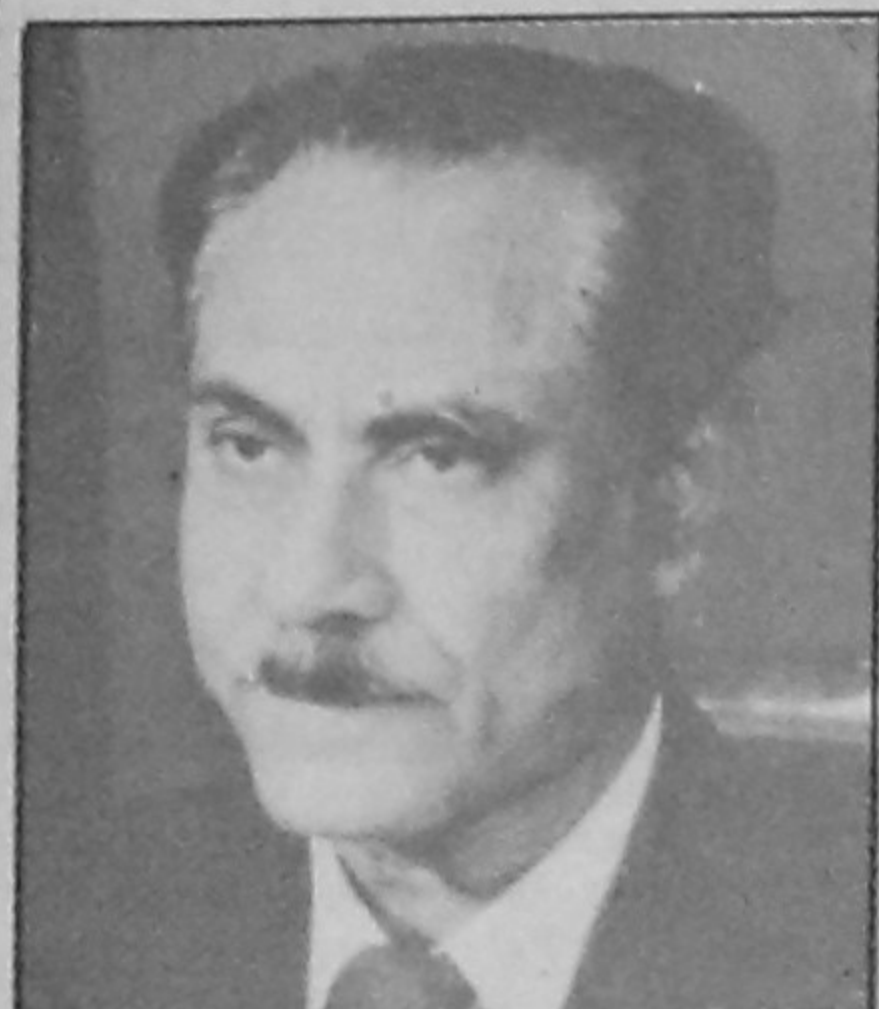


# INAUGURATION OF ISHURDI EXPORT PROCESSING ZONE

13 JANUARY, 2001, 30 POUH, 1407

## BEPZA

### BANGLADESH EXPORT PROCESSING ZONES AUTHORITY



রাষ্ট্রপতি  
গণপ্রজাতন্ত্রী বাংলাদেশ  
ঢাকা  
৩০ পৌষ ১৪০৭  
১৩ জানুয়ারী

বাণী

ঈশ্বরদীতে একটা ইপিজেড স্থাপন করা হচ্ছে জেনে আমি আনন্দিত হয়েছি। দেশে নতুন নতুন ইপিজেড স্থাপন করা হলে দেশের অর্থনৈতিক উন্নয়নের পথ সুগম হবে। ঈশ্বরদী ইপিজেড দেশের উত্তরাঞ্চলের অর্থনৈতিক উন্নয়নে গুরুত্বপূর্ণ ভূমিকা রাখবে বলে আমি আশা করি।

ইতোমধ্যে চট্টগ্রাম ও ঢাকা রপ্তানী প্রক্রিয়াকরণ এলাকা বিশ্বের স্বল্প ব্যয় সাপেক্ষে উৎপাদন এলাকা বলে পরিচিতি লাভ করেছে।

দেশের শিল্প উন্নয়ন ত্বরান্বিত করার লক্ষ্যে ও অগণিত বেকার যুবকের কর্মসংস্থান সৃষ্টির প্রয়াসে আমি বেপজার সার্বিক সাফল্য কামনা করি।

