

# How an EPZ transformed thousands of lives

Uttara EPZ in Nilphamari emerges as a hub of economic wellbeing and empowerment for women

EAM ASADUZZAMAN, Nilphamari

It is a transformation out of a fairy tale.

A land once characterised by thatched houses and abject poverty now dotted with sturdy brick and tin residences and the unmistakable signs of people relishing life's comforts.

Sounds blare out from programmes running on colour televisions while quality furniture give off an air of comfort and dressing tables showcase a variety of cosmetics. Ask for in any house, you are sure to get a cool glass of water poured right out of a refrigerator.

It is a far cry from Monga, a period between mid-August and mid-November after completion of Aman paddy transplants, when people had to do with half empty stomachs every day for want of work.

And all it took was an export processing zone (EPZ) and a decade of perseverance.

Uttara EPZ at Sangolshi union in sadar upazila of Nilphamari district continues to emerge as a hub of economic power and empowerment for women in the northern region of Bangladesh.

It is not only giving a boost to production and export strength of the country's economy but also bringing about remarkable changes in the socio-economic scenario in this underdeveloped region.

The zone currently employs 28,000 workers, 70 per cent of whom are women and who are being paid Tk 35 crore in monthly salary.

This injection of money is stimulating the local economy in the northern districts of Nilphamari, Rangpur, Dinajpur, Panchagarh, Thakurgaon and Lalmonirhat.

This led to an upgradation of living standards and outlooks of rural people and also had other spillover effects: a reduction in child marriages, yearning for education, healthy food habits, behaviour and sanitation etc.

"Only a few years ago, poor parents used to take the girl child to be a burden and marry off them even at age of 12 to 14 years," said historian, social worker and a recognised Bangla Academy author, Jahangir Alam Sarker.

Now there is genuine effort to keep them in schools as getting a job in the EPZ requires a secondary school certificate (SSC) or junior school certificate (JSC), he said.



EAM ASADUZZAMAN

A steady stream of mostly female workers heads off into Uttara export processing zone in Nilphamari early in the morning. The photo was taken recently.

This has increased the literacy rate among girls which also enlightened society. "Now they regard them as assets as they are earning in the EPZ, preventing child marriage effectively," he added.

#### HOW IT ALL BEGAN

Prime Minister Sheikh Hasina inaugurated the EPZ on 214 acres of land in 2001 during the 1996-2001 tenure of the government aiming to ensure equitable development throughout the country.

Soon, foreign investors were attracted to the area's cheap workforce and lowest land rent compared to the country's other EPZs: only \$1.25 per square metre a year.

The zone now has 180 industrial plots, of

which 134 have been allotted and 12 more are in the works.

There are nine foreign investors there including ones from China, Hong Kong and the United Kingdom alongside 15 local firms who have set up 24 factories in total injecting Tk 1,800 crore altogether, informed the EPZ officials.

The total export earnings from the zone since its commissioning stand at Tk 11,662 crore, as the buyers are from European countries, North and South America, South Africa, and Australia, said Bepza General Manager (public relations) Nazma Binte Alamgir.

Dialogues are ongoing between Bangladesh Export Processing Zones Authority (Bepza) and Japanese investors to create new area for

investment here, informed Bepza sources.

During a visit to the EPZ, this correspondent found the female workers, mostly from once poverty-stricken families, hard at work utilising their expertise.

Now they produce export-oriented goods of world class brands, the names of which they never heard of in the past.

The products include internationally reputed brands of footwear and leather goods, spectacles and sunglasses, wigs, replica toys of world-renowned car brands, garments accessories, coffins, furniture and mobile phone parts.

The spectacle factory of China-based Mazen (Bangladesh) Industries is said to be one of the biggest in Southeast Asia. Workers here churn out frames of world class brands under the

watchful eyes of local and foreign supervisors. Oasis Transformation Ltd of the UK produces coffins made of cane and other natural materials for export to countries in America and Europe.

