CHAPTER 8

INDUSTRY

[In FY 2010-11, the contribution of the broad industry sector to real GDP stood at 30.38 percent which increased to 31.26 percent in FY 2011-12 (BBS provisional estimate). Among the fifteen sectors identified for computing national income, the broad industry sector includes four sub-sectors such as mining & quarrying; manufacturing; construction; electricity & gas and water supply. Among these sub-sectors, the contribution of the manufacturing sector is the highest. According to the provisional GDP data of BBS, in FY 2011-12, the contribution of the manufacturing sector to GDP at the constant price is 19.01 percent. It is widely held that industrialisation is the prerequisite for rapid and sustainable economic development and achievement of social progress in a developing country. Therefore, the government pledges to take initiatives aiming at accelerating the environment-friendly growth and development of all important industrial sectors such as energy and fuel, agriculture and forestry, acquiring and processing of minerals, tourism and hospitality, construction, information and communications technology by mobilising capital and manpower.In order to accelerate the pace of industrialisation in the country, the government has announced the National Industrial Policy 2010. The important and underlying objectives of the Industrial Policy 2010 include generation of productive employment, mainstreaming women in the industrialisation process and poverty alleviation. To this end, consistent with the imperative that labour-intensive industries are more suited than capital-intensive ones, the policy document spells out measures for the promotion of cottage, small and medium industries (SMEs). In line with the provisions of the SME policy, special measures will be taken to develop women entrepreneurship ensuring access to land and finance and business support services. In order to ensure rapid industrialisation, the Government aims to promote the SMEs alongside the large-scale industries. The Government is continuing its efforts to achieve this goal by providing loans and other ancillary supports through banks and other financial institutions. As a result, the volume of both distribution and recovery of industrial loan is on the increase. The EPZs are playing special role in the process of promoting rapid industrialisation and attracting foreign investment. Both investment and exports in the EPZs are increasing gradually. In order to ensure employment of farmers and labourers involved in jute cultivation and jute industry, the Government has taken initiatives to re-start the closed jute mills. The People's Jute Mills Limited in Khulna and the Qoumi Jute Mills Limited in Sirajgonj have already been re-started after being renamed as 'Khalishpur Jute Mill Limited' and 'National Jute Mill Limited' respectively.]

The contribution of industry sector to Bangladesh economy has been on the increase substantially. According to BBS estimate in FY 2010-11, the contribution of this sector to GDP was 30.38 percent. Such contribution to GDP has been estimated at 31.26 percent (BBS provisional estimate) in FY 2011-12. Among the fifteen sectors identified for computing national

income, the broad industry sector includes four sub-sectors such as mining and quarrying; manufacturing; construction; electricity and gas and water supply. Among these sub-sectors, the contribution of the manufacturing sector is the highest. According to the provisional estimate of BBS, the contribution of manufacturing sector to GDP has been estimated at 19.01 percent in FY 2011-12 which is 0.59 percent higher than that (18.42 percent) in FY 2010-11. According to BBS provisional data, the growth rate of the manufacturing sector is 9.76 percent in FY 2011-12 which is 0.31 percent higher than what stood at (9.45 percent) in FY 2010-11. The size and growth performance of the manufacturing sector from FY 2004-05 to FY 2011-12 is shown in Table 8.1 below:

Table 8.1: Size and Growth Rate of Manufacturing Sector

(At constant prices of 1995-96)

(Taka in crore**)**

Type of Industry	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12 (Provisional)
Small & Cottage	12408.5	13551.5	14865.1	15920.0	17018.9	18340.9	19411.9	20805.5
	(7.93)	(9.21)	(9.69)	(7.10)	(6.90)	(7.77)	(5.84)	(7.18)
Medium-Large	29860.5	33268.2	36507.1	39157.2	41735.0	44229.8	49069.9	54359.0
	(8.30)	(11.41)	(9.74)	(7.26)	(6.58)	(5.98)	(10.94)	(10.78)
Total	42269.0	46819.7	51372.2	55077.2	58753.9	62570.7	68481.8	75164.5
	(8.19)	(10.77)	(9.72)	(7.21)	(6.68)	(6.50)	(9.45)	(9.76)

Source: Bangladesh Bureau of Statistics. *Note: Figures in parentheses indicate rate of growth.*

National Industrial Policy

Infrastructural transformation, diversification of the economic base, accelerated economic growth, employment generation, increase of income and development of livelihood of the people among others, are the universally recognised dynamic determinants of industrialisation. In order to accelerate the pace of industrialisation in the country, the Government announced the National Industrial Policy 2010. The important and underlying objectives of the policy include generation of productive employment, mainstreaming women in the industrialisation process and poverty alleviation. Proper strategies have been set out in the industrial policy to implement all these aims and objectives. Combined efforts are being put in to implement the policy and necessary steps are being taken to preserve consumer's interest in consultation with concerned ministries and other stakeholders.

In the "Sixth Five Year Plan (SFYP): 2011-2015" and "Outline Perspective Plan of Bangladesh (2010-2021) : Making Vision 2021 A Reality" pledges have been made to build a modern and vibrant industrial sector with the aim of reducing unemployment, hunger and poverty.

Indications have been made in these documents to undertake short, medium and long term programmes to accelerate economic growth.

Quantum Index of Production of Manufacturing Industries

The Quantum Index of Production (QIP) is an important tool for measuring the production performance of manufacturing industries. Data available from Bangladesh Bureau of Statistics (BBS) shows that QIP (1988-89=100), representing medium to large-scale industries, rose to 413.42 in FY2008-09 from 254.45 in FY2002-03. In FY 2010-11 and FY 2011-12, the QIP stood at 580.24 and 570.44 respectively. Table 8.2 shows the index during FY2004-05 to FY2011-12 (up to June 2012).

Table 8.2: Quantum Index of Production for Medium to Large Scale Manufacturing Industries

FY 2004-05 to FY 2011-12 (up to June 2012) (1988-89=100)

Medium to Large Scale Industries	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
	294.72	328.35	360.33	386.48	413.42	442.12	580.24	570.44

Source: Bangladesh Bureau of Statistics/Bangladesh Bank.

