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How Vital are Export Processing Zones (EPZs) to the Economy of Bangladesh?

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ABSTRACT

Export Processing Zones (EPZs) are economic enclaves that act as a key driver for the economic development of Bangladesh through enhancing exports, investment and employment with the supervision of Bangladesh Export Processing Zones Authority (BEPZA). As there are very few studies fully focused on the major contribution of EPZs to Bangladesh economy with respect to export, investment, and employment, the researcher has found it to be a major source of further exploration. The study investigates the contribution of EPZs operating under BEPZA to the economic growth of Bangladesh using both descriptive and analytical approaches with documented data for the last 05 F/Ys. The study employs several statistical tools analyzed using Python (Colab), such as zone-wise and country-wise descriptive and comparative analysis, Export-per-Investment, Export-per-Employee, Investment-per-Employee ratio, efficiency ratio, year-over-year growth ratio, economic strength index, and financial ratios. The results show that EPZs make a positive contribution to the economy of Bangladesh, as such their average contribution for the last 05 F/Ys to national export is 16.16% and to national FDI is 16.75%, despite facing multiple challenges, such as global economic slowdown, trade disruptions, political crises, labour unrest, etc. Additionally, EPZs promote women empowerment and balanced economic growth through ensuring a sustainable and investor and worker- friendly environment. The findings of the study suggest that consistent and effective support policies and research initiatives from the government and BEPZA can address those barriers and find out their remedies that can enhance balanced economic growth of Bangladesh, with a limited number of resources available through our EPZs.

INTRODUCTION

Export Processing Zones (EPZs) are considered a country within a country, where both local and foreign business organizations can conduct their commercial operations benefitting from duty waiver advantages (Majumder *et al.*, 2022). A study conducted by Balasubramanyam (1988) illustrated EPZs as duty-free zones, free economic zones, or port zones where locally and internationally owned business operations can be administered. These zones are completely segregated from the customs territory of a country, acting as an economic enclave to allow goods to be manufactured, processed and made into finished product for cross-border export without having local levies. Furthermore, organizations operating under EPZs get multiple exemptions related to government rules, regulations, limitations, and other legislation. A study carried out by Begum *et al.* (2020) accentuated the substantial contribution of Export Processing Zones (EPZs) to Bangladesh Economy.

Bangladesh Export Processing Zones Authority (BEPZA) is the governing authority of these export processing zones to supervise and inspect the environmental, social, customer, and legislative compliance. Since 1980, with the diligent supervision and guidance of BEPZA, EPZs have contributed significantly to the economy of Bangladesh by enhancing exports, attracting investment, promoting industrialization, and generating employment. Hasan & Ali (2019) in their study have assessed the contribution of EPZs to foreign direct investment, export and gross

investment of the country, collecting data from 2005 to 2019. Another study by Romero (1997) has analyzed that EPZs have more potential for the socio-economic development of the country with the implementation of reliable and efficient strategies from the government. The major concerns of establishing EPZs may vary from country to country; the researcher has identified the key benefits, such as FDI, national export, and employment generation.

The scope of this study is confined to secondary data collection to determine the contribution of EPZs to the economic growth of the country through enhancing national exports, investment, industrialization, and job generation. Accordingly, the main objective of this study is to assess the contribution of export processing zones (EPZs) functioning under BEPZA to the economic growth of Bangladesh through its investment, export, industrialization, and employment generation, as well as to offer policy recommendations to enhance the opportunities of BEPZA to attract foreign investors, and contribute more to the economy of Bangladesh.

The novelty of this research lies in its mixed-method approach to assess the contribution of EPZs with documentary, and publicly available data collecting from annual reports, and BEPZA official website as well as insights from present research domain on the same discipline.

The study contains a literature review part summing up the insights and observation of previous studies on

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the same discipline, followed by a methodology part to simplify how the study has been conducted. Afterwards, it appends results and a discussion segment to assess the contribution of EPZs operating under BEPZA to the economy of Bangladesh, following both data-driven and descriptive analysis. The study also proposes some policy recommendations to intensify the potential of BEPZA to attract more investment, by concluding the core findings of this research.

LITERATURE REVIEW

Bangladesh Export Processing Zones Authority (BEPZA), from its inception in 1980 through Chattogram EPZ, has been playing a key role in contributing to the economic growth of Bangladesh through the operation of EPZs. According to the BEPZA official website, in Bangladesh, there are 08 EPZs in total, named Chattogram EPZ, Dhaka EPZ, Karnaphuli EPZ, Adamjee EPZ, Cumilla EPZ, Uttara EPZ, Ishwardi EPZ, and Mongla EPZ operated under BEPZA. Additionally,

there are two phases under BEPZA Economic Zone located at Mirsharai, Chattogram, along with two projects named Patuakhali EPZ Project and Jashore EPZ Project under construction. And BEPZA is contributing to the advanced economic growth of Bangladesh through export diversification, attracting more investment, industrialization, and employment generation with the efficient operation of the aforementioned EPZs (Dowla, 1997).

Multiple Research works have explored the relationship between the operation of EPZs and the economic development of different countries. But to the best of the researcher's knowledge, very few research has completely focused on the contribution of those EPZs functioning under BEPZA in Bangladesh. Considering the substantial contribution of BEPZA to Bangladesh economy, it seems to the researcher to explore this topic as a pressing need. The research has recapitulated the analysis and observation of exploration in same discipline conducted by multiple researchers previously.

