

CHAPTER FOURTEEN

PRIVATE SECTOR DEVELOPMENT

It is essential to increase production, investment and export in the private sector for Economic development. In order to achieve sustainable development goals (SDG), it is necessary to invest in economic sector especially in industrial and productive projects. The government is working for the overall development of investment environment for the purpose of increasing domestic and foreign investment which relates to development activities. Now, the government is implementing different development projects under Public-Private Partnership (PPP) model along with individual projects under government and private sector. In FY2017-18 the investment proposal for 1,643 private projects were of Tk.2,07,292 crore. On the other hand, in the first eight months of the current FY2018-19 (January-September) the proposal stood at Tk.90,854 crore for 1,022 private projects. In 2018 (January-September), a total (gross) amount of US\$2,937.12 million flowed as Foreign Direct Investment (FDI) in the country which was US\$2,151.56 million in 2017. Private sector is also working for bringing 100 percent populations under electricity coverage by 2021. In the first seven months of FY2018-19 (up to January 2019), a total of 41,125 million kilowatt-hours of electricity was produced, out of which 40 percent had been generated by private sectors. Bangladesh has achieved stable credit rating by Moody's (Ba3) and S&P (BB-) for the ninth consecutive time. The government undertakes the schemes for the development of information and communication technology and provides proper support both to the public and private sector in this regard. The government has undertaken various development projects and program in order to ensure the use and application of information and communication technology by increasing digital literacy at all walks of life. The government is working relentlessly to form modern and developed Bangladesh by creating employment of youths through introducing e-governance and e-commerce in knowledge and technology based industries.

To continue the economic development and higher growth of the economy, private sector plays a significant role along with the government. In FY2018-19, the total investment of GDP was 31.56 percent, out of which 23.40 percent was from private sector. In order to attract the private sector investment both from local and foreign investors, the government has taken various initiatives for infrastructure development, uninterrupted supply of electricity and also for development of congenial environment for private investment. The government is

mainly executing the public investment including the infrastructure sectors through the Annual Development Program (ADP). However, private investment is very much necessary for sustaining the economic growth and providing services to the doorsteps of the people. For this reason, now the government has established 'Bangladesh Investment Development Authority' as well as undertaken extensive reform program to create congenial environment for private sector investment.

Investment Climate

Doing Business report jointly published by the World Bank and IFC mainly reflects the investment environment of the countries of the world. This report exhibits information regarding position of business, protection of investors, ease of getting loan, ease of starting a business, taxation system of different countries. The report of 2019 ranked Bangladesh 176th in the Ease of Doing Business: Global Rank among 190 countries. However, Bangladesh was ranked 89th in terms of protecting investors. In addition, the country was also ranked 161th in getting credit and 138st and 151nd in starting a business and paying taxes respectively.

Bangladesh Investment Development Authority (BIDA) has experimentally introduced Online based One Stop Service since January 2019. The newest horizon of the investment environment is going to be exposed by full-fledged One Stop Service. Initiative has been taken to introduce Online Payment Gateway. BIDA has a new and fully featured website which is being updated regularly. At present, local and foreign investors are provided with information, contact points and service commitments that they need using BIDA's server through ORS and BOST.

To improve the rating of Bangladesh in the 'Ease of Doing Business' report to below 100 within next 5 years, with a discussion among

related ministries/agencies targets have been fixed to reduce time, expenditure and cut process for making easy of doing business in the country. In this regard, a National level Steering Committee and a Ministry level Task Force have been formulated.

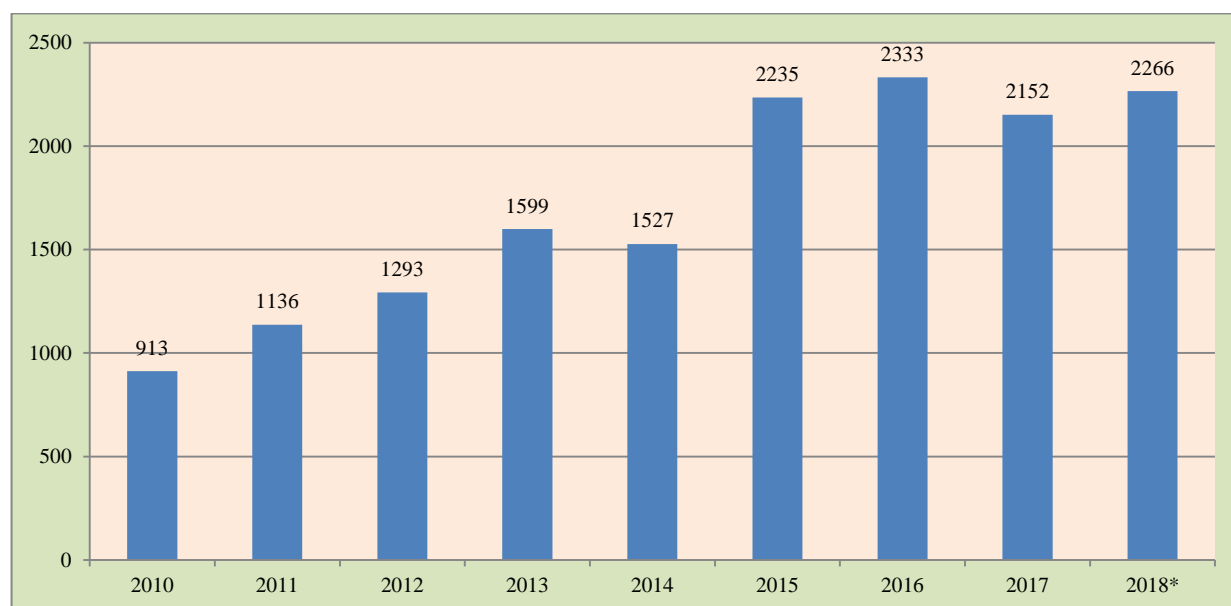
Sovereign Credit Rating

Two famous international credit rating organisations, Standard and Poor's (S&P) and Moody's, included Bangladesh for the first time in their sovereign credit rating in 2010. In 2010 Bangladesh has achieved Ba3 rating by Moody's and BB- rating by S&P. The two organisations re-evaluate the ratings every year. In consecutive 9 years Bangladesh achieved stable rating from both Moody's and S&P which are Ba3 and BB- respectively. Another credit rating institution, Fitch Ratings, has provided BB- rating in two consecutive years which indicates stable economic growth and strong external sector of the economy.

