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PACKAGING INDUSTRY AUDIT

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Packaging Industry Audit

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Audit of the Bangladesh packaging industry carried out by ITC -reviews country's economic environment and its relevance to the packaging sector; provides an overview of the packaging industry in Bangladesh; examines trade in packaging materials, and the future prospects and trends in this area; highlights the role of Bangladesh Standards and Testing Institution (BSTI) and its programmes on packaging; outlines strengths, weaknesses, opportunities and threats for the packaging sector, and provides recommendations; annexes include list of current BSTI standards with relevance to packaging, as well as a list of major trade associations, and government institutions related to packaging.

Descriptors: Bangladesh, Packaging, Standards**.**

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Preface

The Bangladesh quality support programme BQSP is funded by the European Commission EC and consists of two components with component 1 implemented by UNIDO, and component 2 implemented by ITC. Activities under component 2 (supporting export diversification) are aimed at improving the private sector understanding about quality and packaging requirements in export markets and its capacity to apply the value chain approach to find ways to enhance product competitiveness in these markets. This component will in particular assist Bangladesh in harmonising the efforts of all the relevant stakeholders through the development of export strategies at sector level using value chain approach and focussing on supply chain management, quality management and packaging to achieve export diversification objectives by enhancing the competitiveness and quality of the products.

The impact of globalisation is directly felt in the field of packaging, as exports have to comply with increasingly complex international standards and provisions, as well as target market specifications and requirements on safety, health, environmental protection and packaging.

Moreover, international trade rules and regulations, as well as the packaging expectations of importers and buyers, are changing drastically and rapidly. Increasing competition in the international market allows importers to take a very firm stand, requiring exporters from developing countries and transition economies to either meet their demands or lose market share. In addition, with the increasing participation of small and medium size enterprises (SMEs) in international trade, these companies are looking for relevant and practical state-of-the-art information and technical assistance on export packaging.

Bangladeshi exporters trading with developed countries are at a major competitive disadvantage versus other countries because of the poor packaging of their export products. This situation prevents the country

from effectively competing and acquiring sustainable market position.

The information contained in this study is of interest to all stakeholders involved in the export chain, including packaging end users, packaging goods and raw materials producers and importers, institutions providing infrastructural support to the packaging sector, as well as companies involved in physical distribution, insurance and financing.

The packaging audit is structured along the following lines:

1. 1. The economic environment and its relevance to the packaging sector.
2. 2. Consumption of packaging goods and raw materials by type.
3. 3. Trade in packaging goods, raw materials and consumables.
4. 4. Domestic supply and short and medium-term trends.
5. 5. Infrastructural support.
6. 6. Recommendations for projects and actions for improving the performance of the packaging sector and the supply situation at national, regional and international levels, based on SWOT analysis.

Late in 2006 ITC hired both an international and a national consultant to undertake the writing of a detailed audit of the Bangladeshi packaging industry by sector.

In April 2007 a Memorandum of Understanding was signed with the Bangladesh Corrugated Carton & Accessories Manufacturers & Exporters Association (BCCAMEA). There were four activities described in the MOU:

1. 1. Create and manage the Bangladesh Packaging Working Group (BPWG)
2. 2. Assist in the completion of the national packaging industry audit
3. 3. Help in the organization and delivery of 2 restitution seminars
4. 4. Work with ITC at the preparation and delivery of at least three user sector specific packaging workshops (horticulture processed and prepared foods, light industries).

Under Activity 2 BCCAMEA was requested to:

- Provide technical assistance on market research, including all necessary information on market statistics, industry structure and other information
- Facilitate in the organisation of company visits.

There is only limited information on the packaging industry in Bangladesh, available at the packaging associations. Support was given by the associations to facilitate company visits and the gathering of information during the field research process. However in some cases, the research team was denied access to the production sites, making the evaluation by the experts very limited. The quality of the information gathered during the interviews could not be checked with detailed visits of the production sites.

To supplement the information gathered, the International Consultant decided to use the technical delivery of the BQSP packaging programme to contact packaging producers and users and gather information during the process (workshops and seminars, advisory to enterprises). As a result, the conclusions and recommendations included in the audit are based on the best information available in the country by the end of the BQSP assignment.

Executive summary

Packaging is intended to provide an optimum protection and quality preservation of exported products. At the same time packaged products need to be adapted to the means of transportation, storage, and distribution. At retail level, integrated marketing/merchandizing, advertising and communication strategies become enhanced through packaging structural and graphic design. Also packaging provides user convenience and is expected to abide by the laws and regulations of the target markets. All these integrated functions need a thorough knowledge and understanding of packaging - a necessity in today's global trade. The lack of performing and complying packages is a major handicap for the products manufactured in Bangladesh to find an easy access to international markets. To overcome this handicap, the BQSP project includes capacity building of both public and private stakeholders and exporting SMEs. In order for the exporters of horticulture and agro processed foods to perform on export markets to the EU and the Middle East, it is essential for the national packaging industry to understand the constraints and requirements of these demanding markets and to develop the missing capacities and skills to supply performing packaging solutions.

Highlights of the competitive background of the Bangladesh packaging industry

Over the last twenty years the Bangladesh packaging industry has seen its development essentially driven by the strong export demand from the Ready Made Garments (RMG) industry. This industry has relatively simple requirements in terms of technology, essentially paper and board based, as well as simple monolayer plastics films and appliances.

Contrary to the powerful neighbouring packaging industries of China and India and despite its large population Bangladesh lacks a strong demand for packaging at national level. This situation impedes the development of a performing packaging industry sector. Also, the promising, technically demanding export sectors (e.g. fisheries, agro food) do not yet have critical mass in terms of volume of demand.

Another factor lies with the structure of the industry. The natural fibres, plastics and paper and board packaging industry sectors have their own packaging associations, who focus on serving the needs and interests of their members at institutional level. Unlike many other developing countries, Bangladesh lacks a strong national packaging association representing the interests of the whole packaging sub-sector. As a result, each sub-sector association tends to act individually and the whole industry lacks "one voice" and critical mass. At an international level, the BCCAMEA (Bangladesh Corrugated Carton and Accessories Manufacturers and Exporters Association) is a member of the World Packaging Organization. Yet it seems like this packaging sub-sector association has not been officially appointed by all packaging stakeholder industries to represent Bangladesh. The sub-sector packaging associations do not really act as powerful technical and market information, or knowledge centres for the industry. Each sub sector association has limited knowledge of the international packaging requirements. They do not run regular training and capacity building seminars for their members and the user industries. In terms of expertise in the country, Bangladesh suffers from the lack of technical expertise and skills.
When ITC started the audit, no qualified packaging expert was available in country. This has made the conduct of an objective, independent audit work difficult.

Another element is the absence of institutional support expertise in the country. Bangladesh does not have any packaging testing centre facilities, making independent quality controls and packaging certification impossible in the country. The majority of the tests required for export certification need to be conducted

outside of the country. The audit report recommends the creation of an information and technical packaging resource centre.

Another important factor is the relative position of the Bangladesh packaging industry in the region. Bangladesh is surrounded by countries which count as the most technically competent and cost effective in the world. The national packaging industry has managed protecting its national market by limiting access to imported packaging materials from neighbouring countries for many years. Such a situation has resulted in a lack of challenge and direct confrontation of the packaging industry with the most powerful global packaging competitors such as China, India, Malaysia, or more recently Vietnam. As a result the national packaging industry is relatively low tech compared to other developing countries in the region. The national packaging industry needs to get prepared to take on the challenge of this fierce competition once borders are opened. The industry must stop acting individually and build capacity to compete on technical grounds. Because the Bangladesh packaging industry does not have an upstream chemical industry infrastructure to source from, it will be seriously challenged to successfully compete with imported materials coming from countries such as China and India which both have performing infrastructure, backed up with highly performing support infrastructures (information, training centres, technical laboratories and research and development facilities).

All of the above factors identified served as a basis to set up the BQSP work programme on packaging improvement, one major component of which is to train a number of qualified packaging trainers and advisers in the country.

Process used for the packaging audit and its outcome

The audit of the Bangladesh packaging industry forms one part of the BQSP programme. Its purpose is to audit the performance of the packaging industry and its support organizations. It is also to gauge the capacity of the packaging industry in its ability to serve the demanding needs of the export sectors identified, with focus on horticulture and agro processed food products.

The work was designed to establish the baseline of where the industry is today, and to suggest recommendations for improvement. An MOU was signed with BCCAMEA to support ITC in that undertaking. As mentioned in the preface, packaging industry associations do not conduct in depth industry surveys and do not hold detailed industry statistics. As a result, not much information was made available regarding the structure of the industry and its players.

The next challenge for the audit was to bring all packaging stakeholders from the various packaging industry associations together to participate in the BSQP programme. For this reason the Bangladesh Packaging Working Group (BPWG), grouping representatives from each of the major sub sectors, EPB and the ITC, and lead by the president of BCCAMEA was formed. De facto, the BPWG did not provide the integration and alignment hoped, each industry association being eager to continue to act individually.

