



Bangladesh Investment
Development Authority

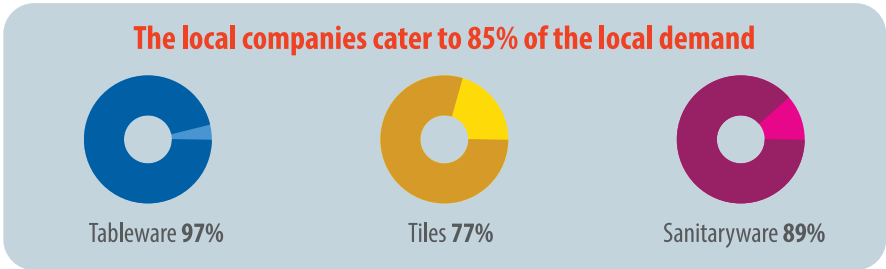
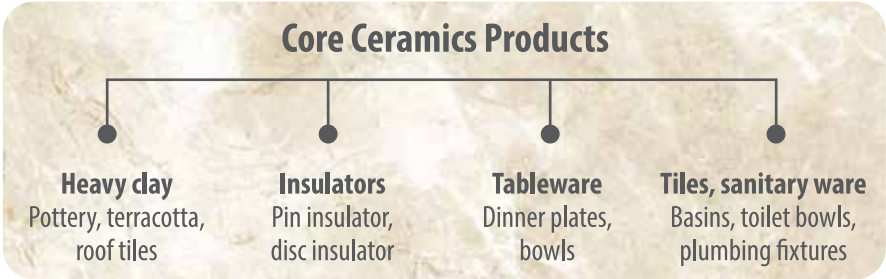
Ceramics Industry



June 2023

Industrial Outlook

Key Features



Economic Overview

Yearly domestic sales
US\$ 709 million

Current annual ceramics market of around
US\$ 928 million



GDP contribution **0.21%**

The average annual growth rate: **48% for export; 20% for domestic market**

Total investment US\$ 1785.63 million

Foreign investment
US\$ 226.75 million

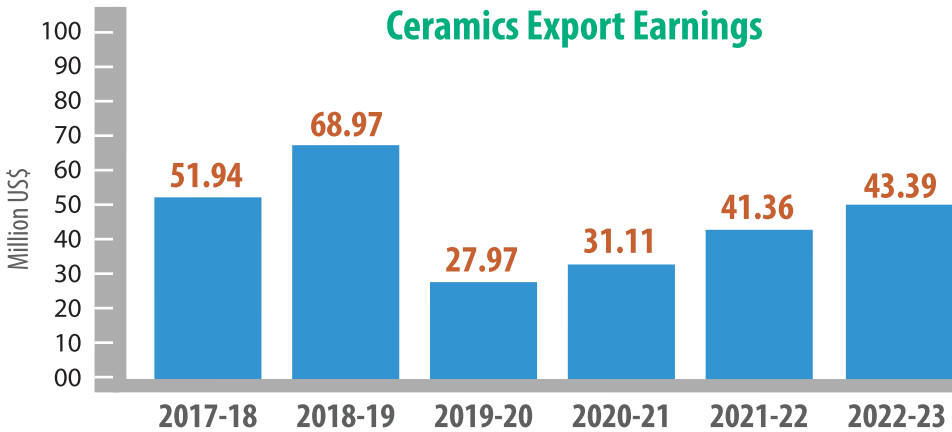
Local investment
US\$ 1558.88 million

20 tableware companies invested
US\$ 369.09 million

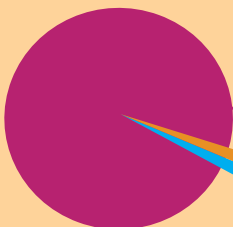
33 tiles companies
US\$ 1,180.44 million

18 sanitary ware companies invested
US\$ 236.09 million

Ceramics Export Earnings



Sub-sector Wise Export



Tableware 98%

Sanitary 1%

Tileware 1%

Labor Forces



Around **55,000 people** directly employed.

About **0.5 million (0.2 million women)** people are directly and indirectly engaged in the industry.