Table 1: Findings from Previous Studies

Author's Citation	Specified Country	Methodology	Findings
Sumi <i>et al.</i> (2024)	Bangladesh	Quantitative with ARDL approach	The study has analyzed the impact of domestic and foreign investment on the EPZs in Bangladesh, with data from 2011 to 2022 using Auto Regressive Distributed Lag (ARDL). It identified a positive relationship between FDI, GDP, and exports in EPZs. It exposes that 1% increase in FDI inflows causes 0.15% increase in exports in EPZs, along with 1% increase in investment, causing 1.32% increase in EPZs exports. The study suggests that a fruitful initiative by the concerned body can support EPZs to attract more investment and boost export.
Harry (2018)	Nigeria	Mixed research approach	The study demonstrates a positive relationship between value addition in EPZs and their contribution to the economic growth of a country. Ensuring technological advancement is needed for value enhancement in EPZs.
Arnold (2017)	East and Southeast Asia	Literature review	The study describes EPZs as the key contributor to the economy through industrialization, job creation, and socio-economic development. The success story of China through EPZs and SEZs has fostered other industrialized countries to initiate better policies for the upgradation of this sector.
Majumder <i>et al.</i> (2022)	Bangladesh	Quantitative research using GMM and ARDL model	The study examines the impact of FDI on EPZs, collecting data from 1997 to 2018 in Bangladesh. It has applied the GMM and ARDL models to scrutinize the findings. It identified a positive connection between foreign direct investment and employment in EPZs in both the short and long term. It proposed a policy recommendation to spotlight the prominent one-stop service to attract more investors.
Begum <i>et al.</i> (2020)	Bangladesh	Mixed research approach	Collecting data from 2011 to 2019, the study describes EPZs as economic enclaves that can act as the key performer to foster the economic development of a country through foreign investment. It recommends that, for enhanced performance of EPZs, consistent support and policies are needed from the government and concerned authorities.

Kinunda-Rutashobya (2003)	Africa	Mixed research approach	The study exhibits a positive connection between EPZs operations and economic growth through export expansion. It defines EPZs as a major role player in the economy if they are facilitated with smooth functioning as part of a completely traded economy of the country with operative policies and strategies.
Mutunga & Namusonge (2024)	Kenya	Descriptive research	The study shows that strategic approaches are obligatory to ensure the EPZs operate with optimized performance and high potential. It suggests that policymakers can initiate innovative procurement practices within EPZs to upgrade their performance and ensure economic growth of the country.
Fakir <i>et al.</i> (2013)	Bangladesh	Mixed research method	The study examined those developing countries like Bangladesh can have access to foreign trade market or can avail opportunities for technology transfer as well as improvement of labor and managerial skills through more efficient operation of EPZs.
Papadopoulos & Malhotra (2005)	Developing countries	Literature review	The study examines twelve benefits of the operational activities of EPZs in a country. These include profitable investment, increased exports, job creation, upgraded supply chain, labor skill improvements, technology transfer, modernization of economy, limited deregulation, prior testing facilities of deregulation, broader support services, infrastructural improvement, and regional development.
Bassey & U (2018)	Nigeria	Survey based research approach	The study reveals that EPZs are contributing to diversified economic growth, investment attraction, enhancing national export, and improving tourism sector.
Akhtar (2003)	Pakistan	Analytical and exploratory research approach	The study analyzed that a structured export-centric strategy can enhance industrialization, export, and employment generation through EPZs. Well-functioning support policies can make EPZs fulfill their objective and contribute to the economic growth of the country.

Conceptual Framework

This section shows the overall study with a diagrammatic view. Figure-01 shows the contribution of EPZs operating under BEPZA to Bangladesh economy through export,

investment, industrialization, and employment generation at a glance, proposing some policy recommendations for policymakers.

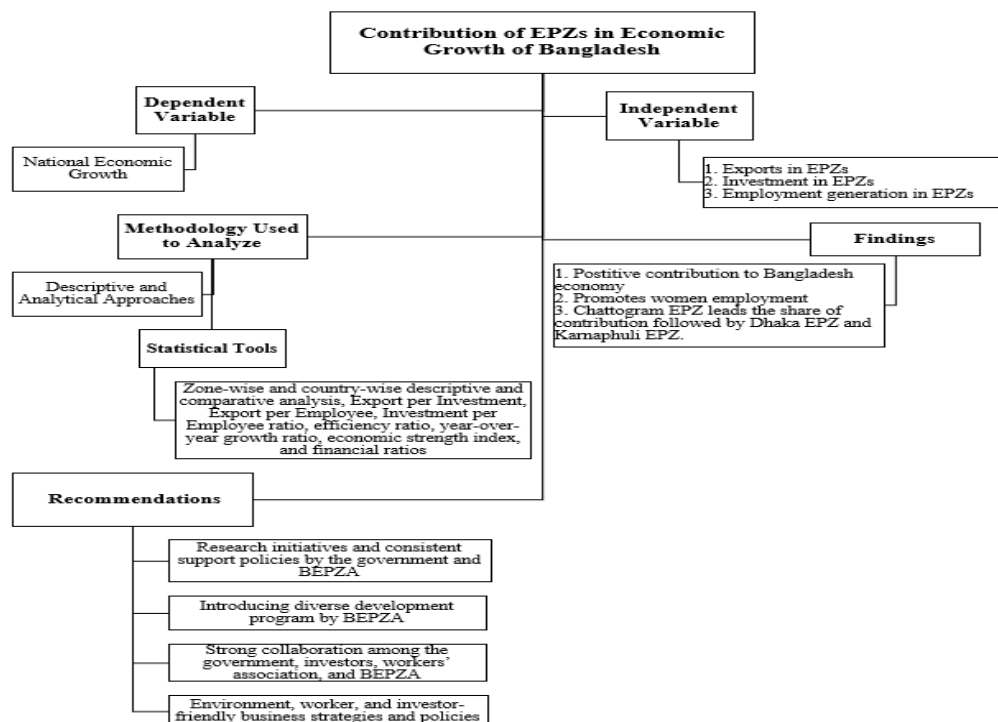


Figure 1: Conceptual Framework

MATERIALS AND METHODS

The researcher has conducted this study using both the descriptive and analytical approaches to assess the economic significance of EPZs in a developing country like Bangladesh. The study covers some of the key economic indicators, such as export, investment, and employment generation through the export processing zones, with the committed supervision of BEPZA to fulfill its main objective.