More than 100 company visits took place during the field interview process. A large number of packaging converters and users did not wish to collaborate and provide meaningful information, making the outcome of the field work limited. Despite the UN seal of confidentiality, the packaging industry at large did not feel comfortable with the audit and saw the audit more as an enquiry exercise, more than a programme that could drastically help raise the performance of the packaging supply chain.

All the above made the early publication of the meaningful audit report impossible. However, during the subsequent steps of the programme, sufficient insights and market intelligence were gathered to finalize the audit.

The salient points are:

- A significant portion of the packaging converting industry is under the same ownership as the RMG industry. Some of the 100% export oriented packaging units in RMG sector have sufficient awareness of packaging quality requirements for exports and they source their raw materials as per their customer's requirements. However, such expertise remains within the company and can by no means represent the state of the overall packaging industry in Bangladesh.
- There are a few medium and large players -some of them with high end conversion machines and QA and production control systems - manufacturing flexible and plastic based packaging. But they have limitations in ascertaining the quality of their raw materials and of the final products sold to exporters. Whatever expertise available in house, it is again not shared at industry level.
- Suppliers to the international corporations such as Nestlé, Unilever, Coca Cola and others have developed the skills and resources to provide packaging compliant with international standards. However, the low level of packaging demand from the horticulture and agro processed foods exporters is such that these industries do not focus efforts and attention to these demanding, low volume business segments. Except for the juices and dairy industry where local demand is large enough (e.g. BRAC and sim.), and the exception of the pharmaceuticals sector with demanding packaging requirements, the current low demand of the agro food sectors hampers the development of a skilled and profitable food packaging converting sector. At the same time, the average technical knowledge and understanding of food packaging technology related issues is low. BQSP has focused part of its packaging capacity building efforts to improve the knowledge and skills of professionals in that domain.
- Beyond the lack of technical knowledge and schemes available on the supply side, packaging converters should be provided with the means to compete internationally with full access to duty exempted raw and semi finished packaging material used in the conversion of packaging materials used for exports, across all user sectors. Alternatively, special agreements should be available for exporters who cannot source from national sources to import duty and tax exempted packaging goods used for exporting products.

. • Overall, the packaging converting industry lacks the supporting facilities, expertise and skills in testing different materials, packaging design, optimising costs, package printing and prepress work, training of personnel, advising packaging norms and working on packaging standards etc.

. • The packaging converting industry in Bangladesh is not directly confronted with the international competition of neighbouring countries due to the constraints at import level. As a result, the stimulus of international competition is not directly felt, which is a significant threat for the future if borders were to open.

. • The need for developing knowledge and skills about export packaging is highly recommended. BQSP has delivered capacity building seminars for the packaging converting and agro-food processing sectors. The programme has also deliver "packaging clinics" to address the common issues of packaging exporters. This has also been be followed by direct assistance support to exporting enterprises.

. • The need to develop packaging training experts is vital for the future of the industry. During the course of the Programme a selected group of 18 of trainers cum counsellors was trained at the Indian Institute of Packaging (IIP). Of these 13 who completed the course were given further training in presentation techniques. Upon completion of the BQSP, Bangladesh has 10 packaging experts available and ready to conduct training and advisory support activities in the field.

. • Packaging is the key to export sectors like fresh and processed fruits and vegetables, herbal products etc and needs to be thoroughly understood in terms of its special requirements including design, testing, information sharing, training as well as testing the raw materials that go into conversion (food law compliance). A thorough understanding of quality and safety requirements for the export

markets therefore, cannot be overlooked.

. • Building a Packaging Technical Resource Centre that works under the umbrella or closely with the National Packaging Association (to be created, see below) is essential for building the competitiveness of packaging converters and exporters. The Resource Centre envisaged should cover aspects like research and development, compiling and dissemination of information on international regulations and business intelligence, the assessment and certification of packaging materials and components for their conformity with export requirements, conducting of packaging trainings on continuing basis, the provision of a platform for international knowledge transfer among a number of other activities established for the benefit of the industry.

. • For the Resource Centre to act as the knowledge focal point for the country, it is highly recommended to create a national packaging umbrella association that will work closely with the institutional sector and organise the interests of the packaging industry under one roof-one voice. The BPWG could, under the impetus and support of BCCAMEA, act as a focal point to create the conditions of a national packaging body representing all interest of the industry.

Summary of the Strengths and Weaknesses, Opportunities and Threats for the Bangladesh Packaging Industry

Strengths

- Competitive labour costs.
- Packaging demand for sophisticated products exists, although RMG is driving packaging demand.
- Bonded facilities exist for exports, yet incentives for export packaging need to be considered to overcome the low demand of the horticulture and agro processed food packaging.

Weaknesses

- Packaging industry is very small compared to the neighbouring countries.
- Sub sector packaging associations act individually.
- Strong dependence on RMG and low demand for high end sophisticated packaging materials

limits access to technology. Current demand for export packaging of horticulture and agro processed foods is low, making

it unattractive for packaging producers to supply. Low demand for packaging in the country limits growth of the industry. Absence of packaging expertise available in the country. Expertise exists at company level but

is not shared at industry level. Absence of packaging information and testing centre facilities. No packaging equipment industry available in the country. High import duties and tax structures.

Opportunities

- Set up a national Packaging Association grouping all sectors interests.
- Set up a national Packaging Resource Centre for packaging and user industries.

- Strengthen the institutional sector, among others the standards bureau (BSTI) in the field of packaging standards, including testing.
- Build training experts and a training and advisory centre for packaging. Consider getting expertise support from the IIP.
- Strengthen the linkage between packaging suppliers and users so that packaging industry suppliers are in a position to understand the needs of their customers (esp. outside of the RMG) and advise and counsel their clients in the field of packaging.

Threats

- Most of the packaging industry is not competitive vis a vis the high performing packaging industry in the sub-region (China, India), especially on infrastructure support, access to cost competitive raw materials, critical mass.
- If the packaging industry associations do not come together, stay fragmented and continue to act individually, the institutional sector alone will not be in a position to uplift the level of the industry, which is badly needed for export performance.
- The Bangladesh packaging industry is too small to survive competition from the other regional packaging suppliers if and once the borders open, unless it groups itself and opens a constructive dialogue with the institutional sector to significantly lift up the capacity building of the industry. The BQSP programme will overcome part of the handicap. Yet, significant resources need to be allocated to go steps beyond and develop a performing industry across all sectors.

Acronyms and Abbreviations

BCCAMEA	Bangladesh Corrugated Carton and Accessories Manufacturers And Exporters Association
BFFEA	Bangladesh Frozen Foods Exporters Association
BJMA	Bangladesh Jute Mills Association
BPGMEA	Bangladesh Plastic Goods Manufacturers And Exporters Association
BPWG	Bangladesh Packaging Working Group
BQSP	Bangladesh Quality Support Programme
BSTI	Bangladesh Standards and Testing Institution
CFB	Corrugated fibre board
CNG	Compressed Natural Gas
DCCI	Dhaka Chamber of Commerce and Industry
EOU	Export Oriented Unit
EPZ	Export Processing Zone
FDI	Foreign Direct Investment
FE	Foreign exchange
GDP	Gross domestic product
HACCP	Hazard analysis and critical control point
IC	International consultant

ISO	International Organization for Standardization
L/C	Letter of Credit
MIS	Management Information Service
MOU	Memorandum of Understanding
NC	National consultant
NCID	National Council of Industrial Development
PE	Poly ethylene
PET	Poly ethylene teraphthalate
PP	Poly propylene
PVC	Poly vinyl chloride
R&D	Research and Development
RMG	Ready Made Garments
QA	Quality assurance
SME	Small and Medium Enterprises

Table of Contents

Preface iii

Executive summary v

Acronyms and Abbreviations xi

Table of Contents xii

1. Economic environment and its relevance to the packaging sector 1

1.1 Importance of the packaging sector in the national economy 1

1.2 Recent developments in the packaging sector and trends 3

1.3. Government policies and incentives related to packaging sector 4

2. Bangladesh packaging industry 7

2.1. General scenario 7

2.2. Sectors driving the need for packaging 8

2.3 Consumption of packaging materials 10

2.4 Production and use of packaging 11

2.5 Printing industry 15

2.6 Type of technologies and equipments used by the main converters 15

3. Trade in packaging materials 16

3.1 Major trade laws of Bangladesh 16

3.2 Availability and access to raw materials 16

3.3 Future prospects and trends 17

4. Infrastructure support 18

4.1 Logistics and transportation infrastructure 18

4.2 Power, information and communication technology (ICT) 19

4.3 Standardisation, certification and testing organisation 19

4.4 Contraints - customs clearances, port delays etc. 20

4.5 Environmental impact of packaging, recycling and reuse 21

4.6 Packaging support institutions 21

4.7 Export promotion institutions 22

5. Main conclusions and recommendations 23

5.1 Main strengths, weaknesses opportunities and threats for the packaging sector23
5.2 Main conclusions and future prospects 24