Small and Medium Enterprises (SMEs)

Small and Medium Enterprises (SMEs), by producing exportable surpluses of commodities together with fulfilling local demands are making significant contribution to the economy of the country. This sector is a potential sector in terms of local value additions and creation of employment opportunities. As the large potential of employment generation by SMEs has attracted attention of the policy makers and observers, a range of initiatives are there for channeling loans to SMEs. Currently, banks and financial institutions are also coming forward to provide finance to this sector alongside traditional financing from personal and family savings. Bangladesh Bank is operating three funds such as Bangladesh Bank Fund, IDA Fund and ADB Fund for refinancing the scheduled banks and financial institutions against the disbursed loans. These funds are being used as revolving fund.

A total amount of Tk. 2,735.01 crore has been placed at the disposal of Bangladesh Bank to refinance as many as 21 banks and 24 NBFIs for providing loans to 33,456 enterprises up to June 2012. Out of this, the contribution of IDA and ADB were Tk.312.61 crore and Tk.624.73 crore respectively while that of Bangladesh bank was Tk.1,797.67 crore. Out of the total loan, Tk.620.29 crore has been provided as working capital, Tk.1,470.40 crore as medium term loan and Tk.544.48 crore as long-term loan. These refinancing facilities will strengthen the development programme of SMEs and resulting employment generation and enhancement of purchasing power of the poor and low income people. Detailed refinancing of SME sector under

the Bangladesh Bank, IDA and ADB funds to various banks and financial institutions are shown in Table 8.3, Table 8.3(a), Table 8.3(b), Table 8.3(c), Table 8.3(d) and Table 8.3(e).

Table 8.3 Summary information on SME refinancing (up to June 2012)

Name of Banks/FIs Refinanced	Amount Refinanced (In crore Taka)				No. of Beneficiary Enterprises			
	Working Capital	Mid Term Loan	Long Term Loan	Total Loan	Industrial Loan	Commercial Loan	Service	Total
(a) Bangladesh Bank (BB)	337.59	755.78	322.83	1416.25	4713	8696	2441	15850
(b) BB-(**Women Entrepreneur Fund)**	57.88	223.41	100.13	381.42	1784	2741	737	5262
(c) IDA	80.34	132.47	99.80.	312.61	1368	1306	486	3160
(d) ADB-1	144.48	132.27	58.19	334.94	800	2096	368	3264
(e) ADB-2	-	226.47	63.33	289.79	1527	3461	942	5920
Total	620.29	1470.4	544.48	2735.01	10192	18300	4974	33456

Table 8.3(a) Summary information on SME refinancing from Bangladesh Bank (Up to June 2012)

Banks/ Financial Institutions	Amount Refinanced (in Crore)				No. of Beneficiary Enterprises			
	Working Capital	Mid Term Loan	Long Term Loan	Total Loan	Industrial Loan	Commercial Loan	Service	Total
Banks (21)	306.31	408.71	109.65	824.67	2857	6823	1230	10910
Non-Bank Financial Institutions (22)	31.28	347.07	213.23	591.58	1856	1873	1211	4940
Total	337.59	755.78	322.83	1416.25	4713	8696	2441	15850

Table 8.3(b) Summary information on SME refinancing from Women Entrepreneur Fund (Up to June 2012)

Banks/ Financial Institutions	Amount Refinanced (in Crore)				No. of Beneficiary Enterprises			
	Working Capital	Mid Term Loan	Long Term Loan	Total Loan	Industrial Loan	Commercial Loan	Service	Total
Banks (20)	49.98	154.74	50.43	255.15	1149	2204	504	3857
Non-Bank Financial Institutions (19)	7.90	68.67	49.70	126.27	635	537	233	1405
Total	57.88	223.41	100.13	381.42	1784	2741	737	5262

Table 8.3(c) Summary information on SME Refinancing from IDA (Up to June 2012)

Banks/ Financial Institutions	Amount Refinanced (in Crore)				No. of Beneficiary Enterprises			
	Working Capital	Mid-Term Loan	Long-Term Loan	Total Loan	Industrial Loan	Commercial Loan	Service	Total
Banks (17)	73.07	75.73	28.51	177.31	973	1167	79	2219
Non-Bank Financial Institutions(15)	7.26	56.74	71.30	135.30	395	139	407	941
Total	80.34	132.47	99.80.	312.61	1368	1306	486	3160

Table 8.3(d) Summary information on SME refinancing from ADB-1 Fund (Up to June 2012)

Banks/ Financial Institutions	Amount Refinanced (in Crore)				No. of Beneficiary Enterprises			
	Short-Term Loan	Mid-Term Loan	Long-Term Loan	Total Loan	Industrial Loan	Commercial Loan	Service	Total
Banks(9)	144.32	90.95	34.17	269.44	657	1893	155	2705
Non-Bank Financial Institutions(7)	0.16	41.32	24.02	65.50	143	203	213	559
Total	144.48	132.27	58.19	334.94	800	2096	368	3264

Table 8.3(e) Summary information on SME refinancing from ADB-2 Fund (Up to June 2012)

Banks/ Financial Institutions	Amount Refinanced (in Crore)			No. of Beneficiary Enterprises			
	Mid Term Loan	Long Term Loan	Total Loan	Industrial Loan	Commercial Loan	Service	Total
Banks (17)	130.89	30.49	161.38	912	2427	478	3817
Non-Bank Financial Institutions (10)	95.58	32.83	128.41	615	1024	464	1556
Total	226.47	63.33	289.79	1527	3461	942	5920

Source: Bangladesh Bank. * Disbursements have been stopped from ADB Fund – 1 since June, 2011 after its term expired.

Bangladesh Bank's refinancing facilities to Banks and NBFIs for promoting small and medium scale industrial enterprises under some special schemes and programmes are outlined below:

- **Refinance Scheme for Agro-based Product Processing:** Agro product-processing industries in the areas outside Divisional Headquarters and Narayanganj town, Bangladesh Bank launched a scheme of Tk.1.0 billion from November 2001 out of its own fund. Refinancing facilities are provided to banks and financial institutions at the bank rate under the scheme. An amount of Tk.1.54 billion has been disbursed under this scheme till end June 2012.

Refinance for Small Enterprises: 46 banks and non-bank financial institutions have signed Participation Agreement with Bangladesh Bank for financing SME sector under the following schemes:

- **Bangladesh Bank Fund (BB Fund):** Bangladesh Bank introduced a refinancing scheme named Small Enterprise Fund (SEF) of Tk. 6.0 billion out of its own fund for supporting the development of small enterprises in the country. Refinancing facilities under the scheme were extended to the banks and financial institutions at bank rate against their financing to the small entrepreneurs, usually left out by the formal sector financing. The scheme demonstrated a high market demand. Recovery against refinanced loan is being used as a revolving fund for financing SME sector. An amount of Tk. 14.59 billion has

been refinanced to 43 banks and non-bank financial institutions under this fund up to end June 2012 against 15,850 enterprises.