Variables Identification

Table 2: Variables Identification

Variables	Description
Dependent Variable	Economic growth of Bangladesh (Aggregated FDI, Employment)
Independent Variable	Investment, export expansion, and employment generation in the EPZs operating under BEPZA.

Data Collection

Table 3: Data Collection

Sources	Data Collected
Annual Reports of BEPZA (F/Y 2019-2020 to F/Y 2024-2025)	Data related to investment, export and employment generation through EPZs.
Brochures and Bulletin Published by BEPZA	More updated and periodic break-down of relevant data.
Newspaper	Daily news related to EPZs.
Previous Publication	Relevant information and concepts.

Data Analysis

Table 4: Data Analysis

Techniques	Analysis Tool	Meaning
Descriptive analysis	Python (Colab)	Year-wise contribution, growth rates
Comparative analysis	Python (Colab)	Zone-wise contribution, EPZ comparison
Analytical analysis	Python (Colab)	BEPZA financial ratios, overall contribution to national exports and FDI in Flows

RESULTS AND DISCUSSION

The study is conducted to explore the contribution of export processing zones (EPZs) through the export expansion, investment, and employment generation under the supervision of BEPZA. Additionally, it aims to propose some of the policy recommendations to enhance the capability of BEPZA to enhance export,

increase investment, and generate more employment to contribute to the economic development of Bangladesh. This section includes the analysis and clear interpretation of the collected data from several secondary sources to fulfil the objective of this study.

The Export Per Investment ratio indicates a common

Table 5: Year wise Contribution of BEPZA (Summing up the Contribution of All EPZs Operating under BEPZA)

Year	Investment (In Million US\$)	Export (In Million US\$)	Employment (Nos)
2009-10	1804.46	21737.28	262757
2010-11	2117.69	25434.89	306423
2011-12	2456.95	29645.69	340021
2012-13	2785.49	34502.37	374008
2013-14	3188.07	40027.68	389017
2014-15	3594.42	46141.16	420101
2015-16	3998.78	52817.48	453652
2016-17	4341.25	59366.85	479181

2017-18	4680.85	66575.12	502013
2018-19	5014.23	74089.23	521561
2019-20	5289.87	80578.34	466307
2020-21	5630.63	87215.4	438205
2021-22	6040.43	95871.3	502365
2022-23	6437.04	103711.96	496357
2023-24	6,787.97	110,787.05	500,110
2024-25	7080.74	119009.97	533527

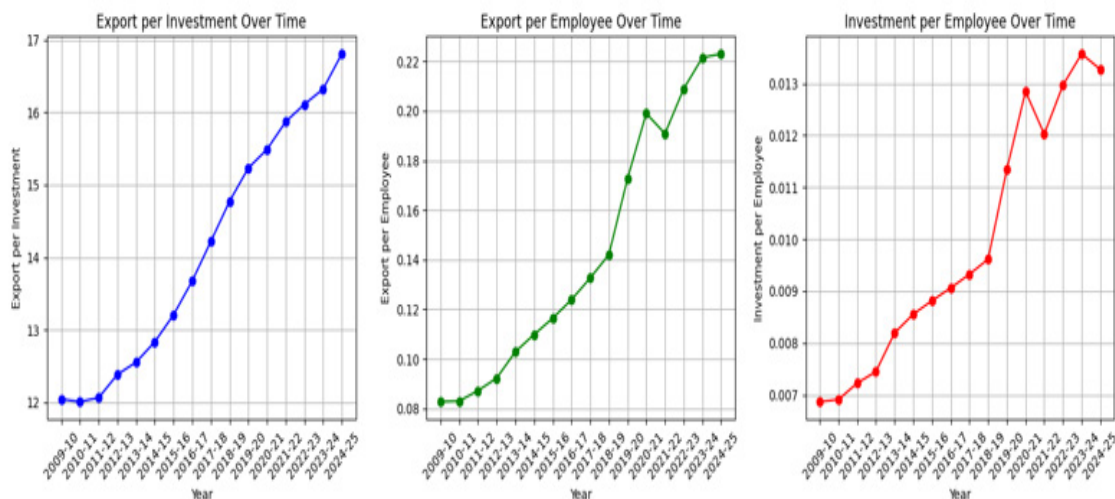


Figure 2: Contribution Ratios

upward trend over time, suggesting the enhancement of the efficiency of transforming investment into exports. Despite some fluctuations, exports are progressing per unit of investment over time. Additionally, the Export per Employee ratio adheres to the previous ratio trends, which signifies an increase in productivity, where each employee contributes to a larger volume of exports. In the initial years, the growth was stable, but later it increased, suggesting enhanced functional efficiency or

skill improvement among the employees. In addition to that, the Investment Per Employee ratio is in an increasing trend, revealing that the capital intensity of operations is increasing. It means that each employee is generating more investment progressively. The consistent rise of this ratio indicates the continuous efforts to modernize infrastructure and opportunities, which means the increasing amount of capital availability to the workers. The diagram above shows the investment, export and



Figure 3: Year-over-Year Growth Rates

employment growth over time. Investment growth oscillates, indicating volatility impacted by short-term factors. Meanwhile, export growth aligns with the prior trend, but its volatility is moderately consistent.

