

## Chapter-33

### Ministry of Industries

#### 1.0 Introduction

- 1.1 A growing Industrial sector is a prerequisite for growth, employment creation and improvement in people's living standard. Ministry of Industries is formulating policies and strategies as well as providing necessary facilities and assistance to establish and expand industries in the country. The contribution of this important industrial sector to Bangladesh economy is immense. The contribution of the broad industry sector to the Gross Domestic Product (GDP) has increased from 17.31 percent in 1980-81 to 32.48 percent in 2016-17.
- 1.2 Ministry of Industries playing its role to create a vibrant industrial sector and to enhance the contribution of this sector in GDP from existing 30 percent to 40 percent by 2021. The main responsibility of this ministry is to formulate up-to-date policies and also determine the strategy to implement these policies. Ministry of Industries has formulated the National Industrial Policy-2016 to accelerate the pace of domestic industrialization. In this policy, necessary reforms and modernization activities of state own enterprises have been incorporated. State own enterprises are now producing fertilizer, sugar and paper; assembling vehicles and promoting small, medium and cottage industries. Besides, this policy maintains the continuation of industrial loan and other assistance activities through banks and financial institutions to encourage the expansion of medium and small industries.
- 1.3 Recently, a fertilizer factory of 5.80 lakh metric ton/year production capacity has been set up. Bi-lateral capital investment agreements with four countries have been signed. The Geographical Indication (Registration & Safety) Act-2013, Edible Oil Fortification with Vitamin-A Act-2013 and Trademarks Rule-2013 has been formulated. In FY 2015-16, 13 entrepreneurs are awarded the President Award and 56 entrepreneurs have been selected as the Commercially Important Person (CIP Industry). The Act of Bangladesh Ship Recycling-2015 has been drafted and the Handicraft Rule-2015 has been approved in principle. In addition, "Small, Micro and Cottage Industries Foundation (SMCIF)" has been formed as the outcome of four BSCIC poverty alleviation projects.

#### 2.0 Major Functions of the Ministry:

- ❖ Formulation of time tested Industrial Policy and ensuring environment-friendly industrialization;

- ❖ Promoting and protecting investment through International capital investment agreement;
- ❖ Improvement of skill and productivity of labour through entrepreneurship and industrial management training;
- ❖ Strengthening registration program of Product patents, designs and trademarks and ensure protection of intellectual property;
- ❖ Development of cottage industries, small and medium enterprises and production of fertilizer, sugar and paper under government management.
- ❖ Determining and harmonizing national standards of commodities and services in consistent with the international standards;
- ❖ Shipbuilding and ship recycled industrial management;
- ❖ Investigating the reasons of doing loss of the state-owned industries and taking necessary actions accordingly.

### **3.0 Strategic Objectives of the Ministry and their Relevance with Women's Advancement and Rights**

- 3.1 **Rapid industrial growth and development:** A healthy and safe working environment will be established through strengthening the industrial policy and legal framework. This, in turn, is expected to ensure participation of women as workers as well as entrepreneurs for industrial production and thus empower and further develop them.
- 3.2 **Improved quality of Bangladeshi products consistent with international standards:** Half of the population are women. Increasing purchasing power will empower women and enhance their social security and improve their economic conditions.
- 3.3 **Environment-friendly industrial development:** These activities will reduce health risks for women workers. Thus, it will ensure good health for mothers and their family members.
- 3.4 **Industrial growth in high priority sectors:** This will have a positive impact on women engaged in agricultural activities through access to affordable fertilizer inputs.
- 3.5 **Develop Entrepreneurship and skilled labour force:** By ensuring women's participation in various training programmes and through proportional allocations of industrial plots in the industrial park to women entrepreneurs, the economic and social status of women will be improved.

- 3.6 **Employment generation:** Growth of small and cottage industries will enhance opportunities for employment of women and this will empower women and improve their economic conditions.