Actual Investment (Local and Foreign)

Actual Foreign Direct Investment - FDI

The actual FDI Inflow statistics are collected and compiled by Bangladesh Bank through half-yearly Enterprise Survey. In the calendar year 2018 (January-September) the FDI inflow (gross) was US\$2937.12 million. Of this, disinvestment is US\$671.53 million and net FDI inflow is US\$2,265.59 million. Figure 14.1 shows the trend in FDI inflows from 2010 to 2018.

Figure 14.1: Trend in FDI Inflow in Bangladesh (In million US\$)

Source: Statistics Department, Bangladesh Bank, * January –September 2018.

Major components of Foreign Direct Investment (FDI) are presented in the Table 14.1. The Table shows that reinvestment is

the main component of FDI inflow, followed by equity and intra-company borrowing.

Table 14.1: FDI Inflow to Bangladesh by Components

(In Million US Dollar)									
Components	2010	2011	2012	2013	2014	2015	2016	2017	2018*
Equity	519.98	431.85	497.63	541.06	280.30	696.67	911.38	538.90	605.37
Reinvestment	364.62	489.63	587.53	697.11	988.81	1144.74	1215.39	1279.42	928.27
Intra-Company Borrowing	28.72	214.90	207.40	360.99	282.17	393.98	205.95	333.24	731.95
Total	913.32	1136.38	1292.56	1599.16	1551.28	2235.39	2332.72	2151.56	2265.59

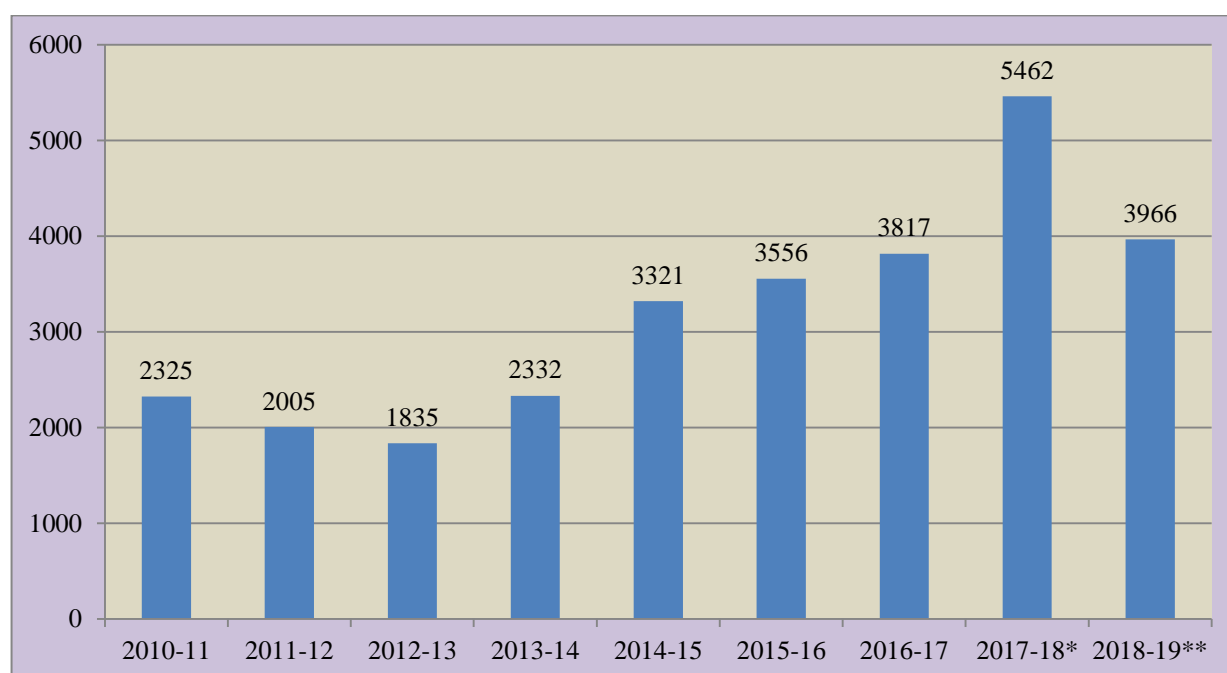
Source: Statistics Department, Bangladesh bank. * January to September 2018

Actual Local Investment

Actual local investment can be identified from import of machineries, raw materials and increase of investment in the existing projects. Nearly 65 percent of local investment recommendations have been implemented or are at different stages of implementation.

Imports of Capital Machinery

The trend of capital machinery import is considered as one of the major indicators of industrialisation in near future. Capital equipment worth US\$3,966 million has been imported in the FY2018-19 (up to February 2019). In FY2017-18 this amount was US\$5,462 million. The Figure 14.2 shows the trend of capital equipment import from FY2010-11 to FY2018-19.

Figure 14.2: Trend in Capital Machinery Import (In million US\$)

Source: Statistics Department, Bangladesh Bank. * Revised ** Up to February 2019

Joint Venture Investment Registration (Local and Foreign)

The primary step of any investment is to get registered with the concerned authority which examines the possibility of the project. In FY2017-18 a total of 1,643 project both local and foreign were registered with BIDA and the amount of these investment was

Tk.2,07,292 crore. In current FY2018-19 (up to February 2019) a total of 1,022 projects worth Tk.90,854 crore have been registered with BIDA. Private investment proposals registered with BIDA during FY2010-11 to FY2018-19 are presented in Table 14.2.

Table 14.2: Private Investment Proposals Registered with BIDA.