Employment growth is more volatile among the three, signifying more slowdowns in later time.

In Figure-4, Export per investment ratio shows a rising

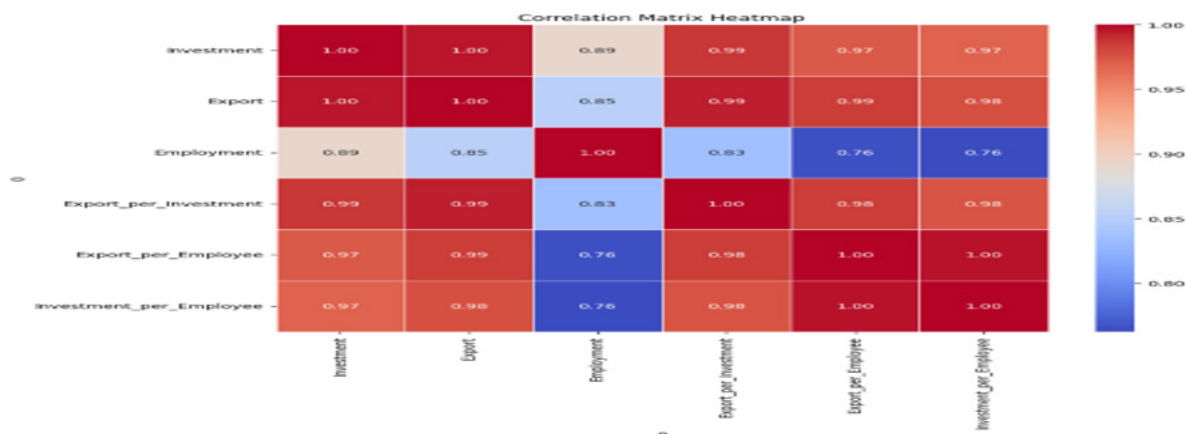


Figure 4: Contribution Ratios and Trends

trend, meaning enhanced efficiency in turning investment into exports, whereas export per employee ratio demonstrates a significant upward trend, pointing to more productivity per employee. Alternatively, investment per

employee ratio also reveals the upward trend, indicating capital intensity in functional activities.

Table-6 and Figure-5 represent the contribution of

Table 6: Contribution to National Economy

Year	Total Export of Bangladesh (US\$B)	Total Export of EPZs (US\$B)	Percentage Contribution
2020-21	38.76	6.64	17.13%
2021-22	52.08	8.66	16.63%
2022-23	55.56	7.84	14.11%
2023-24	44.47	7.07	15.90%
2024-25	48.28	8.22	17.03%
Total=	239.15	38.43	16.16% (Average)

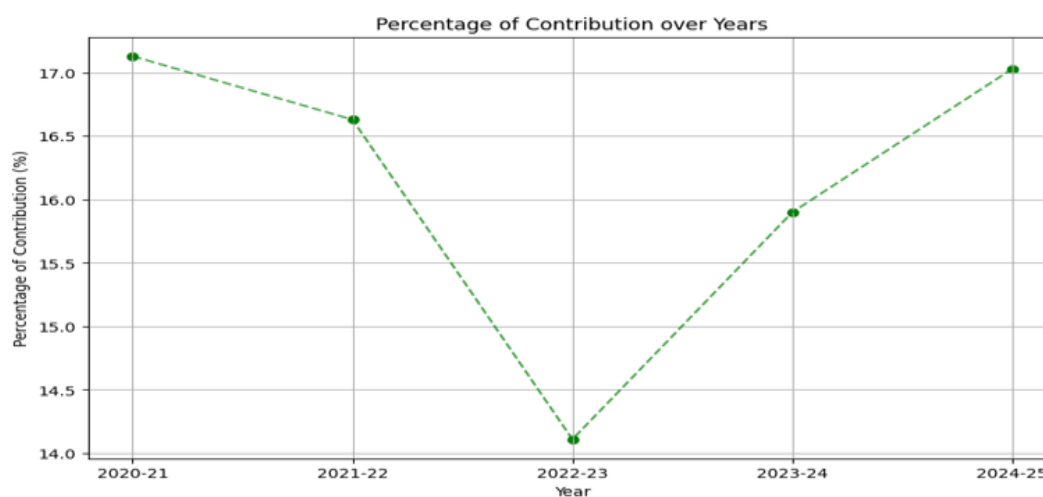


Figure 5: Percentage of Contribution over Years

all the EPZs export functioning under BEPZA to the national export for the last 05 financial years. The average contribution rate to national export is 16.16, indicating the major contribution of BEPZA to the economy of Bangladesh as an individual authority. The table shows

the slowdown of contribution at F/Y 2022-23 due to trade disruptions, global economic slowdown, etc. After that, BEPZA keeps a gradual increasing trend in respect of contribution to national exports.