5.3 Recommendations 27

5.4 Packaging Technology Centre 29

5.5 Proposal 30

Annex I. Socio-economic Indicators of Bangladesh 31

Annex II. Sectors percentage contribution to Bangladesh GDP 32

Annex III. Major government policies for trade and exports 33

Annex IV. Major legislation relating to trade 38

Annex V. List of current BSTI standards with relevance to packaging 39

Annex VII. Draft proposal for the Packaging Resource Centre 41

Annex VII. Major Trade Associations Related To Packaging 46

Annex VIII Government Bodies and Agencies Connected With Packaging 52

Annex IX Major Converters and Suppliers of Packaging Materials 53

Annex X Suppliers of packaging converting machinery 61

Annex XI Suppliers of packaging filling machinery 62

Annex XII Major Users of packaging materials 63

Annex XIII. Other important contacts 66

Annex XIV. Policy Issues justifications and suggestions 70

Tables

Table 1: Most commonly used packaging formats. 7 Table 2: Estimates on consumption of selected packaging raw materials by
RMG sector in 2007-08 (US $) 9 Table 3: Estimates on consumption of packaging by shrimp sector in 10
2007-08 (US $) 10 Table 4: Estimates on current consumption of packaging material 11 Table 5: Estimates: Bangladesh packaging market 14 Table 6: Imports of packaging and raw materials 16

Figures

Figure 1: Percentage sectoral growth (value terms) 1 Figure 2: Contribution of economic sectors in GDP 2007 2 Figure 3: Shrimp exports in million US$) 9 Figure 4: Export of fresh vegetable.(US$'000) 10 Figure 5: Estimate: Contribution of different materials in packaging
(billion US$) 11

1. 1. Economic environment and its relevance to the packaging sector

2. 1.1 Importance of the packaging sector in the national economy

While economic performance of a country has an influence on the consumption of packaging it is also true that packaging helps in economic development and the well being of the country's population.

Bangladesh is one of the largest deltas in the world with a population of over 150 million in 2007, making it one of the most densely populated countries of the world. The country is covered with a network of rivers and canals forming a maze of interconnecting channels. Dhaka is its capital city and Chittagong is the main seaport. Socio economic details are given in Annex I.

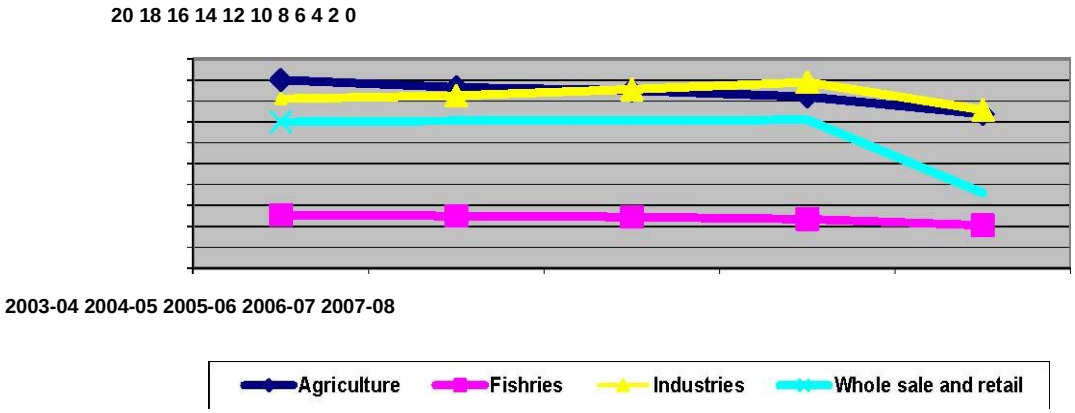
Bangladesh has a tropical monsoon climate with three main seasons- the hot and humid summer (March-May), the rainy season (Jun-Sep) and the mild and relatively dry winter (Dec-Feb). Spring and autumn (Oct-Nov) are brief but distinguished by changes in vegetation as well as mean daily temperature. Average annual temperature is 26 degrees centigrade while rainfall is 2540 mm. Conditions are considered favourable for the growth of agriculture sector.

Bangladesh is abundantly endowed with natural resources especially gas, coal and oil. It is an agrarian country having very fertile land and coastlines making it suitable for agriculture, fisheries, livestock and the connecting industries. It is one of the largest exporters of Ready Made Garments (RMG) and producer and exporter of frozen foods, handicrafts, jute and jute goods. Thus has a product to offer to the international markets.

Contribution to national GDP is driven evenly by sectors including agriculture and fisheries 21%, manufacturing 18%, construction 9%, trade 14%, transport storage and communications 10% while other sectors together contribute 28%. Details are placed at Annex II. Changes in the percentage growth of a

few sectors with a heavy dependence on packaging are shown at Figure1.

Figure 1: Percentage sectoral growth (value terms)



Source: Bangladesh Economic review 2007 and 2008.

Small-scale enterprises still re-use post consumer packages such as corrugated boxes, sacks, glass and plastic bottles to package products. The medium and large manufacturing companies depend mainly on local converters for their packaging needs. For high quality packaging however these companies resort to imported packaging materials to ensure that their products are attractive and comparable to international standards. Local packaging converters and users especially in the small sector are unable to meet the demands for high quality packaging due to several constraints. Some major constraints include old technology and machinery with small converters, inadequate skills in packaging technology due to absence of institutions for training, lack of facilities for packaging development, absence of national packaging standards, and facilities for testing packages, high raw material procurement costs.

Constraints if resolved, and active role by trade association supporting affective packaging can promoting the growth of value added goods in all sectors to a great extent. Today the scope of non-traditional exports from Bangladesh has expanded to include spices, textiles, handicrafts, fruits and vegetables, processed agro products etc. in addition to already vibrant sectors like RMG and frozen fish, shrimps, vegetables and fruits. Unfortunately poor packaging is still a major constraint to the growth of the emerging sectors.

Bangladesh has a large number of its citizens who work abroad. For example in the year 2007-08 around 981,000 contributed to a remittance of approximately US$ 8,000 million which indicated a percentage change of 32.4% over previous year. Most of this population is employed in Gulf region and contributes to the demand of Bangladesh exports to this region.

The contribution to the economy is analysed and summarised as shown in Fig 2, as equally driven by the traditional agriculture and fisheries sector with a good export potential, vibrant trade and services sector and the manufacturing sectors mainly driven by RMG sector.

The packaging sector assumes an important role in the development of the Bangladesh economy, supporting the increase of existing packaged products and creating new opportunities through value addition and packaging.

Figure 2: Contribution of economic sectors in GDP 2007

[redacted]

1.2 Recent developments in the packaging sector and trends

Global trade presents new challenges for producers and exporters in a developing country like Bangladesh. Analysis of the information gathered about the manufacturing sector reveals that the sectors like RMG, knitwear, shrimp/fish, milk/milk products, beverages/ juices, fresh fruits and vegetables and the processed agro-products drive the development and the need for packaging in proportions which vary substantially between the sectors.

Need for collaborations and dependence on each other cannot be overlooked by the industries to optimise on their cost of production. For example visit to the packaging facility of an RMG company (MONTRIMS LTD) revealed one of the best packaging, printing and decoration facilities in the country. Managers and supervisors in such enterprises are clear about the packaging quality requirements for exports and also seem to be having backward and forward linkages to ascertain the quality and certification of packaging material they are using for exports. However, because of their 100% export status with bonded ware houses and the system such companies follow, there is a very limited scope and interest by such companies to educate and pass on the information to other exporters. Yet another visit to a packaging company (PADMA GP) gave an insight to their operations that cover paper manufacturing, manufacturing of plastic packaging like plastic caps, lami-tubes, tanks etc, adhesive labels, 3-pc cans and crown, self adhesive labels etc. -in fact most of the products including in-house prepress operations. This company also has some of the best QA and manufacturing control practices in place. Yet this company did not actively participate in the programmes conducted as well as chose not to provide access to TCCs visit. Thus packaging industry was found to be compartmentalised with limited collaborative efforts within the country. Packaging associations' role also seemed to be not aligned in this direction.

During the visit to enterprises dealing with RMG sector it was assessed that most of the units have their own corrugated box manufacturing units along with small extruders and printing facilities to take care of their own group packaging requirements. Most of such companies are the members of BCCAMEA, an association that was initially projected as the only packaging association within the country. However, the association has no packaging related expertise, facilities –like testing centre, resource centre and other services to offer to their members.

Shrimp and fish exports are the second top foreign exchange earner for the country after the RMG sector. Most of the companies have the HACCP protocols and are in the process of adopting traceability norms and mechanisms which is likely to be completed by the year 2010.BFFEA is the only body within the country for fish processing units in Bangladesh. The sector needs the services in the areas of packaging design, testing and certification to meet export requirements.

Other prominent manufacturing sectors requiring adequate support in the use of appropriate and quality

packaging include jute and textile, leather, handicrafts, tea, fertiliser, juice and beverage.

Most of the manufacturing activity in the country operates as SMEs unequally distributed across the country. Over 50% of them are located in the Greater Dhaka and Chittagong regions.