Fiscal Year	Local Investment Proposals Registered		Foreign /JV Investment Proposals Registered		Total Investment Proposals Registered		Growth in Project Value (%)
	Projects	Project Value (Crore Taka)	Projects	Project Value (Crore Taka)	Projects	Project Value (Crore Taka)	
2010-11	1746	55369	196	36524	1942	91893	(+) 173.00
2011-12	1735	53476	221	34416	1956	87893	(-) 10.00
2012-13	1457	44615	219	22072	1676	66687	(-) 24.00
2013-14	1308	49759	124	18531	1432	68291	(+) 2.40
2014-15	1309	91273	120	8061	1429	99334	(+) 45.46
2015-16	1511	94585	151	15576	1662	110161	(+) 9.86
2016-17	1578	99672	167	85589	1745	185261	(+) 68.17
2017-18	1483	125799	160	81493	1643	207292	(+)11.89
2018-19*	895	54515	127	36338	1022	90854	-

Source: Monthly Report (2018-19), Policy Advocacy, BIDA * up to February 2019.

Local Investment Registration

In FY2011-12, the registered amount of local investment with the BIDA was Tk.5,34769.06 million. This stood at Tk.5,45,153.26 million in FY2018-19 (up to February 2019).

Table 14.3 presents the recent trend in annual statistics on the local investment registration projects registered with BIDA.

Table 14.3: Sector wise Distribution of Local Investment Projects

(In million Taka)

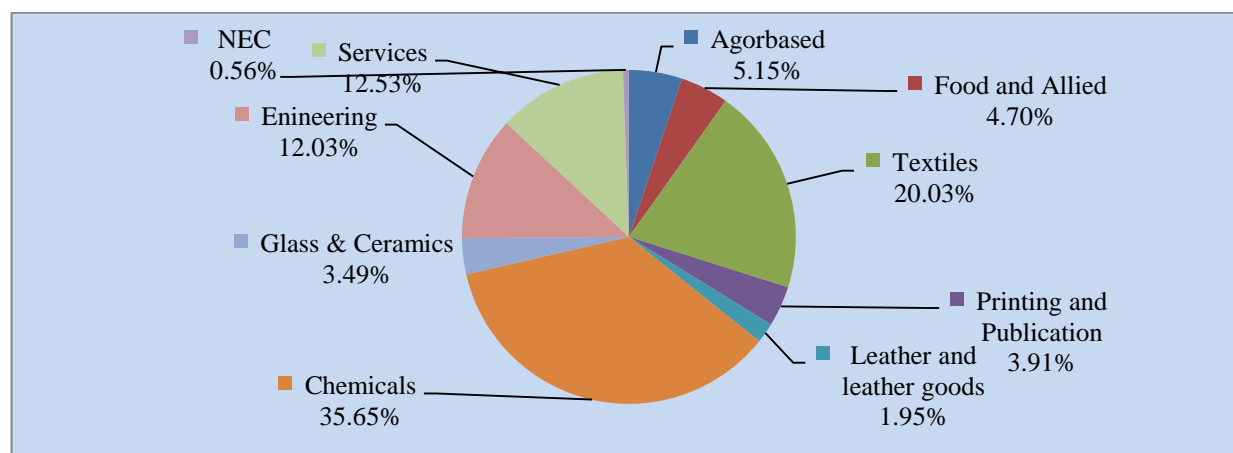
Sector	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19*
1. Agro based	61195.27	54654.15	75105.26	113820.25	106571.14	66986.78	81774.23	28087.42
2. Food & Allied	10822.18	8837.51	18083.01	42792.26	26196.47	77723.35	37168.72	25611.67
3. Textile	105575.79	172803.62	82296.51	176473.34	169117.05	189705.88	257792.52	109167.79
4. Printing & Publishing	4151.39	5156.99	4300.75	7907.83	7049.74	26107.62	11618.38	21302.35
5. Tannery & Leather	1385.80	2907.65	7161.60	5551.81	15052.40	15068.19	19385.05	10654.77
6. Chemical	95491.44	75048.98	78685.29	230843.43	318240.64	229911.70	389925.40	194299.93
7. Glass & Ceramics	2399.33	1852.80	7735.63	19254.62	7650.48	23808.50	16405.96	19013.08
8. Engineering	49581.38	31902.48	61294.17	89897.25	133847.14	160009.57	135287.24	65549.59
9. Service	155061.47	87267.93	158683.22	209654.23	107512.75	134187.89	295403.67	68305.55
10. NEC	49105.03	5716.49	4294.04	16535.70	54616.23	72695.12	13230.50	3033.21
Total	534769.06	446148.59	497593.25	912730.71	945854.04	996725.75	1257991.67	545153.26

Source: BIDA * up to February 2019

It is observed that in FY2018-19 (up to February 2019), Chemical is the largest sector in the list accounting for 35.65 percent investment. Other major sectors are textile

(20.03%), service (12.53%) and engineering (12.03%). Figure 14.3 discloses information on registered local investment with the BIDA in FY2018-19

Figure 14.3: Sector-wise Local Investment Projects Registered with BIDA in FY2018-19 (July to February)



Source: BIDA, * Up to February 2019.

Foreign and Joint Venture Investment Registration

In FY2018-19 (up to February 2019), a total of 127 foreign and joint venture new projects have been registered with BIDA amounting to US\$4,265.05 million. The highest number of

projects was registered in agro based and miscellaneous sector. Table 14.4 presents the sector wise distribution of foreign and joint venture investment projects.