Hong Kong-based Evergreen Products Factory (BD) fabricates 3 million pieces of top quality wigs, hair pieces, braids and high-end human hair extensions a month for the fashion world market.

Dolls and toys, especially replica cars of globally renowned brands, are the speciality of Sonic (Bangladesh). One worker there is Mollika Akhtar, 21, of Bochapara village in sadar upazila.

She said her day labourer father arranged her marriage right after she passed her JSC but she prevented it with the help of her schoolteachers.

"A few years ago I joined here and now get Tk 13,000 to Tk 14,000 a month as salary with overtime," said Akhtar.

"I also managed to employ my brother and sister in two other factories, taking our total family income to Tk 30,000 to Tk 32,000," she said.

She is soon to get married with a colleague. Couple Jahanur Islam, 26, and his wife Liza Akhtar Moni, 24, of Angarpara village in Khansama upazila of Dinajpur have been working at an Evergreen factory for four years, jointly earning Tk 26,000 to Tk 28,000.

In the early days they used to come to work from their home some eight kilometres away hiring auto-rickshaws.

For the past one year, they have been coming on a motorcycle purchased through convenient monthly deposits.

Hailing from an adjacent Champatali village, Sathi Akhtar, 22, works at Mazen for an average salary of Tk 14,000 a month.

But what she did saving parts of that money was no less extraordinary: buying four decimals of land and erecting a brick and tin-roofed residence to call her own on moving out from a thatched one on a rented land.

Mostofa Sohrab Chowdhury Titu, president of the Rangpur Chamber of Commerce and Industries, perfectly epitomises the transformation the zone brought about. "It is a peaceful, silent revolution towards development."

## United Payra Power goes into operation

STAR BUSINESS REPORT

United Payra Power Plant Ltd, an associate company of Khulna Power Company Ltd (KPCL), has started commercial operation of its 150-megawatt HFO-based electricity unit in Patuakhali.

KPCL owns a 35 per cent stake in the high-fuel oil-based power plant in Kholishkhali in the southern district.

Power generation began on January 18, said KPCL in a security filing yesterday.

HFO is a petroleum distillate, or hydrocarbon fuel, that is produced from crude oil.

The plant will supply electricity to the national grid for 15 years under a power purchase agreement with Bangladesh Power Development Board.

In December 2019, KPCL, the first independent power producer in the country, acquired 35 per cent ordinary shares of United Payra Power Plant.

Listed on the Dhaka Stock Exchange, KPCL's shares closed 0.65 per cent higher at Tk 46.60 yesterday.

## Govt sets target to improve industrial productivity

Industries minister says in discussion with regional experts

STAR BUSINESS REPORT

The government targets to improve productivity in all industrial sectors to 5.6 per cent from the existing 3.8 per cent within the next 10 years, said Industries Minister Nurul Majid Mahmud Humayun yesterday.

The government is formulating a 10-year national productivity masterplan in collaboration with Japan-based Asian Productivity Organisation (APO) and Bangladesh National Productivity Organisation, according to a statement from the industries ministry.

For this, the government is taking expert opinions to know the short-, medium- and long-



STAR/FILE

People are working at a denim factory in Chattogram. The government aims to improve productivity in industries, agriculture and services sectors.

term demands in different sectors, the minister said in a virtual meeting organised by the APO on the occasion of its 60th anniversary.

The minister said the government has been working mainly to improve the productivity in areas like industries, agriculture and services sectors.

The member countries of APO were able to carry out the productivity activities even during the pandemic thanks to the APO's continued operations such as online discussions, trainings, meetings and workshops in such a critical time, he said.

Humayun said he is hopeful that the continued support of

the APO will ensure sustainable productivity among the member countries in the Asia and the Pacific region.

AKP Mochtan, secretary general of APO; Atsushi Ueno, director of APO for Japan, and Le Xuan Dinh, deputy minister for science and technology of Vietnam, also spoke.