- **Fund for Women Entrepreneurs:** Bangladesh Bank is encouraging all Banks and NBFIs to provide loan to women entrepreneurs at 10 percent interest rate. A Dedicated Women Entrepreneurs Desk has been established in the SME and SPD, BB and all the Banks and NBFIs have been asked to establish the same facility. As much as 15 percent of all SME funds are exclusively reserved for women entrepreneurs. An amount of Tk.3.81 billion has been refinanced to women entrepreneurs up to end June 2012 against as many as 5,262 enterprises.
- **Enterprise Growth and Bank Modernisation Programme (EGBMP) Fund:** In 2004, the IDA Wing of the World Bank provided an additional amount of US$ 0.01 billion to EGBMP fund to reinforce this scheme under a Development Credit Agreement signed with the Government of Bangladesh for financing the development of small enterprise sector of the country. In addition, the Government of Bangladesh also allocated an amount of Tk.0.58 billion under the said agreement. A total amount of Tk.1.18 billion has been received combining the IDA credit fund and Government of Bangladesh fund for refinancing. Out of this fund, an amount of Tk.3.13 billion has been provided to 32 banks and non-bank financial institutions up to end June 2012 against 3160 enterprises. This fund completed its disbursement in June2011.
- **ADB Fund-1:** A fund called ADB Fund-1 to finance a scheme titled Small and Medium Enterprise Sector Development Project was launched in 2005. Asian Development Bank initially provided an amount of US$0.03 billion for financing the scheme under a loan agreement with the Government of Bangladesh to strengthen the SME sector in Bangladesh. An amount of Tk.3.35 billion has been provided to Banks and NBFIs under the first ADB fund up to end June 2012 against 3264 enterprises. This fund completed its disbursement in September, 2009.
- **ADB Fund-2:** A similar fund called **ADB Fund-2** was established in October, 2009. ADB and GoB jointly provided an additional amount of US$0.95 billion to further broadening the SME refinancing facility.
- **JICA Two Step Loan Fund:** A loan agreement was signed between JICA, Japan and the Government of Bangladesh (BFID, MOF as the representative) in 2011 for SME development and financing. As per loan agreement, Bangladesh Bank is implementing the "Financial Sector Project for the Development of Small and Medium-Sized Enterprise (FSPDSME)-BD-P67" project. The Fund size is 5,000 million Japanese Yen including a technical assistance component. The principal component of the fund is Two Step Loan of JPY amounting 4,787.5 million. A separate Project Implementation Unit (PIU) has been established under SME&SPD to implement this project. 21 Banks and 18 NBFIs signed Participating Agreements with Bangladesh Bank on 11 June 2012. Refinancing or pre-financing facilities are being provided to Participating Financial Institutions (PFIs) at the bank rate for on lending to SME sub-projects of productive investment for medium to

long-term duration at the market rate. So far, an amount of Tk.14 crore has been approved as refinances to 38 enterprises of which 21 are manufacturing concerns and 17 are service concerns.

Bangladesh Small and Cottage Industries Corporation (BSCIC)

Bangladesh Small and Cottage Industries Corporation (BSCIC) has been playing the role for development and promotion of small industries in the private sector. With this aim, BSCIC provides necessary services and facilities to the private entrepreneurs. Various programs have been implemented intended to provide support in the form of industry facilitating centres, industrial estates, skill development centres, small and cottage industries training industries (SCITI), and design centres under the institutional framework of BSCIC. Small and cottage industries play an important role in augmenting investment, production and employment generation in the non-agricultural sector.

Up to June 2012, a total of 9,747 industrial plots have been allotted in favour of 5,685 industrial units in 74 industrial estates of BSCIC throughout the country. At present, as many as 4,019 units are under production. During FY 2011-12, 201 industrial plots have been allotted in favour of 126 industrial units and during the same period 252 industrial units have been implemented. The total investment in these 74 industrial estates up to June 2012 is Tk. 15,771.24 crore. These units have produced goods worth Tk 32,202.60 crore in FY 2011-12, out of which product worth Tk.18,760.69 crore have been exported. Most of the export proceeds came from hosiery and knitwear products. The investment, production, export and employment in these industrial estates have increased in comparison to those of the previous financial year. An amount of Tk.2,555.97 crore has been paid as revenue to the government by these industrial units of BSCIC's industrial estates; which has increased by 34 percent in comparison to that of the previous financial year.

During FY 2011-12, the number of small and cottage industrial units established under direct and indirect assistance from BSCIC stood at 5,090 and 4,362 respectively. The total amount of investment in these industrial units was Tk.1,009.96 crore. Of this investment, a total of Tk. 448.31 crore was financed as loan assistance by banks, BSCIC and other financial institutions, Tk. 248.95 crore came as entrepreneurs' equity and the rest Tk. 312.70 crore was invested entirely by the entrepreneurs from their own fund. With the above investment, as many as 60,869 persons got employment, and women got a large part of it. Table 8.3.1 shows the annual investment and employment target together with the achievements against it.

Table 8.3.1 Annual investment and Employment Target and Achievement of BSCIC

(Taka in crore)

Type of Industry		Target during 2011-12			Achievement during 2011-12		
		No. of unit	Total Investment	Employment	No. of unit	Total Investment	Employment
Small Industry	New	2,200	875.00	75,000	5,090	432.07	28,225
	Existing	1,600	240.00	29,200	4,234	449.79	15,240
	Total	3,800	1,115.00	1,04,200	9,324	881.86	43,465
Cottage Industry	New	6,100	14.35	10,800	4,362	82.41	12,230
	Existing	4,600	4.60	3,500	2,375	45.69	5,174
	Total	10,700	18.95	14,300	6,737	128.10	17,404
Total Industries		14,500	1,133.95	1,18,500	16,061	1,009.96	60,869

Source: Bangladesh Small and Cottage Industries Corporation, Ministry of Industries.

Around 55,637 acres of land of coastal area of Cox's Bazar, Chittagong, Khulna and Satkhira districts were brought under salt cultivation in FY 2010-11. During this period, as many as 38,582 salt growers got themselves engaged in salt production. During this period, as much as 9.64 lakh metric tonnes of salt was produced. In FY 2011-12, in the same locations, around 70,000 acres of land were brought under salt cultivation. During this period, as many as 45,000 salt growers produced 11.69 lakh metric tonnes of salt with the direct and indirect assistance from BSCIC.