*আব্দুল আজিজ সর্কার*

বিচারপতি সাহাবুদ্দীন আহমদ

#### The saga of EPZs in Bangladesh

**Md. Abdul Aziz Sarkar**  
Member (Investment Promotion)  
BEPZA, Dhaka.

In view of the growing need of industrialisation and lower level of capital formation in the economy for financing the industrial projects, the government of Bangladesh in 1978 took the initiative to set up Export Processing Zones (EPZs) in different parts of the country. The decision of the government was later approved by the Executive Committee of the National Economic Council (ECNEC) in its meeting held on August 22, 1978. After the approval of ECNEC, the bill was placed in the Parliament and passed as BANGLADESH EXPORT PROCESSING ZONES AUTHORITY ACT-1980 (Act No. xxxvi of 1980). In pursuance of the Act of 1980, Bangladesh Export Processing Zones Authority (BEPZA) has been empowered for creation, development, operation and management of Export Processing Zones under public sector. Since then BEPZA is engaged in attracting and facilitating foreign and local investment in the export processing zones of the country.

Investors willing to invest in EPZs are required to deal only with BEPZA for sanctioning of their projects and for all other operational purposes. Starting from the approval of the projects it provides allotment of land and factory building within the EPZs, issues work permits to foreign nationals and takes care of all other matters necessary for operation of industrial enterprises. In fact BEPZA is providing "ONE WINDOW SAME DAY SERVICE" to its investors. Rules and documentation procedures have been framed to make them easy and simple with minimum formalities. BEPZA set up its first EPZ in the port city of Chittagong. The zone covers an area of 453 acres of land which was developed gradually in three phases. The zone started its operation in 1983 with commencement of its first export from the zone. The zone has 412 industrial plots. Each plot measures an area of 2000 Sq. meter. The plots are fully serviced by electricity, water, gas, telecommunication etc. The zone was gradually known to its investors at the end of 1980's.

With the successful operation of Chittagong EPZ, the Government took decision to start the second EPZ in the capital city of Dhaka. Accordingly 141 acres of land was acquired on the Dhaka-Kaliakoir Road, opposite to Atomic Energy Commission in Savar. The required infra-structural facilities were constructed very quickly and the zone became operational in 1993. Initially 123 industrial plots were developed in Dhaka EPZ (DEPZ). The plots were all exhausted within two years of its operation. Need for its expansion was felt very badly. The present government immediately after assumption into the power in 1996 took a quick decision to expand the DEPZ and 214 acres of land was accordingly acquired on the other side of the Dhaka Kaliakoir road opposite to the original site of the existing zone. The development work was taken up quickly to make the plots ready for allotment. In total the zone has 383 industrial plots and 77,500 Sq. meter of ready-made factory space.

Both the EPZs are now humming up with activities. BEPZA is receiving unprecedented response from both foreign and local investors. Most of the foreign investors came from South Asian Countries and a few from Europe and the USA. The industries operating in EPZs are producing different types of products ranging from garments, textiles, sports shoes to sophisticated products like camera lens, fishing reel and golf shafts, electrical goods etc. The products are exported mainly to America, Europe and Japanese Markets.

Presently 100 industries are in operation in Chittagong EPZ and about 20 industries are in different stages of implementation. All the plots and factory buildings have been allotted to foreign and local investors. Whereas in DEPZ 48 industries are in operation and about 20

industries are awaiting implementation. Most of the plots have been allotted to the investors by now leaving only about a dozen of plots and the factory buildings are fully in occupation.

With the increase of the number of industries, investment in both the zones is also increasing every year. The total investment made by the enterprises in Chittagong EPZ stands at US\$ 294 Million as on December, 2000 whereas DEPZ has registered investment at US\$ 156 Million. The following table shows year wise investment made by the enterprises in the zones under BEPZA:

#### YEAR-WISE INVESTMENT STATISTICS OF BEPZA INDUSTRIES

YEAR	INVESTMENT (MILLION US\$)	
	CURRENT	CUMULATIVE
1995-96	30.583	197.481
1996-97	53.899	251.38
1997-98	68.828	320.208
1998-99	71.606	391.814
1999-2000	34.983	426.797
2000-2001 (upto Dec'2000)	24.203	451.000

Source : BEPZA record.