The table represents the contribution of all the EPZs'

Table 7: Contribution to National FDI

Year	FDI in Flows (NET) in Bangladesh (US\$M)	FDI in Flows (NET) in Bangladesh (US\$M)	Percentage Contribution of
2020-21	2507.31	252.64	10.08%
2021-22	3439.63	439.28	12.77%
2022-23	3249.68	406.46	12.51%
2023-24	1468.17	424.29	28.90%
2024-25	1686.07	328.34	19.47%
Total=	12350.86	1851.01	16.75% (Average)

FDI in Flows operating under BEPZA to the national FDI in Flows, ranging from F/Y 2020-21 to F/Y 2024-25. The average contribution rate to national FDI is 16.75%, indicating the major contribution of BEPZA to the economy of Bangladesh as an individual authority. Chattogram EPZ maintains a higher contribution

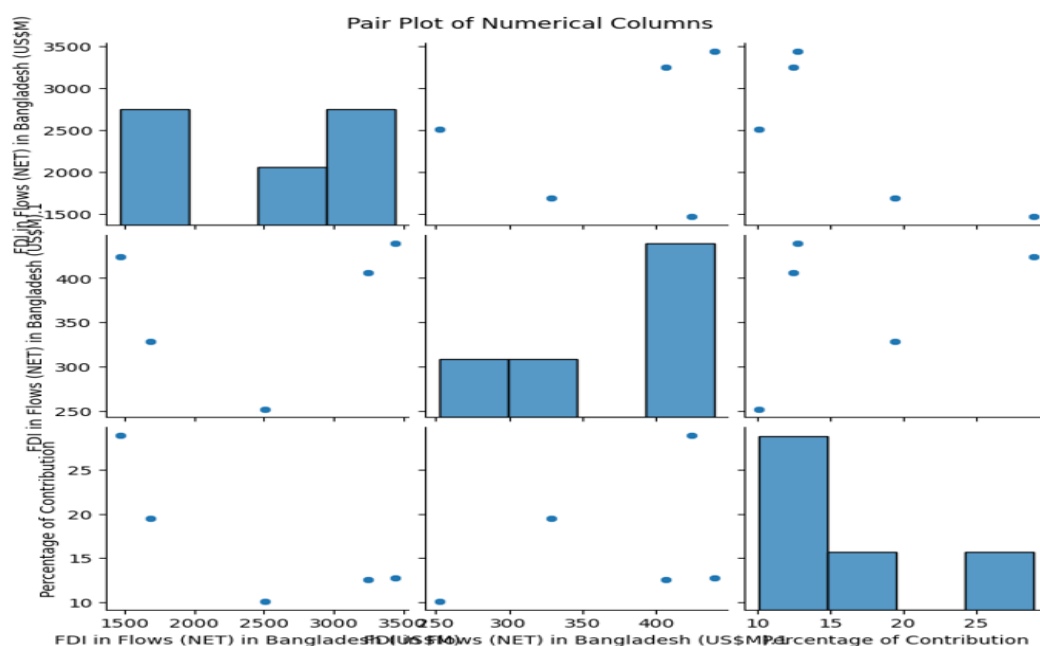


Figure 6: Pair Plot of Numerical Columns

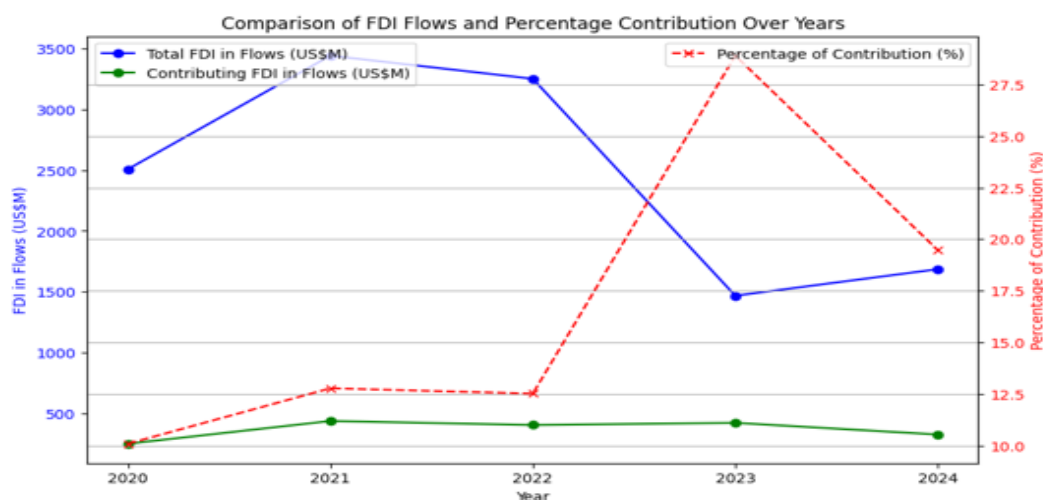
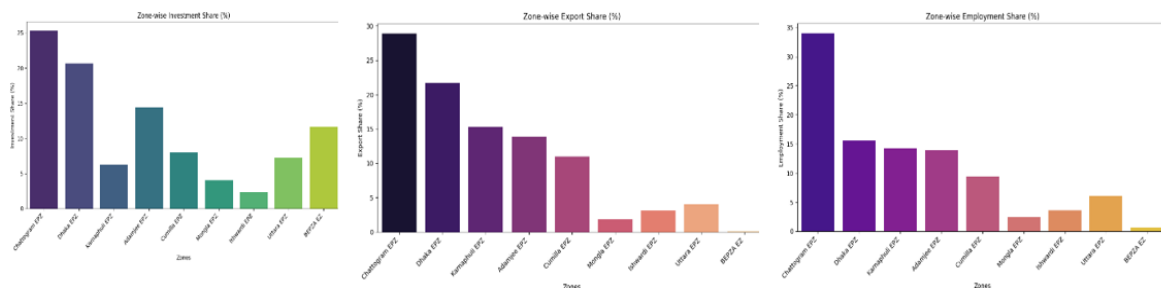


Figure 7: Contribution to National FDI in Flows

Table 8: Zone Wise Contribution (Up to June 2025)