In order to shift the tannery industrial units of Hazaribagh in Dhaka Metropolitan City, a tannery industrial estate with area of 200 acres at a cost of Tk. 54,536.00 lakh is being developed at the adjoining Savar and Keranigonj upazilas. By this time, infrastructure including internal roads, drains, culverts and electricity line, water supply line, police sub-station, fire service shed, pump driver quarters and administrative building have been completed. Besides this, implementation work of central water refinery and supply is nearing completion by RDA, Bogra. In this estate, as many as 205 of plots have been completed and by this time these plots have been allotted in favour of 155 industrial units. Construction work of Central Effluent Treatment Plant and Dumping Yard intended to control environment pollution has already begun.

Active Pharmaceutical Ingredients (API) Industrial Park is being implemented with modern facilities at Baushia area of Gazaria upazila under the district Munshigonj. This is the first specialised industrial estate in the country being established at a land area of 20 acres with an estimated outlay of Tk. 233.50 lakh. As many as 42 plots and 42 pharmaceutical ingredients manufacturing units will be established there and this will create employment opportunities for 25,000 people.

In order to accelerate and to revitalise the rural economy through industrialisation, BSCIC undertook a project for implementation at a cost of Tk. 37,892.00 lakh at Saidabad and Kalia

Horipur area of Sirajgonj Sadar Upazila. The project is expected to be completed by June 2014. Once the project is completed, it will accommodate as many as 801 industrial plots and attract both local and foreign investment. The project will also create employment opportunities for around 1.00 lakh people.

BSCIC is implementing a project titled "Special Economic Zone (Textile)" at Kumarkhali of Kushtia district to create infrastructural facilities for the small, cottage and medium scale entrepreneurs of textile sector. This project has been taken up with an estimated cost of Tk. 820.00 lakh with a project area of 10.00 acres. As many as 30-35 small and medium textile industrial units will be established in 68 industrial plots and an employment opportunity for around about 2,000 people will be created there.

State Owned Enterprises (SOEs)

(A) Bangladesh Chemical Industries Corporation (BCIC): Bangladesh Chemical Industries Corporation (BCIC) is currently managing 13 enterprises (medium and large) under its control. Urea and TSP fertilizer, paper and hardboard, cement, glass sheet, insulator, sanitary-ware etc. are produced in the factories of BCIC. Eighty percent goods produced by the enterprises of BCIC are chemical fertilizers out of which seventy percent is urea fertilizer.

In FY 2011-12, BCIC produced products worth Tk. 2,201.18 crore against the production target of Tk. 2,712.49 crore which is 81 percent of the target. During the same period, the sales revenue stood at Tk. 2,265.29 crore which is 84 percent of sales target. BCIC also paid Tk. 137.31 crore to the national exchequer in the form of duties and taxes in FY 2011-12.

During FY 2011-12, the running factories under BCIC produced 9,33,686 metric tonnes of urea, 65,047 metric tonnes of TSP, 48,130 metric tonnes of DAP, 20,765 metric tonnes of paper, 94,899 metric tonnes of cement, 14.42 lakh sqm of glass sheet, 1,530 metric tons of sanitary ware, 1,103 metric tonnes of insulator and 2.64 lakh. sft of hard board.

In order to increase the production of urea fertilizer, steps have been taken to set-up Shahjalal Fertilizer Factory (SFF) with a capacity of 5.80 lakh metric tonnes of urea fertilizer annually. To this end, a project has been approved by ECNEC with an estimated cost of US$ of 580.19 million (Concessional Loan of the Government of China of US$ 235 million, Preferential Buyer's Credit of Exim Bank of China of US$325 million and US$ 20.19 million of Government of Bangladesh) equivalent to Tk. 5,409.00 crore. Meanwhile, signing of the credit agreement between two governments and commercial agreement between BCIC and the general contractor of the project has been completed.

(B) Bangladesh Sugar and Food Industries Corporation (BSFIC)

BSFIC is helping to maintain market equilibrium by marketing sugar and other products to the ordinary consumers. BSFIC has under its control a number enterprises that include sugar mills,

distillery units and engineering workshops. The annual production capacity of 15 sugar mills of BSFIC is 2.10 lakh metric tonnes. The present annual demand for sugar in the country is about 14.00 lakh metric tonnes. Compared to the actual demand of sugar in the country, the production of sugar in sugarcane-based sugar mills under government supervision is insufficient. As a result, the shortage of sugar is met by the sugar refineries established in the private sector and by import. A production target of 1,35,376 metric tonnes of sugar was set in FY 2011-12 and 69,346.80 metric tonnes of sugar against the target were produced. Production of sugar was less than the target due to high price of molasses and other competitive by-products of sugarcane. The corporation has contributed Tk. 69.00 crore to the national exchequer as duty and taxes in FY2011-12.

(C) **Bangladesh Steel and Engineering Corporation (BSEC)**

Presently 9 industrial units are in operation under the control of Bangladesh BSEC. Of the nine industrial units, 49 percent shares of 3 three units such as Atlas Bangladesh Ltd., National Tubes Ltd. and Eastern Cables Ltd. had been off-loaded to private shareholders. Enterprises under the control of BSEC are playing a vital role delivering products required for electrification, communication and infrastructural development of the country. Products and services of BSEC enterprises mainly include motor cycle, *mishuk* (three wheeler), GI/MS/API pipe, electric cables, tube light, super enameled copper wires, transformers and other electrical items, razor blades, ship repair, assembling of bus, truck, jeep etc.

Goods worth Tk. 990.46 crore have been produced during FY 2011-12 in the enterprises of BSEC. In FY 2010-11, products worth Tk. 1,046.95 crore were produced in the above enterprises. The overall production and sales of commodities may increase by about 14 percent and 12 percent respectively compared to those of the previous year.

During FY 2011-12, actual overall net profit of Tk. 77.72 crore was earned against the target of Tk. 91.55 crore, which is 85 percent of the target. During FY 2010-11, BSEC earned a net profit of Tk. 82.14 crore. The enterprises under the corporation paid a total amount of Tk. 472.11 crore to the national exchequer as duties and taxes in FY 2011-12. It may be mentioned that the BSEC enterprises paid Tk. 493.84 crore to the national exchequer as duties and taxes in FY 2010-11.

