



# HEALTHCARE & MEDICAL DEVICES

---

## AFFORDABLE WELLBEING

DISCOVER  
LIMITLESS  
OPPORTUNITIES

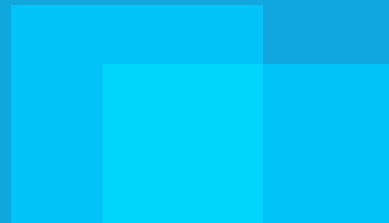


# ABOUT BANGLADESH

- Strategic hub in South Asia linking India, China, and ASEAN countries
- 5-year GDP growth at a CAGR of 7%, one of the fastest growing economies in the world
- 41st largest economy, poised to become the world's 25th largest economy by 2035
- 10.5% annual growth in country's middle & affluent class population, projected to reach 34 million by 2025

## ACCOLADES & CREDENTIALS

- A 'Next-11' country, Bangladesh is poised to become one of the largest economies of the 21st century, according to Goldman Sachs
- Credit rating of BB- by Standard & Poor in 2021 indicates long-term stability
- As per JETRO survey on Business Conditions of Japanese Companies, 70% of surveyed firms present in Bangladesh want further 'expansion'



# HEALTHCARE & MEDICAL DEVICES SECTOR AT A GLANCE



Currently estimated at USD 10 billion, Bangladesh's health care market is **expected to grow to USD 14 billion by 2023**

Private sector is present in all service delivery levels and consists of traditional private pharmacies, private clinics, auxiliary services and private hospitals of all sizes



Every year around **700,000 Bangladeshis travel** to India, Malaysia, Thailand and Singapore to access quality services, **spending around USD 3.5 billion**

Out-of-pocket **expenditure makes up 74% of total health expenditure** in Bangladesh - among the highest in the world, which is spent largely on medication and outpatient care



Public and private health facilities are concentrated in Dhaka and Chattogram and there are **0.8 beds per 1,000 persons** including both public and private beds

Overall **insurance penetration is 0.6%**, which is one of the lowest among Asian countries



## MEDICAL EQUIPMENT & DEVICES

- With a current market size of USD 442 million and a CAGR of 13%, this medical equipment & devices sector is expected to grow to USD 820 million by 2025.
- Bangladesh's medical sector witnessed annual growth of 14.6% between FY 2016 and FY 2019, recording the fastest growth in the world.
- More than 4,000 types of medical devices & equipment are used in Bangladesh, 5-7% of which are manufactured locally.
- Import of medical equipment and devices increased with the CAGR of 10.2% during the last five years.

## DEMAND DRIVERS



**Growing purchasing power:**

By 2025, 30 to 40 million people will join middle-income class and another 30 million will reach emerging middle class

**Higher life expectancy:** As life expectancy increases, the senior population is **projected to increase to 42 million** by 2050 from 13 million in 2019



**Changing disease profile:** Disease pattern is rapidly shifting to non-communicable diseases such as cancer, diabetes, heart disease etc., which **requires long term treatment and medications**

**Increasing acceptability of telemedicine:** Over 50 startups are involved in telemedicine, e-pharmacy and online doctor directory & appointment etc. The **COVID-19 pandemic is also propelling the wider use of digital healthcare services.**



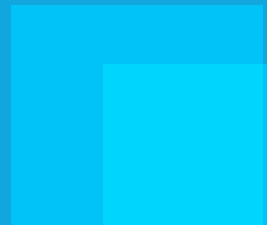
**Health insurance:** Growth potential for health insurance industry as government **plans to increase universal healthcare coverage by 2032**

## GROWTH DRIVERS

- **Establishment of tertiary & specialized hospitals:** There is an untapped need for tertiary & secondary hospital establishment due to low-bed density and change in disease profile.
- **Policy support:** 'Healthcare & clinic' is designated as one of the priority industries in the National Industrial Policy 2016
- **Medi-tech services:** With over 93 million internet users, tele-healthcare has a great potential to reach out to a vast majority of the population, both in cities and regional towns.
- **Manufacturing of medical equipment:** There is a huge potential to extend local manufacturing of medical equipment and devices, including consumables & surgical instruments, equipment for ICU and OT and diagnostic imaging and In-Vitro Diagnostics (IVD) devices.
- **Export of medical equipment:** Producers of devices and equipment can benefit from Bangladesh's preferential access to 52 countries

# INCENTIVES AND POLICIES

- 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.





[www.bida.gov.bd](http://www.bida.gov.bd)

**Bangladesh Investment  
Development Authority (BIDA)**

Address: E-6/b Agargaon, Sher-E-bangla Nagar, Dhaka-1207, Bangladesh  
E-mail: [info@bida.gov.bd](mailto:info@bida.gov.bd), Phone: +880-2-55007241-45

Organized By



In Association With



Knowledge Partner



Supported By