Table 14.4: Registration of Foreign and Joint Venture Investment Projects

(In Million US\$)

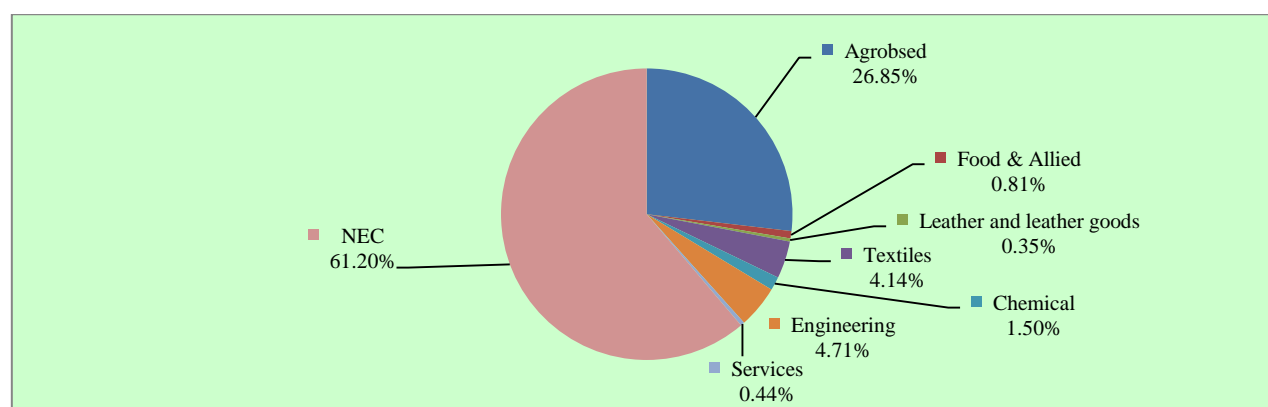
Sector Name	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19*
1. Agro based	122.52	96.90	94.38	75.25	29.68	38.19	33.56	27.36	1144.96
2. Food & Aid	12.84	98.92	13.12	4.70	0.13	6.80	14.49	175.09	34.55
3. Textile	160.14	249.50	54.64	62.66	8.35	16.10	0.45	127.53	176.62
4. Printing & Publishing	0.00	0.76	0.00	0.00	0.00	1.85	-	5.14	0.20
5. Tannery & Leather	5.98	17.53	57.29	32.55	17.49	11.36	3.33	55.25	14.93
6. Chemical	69.54	165.31	29.66	20.50	63.29	51.52	16.75	6065.22	64.06
7. Glass & Ceramics	26.37	6.44	1.68	0.79	0.20	7.00	12.76	0.00	-
8. Engineering	1285.93	3574.14	20.76	237.74	244.04	222.24	2535.28	268.95	200.77
9. Service	3431.53	88.66	2481.99	1687.08	54.38	107.98	7515.02	1349.78	18.86
10. Misc.	0.73	13.35	46.58	7.13	5.13	51.98	245.99	1667.98	2610.10
Total	5115.58	4311.51	2800.11	2128.32	422.69	515.02	10377.63	9742.30	4265.05

Source: BIDA. * up to February 2019.

It is observed that in FY2018-19 (up to February 2019), miscellaneous sector is the largest sector in the list accounting for 61.20 percent investment. Other major sectors are agro based (26.85%), engineering (4.71%)

and textile (4.14%). Figure 14.4 discloses information on registered Foreign and Joint Venture Investment Projects with the BIDA in FY2018-19.

Figure- 14.4: Sector-wise Distribution of Foreign and Joint Venture Projects in FY2018-19



Source: BIDA, * up to February 2019.

Country wise Joint Venture and Foreign Investment

The source of foreign and joint venture projects registered in FY2018-19 (up to

February 2019) were 60 countries from different regions of the world. The source-wise distribution of the BIDA registered new Foreign and Joint Venture investment

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projects from FY2011-12 to FY2018-19 is presented in the Table 14.5.

Table 14.5: Sources of the Foreign and Joint Venture Projects

(In Million US Dollar)

Source of Joint & 100% Foreign Investment	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19*
1. KSA	0.00	0	0	2.363	5.500	0	0.702	117.173
2. USA	16.62	110.492	85.005	120.842	17.246	178.680	494.509	2.277
3. Thailand	1182.72	81.484	25.750	18.667	27.673	584.06	6.894	30.395
4. India	197.10	2120.647	169.623	34.038	33.763	212.911	327.744	1.716
5. South Korea	2354.47	11.359	7.960	4.541	161.542	17.411	115.074	3.852
6. Malaysia	12.42	7.260	2.361	8.588	88.389	23.816	1.373	1717.375
7. The Netherlands	67.98	3.620	0.846	0.608	4.774	19.076	0	729.389
8. China	49.28	164.732	1683.322	25.102	70.396	6211.351	416.361	0.262
9. UK	5.79	60.679	0	58.157	5.082	3.698	386.224	0
10. Pakistan	4.17	0.915	0.648	0	0	1.986	0	248.46
11. Japan	80.61	35.424	16.779	7.223	59.791	15.628	49.752	0
12. Denmark	3.91	3.958	1.062	0.514	0.024	0	0.407	98.291
13. Slovakia	0	0	0	0	0	0.775	0	0.133
14. Sri Lanka	98.49	89.926	0.187	0	1.611	0.351	13.603	0
15. Canada	3.150	4.240	1.280	7.198	0.849	0	14.085	1247.163
16. Taiwan	7.21	1.503	3.684	16.594	0.822	0.20	1.544	0
17. Singapore	78.34	16.298	29.328	9.605	1.977	657.853	382.973	0
18. Turkey	4.74	4.465	0	2.271	0.288	1.096	14.288	29.910
19. Italy	2.98	0.838	2.392	1.127	0	16.376	0	0
20. Hong Kong	16.41	23.674	3.646	8.342	2.886	50.614	17.963	0
21. Africa	0.00	0	0	3.627	0	0	0	0
22. Armenia & Russia	0.00	0	0	0	0.239	0	0	0
23. Bermuda	33.88	0	0	0	0	0	0	0
24. France	10.10	2.326	0.806	0	0	3.117	0	0
25. Indonesia	0.00	0	0	0	0	0	0	0
26. Lebanon	0.00	46.430	0	1.136	0	0	0	10.274
27. Mauritius	0.00	0	5.128	54.126	9.653	0	340.000	2.377
28. Philippines	0.00	0	0	0	0	0	0	17.900
29. Saudi Arabia	0	0	0	0	0	2450.076	0	0
30. Sweden	1.55	0.086	0	16.276	1.831	1.229	1.551	0
31. Switzerland	11.53	1.781	0.589	14.824	0	0	0	1.035
32. Finland	0.62	0	0	0.556	0	0	0	4.000
33. UAE	2.31	1.036	52.160	0.301	1.117	15.287	7143.725	0
34. British Virgin Island	6.08	0	0	0	8.988	0	0	0
35. Germany	26.74	0.312	2.266	1.345	6.597	18.372	7.003	0
36. Australia	0.13	0	6.182	1.016	1.047	5.763	0	1.71
37. Greece	0.00	0	0	0	0	0	0	0
38. Portugal	0.00	0	0	0	0	0	0	0.35
39. Spain	0.76	0.984	0.028	1.696	0	12.014	0	0
40. Poland	0.00	0	0	0.894	0	0	0	0
41. Belgium	1.26	0	0	0	0	0	0	0
42. Belarus	0	0	0	0	0	5.875	0	0