Progoti Industries Ltd and Chittagong Dry Dock Ltd. (CDDL) are the two prominent enterprises of BSEC. Generally, Progoti Industries Ltd. assembles bus, truck, jeep etc. for sale. In FY 2010-11, Progoti Industries Ltd. assembled 844 units of bus, truck, jeep against a total target of 900 units. The entity also paid Tk. 162.03 crore as duties and taxes to the exchequer in FY 2011-12. In FY 2011-12, Progoti commercially assembled 192 Pajero Sports Jeep of Mitsubishi Company of Japan and marketed 130 of them in the same period. The entity also plans to start assembling of Sedan Car locally.

Chittagong Dry-dock Ltd. (CDDL) earned a profit of Tk. 36.50 crore in FY 2011-12 by repairing water vessels. Construction/establishment of facilities to build seagoing vessels and balancing,

modernizing, rehabilitation and expansion (BMRE) of existing facilities to repair seagoing vessels is under way based on Public Private Partnership (PPP). A contract has already been signed with IIFC to formulate project and other documents and finding entrepreneurs. Necessary accessories and machinery for the factory to produce Energy Saving CFL (Compact Florescent Lamp) bulbs in Eastern Tubes Ltd (ETL) of BSEC are being mobilised. Manufacturing of T-8 tube lights will soon begin in the factory of ETL.

(D) Bangladesh Textiles Mills Corporation (BTMC)

Currently only a few textile mills under BTMC are in operation under "Service Charge System". In the "Service Charge System", the contracted yarn dealers / parties supply required raw materials to the mills for producing yarn and payment is made to BTMC on the basis of certain service charge rate per unit. The responsibility of marketing of yarn lies on the service charge parties. In FY 2011-12, there were 18 mills under BTMC, which were either closed or laid off, two mills were in operation under Service Charge, two mills were in operation on rental basis.

Due to unwillingness of the parties, the remaining 14 mills were temporarily out of operation. Two mills namely, Khulna Textiles Mills Ltd. and Chittaranjan Cotton Mills Ltd. are being converted into Textile Polli to accommodate handloom and textile related industries. The weaving units of composite mills have been closed down and at present fabrics are not produced in these mills. Thus, BTMC mills are now producing yarns of different counts under Service Charge contract concluded with the private parties, mostly to meet the domestic demand. In FY 2011-12, a total of 0.93 million kg of yarn was produced in the mills under Service Charge System. The total yarn produced from FY 1996-97 up to 2011-12 is 126.17 million kg. After the introduction of Service Charge System, BTMC has discontinued producing fabrics since FY 1997-98 and closed down all the weaving units since then.

The comparative production levels of yarn and fabrics from 1996-97 to 2011-12 after the introduction of Service Charge System up to June 2012 is shown in Table 8.3.2:

Table 8.3.2 : Production of BTMC Mills under Service Charge System

Financial Year	Installed Capacity		Production	
	Spindles	Looms	Yarn (million kg)	Cloth (million metre)
1996-97	604020	2337	6.93	0.865
1997-98	445640	562	8.10	0.194
1998-99	455876	-	9.40	-
1999-00	331328	-	12.30	-
2000-01	339680	-	14.82	-
2001-02	356384	-	14.43	-
2002-03	304296	-	9.36	-
2003-04	199840	-	9.71	-
2004-05	199840	-	9.48	-

Financial Year	Installed Capacity		Production	
	Spindles	Looms	Yarn (million kg)	Cloth (million metre)
2005-06	199840	-	7.99	-
2006-07	195088	-	8.87	-
2007-08	195088	-	7.95	-
2008-09	176512	-	2.34	-
2009-10	176512	-	1.15	-
2010-11	176512	-	2.41	-
2011-12	176512	-	0.93	-
		Total =	126.17	0.1059

Source: Bangladesh Handloom Board, Ministry of Textiles and Jute

With a view to achieving optimum production capacity together with enhancing the technical capability of the BTMC mills under Service Charge System, some of the machinery / spares of the relatively older mills are being transferred to the newer mills in operation. As a result, the production capacity as well as the quality of yarn produced in these mills will increase. The Public Private Partnership (PPP) policy initiative of the present Government is being contemplated for implementation. To make some of the selected mills profitable under PPP, a couple of mills around Dhaka will be revitalised with comparatively modern machinery, which will create new employment and the older mills will be put again into operation and make the organisation profitable in a short period.

Bangladesh Handloom and Sericulture Industry

Handloom industry used to occupy the second position after agriculture in respect of generating rural employment. According to Handloom Census, 2003, the handloom industry can produce 830 million metres of fabrics per year. The handloom industry can meet around 40 percent of the domestic fabric requirements. This industry employ about 0.9 million people indirectly and 0.6 million people directly. There are about 0.51 million handlooms in the country out of which 0.31 million looms are in operation and the remaining 0.20 million are closed due to non- availability of working capital. Value addition of handloom industry is about Tk. 150.00 million per annum.

The handloom industry has been revitalised for overall development and well- being of weavers by providing working capital, raw materials and organisational assistance. Bangladesh Handloom Board provided working capital to the poor weavers under a micro-credit programme amounting to Tk. 7.60 million in FY 2011-12. The board has provided a cumulative micro-credit of Tk. 518.10 million up to FY 2011-12.

Table 8.3.3 below shows the distribution of loan, recovery and recovery percentage:

Table 8.3.3 : Distribution of loan, recovery and recovery percentage by Bangladesh Handloom Board

FY	Distribution	Recovery	% of recovery
Cumulative upto (June, 2003)	215.80	70.10	32.40
2003-04	80.70	36.20	44.85
2004-05	91.90	31.20	33.95
2005-06	46.80	36.00	76.90
2006-07	33.10	40.80	100.23
2007-08	6.00	23.40	390.00
2008-09	6.95	24.66	355.00
2009-10	15.92	20.83	131.00
2010-11	13.6	19.60	144.00
2011-12	7.60	1.60	21.05
Cumulative	**518.10**	**314.40**	**60.68**