The printing industry in general seems to be doing well. Specifically for package printing, offset and gravure are the preferred choices for consumer packs. Cylinder engraving and prepress facilities are adequate to meet present requirements. Low end flexo printers are presently in use with RMG and corrugated fibre board (CFB) manufacturers. With the growth of flexible packaging industry, flexo printing especially for surface printing of multi colour fine graphics jobs is being assessed by local entrepreneurs for induction. Other likely induction could be the digital printing systems for specific type of jobs.

With the growing realization on the importance of packaging, many manufacturers are investing in good quality packaging to enhance the quality of their products. With the export growth, particularly driven by RMG and frozen food products, the country has better opportunity for export of value added as well as fresh produce if packaged in a way that meets the international norms. Most of the plant and machinery is imported from China, Korea or India.

Packaging used by the RMG and knitwear sector for exports is assessed at around US$ 1.1 bn per year. Type of packaging used for such trade is mainly corrugated boxes of 3-ply and 5-ply, poly bags sometimes with value addition like zipper pouches, different type of printing and a variety of labels, stampings etc. A few companies have automatic plants and mostly import paper for manufacturing of cartons under the incentives programmes available.

It is known that some areas of the packaging industry are power intensive. With the abundant availability of natural gas some of the industries especially the corrugated box manufacturers are using cheap gas locally available gainfully to reduce their operating costs and this trend will increase in other areas through local innovations.

Special bonded warehouses (SBWs) allow 100% exporters and "deemed" exporters to import and stock inputs duty free. The warehouse facility is administered by the NBR, which issues a licence to operate an SBW and monitors the inventory through the use of import and export passbooks and a pre-tabulated input-output system. SBWs have been a critical factor in the development of Bangladesh's garment exports. This scheme is very useful for procuring the raw materials as well as packaging for exports.

Although import restriction on corrugated carton has been lifted for quite some time now, industry feelers suggest that it is possible for them to procure quality cartons locally. However, this perception needs to be corrected since sectors other than RMG do have the problems in procuring the quality boxes locally.

Even the most modern 100% EOU plants have not set up local in-house testing facilities and find it convenient to a testing laboratory in Hong Kong.

Large investments have been made in setting up the flexible packaging companies and these companies are already operational. More companies are likely to be operational by 2010. A huge production capacity seems to be available by next year.

1.3. Government policies and incentives related to packaging sector

The thrust of the Bangladesh Government industrial policy is the acceleration and promotion of

sustainable industrial development within a liberalized economic environment. The long-term policy objective is to move the industrial sector from its present position to the first position in terms of its contribution to GDP.

Several sector/ product specific business promotion councils have been created by the Ministry of Commerce with both government and non-government initiatives under the Company Act 1994 for the purpose of export diversification, improving and ensuring the product quality, acquiring appropriate technology, maintenance of compliance requirements, product marketing etc. Many EOU units appear to be either using these benefits or are in the process of using the same.

The drug policy 2005 has been formulated to ensure manufacture of adequate quantity of essential drugs of good quality. The policy document also regulates all activities related to import, procurement of raw and packing materials, production and import of finished drugs, export, sale, pricing, etc. of all kinds of medicines including those of Ayurvedic, Unani (herbal) and Homoeopathic systems.

The Export Promotion Strategy - 2006-2009 paper aims at export diversification, improving and ensuring product quality, acquiring appropriate technology, maintenance of compliance requirements, product marketing etc. Some of the main steps include: establishment of the Product Development Council under the Companies Act, defining and classifying the industrial enterprises Central (Bangladesh Bank) Bank's definition of SMEs, clarity on export-oriented and export linkage industries. Registration and documents review, QC and export clearance, formation of Special bonded warehouses and export processing zones are the other provisions in the Strategy document. Details in Annex III

Major incentives and support measures initiated since last few years include:

- Concessional duty rate for import of capital machineries and spare parts.
- Bonded Warehouse and back-to-back Letters of Credit
- Duty drawback on exportable and potentially exportable goods.
- Easy availability of loans up to 90% of the value against irrevocable and confirmed Letter of Credit/Sales Agreement. Incentives to the "deemed exporters" supplying indigenous raw materials to export-oriented industries. The export-oriented industries are entitled to receive additional foreign exchange on a case to case basis for publicity campaigns, in opening overseas offices and participating in international trade fairs. Specified quantities of duty-free samples for manufacturing exportable products are allowed. Locally manufactured products supplied to local industries or projects against foreign exchange payment or foreign exchange Letter of Credit are treated as indirect exports. Packaging industries supplying packaging products to Exporters are also under this category of exporters.
- Export earnings from handicrafts and cottage industries are exempted from income tax. For all other industries, income tax rebate on export earnings is given at 50 percent. Import of raw materials, which are included in the banned / restricted list, are allowed if required in the manufacture of exportable commodities.
- Under the Export Credit Guarantee Scheme 10% of production of enterprises, located in both public and private Export Processing Zones (EPZs) is allowed to be exported to domestic tariff area against foreign currency Letter of Credit on payment of applicable duties and taxes.
  100% export-oriented industry outside EPZ is allowed to sell 20% of their products in the domestic market on payment of applicable duties and taxes. The Export-oriented industries which are identified by the government as "Thrust Sector" are provided with special facilities and venture capital support.

- The Export Promotion Bureau is the national institution for export development and promotion under the Ministry of Commerce aims at: development of national exports awareness, identification of products with export potential and locating markets for them, creating goodwill for Bangladeshi products through overseas and local trade fairs and exhibitions, advising exporters on a wide range of export related issues, and training exporters to upgrading their skills in export market

2. Bangladesh packaging industry

2.1. General scenario

The packaging industry with a modest start in late 70's, today produces various types of corrugated box, duplex board cartons, flexible mono- layer and multi-layer films and bags (up to 3 layer), flexible laminates (2 layer and 3 layer structure); plastic based rigid containers-HDPE and PP bottles and caps, PET bottles, PP woven sacks, multi-wall paper sacks, paper based carry bags, paper cups, plastic disposable cups, jute sacks and hessian bags, and plastic crates.

Raw materials, converting and printing machineries, very high quality pre- press facilities, inks, chemicals and other related items including Package Filling and Sealing machines, are imported.

Local testing facilities are almost nonexistent. Test certificates for exports are obtained from a laboratory in Hong Kong. Accreditation status of tests offered by this laboratory needs to be ascertained for universal acceptance of their reports.

The country has a few world class packaging manufacturing facilities. However, quality of locally produced packaging material other than by EOUs has a great scope for improvement.

Technical manpower to run these industries is trained in house mostly on the job. Training is also given by the materials and machinery suppliers and retired consultants from abroad. The technicians do not have any formal education in the area of packaging.

The pre-press facilities available, both for Off-Set and Gravure Cylinder is of fair standard. Here again the technical manpower is trained in house, on the job and mostly by the machinery suppliers.

Some of the commonly used packaging/materials are indicated at Table –1

Table 1: Most commonly used packaging formats.

Material	Packaging Forms	Area of use	Source
Paper duplex board	corrugated box, multi-wall sack, labels, cartons, back boards, collar stiffeners, paper carry bags, paper cups and tetra pack	Readymade garments, frozen foods, consumer goods, pharmaceuticals, food and cosmetics, cigarettes and beverages, cement, shopping bags.	Local for low end purposes, especially fluting medium Europe-Kraft and liner materials Grade A (100% pulp) paper imports from Canada & Finland.

Material	Packaging Forms	Area of use	Source
Plastics	mono films, bags,	detergent powder, cosmetic	imported -PVC spl

	laminates, pouches, laminated tube materials, bottles, caps, thermoformed disposable cups, trays, woven sack, shrink wrap, shrink sleeves, strapping materials	products, assorted foods, vegetable oils, water, fruit juice, beverages pharmaceuticals and readymade garments, frozen foods and vegetables	grades,
Metal	cans, ropp and crown caps, foil collapsible tubes and drums	fruit juice, beverages, vegetable oil, paints, pharmaceuticals	tin plate Imported from India, Japan
Glass	bottles and jars (amber and clear flint), ampoule and vial	pharmaceuticals and cosmetic products,	local/imported
Jute	jute sack, hessian bags	food grains, sugar, seed potato, and value added export items	local
Adhesives starch and silicate based	corrugated industry	for export products, boxes with starch based preferred.	mostly imported from India, Malaysia, Europe
Inks, varnishes, etc	mostly offset by CFB and gravure inks by flexibles		PU based imported from Malaysia

Source: Field Visits and Market Research by NC and IC.

2.2. Sectors driving the need for packaging

As indicated out in chapter 1, major sector driving the need for quality packaging for exports include agro products, garments, fish and shrimps.

Re ady Made Ga rment (RMG) sect or

The current garment exports stand at US$ 10.7 bn and are the top foreign exchange earner for the country[1]. Majority of the raw materials used by the RMG sector is imported under the various incentive programmes provided by the Government. The industry forecasts are that this figure will reach US$25bn by the year 2013. The industry valuation of finished packaging used by RMG sector stands at US$1.1bn. Current estimates on packaging raw materials consumption considering an average value addition of 40 % as reported by the industry and making suitable assumptions the raw material consumption is estimated for RMG sector are indicated at Table 2.