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Source of Joint & 100% Foreign Investment	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19*
43. Egypt	0.00	1.151	0	0	0	0	0	0
44. Hungary	0.00	1.221	0	0	0	0	0	0
45. Norway	23.60	0.117	0	0	0	0	5.186	0
46. Vietnam	0.00	0	0	0	0	0	0	0
47. Jordan	0.68	0	0	0	0	0	0	0
48. Kuwait	1.04	0	0	0	0.885	0	0	0
49. Austria	0.00	0	0	0	0	0	0	0
50. Malta	3.16	0	0	0	0	0	0	0
51. USE	1.89	0	0	0	0	0	0	0
52. Guyana	0.00	1.165	0	0	0	0	0	0
53. Libya	0.00	1.167	0	0	0	0	0	0
54. Serbia	0.00	0.196	0	0	0	0	0	0
55. Yemen	0.00	0	27.289	0	0.308	0	0	0
56. Nigeria	0.00	0	0	0.614	0	0	0	0
57. Iran	0.00	0	0	0	1.244	0.592	0	0
58. Lithuania	0.00	0	0	0	0.500	0	0	0
59. Uzbekistan	0	0	0	0	0	2.713	0	0
60. Nepal	0	0	0	0	0	0	1.347	0
Total	4311.515	2800.114	2128.321	422.691	515.021	10510.920	9742.308	4246.510

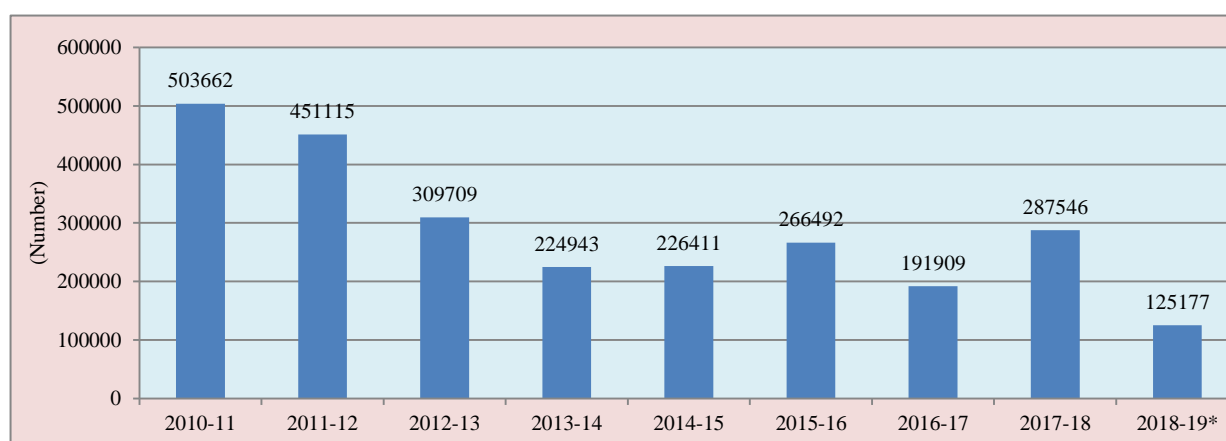
Source: Policy Advocacy, BIDA * up to February 2019

Employment Opportunities

Industrialization is one of the main source of creating new jobs. Creating ample opportunities of employment through industrialization is a major objective of the National Strategy for Economic Development and Accelerated Poverty Reduction. A large number of managerial, technical, supervisory

and skilled-unskilled job opportunities are generated through investment in the industrial sector. In FY2018-19 (July-February) a total of 1,25,177 job opportunities were created in the registered projects of BIDA. Figure 14.5 shows employment opportunities by the BIDA registered projects from FY2010-11 to FY2018-19

Figure- 14.5: Employment Opportunities by the BIDA-Registered Projects



Source : BIDA, * up to February 2019.

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Approval of Foreign Loan

In response to the application of the investors, Bangladesh Investment Development Authority has approved foreign loan proposals through the decision of Scrutiny Committee. Table 14.6 presents the details of Foreign loan approved from FY2009-10 to FY2018-19 (July-February).

Table 14.6: Foreign Loan Approval from FY2009-10 to FY2018-19 (July-February).

Financial year	Approved Loan Appraisal	Approved Loan Amount (Million US \$)
2009-10	16	175.93
2010-11	26	431.46
2011-12	35	1047.93
2012-13	88	1795.28
2013-14	106	1453.38
2014-15	153	2299.61
2015-16	127	887.69
2016-17	153	1604.37
2017-18	116	2116.13
2018-19*	62	3498.64
Total	882	15310.41

Source: BIDA. *up to February 2019

Approval of Foreign Commercial Office

As per application of investors inter-ministerial committee of the Bangladesh Investment Development Authority approved Branch Office, Liaison Office, Representative Office and extension of same offices in Bangladesh. Table 14.7 describes the recent trend in approval of Branch, Liaison and Representative Offices (new and extension) from FY2013-14 to FY2018-19

Table 14.7: Recent Trend in Approval of Branch, Liaison and Representative Office (New and Extension)

Financial Year	Branch Office (New & Extension)	Liaison Office (New & Extension)	Representative Office (New & Extension)
2013-14	96	215	7
2014-15	120	249	11
2015-16	102	222	15
2016-17	120	211	11
2017-18	184	257	14
2018-19*	95	130	17
Total	717	1284	75

