

Speech by Mr. Alphons Hennekens, Ambassador of the Kingdom of the Netherlands at the seminar on BUSINESS TO BUSINESS SUPPORT PROGRAMS for Private sector Development.

Jointly Organized by: EKN and DCCI

Location: Conference Room, DCCI (11.00-14.00) / Date: Tuesday, 6 April, 2010

- Dear Mr. Abul Kasem Khan, ladies and gentlemen, I am pleased to welcome you to this seminar on Business to Business programs for Private Sector Development.
- I would like to thank DCCI for providing their highly appreciated support in organising this event.

Aim seminar:

- The aim of this seminar is to provide you with practical information on the Business to Business support programs of the government of the Netherlands. Also, we would like to inform you on the Dutch ORIO infrastructure development fund.
- If you are an entrepreneur you may want to use this information for your own commercial activities. If you are a representative of an association, we kindly request you to disseminate this information to your members.

Dutch Policy

- Please allow me to first explain *why* the Dutch government is involved in these programs. Why does the Dutch government support the Bangladeshi private sector?
- Bangladesh and the Netherlands share a long commercial history. Dutch traders entered the shores of Bengal in the early 17th century. The Dutch traded commodities such as cotton, silk, and saltpeter.
- Today, we still value our commercial ties with Bangladesh. Bangladesh is an emerging market of over 150 million potential consumers. This becomes clear from its high growth figures of the last decade.
- Bangladesh is a country on its way to reach middle income status, it is a country in transition, a country which has the

potential to offer big business opportunities to Dutch companies.

- However, to become a middle income country, an emerging market of importance - a new Asian tiger if you like- , a lot of work needs to be done.
- Currently, Dutch trade with Bangladesh is not very significant. Last year, the Dutch imported around 330 million euro and exported around 60 million to Bangladesh.
- Dutch private investment in Bangladesh is modest. In 2007/08 Dutch companies invested 5 million euro, only. Total foreign direct investment in Bangladesh was a scanty 515 million.
- To truly develop its potential as emerging market, the level of investment - both foreign and local - has to increase. The government of Bangladesh is the key player to enable this. Creating a proper investment climate is a government task.
- Our aim is to support the government of Bangladesh to become a middle income country by 2021, and to achieve the Millennium Development Goals.
- An essential element of our strategy to is to provide direct support to the private sector. The thriving private sector is the engine behind economic growth in Bangladesh. Enabling the private sector to develop, will create the growth figures needed to achieve middle-income status.
- The support programs you will discuss today, all share the objective to strengthen the Bangladeshi private sector.

What this means for Bangladeshi businesses

- Without going into too much detail let me lift the curtain just a little.
- The Dutch government provides a maximum grant of 750.000 euro to innovative international joint ventures through the Private Sector Investment program.
- Setting up a joint venture requires two companies. Therefore we also offer our services to help you find a suitable Dutch business partner through our Match Making Facility.

- To enable individual companies to develop, and to strengthen their capacity of reliable and solid business partner, the Dutch government offers short term consultancies through the PUM program.
- The ORIO infrastructure development program not only allows the private sector to be involved as a project implementer, it also benefits this sector because of improved infrastructure.
- The minimum amount for an ORIO project is 2 million EUR, the maximum amount for a project is 60 million EUR.

PROGRAMME

- I have briefly touched on our objectives in Bangladesh and the way in which they can be relevant for you. I will now quickly run you through the program for this morning.
- Mr. Paul Schoenmakers, PSI project officer at The Netherlands Agency for International Business and Cooperation (EVD), will provide detailed information on the individual programs.
- Then Mr. Reaz, CEO of Waste Concern, will share his experiences with you. Waste Concern established a successful joint venture with a Dutch business partner.
- Finally, a QandA session will conclude this seminar.
- The Netherlands Embassy will offer a luncheon, our commercial officer Mr Michiel Reynders will be your host.

Introducing Paul Schoenmakers

- Before Paul will start his presentation, please allow me to briefly introduce him.
- Paul started working for the Agency for International Business and Cooperation (EVD) in 2007, after a career in the Dutch financial sector and in energy trade.
- He is responsible for managing the PSI program in Bangladesh.
- Currently there are 11 projects in Bangladesh being implemented under his guidance and he aims at doubling this figure before 2012.
- Off course this depends on your project proposals.

Concluding:

- To conclude, I would once again like to thank DCCI for providing their cooperation in organising this event.
- I sincerely hope that the seminar will lead to new business opportunities. This will benefit the members of DCCI and the private sector of Bangladesh.