Source: Bangladesh Handloom Board, Ministry of Textiles and Jute

For the overall development of sericulture and silk industry, various development programmes are being implemented independently or jointly by Bangladesh Sericulture Board (BSB), Bangladesh Silk Foundation (BSF) and Bangladesh Sericulture Research and Training Institute (BSRTI). At the initiative of both public and private sectors, different projects are being implemented for expansion and development of sericulture and silk in the country. Under these projects, activities like production of disease- free layings (DFLs), cocoons, silk yarn and silk fabrics, setting up of sericulture garden and villages, providing training to the people involved in silk and sericulture industry are being carried out. The production statistics of DFL's, cocoon, silk yarn and fabrics from FY 2000-01 to FY 2011-12 are shown in Table 8.3.4 below:

Table 8.3.4: Production of DFLs, Cocoons, Silk Yarn and Silk Fabrics from FY 2000-01 to FY 2011- 2012

Financial Year	DFL's (million number)	Cocoon (million kg.)	Silk yarn ("000" kg.)	Silk fabrics (million metre)
2000-01	0.365	0.101	1.24	0.067
2001-02	0.342	0.092	2.03	0.050
2002-03	0.304	0.082	0.09	0.015
2003-04	0.342	0.122	0.08	-
2004-05	0.322	0.121	0.07	-
2005-06	0.366	0.160	1.30	-
2006-07	0.373	0.163	1.05	-
2007-08	0.346	0.144	0.36	-
2008-09	0.590	0.239	0.75	-
2009-10	0.550	0.147	1.29	-
2010-11	0.467	0.176	2.14	-
2011-12	0.443	0.180	2.66	-

Source: Ministry of Textiles and Jute.

Production of Yarn and Fabrics

The industries under textile sector are basically managed and operated under private sector of the country. There are only 22 spinning mills under public sector whereas the private sector owns as many as 407 spinning mills. The annual production capacity of the spinning mills is 2,000 million kg. of yarn. Currently, there are 743 weaving mills and 1,065 specialised textile and power loom units having annual production capacity of 2,150 million metres of fabric, and 400 million metres of fabric respectively. In addition, as many as 3,10,000 handlooms having annual production capacity of 837 million metres of fabrics are in operation. Aside from these, there are about 3,000 knitting and knit dyeing units (out of which 1,400 units are export-oriented), 233 dyeing, printing and finishing units having annual production capacity of 2,200 million metres of fabrics.

In FY 2011-12, the total production of yarn stood at 1,050.93 million kg., of which the share of public sector mills was only 0.93 million kg. During the same period, the total production of fabrics was 5,748.00 million metres, which was produced entirely in the private sector. Production of yarn and fabrics during the period from FY 2000-01 to FY 2011-12 was 7,128.34 million kg. and 55,500.01 million metres respectively.

The year-wise production of yarn and fabrics are shown in Table 8.3.5 below:

Table 8.3.5: Year-wise Production of Yarn and Fabrics in Public and Private Sectors

Financial Year	Yarn production (million kg.)			Fabric production (million metre)		
	Public sector	Private sector	Total	Public sector	Private sector	Total
2000-01	14.82	228.84	243.66	-	1,845.00	1,845.00
2001-02	14.43	251.46	265.89	-	2,050.00	2,050.00
2002-03	9.336	340.00	349.36	-	2,200.00	2,200.00
2003-04	9.71	380.00	389.71	-	2,751.01	2,750.00
2004-05	9.48	450.00	459.48	-	3,100.00	3,100.00
2005-06	8.00	538.00	546.00	-	4,090.00	4,090.00
2006-07	8.86	608.86	617.72	-	4,910.00	4,910.00
2007-08	7.95	710.00	717.98	-	5,800.00	5,800.00
2008-09	2.33	376.74	379.07	-	6,380.00	6,380.00
2009-10	1.14	1000.00	1001.14	-	7,200.00	7,200.00
2010-11	2.40	1105.00	1107.4	-	7,300.00	7,300.00
2011-12	0.93	1050.00	1050.93	-	7875.00	7875.00
Total :	89.386	7038.9	7128.34	-	55,500.01	55,500.01

Source: Ministry of Textiles and Jute.

(E) Bangladesh Jute Mills Corporation

Jute mills are operated with the local raw materials and spare parts. One fourth of the country's population is directly or indirectly involved in different activities of jute sector. The net value of foreign exchange earnings on the basis of repatriation from the export of jute and jute products is 100%. A sizeable quantity of locally produced raw jute is used in the local jute industry. The public sector jute mills purchase raw jute from the farmers at fair prices to incentivise the growers of raw jute. The jute mills under BJMC generally produce hessian, sacking and carpet backing cloth etc. Some of the jute mills produce high quality jute twine / yarn, geo-jute, cotton bagging, nursery pot, file cover etc., which are exported to many countries of the world. BJMC at present has 27 jute mills of which 18 jute mills are in operation. The targeted production of these mills was 2.49 lakh metric tonnes, out of which the actual production was 0.92 lakh metric tonnes.

BJMC plays a vital role in export of jute goods to many countries and it exported jute products valuing Tk. 9,197.60 million during FY 2011-12. However, BJMC incurred a net loss of Tk 681.10 million in FY 2011-12.

On the other hand, the jute mills under BJMC have collected sales tax and various types of taxes and fees amounting to Tk. 172.1 million and deposited them to the exchequer.

The present government wants to keep the mills in operation instead of closing down on the plea of losses and therefore, the Government in the meanwhile opened the Peoples Jute Mills Ltd., Khalishpur Jute Mills Ltd. and the Qawmi Jute Mills Ltd. and put them into operation. Moreover, in order to minimise the production losses, several effective measures have been taken up for implementation, such as, the machinery of closed Adamjee Jute Mills are being used by transferring them to the other selected jute mills, proper maintenance of the machinery and training of the workers which will help enhance the productivity and quality of products.

Quality Control of Industrial Goods

In order to stay competitive in the world market, it is important to assure the quality of goods produced in the country. Bangladesh Standards and Testing Institution (BSTI) is the lone national standard setting body of the country that certifies the quality of products. On the basis of set standard, BSTI tests, analyses and validates the quality and content of goods. It also oversees the standard of weight and measurements on the basis of "One stop service." BSTI carries out these activities through six regional offices located at six divisional headquarters.

In order to stop production, sale and distribution of illegal and sub-standard products, as many as 1,557 cases were filed under "The Bangladesh Standards and Testing Institution (Amendment) Act. 2003" in FY 2011-12 by conducting 1,304 mobile courts and a total of Tk. 3.56 core was realised from the offenders as fines. In FY 2010-11, the amount of fines realised stood at around Tk. 4.39 crore and 66 persons were imprisoned.