#### 4.0 **Roles and Responsibilities of the Ministry for Women's Advancement and Rights**

- 4.1 To achieve the Vision 2021, a project has been initiated by BITAC to give more emphasis on women. Under the project "Extension of BITAC for Self employment and poverty alleviation through hands-on technical training highlighting women" a total of 1080 women will be trained in the fiscal year 2018-19 in different trade. For the development of women, 140 women will be trained in 2018-19 under the SEIP project in the field of machines shop , welding and electrical trades, out of them 100 will be accommodated in the different industrial units. Apart from this, around 900 female students will be undergone on attachment training in 2018-19. In 2018-19 BITAC will also provide their short and long term training for the women workforce. Hon'ble Prime Minister in her last visit in the Ministry of Industry instructed to build three female hostels in Chittagong, Khulna and Bogra and accordingly projects are being initiated by the Ministry.
- 4.2 Bangladesh Small and Cottage Industries Corporation (BSCIC) have been playing a vital role for the development of the private sector and the development of small businesses. For this purpose, a variety of helpful services and industrial facilities are being provided. BSCIC's small and cottage industrial estates/ parks implementation projects will create employment opportunities for women.
- 4.3 The project "Development of Bee-keeping through Modern Technology" is being implemented by the BSCIC aimed at training of 3000 bee-keepers in a modern and scientific methods, of which 2000 are women. After the completion of training, one bee-box will be given to each trained women with up to Tk. 25000 as loan. As a result, trained women will be self-sufficient, as well as create employment opportunities.
- 4.4 It is assessed that pre-school children and pregnant women are at severe risk of Vitamin A deficiency especially in village and urban slum areas. Besides, teenage girls also suffer from diseases due to lack of Vitamin A. Vitamin A deficiency may cause pregnancy complication and depression. It also reduces work capabilities. The UNICEF supported project titled 'Fortification of Edible Oil Bangladesh' is being implemented under this ministry to address problems stemming from Vitamin A deficiency. After completion of oil fortification programme, women of reproductive age, neonates and school-age children will be benefitted from the supplementation of Vitamin A.

- 4.5 In order to expand CMSME banking and access to finance of CMSMEs, a target based CMSME lending programme has been initiated first time in 2010. In 2016, all banks and NBFIs disbursed altogether BDT 141,935 crore which was 125 percent of the annual target of BDT 113,503 crore. Accordingly, a target of disbursing BDT 133,854 crore as CMSME credit was set for 2017. In FY 2015-16 all banks and NBFIs disbursed BDT 129,068 crore as CMSME credit which was higher by 17.17 percent than in FY 2014-15. In the first half year of FY 2016-17, all banks and NBFIs disbursed BDT 72,344 crore as CMSME credit; of which BDT 46,603 crore disbursed to trading sector, BDT 17,526 crore disbursed to manufacturing sector and BDT 8,215 crore disbursed to service sector.
- 4.6 Bangladesh Bank is preparing a credit guarantee scheme for women entrepreneurs on pilot basis with finance from United Nations Capital Development Fund (UNCDF). Initiatives will be taken to launch a full credit guarantee scheme for women entrepreneurs. Finance Division is implementing Asian Development Bank (ADB) and Swiss Agency for Development and Cooperation (SDC) funded project titled "Skill for Employment Investment Program (SEIP)". Under this project job oriented market based training is being provided to 10,200 people through ten training institutions, where in 40 percent of the trainees will be women. Training will be continued in FY 2017-18 for skill development of women entrepreneurs under this project.
- 4.7 Office of the Chief Inspector of Boilers ensures the safety and security of lives and goods by implementing the rules and regulation regarding Boilers. Thus people at large are getting security in the workplace and it also helps for the advancement of women by ensuring save operation of boilers installed in different establishment. In this department has separate toilet and place of prayer for women employees.
- 4.8 NPO (National productivity Organization) will organize 50 training programs on productivity related issue in the fiscal years 2017-18 to create new opportunity of employment and expedite the speed of rapid industrialization. In the proposed training programs not less than 300 women participation will be ensured. It is expected that 120 participants will be able to improve their efficiency level which will ultimately increase the productivity of the industry.