EPZ	Export (Million in US\$)	Export Share	Investment (Million in US\$)	Investment Share	Workforce (Number)	Employment Share	Economic Strength Index*
Chattogram EPZ	45023.44	37.83%	2190.72	30.94%	181367	33.99%	102.76
Dhaka EPZ	37856.73	31.81%	1859.24	26.26%	83173	15.59%	73.66
Adamjee EPZ	9855.81	8.28%	808.58	11.42%	74297	13.93%	33.63
Cumilla EPZ	7166.63	6.02%	612.77	8.65%	50439	9.45%	24.13
Karnaphuli EPZ	12770.69	10.73%	761.92	10.76%	76269	14.30%	35.79
Ishwardi EPZ	2014.74	1.69%	275.79	3.89%	19171	3.59%	9.18
Mongla EPZ	1394.82	1.17%	247.38	3.49%	12742	2.39%	7.05
Uttara EPZ	2915.67	2.45%	269.88	3.81%	32417	6.08%	12.34
BEPZA EZ	11.7	0.01%	54.45	0.77%	3652	0.68%	1.46
Total=	119010.23	100%	7080.73	100%	533527	100%	300

*Economic Strength Index=Export Share + Investment Share + Employment Share


Figure 8: Zone-Wise Contribution

in the upper three matrices: export, investment, and employment. It leads in the export share with a value of 37.83%, followed by employment share 33.99% and investment share 30.94%, signifying it as a highly productive and employment-generating zone. After that, Dhaka EPZ ranks second after Chattogram EPZ, contributing more in export share 31.81% followed by investment share 26.26% and employment share 15.59%. Following that, Karnaphuli EPZ shows a significant contribution with employment share 14.30%, export share 10.73%, and investment share 10.76%. Then, Adamjee EPZ contributes to the economy with

employment share 13.93%, investment share 11.42%, and export share 8.28%. Subsequently, Cumilla EPZ maintains a moderate contribution with a share in these three matrices ranging from 6% to 9%. Thereafter, smaller zones like Ishwardi EPZ, Uttara EPZ, and Mongla EPZ contribute less compared to other zones, signifying their smaller scale of operational activities. Last of all, BEPZA Economic Zone is a newly developed zone with ongoing infrastructural development with high potential in these three matrices.

Table-9 represents the comprehensive view of the

Table 9: Comprehensive EPZ Comparison

EPZ	Export to Investment Ratio Export Efficiency	Employment per Million Investment Ratio Employment Intensity	Export per Worker Labor Productivity
Chattogram EPZ	20.55	82.79	0.25
Dhaka EPZ	20.36	44.73	0.46
Adamjee EPZ	12.19	91.89	0.13
Cumilla EPZ	11.70	82.31	0.14
Karnaphuli EPZ	16.76	100.10	0.17
Ishwardi EPZ	7.31	69.51	0.11
Mongla EPZ	5.64	51.51	0.11
Uttara EPZ	10.80	120.12	0.09
BEPZA EZ	0.21	67.07	0.003

export processing zones based on export efficiency, employment intensity, and labor productivity. Among all EPZs, Chattogram EPZ and Dhaka EPZ lead the export efficiency section, signifying their capability to generate more export per unit of investment. Dhaka EPZ also leads to labor productivity, indicating efficient utilization

of labor. Alternatively, Karnaphuli EPZ and Uttara EPZ show higher employment intensity, indicating the zones create more employment per unit of investment. As BEPZA EZ is in its development stage, it shows lower performance in export efficiency and labor productivity. The table above represents the major contribution of

Table 10: Key Achievement of EPZs in Financial Year 2024-25

Zones	Investment (In million US\$)	Export (In million US\$)	Employment (In number)
Chattogram EPZ	74.16	2,375.71	181,367
Dhaka EPZ	60.42	1,784.40	83,173
Karnaphuli EPZ	18.37	1,259.42	76,269
Adamjee EPZ	42.29	1145.5	74,297
Cumilla EPZ	23.54	901.22	50,439
Mongla EPZ	11.84	152.88	12,742
Ishwardi EPZ	6.86	258.25	19,171
Uttara EPZ	21.24	334.39	32,417
BEPZA EZ	34.06	11.46	3,652
Total=	292.78	8,223.23	533,527

export processing zones operating under BEPZA in terms of the economic indicators, such as investment, export, and employment in the F/Y 2024-25. Here also, Chattogram EPZ leads all three economic indicators with investment with a value of 74.16 (USD million), export

2,375.71 (USD million), and employment 181,367 (Nos), succeeded by Dhaka EPZ. As a whole, the comprehensive contribution of all EPZs means the contribution of BEPZA to the economy of Bangladesh.

The upper line plot shows the financial ratios of BEPZA

Table 11: BEPZA Financial Ratio 2021-2025

Ratios	Units	2021	2022	2023	2024	2025	Remarks
Return on Investment	%	7.9	8.78	9.09	10.41	14.00	Consistent upward trend
Return on Equity	%	9.52	12.65	13.23	14.32	17.64	strong increasing trend
Profit Margin	%	40.48	39.06	33.49	46.29	50.45	Increasing with some fluctuations
Asset Turnover	-	0.34	0.22	0.27	0.25	0.30	Volatile
Debt to Value	-	0.29	0.31	0.31	0.27	0.21	Decreasing
Accounts Receivables	Days	32	30	25	29	39	Fluctuations