During FY 2011-12 as many as 1,706 cases were filed by 1,304 mobile courts to prosecute the offenders under metrology activities under "The Weights and Measures Ordinance 1982" and "The Weights and Measures (Amendment) Act, 2001" to ensure proper weight in petrol pumps and other commercial entities. A total of fines worth Tk. 46.00 lakh was realised from the offenders. In FY 2010-11, as many as 2,559 cases were filed by 1,769 mobile courts and the surveillance teams engaged for the purpose and the amount of fine stood at Tk.53.92 lakh.

Steps were taken to earn accreditation from the National Accreditation Board for Testing and Calibration Laboratories (NABL), India for cement, food and microbiological substances and textile testing laboratories of BSTI. Necessary surveillance audit and pre-assessment as part of the formalities have been done in this regard. It is expected that the accreditations will soon come by.

Testing and inspection scheme of certain commodities have been upgraded and being implemented under the Product Certification of BSTI according to ISO Guidelines.In January, 2012, the National Accreditation Board for Testing and Calibration Laboratories (NABL), India has accorded accreditation of 5 voluntary products

Technical Assistance in Industrial Sector

Bangladesh Industrial Technical Assistance Centre (BITAC) assists in advancing the process of industrialisation of the country by way of providing technical advice to the industries and by manufacturing/repairing (local and import substitute) and designing machinery and accessories for the industries. Such assistance helps local industries to continue their operation unabated and add value.

In FY 2011-12, BITAC generated revenues to the tune of Tk.18.07 crore.

Intellectual Property (Patents, Designs and Trademarks) in Industry Sector

The Department of Patents, Designs and Trademarks (DPDT) is a specialised organisation engaged in dealing with the issues associated with Intellectual Property. DPDT is entrusted with granting patents for new inventions and innovations, register new and basic industrial designs and trademarks. Trademarks activities are carried out under Trademarks Acts. By granting patents for new inventions and innovations and registering new and basic industrial designs and trademarks, the organisation revenues to the tune of Tk. 9.05 crore in FY 2011-12, which was 7.36 crore in FY 2010-11.

Ongoing Reform Programmes in State Owned Industrial Sector

The basic features of reforms in SoEs include (a) competition in the product market, (b) autonomy to respond to market signals, (c) performance-oriented accountability, (d) competitive wage and employment, (e) market- oriented financing and (f) profit- oriented enterprise.

In order to bring about improvement in the management system of state-owned industrial sector, the following programmes have been undertaken:

- Reduction of losses through reduction of manpower and curtailment of non-essential expenditure
- Ensuring record keeping of assets and liabilities and annual audit
- Enhancement of reward/punishment scheme for ensuring accountability at every stage.

Industrial Investment Status

Industrial Loan

Rapid industrialisation is a *sine qua non* for achieving desired level of economic development of an agro-based developing country. Support to promote SMEs alongside the large-scale industries is the goal of the Government. For this purpose, the Government continued to provide loans and other ancillary supports through banks and financial institutions in FY 2011-12. As a result, the volume of industrial loan disbursement and recovery is increasing gradually. The table below shows year-wise disbursement and recovery of loans during FY1995-96 to FY2011-12.

Table: 8.4: Year wise Disbursement and Recovery of Industrial Loans

(Tk. In Crore)

Fiscal Year	Disbursement			Recovery		
	Working Capital	Term Loan	Total	Working Capital	Term Loan	Total
1995-96	3675.69	1230.44	4906.13	3402.88	519.69	3922.57
1996-97	6979.75	1200.00	8179.75	5692.70	887.19	6579.89
1997-98	6591.03	1120.34	7711.37	5409.72	859.43	6269.15
1998-99	7905.48	1330.10	9235.59	5281.65	1093.31	6374.96
1999-00	10681.74	1627.26	12309.00	7200.13	1653.34	8853.47
2000-01	13682.39	3057.07	16439.46	9777.47	2795.10	12572.57
2001-02	13765.12	3505.15	17270.27	9638.34	3212.97	12851.31
2002-03	15671.46	3961.99	19633.45	12283.21	3835.12	16118.33
2003-04	18703.10	6675.99	25379.09	15435.00	4963.44	20398.44
2004-05	22175.78	8704.52	30880.30	18189.65	8546.98	26736.63
2005-06	28448.53	9650.02	38098.55	22975.95	6759.52	29735.47
2006-07	31651.32	12394.78	44046.10	23790.54	9068.45	32858.99
2007-08	39963.49	20150.82	60114.31	28849.60	13624.20	42473.80
2008-09	45028.28	19972.69	65000.97	36577.89	16302.48	52900.37
2009-10	59171.95	25875.66	85047.61	45231.75	18982.70	64214.45
2010-11	71300.35	32163.20	103463.55	56694.99	25015.89	81710.88
2011-12	76674.98	35278.10	111953.08	64400.27	30236.74	94637.01

Source : Bangladesh Bank.

Analysing the credit disbursement and recovery trends during the period from FY 1997-98 to FY 2011-12 it is observed that credit disbursement and recovery in the industrial sector increased gradually over this period. In FY 2011-12, the amount of credit disbursement and recovery stood at Tk. 1,11,953.08 crore and Tk. 94,637.01 crore respectively which were 44.05 percent and

54.88 percent higher as compared to those of the previous fiscal year. During FY 2011-12, the disbursement of working capital and term loans increased by 44.03 percent and 44.06 percent respectively as compared to the those of the previous fiscal year. Recovery of working capital and term loan also increased by 54.08 percent and 56.63 percent respectively as compared to those of the previous fiscal year. It is expected that this will contribute significantly towards maintaining the growth of the industrial sector of the country.

Investment status in the Export Processing Zones

Bangladesh Export Processing Zones Authority (BEPZA) is providing all out supports for rapid development of industrial sector in the country by attracting local and foreign investments. The cumulative investment in eight EPZs (Chittagong, Dhaka, Mongla, Comilla, Iswardi, Uttara of Nilphamari, Adamjee and Karnafuli) up to June, 2012 stood at at US$ 2,456.95 million. In FY 2011-12, it was US$ 339.26 million as compared to US$ 313.23 million in FY 2010-11. As on June, 2012, as many as 406 industries are in operation in the EPZs under BEPZA. A total of 3,40,021 Bangladeshi citizens were employed in EPZs till that time. During FY 2011-2012, goods worth US$ 4210.80 million was exported from the EPZs. Table 8.5 below shows EPZ wise statistics of industries, investment, employment and exports till June, 2012.