Diploma, Bachelor and Master Courses

Post Graduation Courses

Department of Nanomaterials and Ceramic Engineering-
25 students in each year

Diploma Degrees

Ceramic-90 students

Glass-30 students

Total- 120 students in each year



Graduation Courses

Ceramic Department-
40 students

Glass department-
10 students

Total-50 students in each year

Growth Drivers



National Industrial Policy 2022 recognizes ceramics sector as a special development sector



More than **1500 businesses** are currently engaged in the real estate industry .



Rising Living Standard of the people in the country.



Competitive workforce: Industry officials are being trained up in different countries, including China and Vietnam.



Rising number of middle and affluent class (MAC) consumers. The MAC consumer is expected to reach **34 million** by 2025



Country's **cheap wage structure** and availability of a large labour pool of semi-skilled to skilled workers



Rapid urbanization-
3% per year



India



Low labor cost-
Casual/Day Labour
Minimum wage
US\$ 59.90

Access to Neighboring Countries' Consumer Market

Country's strategic geographic location, potential economic corridors, and the Bay of Bengal offers easy trading access to the Asia-Pacific region and Middle Eastern's big consumer markets.

Major Brands



Bangladesh Exports Ceramic to more than 50 Countries

50% of the exports are concentrated to Canada, Germany, Sweden, The UK and The US



Top Export Destinations

Canada, Germany, Greece, India, Italy, Netherlands, Norway, Russia, Spain, Sweden, Turkey, The UAE and The USA

High Profile Users of Bangladeshi Ceramic



Buckingham Palace



The British Parliament



The Royal Palace of Bhutan



The Presidential Palace of India



The Presidential Palace of Pakistan

Top Foreign Investors



China and the Middle East states, RAK Ceramics (UAE) and Fu Wang & China-Bangla (China)

Duty-free, Quota-free Market Access



Australia



Canada



Europe Union



Iceland



Japan



Norway



New Zealand



Russia



Switzerland



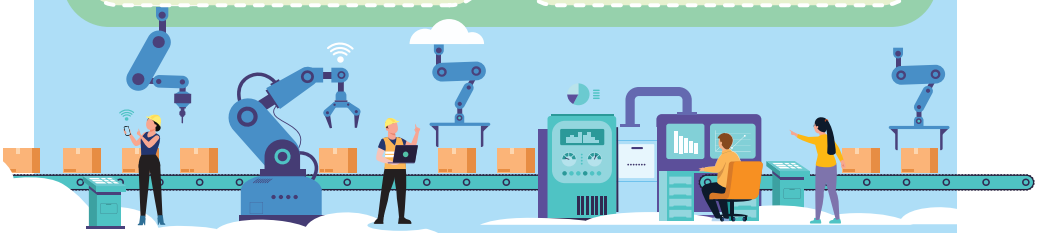
The USA

Hot Spots for Foreign Investment

Manufacturing of Advanced Ceramics: Foreign investment is highly expected to develop such value-added products as below, to cater to the specific needs of domestic market.

Refractories: High-alumina refractories product, silicon carbide, silicon nitride, magnesium silicate

Advanced Ceramics: Bio/ dental/ magnetic ceramics, ceramics for machine tools, semiconductor chip, photonic/ optical applications, etc.



Production with Energy-saving/ Efficient Technology

Foreign investors are expected to contribute to making local production more energy-efficient by introducing energy-saving equipment or technology.

Production with Automation Technology

Foreign investors are expected to contribute to upgrading of local production facilities, which usually involves technology transfer with skills training on quality control, production management, machinery operation and maintenance.

Enabling Policies and Incentives

Incentives Related to Ceramic Industries

1% import duty exemption on capital machinery/ spares for export-oriented industries.

3% import duty exemption on capital machinery/ spares for other industries.

No specific restriction exists upon the entry of foreign investors.

Export Subsidies

Bonded warehousing facility for large import of materials.

50% tax exemption for income derived from export.

No VAT imposition on export goods.

10% export subsidy/ cash incentive on export value.

