



PRIVATE INVESTMENT & DIGITAL ENTREPRENEURSHIP PROJECT

TAKING **PRIDE** IN PROGRESS

BASIC INFORMATION

APPROVAL DATE:

**June 19
2020**

END DATE:

**December 31
2025**

TOTAL COMMITMENT:

\$500 million

IMPLEMENTING AGENCIES:

**Bangladesh Economic Zones Authority,
Bangladesh Hi-Tech Park Authority,
Government's Economic Relations Division**

OVERVIEW

In recent years, the manufacturing—particularly the ready-made garments (RMG) sector—has been a major driver of the economic growth. It employs more than four million workers, most of whom are women, and accounts for 84 percent of the country's total exports. However, the pace of job creation has almost stalled in the RMG sector.

In the aftermath of the COVID-19 pandemic, Bangladesh will need to increase private investment—especially foreign direct investment (FDI)—to raise productivity levels, diversify exports and accelerate economic transformation. Economic zones and hi-tech parks will be critical to attract private investment, diversify export and create more quality jobs.

CHALLENGE

To reach the next level of economic transformation, Bangladesh will need to attract more FDI. Bangladesh Export Zones Authority (BEZA) was established to lay the foundation for a market of serviced industrial land to attract private investment and create jobs in manufacturing and industry. It is critical that BEZA strengthen its core expertise and build capacity in areas important to its continuing success, including planning, asset and financial (pricing) management, safeguards management, monitoring and regulatory enforcement, and space for private participation.

APPROACH

The project will promote and attract direct private investments in selected public and private economic zones and software technology parks where it will help address binding supply-side constraints. It will help create an enabling environment for Bangladesh to maintain and attract domestic and foreign producers by significantly strengthening BEZA's capacity to manage social and environmental safeguards and introduce a social and environmental counselor program for economic zones.

The project will develop the Bangabandhu Sheikh Mujib Shilpa Nagar II (BSMSN-2) economic zone in Mirsarai-Feni, including road networks with stormwater drainage, solar-powered streetlights, climate-resilient water, sanitation, and power network. This will be a state-of-the-art green and resilient economic zone that will set an example for sustainable, resilient and environmentally sound industrial development in Bangladesh.

It will also establish Dhaka's first digital entrepreneurship hub in the Janata Software Technology Park and turn it into a green building.

The project will encourage digital entrepreneurship through training and innovation support, with special emphasis on women digital entrepreneurs. This will include a program to mentor, advise and train digital entrepreneurs for start-up and scale-up facilities and University Innovation Hubs in technological universities and business schools.

By creating jobs and attracting private investment, the project will help economic recovery from the pandemic.



EXPECTED RESULTS

150,000 new jobs

\$3.7 billion in direct private investment in economic zones

150 companies using green and resilient services and facilities

30,000 tonnes/ year of greenhouse gas emissions avoided