The investment is expected to rise further with greater pace of joining of some big industries and expansion of some ongoing enterprises in the existing zones. Export from the zones are very much encouraging. Export from the existing two EPZs are increasing in faster rate in every year. The cumulative export of both zones from 1994-95 to 1996-97 was US\$ 1028.044 Million whereas the cumulative export of the next three financial year stands at US\$ 2238.555 million which is 117% higher in comparison with the previous three years. The following table shows the year wise export of the zones under BEPZA:

#### YEAR-WISE EXPORT STATISTICS OF BEPZA INDUSTRIES

YEAR	EXPORT (MILLION US\$)	
	CURRENT	CUMULATIVE
1995-96	337.02	1054.595
1996-97	462.765	1517.36
1997-98	636.048	2153.408
1998-99	711.69	2865.098
1999-2000	890.817	3755.915
2000-2001 (upto Dec'2000)	509.225	4265.140

Source : BEPZA record.

The above table indicates 38% average annual growth rate of export of the last four years from the zones. The total export of the zones is also expected to increase with the increase of capacity utilisation of machinery of the existing industries and commencement of export by some new enterprises.

The success of the zones is demonstrated in their ability to create employment opportunity for Bangladeshi workers. Number of employment is increasing every year in Chittagong and Dhaka EPZ. In the last financial year about 10,000 workers were employed in both Dhaka and Chittagong EPZ. The average growth rate of employment in the last four financial year stands at 22%. Presently about 63417 workers are working in Chittagong EPZ and 37674 workers are engaged in Dhaka EPZ. It may be mentioned here that female workers constitute about 70% of the total workforce of the zones. The following table shows yearwise employment of Bangladeshi workers in the EPZ's of Bangladesh:

#### YEAR-WISE EMPLOYMENT STATISTICS OF BEPZA INDUSTRIES

YEAR	LOCAL EMPLOYMENT (NO.)	
	CURRENT	CUMULATIVE
1995-96	10706	43183
1996-97	12773	55956
1997-98	14049	70005
1998-99	14069	84074
1999-2000	9890	93964
2000-2001 (upto Dec'2000)	7127	01091

parts of the country. Accordingly construction work of the newly created four EPZ's in Mongla, Comilla, Ishurdi and Uttara (Syedpur-Nilphamari) EPZs were taken up. Presently the construction work of all these EPZs are going on in full swing. Required infrastructure development work of Mongla and Ishurdi EPZs shall be completed very soon. It is expected that Mongla, Comilla & Ishurdi EPZ shall be able to start operation within this year. The Mongla EPZ shall have 162 industrial plots each measuring 2000M<sup>2</sup> and 18000M<sup>2</sup> of standard factory Building on 140 acres of land. The zone is expected to accommodate 40 industrial units of different types.

Ishurdi EPZ shall have 166 industrial plots and 18000M<sup>2</sup> of standard factory building on 309 acres of land. 39 industries are expected to be set up in this zone. Textile, ready-made garments, IT, handicraft and agrobased industries are likely to be set up in the zone. The Comilla EPZ shall have 208 plots with 27000M<sup>2</sup> of Factory Building on 230 acres of land to accommodate 60 industrial units, whereas the Uttara EPZ shall have 155 plots with 18000M<sup>2</sup> of standard



PRIME MINISTER  
GOVERNMENT OF THE  
PEOPLE'S  
REPUBLIC OF BANGLADESH

30 Poush 1407  
13 January 2001

Message

The inauguration of the fifth EPZ at Ishwardi on the 13th January 2001 is surely a unique accession to the advancement of industrial development in the country during the present government. The establishment of EPZ is a testimony of the present government's commitment to balanced development of the whole country.

The present government has been adopting and implementing pragmatic policies and programmes in the light of free market economy for rapid industrialisation to accelerate the economic development of the people. The present government has offered lucrative incentives for attracting foreign investment through liberal industrial policy. The increased volume of local and foreign investment and enhanced number of industries including EPZ prove the success of the pragmatic policies pursued by the present government.

Following the grand success of Dhaka and Chittagong EPZs we established the 3rd and 4th EPZs in Mongla and Comilla. To cater to the growing needs of the investors, the fifth EPZ has been established in Ishwardi. I hope that this EPZ would be considered as a very attractive place for local and foreign investment. I believe this EPZ would be able to have a far reaching contribution to the industrialisation, expansion of trade and commerce and socio-economic development in the northern region, which is a less advanced region in matters of industrialisation. I express my thanks to the BEPZA for timely completing the construction works of the EPZ infrastructures.

I wish every success of the Ishwardi EPZ.