Related Policies

Export Policy 2021-24

Import Policy 2021-24

National Industrial Policy 2022

Supporting Laws and Regulations

Income Tax Act, 2023

Guidelines for Foreign Exchange Transactions, 2018 (Vol.1)

Bangladesh Labor Act, 2013

Bangladesh Labor Rule, 2015

The Foreign Private Investment (Promotion and Protection) Act, 1980

Foreign Exchange Regulation Act, 1947

Relevant Public and Private Institutions

Supporting Ministries, Agencies and Institutions

Ministry of Industries

Ministry of Environment

Ministry of Commerce

Ministry of Finance

Ministry of Science and Technology

National Board of Revenue

Bangladesh Bank

Bangladesh Investment Development Authority

Bangladesh Economic Zones Authority

Bangladesh Export Processing Zone Authority

Bangladesh Institute of Glass and Ceramics

Industry Association

Bangladesh Ceramic Manufacturers and Exporters Association

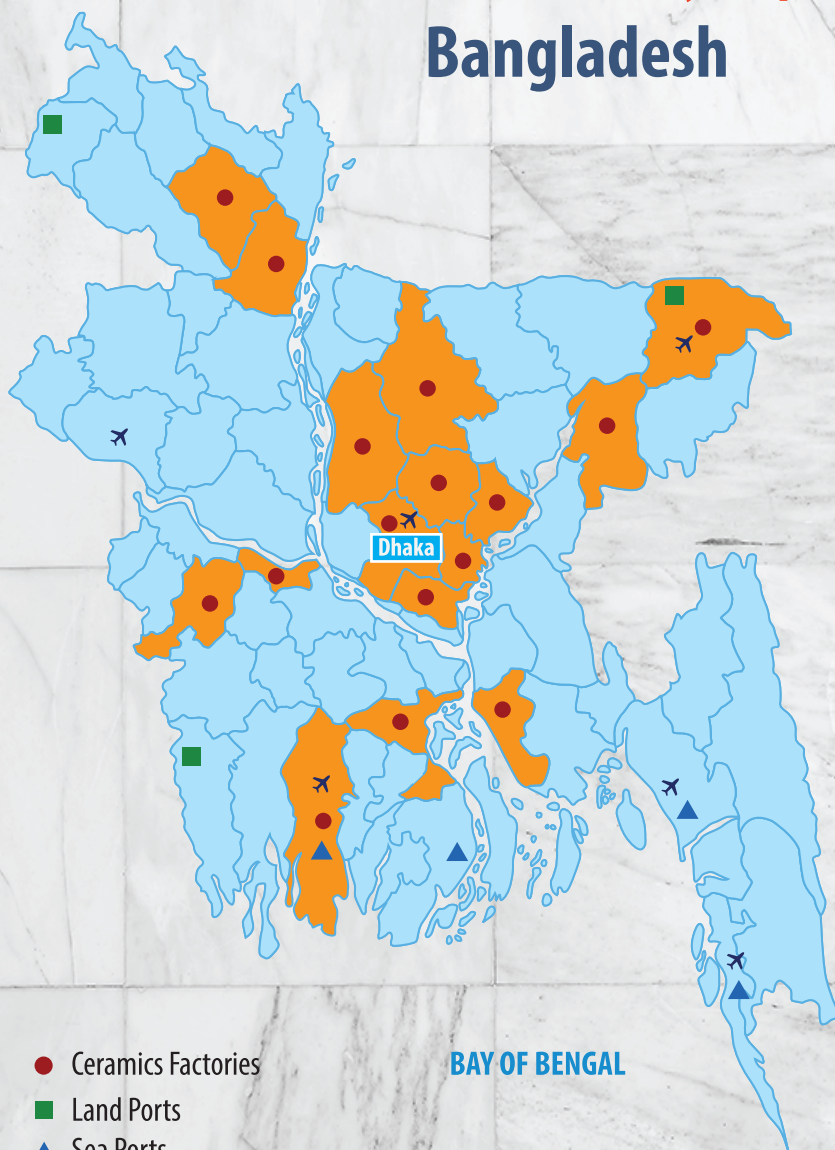
Key R&D Partners (Supporting Institutions)

Institute of Glass and Ceramic Research and Testing, BCSIR

Department of Glass and Ceramic Engineering, BUET

Ceramics Industry Map

Bangladesh



Bangladesh Investment
Development Authority

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