



COUNTRY STATS

POPULATION (2022):

165 million (Urbanization 38%)

GDP (2022):

\$460.75 billion

AVG. ECONOMIC GROWTH

(2021): 7.5%

PER CAPITA INCOME (2021):

USD 2,591

COUNTRY SNAPSHOT:

BANGLADESH

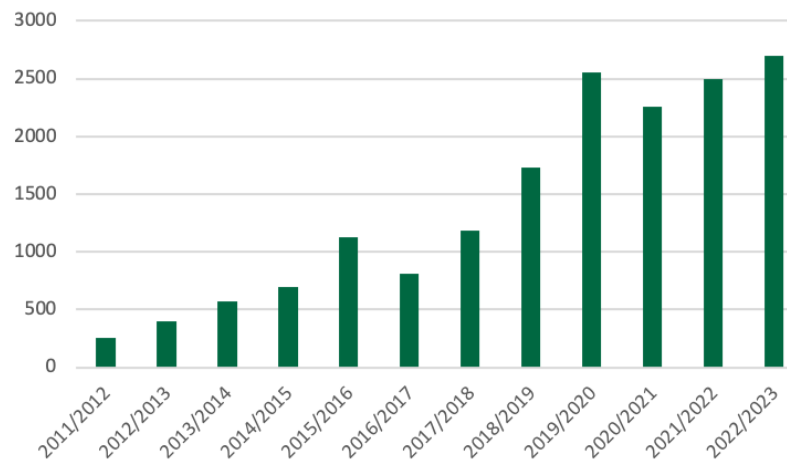
Bangladesh is the world's 8th most populous nation with approximately 165 million people. It is also one of the world's most dense populations, with a land mass about the size of the U.S. state of Georgia. This puts an exceptionally high premium on land, necessitating imports to meet local needs for food security. Bangladesh is the world's #4 soybean oil importer. Bangladesh has the world's #5 largest aquaculture industry, producing ~2.5MMT annually. Soybean meal is predominately used in the poultry sector.

U.S. Soy has collaborated with Bangladesh since 1996.

MARKET STATS

- Given its population density, the government of Bangladesh has prioritized agricultural processing as an important sector for development, as it creates higher value revenue streams.
- Now the largest soybean importer in South Asia, estimated at 2.7MMT.
- Recent dollar shortages in the Bangladesh Central Bank have led to difficulties in opening LCs and acquiring trade finance. The IMF has shown a willingness to work with the government to adopt reforms and grow their hard currency reserves.
- A logistically convenient trading partner if/when India opens its commodity soybean meal import window.
- Capacity utilization of crush plants sits at around 60%, making for tight margins at times, but plenty of room to grow.

BANGLADESH DOMESTIC CRUSH (1,000 MT)



STRENGTHS

- High preference for U.S. soybeans due to color, processing characteristics, moisture, low heat damage and other intrinsic qualities.
- Large aquaculture industry. Currently there are six in pond raceway systems (IPRS) and more are being made. The government supports aquaculture, and the future looks promising.
- 0% import tariff on meal and soybeans.
- Large crush capacity currently sitting at 4~4.5 MMT per year.
- The government of Bangladesh has banned the import and sale of meat and bone meal (MBM). Which puts added value and priority emphasis on the protein component, like soybean meal, in animal rations.

OPPORTUNITIES

- As a low-lying country, Bangladesh is especially vulnerable to rising oceans and sits on the UN's V20, a collection of the 20 most vulnerable nations to climate change.
- Having recently imported its first U.S Soy Sustainable Assurance Protocol (SSAP) verified shipment of soybeans, the role of sustainability, particularly carbon and its effect on climate change, is an increasingly important factor in national development.
- Modern, efficient, and large-scale crush industry with room to grow to help meet Bangladesh's soybean crushing needs.
- Demand is increasing and as a result of this, two more local conglomerates are entering the crushing sector with 7000 MT crushing capacity per day. Both are under construction and will hopefully begin operations by end of this year (2023).
- The country has recently zeroed out the tariff duty for soybean meal, now leaving zero tariffs for both beans and meal.

CHALLENGES

- Human rights issues, leading to various economic sanctions, continue to be a key diplomatic topic between the U.S. and Bangladesh.
- Onerous purchasing agreements amongst several buying factions cause frustration and delay.
- Poor infrastructure and lack of deep-water ports require lighter vessels and offloading into barges to transit the river for end destinations. This adds cost and inhibits scale.
- 39-day sail from NOLA, versus 27 days from Paranaguá, means a freight disadvantage the U.S. must overcome in free on-board price.