[1] BCCAMEA

Table 2: Estimates on consumption of selected packaging raw materials by RMG sector in 200708 (US $)

Type of raw materials	Million US $	Type of materials	Imports	Importing countries
Plastic resins	132	PE, PP, PS, PVC, LLDPE, PET BOPP, etc.	100%	South Africa, China, Korea, Indonesia, Malaysia, Singapore, Japan, Australia, Germany,
Paper.	495	Kraft and white liner, medium grade paper, art card, self adhesive paper	80%	
Other materials	33	Stitching wire, starch, printing inks etc.	80%	

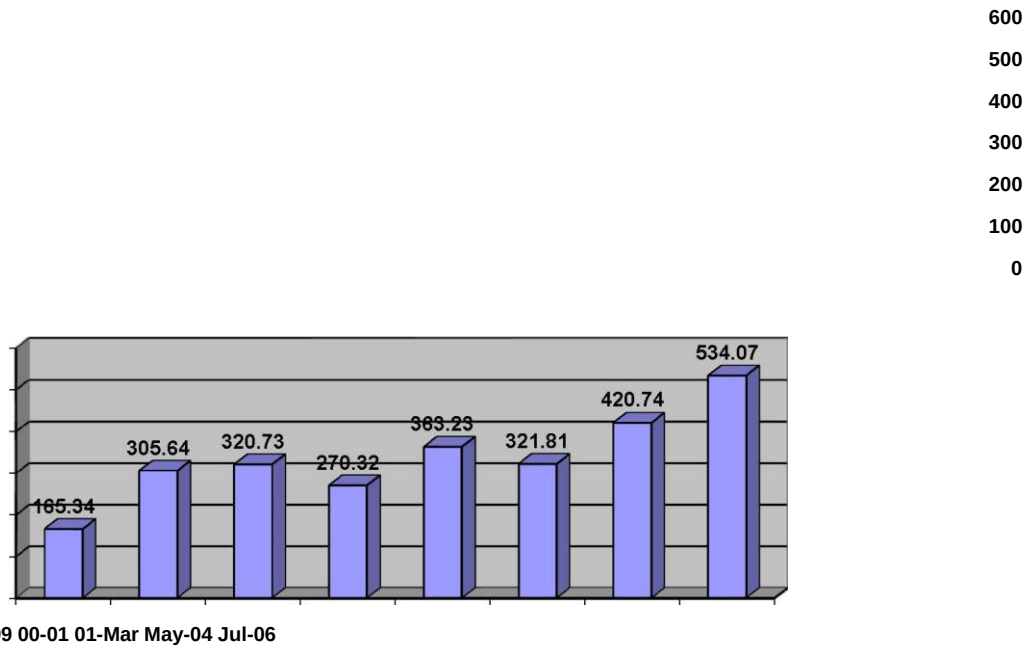
Source: Assessments by IC

Fis h and Sh rimp sector

Fish and shrimp exports in the year2006-07 constituted the second most important foreign exchange earner at US$ 534.07 million for the country. Shrimps constituted the majority at US$445.4 million. There are about 145 functional shrimp processing plants out of which 78 are licensed by Government of Bangladesh. Out of these 78, 67 plants are approved by EU and 42 are green ticketed by USFDA. Many times locally supplied packaging becomes the constraint for the industry. Details on the type of packaging types used by the industry are shown at Table 3.

Major export markets for shrimps include USA, Belgium, Netherlands, Germany and Japan. Trend of shrimp exports over the years is indicated at Fig 3. The user industry feels that improved quality of boxes with solutions to prevent smudged inks and prints in the cold chain environment will further improve the image of their products.

Figure 3: Shrimp exports in million US$)



Source: Bangladesh Frozen Foods Exporters Association (BFFEA) data

Table 3: Estimates on consumption of packaging by shrimp sector in 2007-08

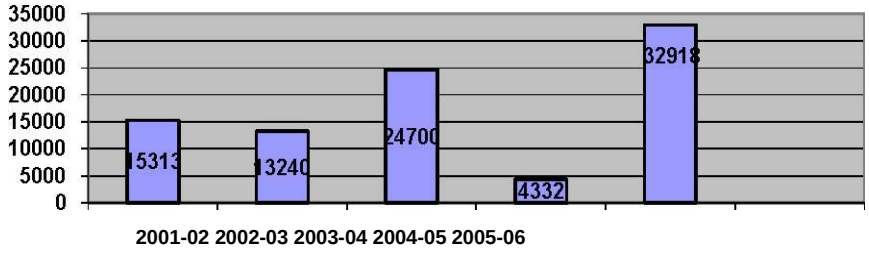
Type of packaging Master cartons Inner Cartons Poly bags Polyethylene wrap Tray/ Aluminium foil/ Poly bags, EPS boxes, poly sheets ,plastic baskets and drums, etc	Pieces (Qty) 7 million 15 million 20 million 3 million As required

Source: BFFEA.

Fruits and ve getable s

Fruits and vegetables exports currently are not significant in Bangladesh's overall export figures. With the favourable climate for fruits and vegetables production as well as the availability of labour, there is a huge potential for exports in this sector. Sectoral export trend is shown at Figure 4.

Figure 4: Export of fresh vegetable. (US$'000)



Recent efforts of the organisations like Hortex in exporting fresh fruits and vegetables have brought out many shortcomings in the available packaging materials and cartons within the country. These include non adherence of dimensional tolerances, sizes of products, quality and strength characteristics of the boxes etc. Many times the efforts of the exporters become a frustrating exercise due to packaging failure. Hortex has developed protocols including the sizes of the packing boxes which could further be refined by introducing performance criteria for the boxes.

2.3 Consumption of packaging materials

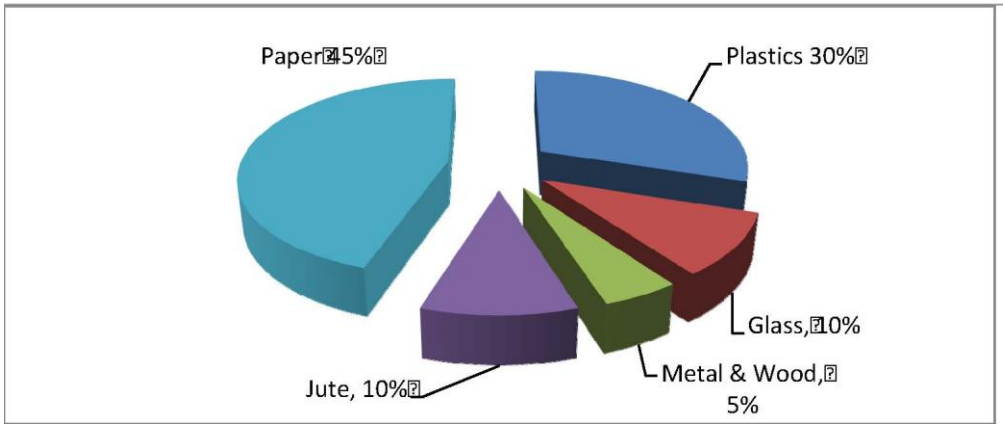
With the guess work provided by BCCAMEA and the NC, total packaging industry size serving three major sectors of exports is assessed as indicated at Table-4. Relative importance of different materials across all the sectors is shown at Figure 5. Total consumption by these three sectors is thought to be approximately BDT 1.7 million.

Table 4: Estimates on current consumption of packaging material

Sectors	Paper based packaging		Plastic based packaging		Other materials	
	Value mn US$	Qty T '000	Value mn US$	Qty T '000	Value mn US$	Qty T'000
RMG	825	1650	220	30	53	8
Fish &Shrimps	43	7	11	0.16	-	-
FFV	3	3.5	-	-	-	-
Total	871	1669.5	231	30.16	53	8

Source: Estimation by IC

Figure 5: Estimate: Contribution of different materials in Packaging (billion US$)



Source: Field visits and market research by NC/IC/BCCAMEA

2.4 Production and use of packaging

Paper bas ed packaging

Starting in the late seventies, corrugated boxes with single wall construction using locally produced brown sulphate paper and the machines imported from the neighbouring countries. The industry today is locally producing different types of corrugated boxes, duplex board / carton. Out of 873 corrugators around 16 have a good high performance automatic line

With the early 90's growth in export of RMG, the sector started with the import of corrugated boxes as desired by the importers. Soon with the enabling policies, RMG manufacturers found it lucrative to import converting machinery from the Asian countries and convert the imported paper to produce packaging within their group companies. This explains the interest of large players in RMG sector to also influence the national policies for packaging industry. It is widely thought that Bangladesh is earning about US$1.1 bn a year through deem export of packaging alone.
There are as many as 873 corrugated box manufacturers in Bangladesh. Quality of locally produced corrugated made from imported Kraft paper is good on average and could be classified as: varying from High Standard to Medium Standard to Average Standard. Bangladesh also has some factories with fully automatic plants capable of producing world class quality corrugated boxes, managed by foreign experts.

Duplex board Cartons, labels, soap and other wrappers etc. are traditionally undertaken by offset printing industry. There are a few units who manufacture cartons by hand pasting along with a good number of

automated industries.

