staff and instructional appointments. He rendered his service as a General Staff Officer Second Grade/Instructor in Bangladesh Military Academy and School of Infantry and tactics and Staff Officer First Grade in Headquarters Border Guard Bangladesh (BGB).

In operational fields he has served three tenures in combating Insurgency in South eastern part of the hilly districts of Bangladesh as Commander and Staff. He has held Training and Operational appointments at HQ level.

Brigadier General Habib has participated in United Nations Observation Mission in Iraq-Kuwait (UNIKOM) in 1996-07 and United Nations Mission in Democratic Republic of Congo (MONUC) in 2004-05. He has led a team comprising members from Military, Civil Services and Media to assess mission activities in Liberia and foster bilateral relations in May 2012.

He was in deputation to Border Guard Bangladesh and held the coveted appointment of Sector Commander Dhaka assigned with the responsibility for in land and border security duties. He has represented Border Guard Bangladesh to “Pacific Area Special Operations Conference PASOC 2011”, Honolulu and actively participated in discussion on “Reducing violent extremism from Society”. Recently Brigadier General Habib has been awarded with “Border Guard Bangladesh Medal -2010” highest award for his gallantry/meritorious services in BGB.

Brigadier General Habib is married to Jamuna and blessed with one son and a lovely daughter. He enjoys traveling, reading books and listening to music. He has widely traveled to many countries of America, Asia, Africa and Europe. He has authored a book on his experience in United Nations Mission in Africa (MONUC). He enjoys playing golf, reading books, listening to music and travelling.