Table 8.5 Number of Industries, Investment, Export and Employment of EPZs

Zone Wise Statistics of industries, investment, employment and exports (upto June -2012)					
Name of EPZs	**Industry**		**Investment (US$ in M)**	**Export (US$ in M)**	**Employment (No.)**
	In operation	**Under Implementation**			
Chittagong	167	12	960.23	15,062.60	1,76,274
Dhaka	102	09	863.09	12,584.44	85,490
Adamjee	36	31	164.23	560.57	21,017
Comilla	32	29	156.64	712.30	12,776
Karnaphuli	38	16	217.12	489.01	26,830
Ishwardi	11	15	67.73	82.88	7,653
Mongla	11	15	5.22	128.76	1,471
Uttara	09	10	22.70	22.70	8,510
Total	406	137	2,456.95	29,645.69	3, 40,021

Source : BEPZA.

Product wise enterprises, investment and employment in EPZs (up to June, 2012) are shown in Table 8.6 below.

Table 8.6 Product wise Enterprises, Investment and Employment in EPZs (up to June 2012)

Sl	Product	Unit	Investment. (in million us$)	Employment opprtunities (nos.)
01.	Garments	101	807.627	1,93,245
02.	Garments accessories	70	293.590	17,107
03.	Knit & other textile	44	221.529	37,901
04.	Textile	41	479.300	22,355
05.	Elec & electronics	17	90.762	4,805

Sl	Product	Unit	Investment. (in million us$)	Employment opprtunities (nos.)
06.	Footware & leather	25	140.462	20,017
07.	Caps	5	49.909	7,860
08.	Tent	8	50.520	8,486
09.	Terry towel	18	62.548	6,863
10.	Metal product	12	28.384	1,724
11.	Plastic goods	11	26.864	2,861
12.	Paper product	2	1.316	99
13.	Fishing reel & golf	1	32.414	580
14.	Rope	2	6.476	575
15.	Service oriented industries	6	32.503	888
16.	Agro product	7	2.602	286
17.	Furniture	3	28.260	1,573
18.	Power industry	2	45.022	97
19.	Chemical	5	3.355	71
20.	Sports goods	1	1.228	319
21.	Miscellaneous	25	62.183	12,309
	Grand Total	406	2,456.95	3,40,021

Source : BEPZA.

In FY 2010-11 (up to June, 2011) goods worth US$ 3,67.62 million were exported from the EPZs. Zone- wise contribution to exports are: Chittagong EPZ US$ 1,666.68 million, Dhaka EPZ US$ 1,521.78 million, Mongla EPZ US$ 27.93 million, Comilla EPZ US$ 145.46 million, Ishwardi EPZ US$ 25.96 million, Adamjee EPZ US$ 164.68 million, Uttara EPZ US$ 6.77 million and Karnaphuli EPZ US$ 138.16 million. Table 8.7 shows EPZ wise investment and exports during the period from FY 2002-03 to FY 2011-12

Table 8.7 EPZ wise Investment and Export

Name of EPZ	Invest./ Export	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
DEPZ	Investment	59.14	49.36	51.35	61.57	87.46	110.34	30.39	64.38	72.38	77.17
	Export	554.79	667.60	757.73	918.30	1033.03	1146.50	1190.36	1216.49	1521.78	1614.45
CEPZ	Investment	42.14	55.43	45.31	35.95	32.62	126.46	47.22	57.52	85.84	101.74
	Export	641.28	679.01	772.39	873.03	971.54	1117.17	1188.15	1333.53	1666.88	1883.81
MEPZ	Investment	0.11	0.80	1.49	0	0.43	2.03	0.96	0.01	0.77	0.08
	Export	3.00	3.21	7.83	7.09	1.31	8.26	7.06	7.29	27.93	54.24
Com EPZ	Investment	1.05	9.03	19.59	10.62	21.02	9.72	8.20	20.44	36.26	20.07
	Export	1.15	4.10	9.66	34.99	46.01	131.38	95.85	95.34	145.46	148.36
UEPZ	Investment	0.20	0.42	0.72	0.00	1.24	0.15	0.17	1.69	11.98	5.97
	Export	-	-	-	0.00	0.08	0.095	0.24	1.90	6.77	16.03
IEPZ	Investment	0.50	0.00	0.05	0.76	0.00	1.43	14.04	12.21	21.40	17.85
	Export	-	-	1.09	2.54	2.23	1.21	0.79	7.54	25.96	41.53
AEPZ	Investment		-	-	4.00	7.68	33.71	21.07	26.17	37.05	34.55
	Export		-	-	0.23	9.47	15.10	60.13	103.65	164.68	207.32
KEPZ	Investment		-	-	-	1.91	18.34	27.90	39.58	47.56	81.83
	Export		-	-	-	0.00	9.86	39.13	56.81	138.16	245.05
Total	Investment		115.04	118.51	112.90	152.36	302.18	149.95	222.00	313.24	
	Export		1353.92	1548.7	1836.18	2063.67	2429.58	2581.71	2822.55	3697.62	

Source: BEPZA.

In addition to promotion of FDI , exports and employment generation, EPZs have been making special contribution to the development of backward linkage and supportive industries of the country. For this , raw materials are being procured from the industries located outside the EPZs and also 100 percent export oriented enterprises in local market to supply their products to EPZ enterprises.

Up to June 2012, 37 countries including S. Korea, Japan, China, Malaysia, U.S.A, U.K and Italy have invested in the EPZs of Bangladesh.

Apart from industrialisation, export earnings and employment generation, EPZs of BEPZA have also been playing a special role in ensuring the welfare of their workers that include education, medical service and security. Besides these, two daycare centres have been in operation in CEPZ and DEPZ to ensure safety and proper care for the children of female workers.

Now-a-days buyers are increasingly attaching importance to social compliance issues. EPZs are encouraging its investors to comply with the code of conduct. As a result, with better facilities, working conditions are improving and the workers are being benefited.

Majority of the industrial plants of EPZs under BEPZA have Effluent Treatment Plants. The Authority has already taken steps to introduce five Central Effluent Treatment Plants (CETP) in five EPZs in order to ensure maximum protection for the environment. Implementation of the CETP projects in Dhaka EPZ and Chittagong EPZ are under way. Moreover, approval of setting up 03 (Three) Central Effluent Treatment Plants (CETP) is under process.