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An aerial view of the Bangabandhu Sheikh Mujib Shilpa Nagar in Mirsharai upazila of Chattogram. This is one of the two government-built zones currently ready for setting up factories. PHOTO: COLLECTED

Construction of state economic zones taking too long

Industrialisation ambition risks going off track

JAGARAN CHAKMA

The implementation of the government's plan to bring about large-scale industrialisation is in the slow lane as only two state-run economic zones are currently ready for setting up factories although Bangladesh set out nearly seven years ago to establish them.

In 2015, the government set an ambitious target of setting up 100 economic zones in the next 15 years with a view to creating one crore jobs and exporting \$40 billion worth of goods and services from the

enclaves.

Accordingly, the Bangladesh Economic Zones Authority (Beza) has approved setting up of 97 economic zones so far, comprising 68 government and 29 private.

The two zones where the government is now encouraging investment are the Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) in Mirsharai upazila of Chattogram and the Shreehatta Economic Zone in Maulvibazar.

Seven zones, including the Moheshkhali Economic Zone and the Jamalpur Economic Zone, are partly ready or under

IMPLEMENTATION STATUS OF MAJOR ECONOMIC ZONES				
NAME OF ECONOMIC ZONES	PROPOSED INVESTMENT	PRESENT STATUS	PROJECT COST	SPENT SO FAR
Bangabandhu Shilpa Nagar	\$20b	Partly ready	Tk 10,000cr	Tk 4,000cr
Shreehatta Economic Zone	\$148m	Partly ready	Component-based	Tk 80cr
Japanese Economic Zone	None proposed yet	Under construction	Tk 2,582cr	Tk 1,200cr
Sabrang tourism park	\$302.8m	Under construction	Tk 80cr	Tk 80cr

SOURCE: BEZA

construction. The sites have been developed and utility connections are available. The physical progress is 60 per cent to 70 per cent.

So far, the state agency has allocated around 7,295 acres of land to 196 industries in the nine zones.

The Beza has received investment proposals amounting to \$24.47 billion. Of the sum, \$1.4 billion came from the investors in the countries, such as India, China, Japan, Thailand, South Korea and Singapore.

Shaikh Yusuf Harun, executive chairman of the Beza, says there are various components of projects at various zones, so it is really tough to find out the gross progress in percentage.

In some cases, earth-filling, utility connection, and infrastructure development have been completed while in some cases, earth-filling is underway, he said.

"There would have been more progress and more investors would have set up industries had the pandemic

had not hit Bangladesh in 2020."

Three of the nine are special economic zones that are being developed under government-to-government arrangements. Of them, two are for Indian companies and one for Japanese investors.

Two tourism parks – Sabrang in Cox's Bazar's Teknaf upazila and Sonadia in Moheshkhali upazila – are also being developed.

Unlike state-run economic zones, entrepreneurs have set

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LOOMING SWIFT BAN

Over \$600m garment exports to Russia at risk

REFAYET ULLAH MIRDHA

Bangladesh will lose one of the most promising apparel export destinations if various Russian lenders are excluded from the SWIFT messaging system in response to the country's invasion of Ukraine, entrepreneurs warned.

Western nations announced on Saturday a harsh set of sanctions to punish Russia for its invasion of Ukraine, including blocking some banks from the SWIFT international payments system.

SWIFT (Society for Worldwide Interbank Financial Telecommunication) is the global financial artery that allows the smooth and rapid transfer of money across borders.

If the ban becomes effective, local exporters will face difficulties in receiving payments from Russian importers.

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Renata gets nod to remit \$7m to UK, Ireland

STAR BUSINESS REPORT

Renata Ltd, one of the major drug producers, has received permission from the Bangladesh Bank to remit \$7 million to Ireland and the UK as it looks to expand its footprint in the European market, the company said yesterday.

In a filing on the website of the Dhaka Stock Exchange (DSE), the listed pharmaceuticals producer said the central bank permitted it to remit \$2 million from its Exporters' Retention Quota (ERQ) account to Renata Pharmaceuticals (Ireland) Ltd and \$5 million to Renata (UK) Ltd as paid-up capital.

The ERQ is the portion of the export proceeds that an exporter wants to retain in foreign currency.

Stocks of Renata rose 0.28 per cent to Tk 1,360 on the DSE yesterday.

"We want to set up offices there to increase our exports. We will have sales teams and they will run operations there. This will help expand

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Biman to resume Dhaka-Toronto flight on March 26

STAR BUSINESS REPORT

Biman Bangladesh Airlines is planning to recommence operating flights on the Dhaka-Toronto-Dhaka route from March 26, said Abu Saleh Mostafa Kamal, managing director of the national flag carrier, yesterday.

At a press conference at the Biman's headquarters in the capital's Kurmitola, the Biman chief also said the airline is all set to resume its flights on the Dhaka-Tokyo-Dhaka route.

"We will operate flights to the Narita International Airport in Japan once the country withdraws the air travel ban related to the coronavirus pandemic," said Kamal.

Biman suspended flight operations on the Dhaka-Tokyo route in 2006, deeming it not commercially viable. Now, given the deepening business ties and tourist movement between the two countries, the carrier has decided to return to the route.

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