Joi Bangla, Joi Bangabandhu  
May Bangladesh Live Forever

*Sheikh Hasina*  
Sheikh Hasina

#### ISHURDI EPZ AT A GLANCE

1. PROJECT	: ISHURDI EPZ
2. LOCATION	: PAKSHI, PABNA 150 KMS FROM BANGABANDHU BRIDGE 15 KMS FROM ISHURDI AIRPORT
3. DATE OF COMMENCEMENT OF THE PROJECT	: OCTOBER, 1998
4. DATE OF COMPLETION	: JUNE, 2001
5. COST OF THE PROJECT	: TK. 7350.71 LACS
6. TOTAL AREA OF THE PROJECT	: 308.77 ACRES.
7. NUMBER OF INDUSTRIAL PLOTS TO BE CREATED	: 166
8. TOTAL NUMBER AND AREA OF FACTORY BUILDING (SFB) TO BE CONSTRUCTED	: 4 NOS AND HAVING A 18000 SQ.METER FLOOR SPACE
9. PROJECTED INVESTMENT	: US\$ 36.5 MILLION
10. PROJECTED ANNUAL EXPORT	: US\$ 57.60 MILLION
11. PROJECTED EMPLOYMENT	: 20,600
12. EXPECTED NUMBER OF INDUSTRIES TO BE SET UP	: 38
13. NATURE OF INDUSTRIES TO BE ESTABLISHED	: TEXTILES/READY MADE GARMENTS SET UP HAVING BACKWARD LINK AGE FACILITIES, I/T/ SOFTWARE SHOE, HANDICRAFTS, ELECTRONICS ETC.
14. ESTABLISHMENT OF SUPPORT SERVICES	: A) MEDICAL CENTER B) FIRE STATION C) POLICE OUTPOST D) CUSTOMS OFFICE E) SECURITY BARRACK F) RESIDENTIAL ACCOMMODATIONS G) RESTHOUSE/INVESTORS CLUB H) ZONE SERVICES BUILDING I) POST OFFICE, BANKS
15. UTILITY SERVICES	: A) WATER B) ELECTRICITY C) GAS D) TELECOMMUNICATION SERVICES



Secretary  
BEPZA Board of Governors  
and  
Executive Chairman,  
BEPZA

Message

Today the inauguration of Ishurdi EPZ, as the fifth EPZ in Bangladesh, has initiated a new dimension in the activities of BEPZA and to the northern region of the country. This expansion of activities reflects the growth as well as the additional responsibility entrusted on the Authority. I believe that BEPZA is quite capable of shouldering this additional responsibility.

The inauguration of Ishurdi EPZ after the completion of infrastructure development work within the shortest time became possible only due to timely decision and direction of the present government. Bangladesh Railway, PDB and WES Gas along with other government organizations extended their full support to achieve this success. BEPZA is fully committed to achieve its target also in future for rapid industrialisation of the country through attracting local and foreign investment with the active support and cooperation of the government.

I wish all success of Ishurdi EPZ as the fifth EPZ in the country with the active support of all concerned.

*Brig. General M.A.B Siddique Talukder*

Brig. General M.A.B Siddique Talukder

Working atmosphere in the enterprises of the zones is excellent. Most of the industries have used imported materials for construction of their factory building. Standard factory buildings owned by the Authority have also been made following the norms and requirement of the industrial factory building. Sufficient care have been taken to ensure safety and security of the workers. Every industry has canteen facility, rest room and bathroom facility separately for men and women. Installation of fire fighting equipment is mandatory for every industry. Moreover, every zone has a Fire Brigade Station to provide emergency service to the industries in EPZs.

The zones have their own medical center for treatment of the workers and employees of the enterprises

within the zone. Necessary measures have been taken to make the medical center into a full fledged hospital. Since most of the workers of the zones are female, sufficient safety measures for the female workers have been ensured within the zones.

Enterprises of the zones are required to follow the instructions issued by BEPZA regarding labour matters. Industrial Relations Department is there to look after the welfare of the workers working within the zones. Industrial Relations Department of the zones are also engaged in settling disputes and grievances of the workers to maintain a congenial productive atmosphere in the zones. The Government has recently allowed to form workers welfare committee in each enterprise of the zone. The

welfare committee is comprised of the members from the workers and management side of enterprise. Apart from the workers welfare committee, an Industrial Relations Tribunal is being formed with participation of the workers, management of the enterprises and BEPZA to settle disputes which welfare committee shall fail to resolve.

Due to effective and efficient management and timely action of the Authority, a congenial productive atmosphere is prevailing in the zones. The EPZs as such are getting good response from both foreign and local investors. In the face of non-availability of land in both Dhaka and Chittagong EPZs, the present Government has taken a bold and pragmatic decision to set up some more EPZs in different