One major observation that has emerged is that almost no corrugated board manufacturer is equipped with the conditioning facilities and the testing equipment that are indispensable for the applied research and quality control on corrugated board packages. Consequently, there is no way of ascertaining locally, whether the structural design and specifications of a corrugated box are appropriate, below or above the international standards concerned.

Other paper based packaging manufactured locally includes printed multi-wall paper sacks from extensible sack Kraft with self-closing valve for granular products, top and bottom pasted sacks with or without plastic liners, high quality printed-paper shopping bags for export and local market, paper cups for both hot and cold beverages etc.

Plastics based packaging

With around 3,000 of all kind of plastic converters and 100% import of raw materials (including industrial and commodity plastics), the plastic industry is the fastest growing sector at around 10%. There are around 400-500 plastic packaging converters, manufacturing all kind of bottles, jars, closures, returnable crates etc. Commonly used resins include injection or blow moulded PP, PS and PET grades. Plant and machines in operation are a mix of old as well as new machines from reputed manufacturers.

Almost all type of resins varying from PVC to PE, Nylon, and PP are converted for packaging applications. Industry has the facilities for local metallization on films, extrusion, lamination solvent based as well as solvent free, gravure printing, simple jobs on flexo printing etc. Woven polypropylene bags are also locally produced

All type of industrial and commodity plastics are imported by Bangladesh since there is no manufacturing facility available within the country. In the absence of data current consumption of plastics that go into packaging is assessed at 83,400,000 T (taking base figure as reported in 200405 reported by Catalyst and Bangladesh Bank with an average annual growth of 10%).

There are around 32 companies involved with the production of flexible packaging material and pouches, out of which around 4 are large companies, who are producing approximately 2,000 T of laminates and films per month. Some of the large companies visited were found to be operating with high end converting machines and technologies.

Jute packaging

Bangladesh is the largest player in jute production along with India. The country produced 54, 4000 T of jute products in the year 2005-06 and exported jute products at a value of US$ 196 million. 90% of the export items included Hessian, jute sacks and others. Only 10% of the jute products were used in the domestic market for packaging of rice, paddy, potatoes, wheat, pulses and others. The importers usually use these jute bags for packaging of seed potatoes, raw seeds and food grains.

Conversion technology is based mostly on imported machinery from Europe. In most of the factories the in-process materials are stored on unique bamboo pallets and finished products are stored on wooden pallets

Export markets over the last few years have shrunk due to competition from PP woven sacks. Government encouragement to the sector is provided including through a fully functional government research institute for testing and research. Present financial condition of the industry is poor. Major

support from the World Bank is likely to uplift the industry.

Metal packaging

Starting with the manufacture of aluminium pilfer proof caps in 1987, aluminium tubes in 1993, crown caps in the year 1999, the country has produced metal cans of different types and shapes with and without printing since 2000. All the raw materials are imported from neighbouring Asian countries. All conversion machines are imported. One ISO certified Company with ERP, MIS and R and D facilities is available for can manufacturing.

Glass packaging

Two local companies are currently producing about 100-120 T glass bottles per day. The industry has the capabilities to produce glass containers under Blow and Blow and Press and Blow processes, including Narrow Neck (NNPB) and Wide Mouthed (WMPB) techniques for light weighting and jars respectively.

About 100 types of RB/NRB bottles in the capacity ranging between 15-1000 ml of various kinds, shapes, sizes and colours, both in decorated/non-decorated, are being manufactured to cater to the demand of domestic customers as well as for export markets for all pharmaceuticals, beverage, liquor, processed food, cosmetics and perfume industries. The industry produces both clear flint and amber colour glass bottles. Locally available raw materials and imported raw materials are used. The industry has incorporated its technology from Europe. The industry has a good number of gas fired furnaces with fully automatic IS (Individual Section) machines. The moulds are imported from abroad. One of the companies is using tray and shrink wrap as outer container for distribution of the bottles, whereas the other company is using corrugated box with shrink-wrap.

Quality Control and R and D Sections are well equipped with sophisticated instruments. The industry has well equipped laboratories, which contribute to produce international quality containers. All raw materials and finished products are statistically sampled and analyzed in the Laboratories to ensure that they meet specific quality standards. The industry has self-sufficient machines in their workshops. The industry has a team of qualified, experienced and skilled glass technologists, engineers and technical staff. One of the companies is diversifying by setting up a PET bottle plant.

Wood packaging

The wood packaging industry which was active in 60’s seems to have been perished in the present climate. The use of wooden cases is rare and the user industry hires carpenters to fabricate wooden cases if required. Similarly there is no wooden pallet manufacturing industry and here again the user industry takes the help of local carpenters to fabricate wooden pallets as per their specifications. However the country has a few large plywood industries. At the same time certain types of plywood are also imported.

The manufacture of wooden crates and pallets is a handicraft activity, without specific compliance to international standards and quality commonly used in many other countries. The hand tools used and the skill of the artisans concerned do not allow the high productivity, which would be required for the achievement of low production cost.

Other pack agin g com pone nts

Inks used for gravure, offset and flexo printing are all imported except for the very low end non food

printing jobs. Good quality starch based adhesives for the corrugated industry and the solvent based and solvent free adhesives by the flexible packaging industry are also imported.

With the information provided by BCCAMEA, the packaging market is assessed sector wise as indicated at Table 5

Table 5: Estimates: Bangladesh packaging market

Item	Value in billion US$
Imported Paper	
PlasticMetal	
GlassLocal paper	0.75 0.80 0.28 0.24
Jute WoodTotal	0.25 0.25 0.15 2.72

2.5 Printing industry

There are about 10,000 members of the Bangladesh Printers Association spread all over the country involved in all kind of printing jobs. The offset printing industry in Bangladesh is the old industry. Investment in the printing industry has grown in a phased manner and today the industry is active with offset, gravure, screen and a few flexo printing machines.

High quality gravure cylinders as per the world standards using world-class technology as well as high quality offset printing jobs are produced by some players. Over the years an appreciable development in producing high quality offset press jobs has been reported

2.6 Type of technologies and equipments used by the main converters

All most all the converting machinery is imported from Asian and European countries, except a few locally made low cost and low quality two ply conversion machines which are in use. Mainly the technology is to produce a two ply corrugated board by using the low cost 2 ply semi automatic corrugated machine and then produce 3 ply, 5 ply, 7 ply board by hand pasting. The flute used generally is B flute. To bond the layers of papers sodium silicate is mainly used. The manufacturer's joint is either glued or stapled. Good quality staples are used and these are imported from China. The technical manpower to run the corrugated industries is trained in house on the job. They are also trained by the machinery suppliers and by retired consultants from abroad.

All kinds of packaging conversion and filling machines are imported. The two ply corrugated box making plant and PP/LDPE blown extrusion film plants are manufactured by the small entrepreneurs.

Many of the corrugated plants especially with large RMG, 100% units are automatic lines. High quantities of standard boxes and the export benefits such companies enjoy, justify their investments. Most of such plants are of Korean or Chinese make with a few exceptions of Indian make.

Large flexible converters have purchased 3 or 4 layer extruders imported from Taiwan for blowing films. Mostly units have installed more than six colours and in some cases 10 colour gravure presses to produce good quality reverse printed jobs. Large flexible companies also were seen operating with wet as well as dry lamination techniques as well as converting pouches of various sizes indicating that most of the filling and use operations of flexible laminates within the country is by small odd-lot operators operating in small sector.

1. 3. Trade in packaging materials

2. 3.1 Major trade laws of Bangladesh

Reforms in the legal and regulatory framework, which is considered outdated, have become essential for facilitating economic growth and social development. Since 2000, new legislation has been passed on: public procurement; copyrights; energy; telecommunications; money loans; and land ports. Major legislations relating to trade are placed as Annex IV.

The Patent Office and the Trade Marks Registry have been merged, and applications for a patent or for registering an industrial design must be made to the Department of Patents, Designs and Trademarks of the Ministry of Industries (since March 2004)

3.2 Availability and access to raw materials

Imports

The majority of raw material has to be imported for conversion. This includes almost 100% plastic granules and 80% paper. All raw materials including duplex board are imported mostly from the Asian countries. The level of imports has been increasing as a result of growing domestic demand. India, China and Singapore are the major sources of imports to Bangladesh. Table 6 indicates the type of raw materials that are imported and their use.