## 5.0 Priority Spending Areas and Benefits for Women's Advancement

Serial No.	Priority Spending Area/Programs	Benefits for Women's Advancement (Direct and Indirect)
1	2	3
1.	Ensuing pollution free industrial production	It is necessary to shift tanneries, garment and pharmaceutical industries out of Dhaka ensuing infrastructure facilities to reduce

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1	2	3
		pollution in Dhaka city. This will create a work environment which will increase the safety of women. In turn, this will increase women's participation in entrepreneurial activities and industrial production which will accelerate women's development and empowerment.
2.	Reviving the defunct state owned industries and establishment of new industries according to demands and prospects	There is potential for rapid industrial development in order to meet demand for goods. This in turn, is expected to improve employment opportunities and thus enhance the income of women, advance women's development and empowerment.
3.	Strengthening and expanding the BSCIC industrial Estate/ Economic Zone programmes	Expansion of industrial zones will create jobs especially for the women, which will increase women's income and purchasing power. Women's increased capacity will ensure social security and improve the lives of women.
4.	Training and provide assistance to industrial entrepreneurs	Imparting training to the entrepreneurs by BSCIC helps increasing the number of entrepreneurs and productivity. This is why this sector has given priority.

## 6.0 Women's Share in Ministry's Total Expenditure

(Taka in Crore)

Description	Budget 2018-19			Revised 2017-18			Budget 2017-18		
	Budget	Women Share Women percent		Revised	Women Share Women percent		Budget	Women Share Women percent	
Total Budget	464574	136938	29.48	371495	86169	23.2	400266	112019	27.99
Ministry Budget	1352	749	55.45	1352	216	15.97	1825	957	52.44
Development	1059	714	67.48	854	124	14.48	1520	863	56.78
Non-Development	293	35	11.99	498	92	18.54	305	94	30.82

Source: RCGP database

## 7.0 Success in Promoting Women's Advancement

7.1 Development would not be sustainable without empowering women. Financial benefits with simplified conditions for women entrepreneurs to bring them into the mainstream of the economy are being provided by the Bangladesh Bank. They are as follows:

- ❖ To ensure loan facility for the women entrepreneurs, at least 15 percent of total Bangladesh Bank refinance fund for SME sector has been allocated for them at a capped interest rate of bank rate+4 percent (currently 9 percent).
- ❖ Instructions have been given for establishing separate ' Women Entrepreneurs' Dedicated Desk' in each bank and NBFIs. If possible, they are also advised to employ a women official in the desk, and to provide suggestions and services

towards women entrepreneurs regarding project preparation, loan application process etc.

- ❖ Instructions were given to all banks and NBFIs to consider of sanctioning loan up to BDT 25 lakh to women entrepreneurs with personal guarantee under the refinance facilities provided by Bangladesh Bank.
- ❖ In order to expedite the process of women entrepreneurship development, recently BB has opened a separate “Women Entrepreneurs Development Unit” in its head office and branch offices. All banks and NBFIs are also advised to open such unit.
- ❖ In order to include a large number of micro women entrepreneurs in the SME credit facilities, a policy of group-based lending of BDT 50 thousand or above has been initiated.

#### **8.0 Recommendations for Future Activities:**

- ❖ Transportation, housing, rest rooms, separate wash rooms and day care centers should be provided for, where a good number of female workers are employed. Ensure safe housing facilities for single women, family headed by women, professional women, interns and trainees;
- ❖ Train women entrepreneurs in all government technical institutes. Organize training program for poor women workers to create new and alternative economic and social opportunities. Put emphasis on hands-on training program to improve the efficiency of women for self-employment;
- ❖ Provide incentives and financial assistance to women entrepreneurs in small, medium and cottage industries. Evaluate and simplify existing policies of the government banks to encourage women entrepreneurs;
- ❖ Ministry of Industries will build women friendly banking services in coordination with the financial and banking institutions which will grant access to women entrepreneurs in industrial credit, equity, capital, venture capital etc.;
- ❖ Take initiatives to coordinate between national and international agencies so that they can share information and experiences. Give priority to women entrepreneurs in service sectors like ICT, laundry, tourism, beauty parlors, ad-farms and also in fisheries, livestock, handicrafts and processing sectors;
- ❖ Identify and remove legal obstacles for economic and business empowerment of women especially in the participation of women in industries.