Ida Fauzihay, human resources minister of Indonesia; Kitta Settha Pandita Cham Prasadh, senior minister for science, technology and innovation ministry of Cambodia, and Muhammad Hammad Azhar, central minister for industries and productivity division of Pakistan, were also present.



### GLOBAL BUSINESS

## Feed fight: African consumers hit as Asia gobbles up rice supplies

REUTERS, Singapore/Mumbai/Nairobi

Tightening global supplies of basic foodstuffs and disruptions to shipping caused by the coronavirus pandemic are driving up the cost of rice, the most important staple food for billions of people worldwide.

Rising food prices are a worrying trend in countries that depend on imports, while the cost of rice is politically sensitive in many parts of Asia and Africa. A spike in the price of the grain led to unrest in several countries during the world food crisis of 2008.

Benchmark rice prices jumped 20 per cent-45 per cent in key Asian producers last year, while demand for lower-quality rice as an alternative animal feed and soaring shipping costs are raising concerns that poorer nations that rely on imports may face shortfalls in supplies.

"There are no immediate supply issues in Africa, but if exports from Asia get curbed ... it could lead to worries between June and October which is traditionally a lean (production) period for northern and western Africa," said FAO rice economist Shirley Mustafa in Rome.

"Logistical bottlenecks could lead to food supplies getting squeezed and



REUTERS/FILE

Bags of processed rice are seen arranged inside a warehouse in Benue, Nigeria.

food inflation, potentially aggravating the economic hardship caused by the COVID-19 pandemic."

Sub-Saharan Africa is a major rice buyer, depending on imports for 40 per cent of regional consumption, while in many parts of South and Southeast Asia - by far the top

rice producer and exporter - rice is served at most meals.

The price rises come as measures to slow the coronavirus pandemic distorted global food supply lines in 2020, adding to concerns about food security.

At the same time strong demand from

China sent global cereal prices to their highest in 6 years, according to the United Nations Food & Agriculture Organization (FAO).

China's grain consumption was so strong in 2020 that it not only depleted the country's once-mammoth stockpiles, but also boosted crop imports to record levels and helped run up prices of corn, sorghum and barley - largely used to feed animals.

A 25 per cent jump in the price of corn, a key feed-grain ingredient, has spilled over into food-grade rice, as some animal feeders switch to cheap rice products that can also be fed to animals, such as 100 per cent broken rice, a by-product of rice milling.

The cost of this variety of rice has climbed to \$280 a tonne, free on board, at some of Indian ports, from \$260 in December and is likely to rise further, according to local suppliers.

"Traditionally, African countries buy 100 per cent broken rice since it is cheaper," said Himanshu Agarwal, executive director at Satyam Balajee, India's biggest rice exporter.

"But lately Asian countries such as Vietnam and China have started buying 100 per cent broken rice and are paying a premium over prices paid by African buyers."

### NEWS In Brief

## Bank of Japan revises up growth outlook for next two years

AFP, Tokyo

The Bank of Japan on Thursday revised its growth outlook upwards for the next two years and maintained its ultra-loose monetary policy as it warned that the pandemic makes clear forecasts less likely.

However, for the current fiscal year to March the central bank expects the economy to shrink 5.6 per cent, against its October estimate of a 5.5 per cent contraction.

The announcement comes with parts of the country including Tokyo and Osaka under a state of emergency that requests shops and restaurants close early.

While Japan's Covid-19 outbreak remains comparatively small, with around 4,700 deaths overall, there has been a sharp spike in cases this winter.

But the bank saw brighter times on the horizon in its quarterly report, published after a two-day policy meeting.

For the 12 months to March 2022 it expects growth of 3.9 per cent, and 1.8 per cent the following year. That compares with previous estimates of 3.6 per cent and 1.6 per cent, respectively.

The bank's governor Haruhiko Kuroda said the impact of the pandemic should gradually ease as vaccines reach industrialised economies followed by developing nations.

"Our domestic economy continues to face a difficult situation because of the coronavirus pandemic. But we have seen that the underlying trend is picking up," Kuroda told reporters.