Table 6: Imports of packaging and raw materials

Raw materials /Packaging forms	Area of use	Source
Paper based Kraft liners Multi-wall sack, labels, Cartons, back boards, collar stiffeners, Paper Carry bags, Paper Cups and tetra pack	Readymade garments, frozen foods, consumer goods, pharmaceuticals, food and cosmetics, cigarettes and beverages, cement, shopping bags.	Imported mainly from Asian countries and also from Germany
Metals Aluminium foils Tin Plate Steel sheets	Fuel, oil, lubricants, chemicals, paints, crown and caps, beverages, beer and aerated drinks.	India Japan

Plastics Raw granules: PP. PVC, Pet, PE, PS Mono Films: BOPP. PET, shrink wrap, shrink sleeves, strapping materials FIBCs	Detergent powder, cosmetic products, assorted foods, vegetable oils, water, fruit juice, beverages pharmaceuticals and readymade garments, frozen foods and vegetables	Imported

Raw materials /Packaging forms	Area of use	Source
Collapsible tubes and drums	Fruit juice, beverages, vegetable oil, paints, pharmaceuticals	Imported
Glass Bottles and Jars(amber and clear flint), ampoule and vial	Pharmaceuticals and cosmetic products,	Local/Imported
Jute sack, Hessian Bags	Food grains, sugar, seed potato, and value added export items	Local
Inks, adhesives, coatings etc	Package production and decoration	

Ex ports

Though there are no direct export of packaging and packaging materials, the deemed exports on account of RMG sector predominantly indicate around US$800 million worth of exports (80% of US$1.1 bn). The major export markets for Bangladesh readymade garments are EU, USA and Canada and the laws in these countries govern the quality requirements demanded out of packaging.

Around 381, 100% export oriented plastic units in the country exported plastic goods worth US$ 44 million in 2006 to 23 countries of the world in the North America, Europe, Asia, Pacific and the Middle East regions. The five major destinations of Bangladesh plastic goods are; People's Republic of China, India, The Netherlands, Germany and Poland.

Plastic wastes such as used PET bottles worth US$ 8-10 million a year is exported to China.

3.3 Future prospects and trends

In the absence of local facilities to manufacture raw materials used by the packaging sectors like virgin Kraft liners, board and other quality of paper, commodity plastics many of them safe for food contact applications, prime tin plates etc. imports of these materials will continue at the growth level matching the packaging industry growth of 10%. However, there will be a greater emphasis in procuring these materials with the test and quality certificates in conformation to their planned use.

With the cheaper and abundant gas supplies resulting in lower energy costs, conversion units especially plastic and paper based will look for the opportunities for export of high quality packaging to certain preferred areas.

The Export Promotion Strategy - 2006-2009 with the incentive programmes for concessional duty rate for import of capital machineries and spare parts, bonded warehouse and back-to-back Letter of Credit, duty drawback on exportable and potentially exportable goods, liberal loans etc. will make it attractive to

import the quality raw materials for their local conversion and exports with certain component of values addition.

1. 4. Infrastructure support

2. 4.1 Logistics and transportation infrastructure

The sector's contribution to GDP in 2006-07 was 10.21%. It comprises of road, rail, river and air routes and post and telecommunication. The provision of infrastructure and operations of all modes of transport except bus and river transport are dominated by the state.

- Road. Road transport is the most important means for inland transport of goods and movement of personnel within the country. A total of 21,571 km roads length comprising 130 km lengths of bridges of 3,790 different types of bridges falls under the control of the directorate of roads and highways.
- Air. Main international entry point through air is Dhaka airport. Major international carriers fly regularly to Dhaka. There are other two international airport located in Chittagong- the port city and Sylhet. Five other smaller air strip/airports provide the domestic flights operations.
- Rail. Railway with 2,855 km of rail track is another important mode of transport within the country. Restructuring process in the sector is underway. The Government of Bangladesh has initiated a comprehensive development program to upgrade the rail network extensively to handle up to 60% of solid and liquid bulk cargo haulage between the ports and the interior and the landlocked-neighbouring countries to the north of Bangladesh. These investments would primarily seek to restore the network, improve speed and axle load capacity and replace worn-out rail lines. Under this plan Bangladesh Railway would be privatized to provide more efficient services and also provide much greater capacity for rail haulage of containers and petroleum products. It has to be noted that no connecting railways exists between Bangladesh and neighbouring countries. The trial run of a train between Bangladesh and India has recently been conducted; commercial operation is likely to take some more time and upon completion will facilitate cheaper and safer transportation of goods and human between the two countries.
- Ports Chittagong is the main sea port of the country handling about 92% of the total maritime trade of Bangladesh. During 2005-06 FY Chittagong port handled 30 million MT cargo including 827,174 TEUs containers. Cargo handling is steadily increasing every year and the development works like: gantry cranes, new approach/link road, computerization, environment pollution control, dredging of the Karnaphuli River and new terminal for container handling etc are under way to make the facilities better. The rate of containers growth in Chittagong port is 14% per annum. Mangla sea port is the second seaport handling about 13% of the export cargo about 8% of the of import cargo. During the year 2006-2007 total 375,000 MT of import and 132,000 MT of export cargo were handled through this port
- Land Ports. Land ports were established due to the increase in trade volume with the neighbouring countries. There are total 13 land ports in operation.

4.2 Power, information and communication technology (ICT)

Power

The rates for electrical consumption appear quite favourable for the industry at the tariff rates varying between 6 to 10 cents/Kwh. However, since electricity generation and quality of distribution is a major constraint all most all the packaging and other industries and trading houses have their own electricity generators using either gas or diesel.

Natural gas is the most important energy sector in Bangladesh, which caters to about 73% of the commercial fuel requirements. So far there are total 23 gas fields and the proven reserves in these gas fields is 15.90 trillion cubic feet and in the probable category there is about 5.28 trillion cubic feet.

Inform ation a nd com mu nica tion techno logy

The present focus of Bangladesh's ICT policy is to render broadband connectivity of the computer at reasonable cost. The telecommunications sector consists of electronic broadcasting, fixed and mobile line telecommunication operators, Internet service providers, data transmission service providers, television and radio stations. The growth rate in the Internet sub-sector was 8% in 20042005, during the year 2006-2007 it was 8.2%. During the year 2006-2007 the growth in the cell phone sub-sector was 23.5% and the GDP contribution was 10.2%. The number of mobile phone subscribers doubled in one year up from 11 million in 2006 to about 22 million in March 2007, and is forecast to increase to 44 million by the end of 2009. Six mobile phone operators are operating in Bangladesh including one state owned operator.

Fibre optic link has been established in cities of the country by Bangladesh Telegraph and Telephone Board (BTTB). BTTB has completed a project to connect Bangladesh with the information superhighway through submarine fibre optic cable project SEA-WE-MEA4 with a landing site at Cox's Bazar. The facility is operational and it is expected that the nationwide Internet backbone will be established soon.

The number of computers in the country is about 0.6 million with about 1 million Internet users. Due to de-regulation of very small aperture terminal (VSAT) policy by the government in February 2000, the number of ISPs has grown to 195 with individual bandwidth ranging from 64 KBps to 2MBps, through DSL/HDSL modems. All 64 districts and 35% of zilas of Bangladesh have been brought under Internet coverage by BTTB through dial-up connections.

4.3 Standardisation, certification and testing organisation

The Bangladesh Standards and Testing Institution (BSTI) is the statutory body with overall responsibility for establishing quality standards and specifications for raw and packaging materials as well as finished products. BSTI provides testing facilities, other than on packages, on products and provides quality assurance support to the manufacturing industry. They also offer services such as development of quality standards for public and private organizations and preparation of standards for contractual services such as bulk commodity procurements. Other offered services include attending to consumer complaints on product defects, expiry dates, weights and measures and standardization of packaging for dangerous goods for export and for the local market.

Technical training programmes are also organised for the manufacturing industry to build awareness on QA programmes. Licences are issued to manufacturers who wish to incorporate BSTI logo on their new products. A list of current standards with a relevance to packaging industry are placed at Annex V

Drug administration directorate supervises and implements all prevailing drug regulations in the country related to import, procurement of raw and packing materials, production and import of finished drugs, export, sale, pricing, etc. Such regulations cover all kinds of medicines including those of Ayurvedic, Unani (herbal) and Homoeopathic systems. The new national drug policy 2005 was promulgated on 18th of April, 2005 with due amendments of the national drug policy 1982 and the drug control ordinance 1982.

Currently the pharmaceutical industry accounts for 95% of their production in domestic sales worth US$ 503 million. Under the present WTO rules developing countries like Bangladesh has huge potentiality of

becoming a major player in the global drugs market. The country has now 140 pharmaceutical companies, of which 20-30 companies hold 50% of the market share. Bangladesh earns US$ 8.80 million a year from medicine exports and there is the potentiality of earning US$
1.4 billion a year by 2010 if the proposed industrial park with World Bank assistance is established soon.

The Drugs Administration is responsible for enforcing the BSTI standards in the country with respect to food and pharmaceutical products. They inspect and test samples of the products against standards and specifications. BSTI staff visits factories, shops and warehouses to inspect machinery and equipment used for production. The BSTI also certifies drugs and food products before they are sold in the market. BSTI issues certificate/license and a specific number, which must be indicated on the label or in the package. Till now 142 products are under the compulsory Certification Marks (CM) scheme of BSTI which signifies that production, import as well as marketing of any of these items need conformity certificate of standard from BSTI. These include food and agriculture, chemical, jute and textile, electrical-electronics and engineering products.