Source-BEPZA Annual Reports

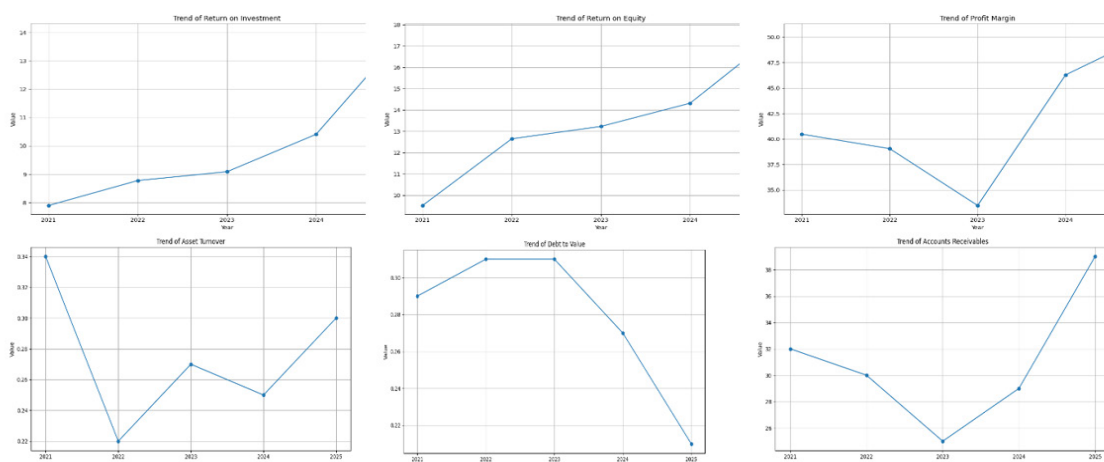


Figure 9: BEPZA Financial Ratio 2021-2025

from 2021 to 2025. Return on Investment (ROI) ratio exhibits the upward trend, meaning optimized efficiency in producing returns from capital invested. Alternatively, Return on Equity (ROE) further shows the upward trend, suggesting the generation of more profit from its shareholders. Despite some fluctuations, the Profit Margin ratio shows an increasing trend, meaning that better cost management strategies are being put into practice. Asset Turnover ratio shows some volatility, but overall, it is relatively flat or somewhat decreasing, meaning less efficiency in asset utilization. The decreasing trend

of Debt to Value ratio is a positive indicator, meaning there is less reliance on debt financing and a strong equity base of the organization. Following positive fluctuations, the Accounts Receivable ratio ends with a higher value, meaning a relative slowdown of cash collection efficiency.

Country-Wise Exploration of BEPZA At a Glance

Countries like Pakistan, Malta, UAE, Romania, and Ireland generate a large number of jobs per investment as their higher capital productivity, suggesting their investment are directed to labor-intensive sectors that

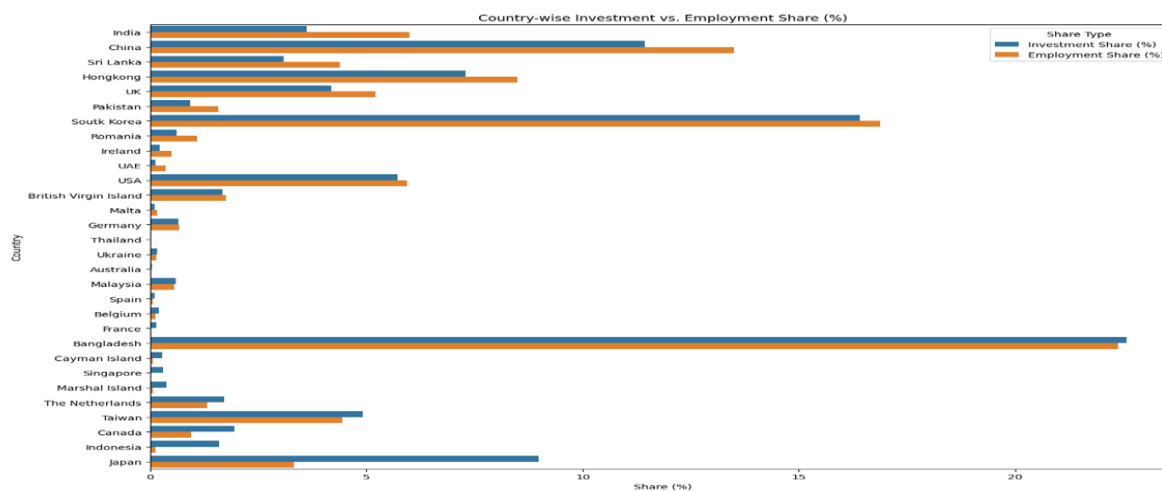


Figure 10: Country-wise Investment vs. Employment Share (%)