Source: BIDA. * up to February 2019

Investment Scenario of Bangladesh Export Promotion Zone (BEPZ)

Bangladesh Export Processing Zones Authority (BEPZA) has a significant role to attract and facilitate foreign and local investment in Bangladesh through new industrialisation. At present, there are 8 EPZs in Bangladesh. These are Dhaka, *Chattogram*, *Mongla*, *Cumilla*, *Ishwardi*, *Uttara (Nilphamari)*, *Adamjee* and *Karnaphuli*. 572 enterprises have been permitted for setting up of industries in the EPZs until February 2019; out of which, 470 enterprises are in operation and 102 enterprises are under implementation. As on February 2019, the amount of cumulative investment in the EPZs is US\$4,884.01 million. In the first 8 months of FY2018-19, the amount of actual investment from the EPZs stands at US\$203.16 million. On the other hand, as on February 2019, the amount of cumulative export from the EPZs is US\$71.59 billion. In the first 8 months of FY2018-19, the amount of export from the EPZs stands at US\$5,017.40 million. Up to February 2019, a total of 5,14,262 Bangladeshi nationals have

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been employed in the enterprises in the EPZs, out of which 64 percent is female.

Bangladesh Economic Zones Authority (BEZA)

As a part of developing Economic Zones within the country Bangladesh Economic Zones Authority (BEZA) under Prime Minister's office is assigned with the responsibility to establish and develop Economic Zones. Apart from this, BEZA is working to expedite speedy economic development specially industrialisation, employment generation, production, enhance and diversification of export. Side by side with the investment in national and international economic zones and bilateral interest and prosperity, the initiative of establishing economic zones will contribute a lot in getting middle income country's status of Bangladesh by 2021. To augment investment in the private sector, the government has approved 'Bangladesh Private Economic Zone Policy, 2015'. Under this policy, the Private Economic Zones are being approved and established to attract investment in agriculture, industry, production, service, commercial, technology, tourism, housing, entertainment or power generation sector. In addition, Bangladesh Private Economic Zone Policy, 2015 provide guidelines for necessary infrastructure facilities.

BEZA is working to achieve the target of US\$40 billion worth of production or export by 2030 with the employment of 10 million people. The government has already approved

88 economic zones where 61 are public economic zones and 27 are private economic zones.

Public Private Partnership (PPP)

Public Private Partnership is considered as one of the key initiatives to bridge the gap between the identified investment need and the available government resources. The policy also works for accelerating delivery of the resources. 'Procurement Guidelines for PPP Projects, '2018 has been promulgated with a view to protecting the interest of the investors and creating investment-friendly environment. In order to encourage private investment in infrastructure sectors the government is contemplating to provide financial incentives to the private enterprises or entrepreneurs.

To enhance the capability of the implementing agencies on project preparation, management and monitoring, some capacity building program are being carried out by the government. As a result, it is expected that tangible progress will be seen in infrastructure development. To encourage the private sector, a non-banking financial institution titled 'Bangladesh Infrastructure Finance Fund Limited' has been established.

For implementation through PPP, 56 projects in 13 sectors worth US\$23.8 billion have been approved. In order to implement 10 projects, the agreement with the private partner has been signed with a project cost \$4 billion. The PPP projects that have already been approved are presented in the Table 14.8

Table- 14.8 : List of PPP Funded Projects

S.L	Sector	Estimated Cost (in million US\$)
Transport Sector		
01.	Dhaka Elevated Express way	1243
02.	2 Jetties at <i>Mongla</i> Port through PPP	53
03.	Build and Construct Khulna Khan Jahan Ali airport	300
04.	Upgrading of Dhaka Bypass to 4 lane (<i>Madanpur Debogram-Bhula-Joydebpur</i>)	350
05.	Dhaka- <i>Chattogram</i> Access Controlled Highway.	3200
06.	Construction of <i>Laldia</i> Bulk Terminal, <i>Narayanganj</i>	300
07.	Construction and Operation of Inland Container Terminal (ICT) at <i>Khanpur</i>	30
08.	Construction of a New Inland container Depot (ICD) near <i>Dhirasram</i> Railway Station	70
09.	2 nd Padma Multipurpose Bridge at <i>Paturia Goalundo</i>	1500
10.	Bay Terminal	2089
11.	Improvement of <i>Hatirjheel - Rampura</i> Bridge-Shekerjaiga-Amulia-Demra Road.	300
12.	Flyover from <i>Santinagar</i> to <i>Mawa</i> Road	300
13.	Comprehensive Non-Intrusive Inspection (NII) Project under PPP	100
14.	<i>Gabtolli - Nabinagar</i> PPP Road.	340
15.	Improvement of <i>Chattogram</i> to <i>Cox's Bazar</i> Highway	1462
16.	Mass Rapid Transit (MRT) Line-2	3479
17.	Light Rapid Transit system for <i>Narayanganj</i> City	200
18.	Multimodal Hub at <i>Kamalapur</i> Railway Station	500
19.	Multimodal Hub at <i>Bimanbandar</i> Railway Station	200
20.	Circular Railway Line	1000
21.	<i>Payra</i> Port Dredging	950
22.	<i>Payra</i> Port Coal Terminal	660
23.	<i>Payra</i> Port Container Terminal	300
Economic Zone Sector		
01.	Development of Economic Zone (EZ) at <i>Jamalpur</i>	40
Tourism Sector		
01.	Development of Integrated Tourism and Entertainment Village at <i>Cox's Bazar</i> .	100
02.	Development of a Five Star Hotel at <i>Zakir Hossen</i> Road in <i>Chattogram</i>	50
03.	Establishment of Intl. Standard Tourism Complex at Existing Motel <i>Upal</i>	45
04.	Establishment of 5 star Hotel with other Facilities at Existing <i>Parjaton</i> Hotel <i>Sylhet</i>	20
05.	Five Star Hotel cum Training Centre at BPC land, <i>Muzgunni, Khulna</i>	30
06.	Three Star Hotel at BPC land, <i>Pashur, Mongla</i>	15
Health Sector		
01.	Hemodialysis center at <i>Chattogram</i> Medical College Hospital	2
02.	Hemodialysis center at National Institute of Kidney Diseases and Urology (NIKDU)	1
03.	<i>Oboshor</i> : Senior Citizen Health Care and Hospitality Complex at <i>Sreemangal, Sylhet</i> Division.	10
04.	Medical College and Modernisation of Railway Hospital at <i>Saidpur</i> in <i>Nilphamari</i> .	75
05.	Medical College and Modernisation of Railway Hospital at <i>Paksey</i> in <i>Pabna</i>	75
06.	New Modern Medical College and Hospital of 250 beds on the unused land in <i>Khulna</i>	100
07.	Modernisation of <i>Chattogram</i> Medical College	30
08.	Establishment of a 50 –Seat Medical College and Nursing Institute and up gradation and modernisation of Railway Hospital into 250 beds at <i>Kamlapur, Dhaka</i> .	100
09.	Development of Occupational Diseases Hospital, Labor Welfare Center and Commercial Complexes at <i>Chasara, Narayanganj</i> , PPP Basis.	35
10.	Development of Occupational Diseases Hospital, Labor Welfare Center and Commercial Complexes at <i>Tongi, Gazipur</i> .	35

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Civil Accommodation and Urban Sector		
01.	Construction of Satellite Town at <i>Mirpur</i> , Dhaka	44
02.	Shopping Mall with Hotel-cum Guest House on the unused Railway land in <i>Chattogram</i> .	6
03.	Shopping Mall with Hotel-cum Guest House on the unused Railway land in <i>Khulna</i>	30
04.	Construction of multistoried commercial cum Residential Apartment complex with modern amenities at <i>Nasirabad Chattogram</i> Under Public Private Partnership.	200
05.	Construction of High rise Residential Apartment Bulding for Low and middle Income Group of people at <i>Jhilmil</i> Residential project, Dhaka.	1174
06.	Construction of High-rise Apartment at <i>Purbachal</i> New Town Project	500
07.	Development of Market, Residential Apartments and Resort on the Land of 'No-view Guesthouse' at <i>Chattogram</i>	22
08.	<i>Mirpur</i> Integrated Township Development (Phase-II)	974
09.	Water Supply , drainage and sewerage at <i>Purbachal</i>	80
10.	Development of Integrated Wastewater Management System for <i>Gazipur</i> City Corporation	64
Energy Sector		
01.	Construction of LPG Import, Storage and Bottling Plant at <i>Kumira Chattogram</i>	50
Education Sector		
01.	The Innovation & Innovator Cell (IIC) development under Public Private Partnership.	10
IT Sector		
01.	Info Sarkar3	120
Industry Sector		
01.	Development of Textile Mill at <i>Demra</i> , Dhaka.	40
02.	Development of Textile Mill at <i>Tongi, Gazipur</i> .	50
03.	Development of Cotton Mills project in <i>Tangail</i>	150
04.	BTMC 13 Textile Mills Program	500
	Total 56	23703

Source: Public Private Partnership Authority.

Small and Medium Enterprise (SME)

Small and Medium Enterprises (SMEs) are considered as a potential sector for solving unemployment problem through new employment generation. This sector has been playing a significant role in achieving economic growth and earning foreign currency by encouraging and expanding the business activities. For the expansion and development of the sector to enhance the standard of lifestyle of the mass people and ensure women empowerment to diminish gender discrimination, Bangladesh Bank has been continuing its refinancing facilities during FY2018-19 for Banks and Non-Bank Financial Institutions (NBFIs) against their financing to SMEs. In this regard, Bangladesh

Bank is providing refinance facilities to Banks and FIs from different Refinancing Schemes for Agro-based Product Processing Industry; Refinancing Scheme for Small Enterprise; New Entrepreneurs in Cottage, Micro and Small Industry; Islamic Shariah-based Financing; Revolving Fund Account of JICA assisted Financial Sector Project for the Development of SME (FSPDSME) Fund and JICA assisted Urban Building Safety Project (UBSP).

All banks and NBFIs disbursed a total of Tk.1,156,54.84 crore against 5,12,539 SME enterprises in 2018 (up to September 2018). On the other hand, 46,162 women led SME enterprises received financing of Tk.4,146.37 crore in the same period from Banks and FIs.

Private Sector Development Activities of Some Selected Sectors

ICT Sector

Hi-Tech Park

Bangladesh High-Tech Park Authority has been established under 'Bangladesh High-Tech Park Authority Act-2010' in order to development of hi-tech industries and information technology based industries in the country. Bangladesh Hi-tech Park Authority has been working for socio-economic development of the country by ensuring the employment of huge youths of the country through set up hi-tech park/software technology park in different places of the country. In the first phase, Bangladesh High-Tech Park Authority has set up 28 hi-tech parks/software technology parks across the country. Establishment of '*Sheikh Hasina Software Technology Park*' in *Jessore*, '*Janata Tower Software Technology Park*' at *Karwan Bazar*, Dhaka and '*Sheikh Kamal IT Training and Incubation Center*' at *Natore* has already been completed. Work on establishing '*Bangabandhu High-Tech City*' on 355 acres of land at *Kaliakoir, Gazipur* is in progress.

Telecommunication Sector

Private sector has a significant role in the development of telecommunication sector. Private sector investment has brought a revolutionary change to the telecommunication sector. In 2004, there was a total number of 40 lakh users of mobile phone, whereas the number exceeded 15.75 crore in January 2019. Out of this, 11.87 crore use the private mobile phone companies SIM cards. At present, more than 10 lakh

people are employed directly or indirectly in the mobile phone sector. Moreover, a large amount VAT and other taxes are earned from the sector which assists to boost up national revenue. Furthermore, tariff of the fixed and mobile phone service has been declined by 15 percent to 50 percent. As a result, people can talk at home and abroad at a very cheap rate. Mobile network has also been constructed in three hill-districts.