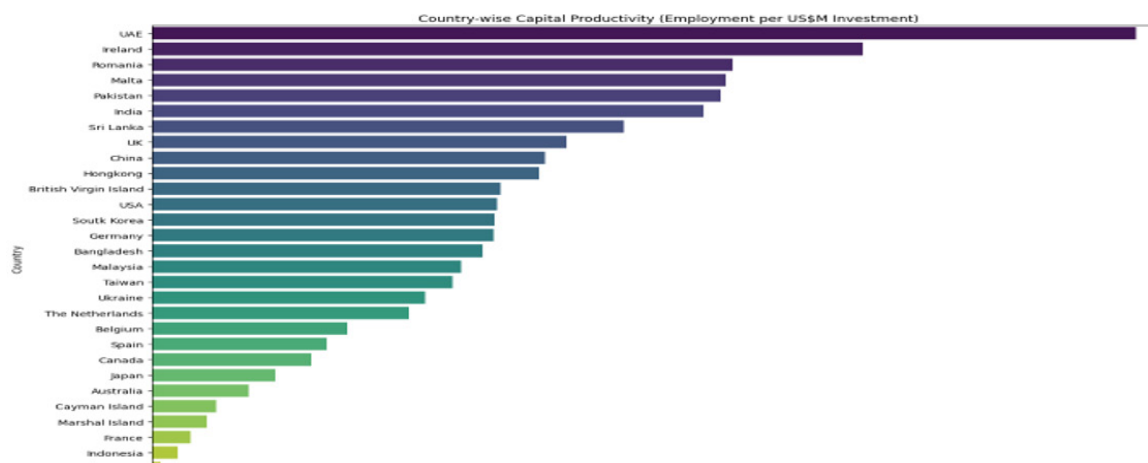


Figure 11: Country-Wise Exploration of BEPZA

create more employment. Conversely, countries like Australia, Thailand, Singapore, and Japan show lower capital productivity, suggesting their investment are directed towards capital-intensive sectors. This analysis signifies that the efficiencies of transforming investment into employment vary from nation to nation, country to country. As such, UAE generates approximately 223 jobs per USM investment, whereas Thailand stands at zero employment opportunity for 0.37 USM investment.

Discussion

This study mainly focuses on the contribution of export processing zones (EPZs) functioning under BEPZA to the economic growth of Bangladesh. The findings of this study indicate that EPZs contribute positively to the export, investment, and employment generation of a country, which is consistent with the study conducted by Arnold (2017). Mainly, this sector encourages women employment as the majority of workers working in the organizations of those EPZs are female.

The findings also show that EPZs operating under

BEPZA can ensure proper enhancement of efficiency to shift investment into exports, improvement of skills, more capability of employees to generate investment, and infrastructural development at the same time. Despite fluctuations, the research identifies consistent growth in investment, exports, and employment in Bangladesh through EPZs. Additionally, this study covers the comprehensive contribution of EPZs in national export and FDI for the last 05 financial years. In this case, the average contribution rate to national export is identified as 16.16%, and to national FDI in Flows is 16.75%. The study also finds that due to some global economic slowdown, trade disruptions, the global and domestic political crises, the contribution of the EPZs to the national economy has fluctuated.

The study has estimated the economic strength index by summing up the export share, investment share, and employment share of all the zones operating under BEPZA. It is identified that Chattogram EPZ has obtained the highest economic strength index (102.76), followed by Dhaka EPZ (73.66) and Karnaphuli EPZ (35.79). Adamjee EPZ and Cumilla EPZ maintain a balanced export, investment, and employment share, where Ishwardi EPZ, Uttara EPZ, and Mongla EPZ have a smaller share in these three matrices compared to all other zones. It needs to be mentioned that, BEPZA Economic Zone has started to gain its share in contribution to the national economy gradually, as it is still in its development stage. The study has also analyzed the financial performance of BEPZA using ROI, ROE, profit margin, asset turnover, debt to value, and accounts receivable indicators, where the findings are mixed. In this case, BEPZA has the opportunity to improve through its better skills and cost management systems. Finally, this study has assessed country-wise exploration of the export processing zones operating under BEPZA, findings of which can be fruitful for policymakers. In this part, the study has found that countries focused on employment generation may pursue higher capital productivity and labor-intensive industries. In contrast, countries aiming towards technological advancement may pursue lower capital productivity and capital-intensive industries through the functional activities of export processing zones, consistent with the study conducted by Fakir *et al.* (2013) and Papadopoulos & Malhotra (2005). This can also be helpful for the investors to signify the employment impact of their investment in different countries.

Throughout the period of conducting this research, it has been known to the researchers that some of the challenges that EPZs have to face in their operational activities, such as internal skill management systems, external pressure, regional issues, authority decisions, etc., affect the comprehensive performance of EPZs. According to Akhtar (2003), a structured and effective export-centric strategy and well-functioning support policies can play a big role in this case. This concept of consistent support

policies from government and concerned authorities is also supported by Begum *et al.* (2020). Additionally, labor management issues, domestic political situation, lack of a sustainable business environment, and dependency on foreign investors can limit the long-term contribution of EPZs in the near future. Proper research initiatives by government and concerned authorities can be better solution to address and solve those barriers.

Finally, this discussion suggests that EPZs are playing a major role as a key driver to enhance the economic development of Bangladesh. However, ensuring better support policies and advanced labor conditions can instigate the inclusive and sustainable growth of the economy of Bangladesh.

CONCLUSION

The study examined the contribution of export processing zones (EPZs) operating under BEPZA to the economy of Bangladesh, applying both descriptive and analytical approaches. The study found that EPZs encourage women empowerment by creating employment for a larger share of women in the local region. With different statistical analyses, it can be specified that export processing zones are playing a key role in enhancing the economic growth of Bangladesh. Behind these positive findings, some challenges have also been identified, such as labour unrest, political crises, global trade policies and politics, lack of consistent initiative from the government etc., that need to be addressed immediately to ensure the economic growth of the country. The Government and the concerned authority, BEPZA, have a path to address those challenges in EPZs operations. Thus, balanced economic growth of Bangladesh can be possible with the limited number of resources through export processing zones operating under BEPZA.

Policy Recommendations

As per the findings mentioned previously, the study suggests following policy recommendations to address the challenges EPZs have to face in their operations:

- More emphasis can be given on the research activities regarding addressing multiple challenges and their remedies, ways to increase the potentials of BEPZA through EPZs operation, in collaboration with the government, BEPZA and other concerned authorities.
- Proper environment, worker, and investor-friendly business strategies and policies can be initiated to ensure a sustainable business environment.
- BEPZA can introduce different development programs for the workers employed in EPZs, such as workers' skill development training, labour welfare initiatives, workplace safety, especially for the women workers, etc.
- Strong collaboration among the government, investors, workers' association and BEPZA can be ensured.

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