Power Sector

With a view to attaining the Vision 2021, the government has made a plan to generate 24,000 MW electricity by 2021 under short, medium and long term planning. It is a pledge of the government to bring all the people within electricity connectivity by 2021. In order to fulfill this commitment, the government has taken different initiatives not only to boost power generation but also to expand distribution and transmission lines. Presently, 93 percent population of the country has access to power including renewable energy In FY2018-19 (up to February 2019) total grid based installed capacity was 18,079 MW including 9,065 MW in public sector; 7,854 MW in private sector and 1,160 MW from power trade. Including captive and renewable energy, total installed capacity is 21,169 MW. A total of 41,125 million Mkwh net electricity including public, private and import were produced up to January 2019. Out of this, 40 percent was generated by the private sector. On the contrary, 48 percent was produced from public sector. The rest amount of electricity was imported from India.

Education Sector

Like the government, private sector also works for the development of education at all levels. In order to attract private investment in education sector the government provides different types of incentives and opportunities. The 'Private University Act 2010' has been enacted to improve the standard of education in the private universities. As a result, 92 private universities have been established in the country. With a view to ensuring the quality of higher education at world standard, 'Accreditation Council Act-2016' has been enacted. To ensure the quality of higher education, the formulation of National Accreditation Council now at the final stage.

Health Sector

Medical and health services are gradually increasing through participation of the private sector. To encourage the private sector, the government provides grants from revenue budget to hospitals / clinics and organisations. At present, there are 69 Medical Colleges, 12 Dental Colleges, 13 post-graduation Institutions, 24 Nursing Colleges, 97 Institute of Health Technology and 200 Medical Assistant Training Schools in private sector.

At present, 98 percent of required medicine is produced locally. According to the Department of Drug Administration, a total of 54 pharmaceuticals are exporting medicines and raw materials to 146 countries of the world including Europe and America. A total of 29,558 brands of medicines amounting to Tk.3,514.28 million has been exported in 2018. In addition, a significant quantity of *Unani*, *Ayurvedic* and

Homoeopathic medicine are being produced in the country which has noteworthy contribution to the healthcare sector in Bangladesh. At present there are 271 *Unani*, 205 *ayurvedik*, 78 *homeopathic* and 32 *harbal* medicine producing institutions in the country.

Tourism

Private sector along with the public sector works for the development of the tourism in Bangladesh. For this reason, the government has declared different special facilities for inspiring private entrepreneurs to invest in tourism. Private sectors participation in tourism generates lots of employment in this sector which ultimately leads to the poverty alleviation. In the year 2010 the number of foreign tourist arrival in our country was 5,30,665 and the income from this sector was 79.83 million US\$. In 2016 income from this sector reached in 163.20 million US\$ which was almost double from 2010.

Insurance Sector

Insurance sector of Bangladesh is working persistently to reduce the risk of business and also to ensure financial security of the people. There are 76 private insurance companies operating in Bangladesh, in addition to the two state owned enterprise '*Jiban Bima Corporation*' and '*Shadharan Bima Corporation*'. Out of these, 45 are private general insurance and 31 are private life insurance companies. In recent times, insurance sector has shown remarkable success in terms of growth and development. The gross premium income of state owned and private non-life insurance companies was Tk.2,981.43 crore in 2017. In 2018 the gross

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premium income increased to Tk.3,381.59 crore. The rate of growth was 13.42 percent.

Table 14.9 shows the status of premium

income from state owned and private insurance companies.

Table 14.9: Premium Income from Non-life Insurance Sector

(In Crore Taka)

Year	Total Premium					Growth Rate		
	Public Sector <i>Shadharan Bima Corporation</i>	Private Sector's Non-life Insurance Companies	Total	Public Sector (%)	Private Sector (%)	Public Sector <i>Shadharan Bima Corporation</i> (%)	Private Sector's Non-life Insurance Companies (%)	Total (%)
2010	166.00	1491.55	1657.55	10.01	89.99	2.88	21.43	19.28
2011	231.41	1735.96	1967.37	11.76	88.24	39.41	16.39	18.69
2012	218.92	1948.35	2167.27	10.10	89.90	-5.40	12.23	10.16
2013	190.96	2101.84	2292.80	8.33	91.67	-12.77	7.88	5.79
2014	176.11	2269.60	2445.71	7.20	92.80	-7.77	7.98	6.67
2015	207.31	2435.70	2643.01	7.84	92.16	17.71	7.32	8.07
2016	223.49	2549.38	2772.88	8.06	91.94	7.81	4.67	4.91
2017	238.66	2742.77	2981.43	8.00	92.00	6.78	7.59	7.52
2018	348.90	3032.69	3381.59	10.42	89.68	46.19	10.57	13.42

Source: Insurance Development and Regulatory Authority.

On the other hand, gross premium income of 'Jiban Bima Corporation' and 31 private life insurance companies was TK.9,046.17 crore in 2018, which is TK.855.19 crore more from

the previous year. The rate of growth was 10.44 percent. 14.10 shows the status of premium income from state owned and private life insurance companies

Table 14.10: Premium Income from Life Insurance Sector

(In Crore Taka)

Year	Total Premium					Growth Rate		
	Public Sector <i>Shadharan Bima Corporation</i>	Private Sector's Life Insurance Companies	Total	Public Sector (%)	Private Sector (%)	Public Sector <i>Shadharan Bima Corporation</i> (%)	Private Sector's Life Insurance Companies (%)	Total (%)
2010	341.92	5493.09	5835.01	5.86	94.14	2.16	19.58	18.39
2011	307.88	5946.85	6254.74	4.92	95.08	-9.95	8.26	7.19
2012	343.20	6243.90	6587.10	5.21	94.79	11.47	5.00	5.31
2013	365.11	6474.60	6839.71	5.34	94.66	6.38	3.69	3.83
2014	389.93	6685.58	7075.51	5.51	94.49	6.80	3.26	3.45
2015	403.74	6909.06	7312.80	5.52	94.48	3.54	3.34	3.35
2016	412.51	7170.67	7583.19	5.44	94.56	2.17	3.79	3.70
2017	474.72	7716.25	8190.98	5.80	94.20	15.08	7.61	8.01
2018	513.81	8532.36	9046.17	5.68	94.32	8.23	10.58	10.44

Source: Insurance Development and Regulatory Authority.