4.4 Contraints - customs clearances, port delays etc.

A survey conducted in Bangladesh by JICA in 2005 highlighted that the most important reasons for delays in meeting deadlines for shipment were hartals or labour strikes, customs clearance, power failures, delays by fabric suppliers, and delays at ports. Some areas with great effect on exports were cited as:

- Customs delays. On average it took: 12 days (with a maximum of 30 days) for the exporters' imported inputs to be released through customs at the ports or airports, 9 days (with a maximum of 75 days) to obtain customs clearance for exporting a shipment, 7 days (with a maximum of 30 days) to complete all the documents required for exports.
- Cost of Interaction. A great deal of time - more than half a person-year - is needed to deal with Government agencies such as customs, port authority, tax department, EPB, and various ministries. Firms had to spend, on average, 7% of their sales revenue to overcome the import and export delays by government agencies. Most exporters (82%) employ a person specifically to deal with government agencies.
- Duty drawback. On average it takes 58 days with a maximum of 120 days, and 6% additional expenditure, to get a refund cheque from the Duty Exemption and Drawback Office.
- Lost orders.73% of exporters have lost export orders at some point.
- Bonded Warehouses. Nearly half of the Special Bonded Warehouse users have indicated that their experience with the customs authority was not satisfactory.

4.5 Environmental impact of packaging, recycling and reuse

Increasing socio-economic development coupled with rapid urbanization has resulted in significant growth in the manufacture and importation of packaged products. This has led to a massive increase in the generation of post consumer waste and environmental pollution. For instance, there has been an increasing use of plastic packaging for consumer goods over the last two decades in Bangladesh and this waste is creating considerable environmental challenge.

As per estimates household packaging waste generated in Bangladesh consists of 5% paper, 2.6% metals, 2% glass and 4% plastic. The bulk of this is disposed of at refuse dumps where they are burnt, left to degrade or deposited in landfills. Unfortunately poor management of plastic waste has resulted in a lot of

litter resulting in a bad image for plastics as packaging material. Uncontrolled littering has drawn the attention of government to introduce legislation to control the impact of waste on the environment.

The Environmental Protection Agency in collaboration with the Ministry of Environment has also instituted measures aimed at reducing, re-using and re-cycling of "used packaging materials" in order to reduce the impact of packaging waste on the environment. To encourage companies to invest in activities that will assist in Bangladesh's efforts to introduce efficient waste management systems, companies which establish factories whose principal activity is waste processing including re-cycling of plastic and polyethylene material will pay no corporate tax for the first 10 years of their operations irrespective of location should be introduced.

Currently disposed mono films and bags are recycled by converting into small pellets and sold to outside vendors/third parties who use them for manufacturing a variety of items. Pet bottles waste chips are made locally and exported.

4.6 Packaging support institutions

Apart from EPB and BSTI with the support of the Ministry of Commerce and Industry; associations like BCCAMEA, BPGMEA, BGMEA and other national and international organisations have the interests in the development of packaging industry within the country by virtue of deemed exports benefits accrued to the them. However, these bodies other than BSTI are not actively involved in the development activities other than related to lobbying and taxation issues. Many times technical and financial assistance is provided by the MNC's for arranging the conferences and workshops within the country.
Other than the industry associations, organisations like Hortex are involved in developing packaging specifications within Bangladesh.

BSTI does not have its own laboratories or the laboratories accredited by them for initiating the work on formulation of local standards on packaging. However, Bangladesh Council of Scientific Research has some packaging testing equipments for measuring moisture, mechanical strength etc. Involvement of Bangladesh Council of Scientific Research in various technical committees for laying down the packaging standards within the country could be a good option

4.7 Export promotion institutions

Dhaka International Trade Fair is organised annually by the EPB in Dhaka. Chittagong International Trade Fair is also an annual event organised jointly by the Chittagong Chambers of Commerce and Industry and Chittagong City Corporation.

A few country specific trade shows are organised including American Trade Fair which is annually organised by the American Chamber of Commerce, Bangladesh.

All the regular shows are of general interests where foreign and local exhibitors participate to showcase a wide variety of goods and services. The fairs are open to all manufacturers and suppliers, customers and the general public. Dhaka and Chittagong international trade fairs are now established as permanent shows aimed at developing bilateral trade and strengthening of friendship with other countries. Some smaller shows are also organised by the individual shows with focussed segment.

1. 5. Main conclusions and recommendations

2. 5.1 Main strengths, weaknesses opportunities and threats for the

packaging sector

Strengths

 Cheap labour and availability of skilled manpower for general operations. Availability of bonded facilities and other benefits/ incentives for exports. Already vibrant export sectors like RMG, frozen fish and shrimps that can be extended to

other sectors like value added agro products, fresh fruit and vegetables etc. Abundant and cheap gas energy options to run the manufacturing operations Growth in consumerism due to foreign remittance by Bangladeshi expatriates. Possibility to offer a wide range of values added products to the export market.

Weakness

- Packaging associations do not play their role to bring packaging industry together in discussing their problems, sharing their achievements and working on creation of common facilities like a testing and training centre.
- Packaging associations work in water tight compartments and do not share common views and intent regarding the strategies and plans for the growth of the packaging sector as a whole. They also do not collaborate in optimising their costs.
- Packaging converters have a limited understanding of what it takes to compete in demanding markets such as the EU. As a result, they are not able to advise their export customers, leading to a fundamental gap in the ability for Bangladesh to succeed on exports.
- Today, packaging converters need to send their packaging samples for analysis to Hong Kong and other places, which is uneconomical and time consuming.
- Inadequate efforts and resources to prepare packaging standards, provide testing facilities to the industry, conduct local R&D, train personnel etc.
- Too much dependency on few export sectors, especially on RMG export.
- Lack of harmonise packaging standards with regional and international standards.
- Shortage of skilled manpower to run high end packaging manufacturing operations, develop designs, run test equipments etc.
- High ROI leading to cutting on equipment costs, expenditure on R&D, training of personnel etc. (ROI 16-18% pa).
- Lack of packaging policy and exclusive Packaging Industrial parks.
- Knowledge gap in packaging science and technology.
- Most of the industries work with sub optimal technologies.
- Non availability of local raw materials. High lead time for imports resulting into high inventory costs.
- Non availability of packaging related data and a packaging resource centre.

Opportunities

- Very low per capita consumption of packaging and huge potential for growth in local and export

markets.

- Entrepreneurs in SME sector today are taking interest in knowing the key challenges the packaging sector is facing and are looking forward to the new opportunities for growth.
- Newly added huge production capacities for manufacturing of flexible packaging have created an opportunity for exports through QA production.
- Opportunity for global sourcing of best quality of raw materials at best cost.
- Possibility of manufacturing packaging raw materials in the country due to abundant gas energy.
- Growth of large super markets and consumers life style change

Thr eats

- Packaging converters in general have been performing and responding to the relatively "simple" requirements of the RMG sector and are not geared up to address the complex issues of food preservation: mastering hygiene, preventing oxidation, aroma loss, UV degradation, transport worthiness etc.
- Very few export portfolios; mainly dependent on RMG and frozen fish and shrimps.
- Large numbers of export orders are lost due to delays in meeting deadlines for shipments some contributory factors are customs clearance, port delays, hartals etc.
- Powerful neighbouring countries with ability to offer high quality and cost effective packaging.
- High taxes and duty structures 32% import duty 15% VAT.
- Loosing competitive edge due to globalization.

5.2 Main conclusions and future prospects

In the absence of published packaging industry statistics, the figures provided by the associations as well as collected during the field visits were found to be misleading and need proper identification and recognition. However, efforts were made to make assessments as presented in Tables 4 and 5. Guesstimates indicate that the total packaging market is approximately worth US$2.72 bn, out of which more than half goes for meeting the requirements of the RMG sector. Again around 80% packaging for this sector is paper based mainly corrugated fibre board cartons.
In such a scenario major RMG manufacturers together with the corrugated fibre board box manufacturers with an interest, influence the major policies on export benefits and concessions.

As indicated at Table 2 up to 80% of raw material is imported making companies vulnerable to international price fluctuations. Many times imported bargained materials are used without any appreciable quality checks. Over 90% of machinery used in packaging companies is imported, often second hand machines due to high interest cost on capital borrowing. This has marred the efficiency of the packaging converters.

Poor packaging is identified as one of the major drawback to the success of locally manufactured goods to compete favourably in export markets. The majority of the "made in Bangladesh" products (other than RMG sector) are not fit for export purposes because of lack of compliance with international rules and regulations, especially regarding exports to the EU. As a result, products cannot find easy access to international markets. More critically, the lack of performing packages is a major handicap. Performance is expressed in terms of primary packaging performance (the one in direct contact with the product). But, secondary and tertiary packaging (for grouping, logistics and transportation purposes) is also largely

missing. Next to this is the issue of making compliant packaging materials available to exporters. This means knowing about the compliance requirements and having a way in the country of testing the packaging performance against these requirements. Today, packaging converters need to send their packaging samples for analysis to Hong Kong and other places, which is uneconomical and time consuming.

Large investments have been made in setting up the flexible packaging companies and some of these companies are operational. More companies are likely to be operational by 2010. A huge production capacity will be available by next year which will far exceed the local market demand in terms of volume and quality. As such for these companies it will be a necessity to look for the export markets through adequate QC mechanism

Most of the carton making and many of the plastic converters other that EOU's or the large units do not have in-house testing equipments. As a result quality assurance is resorted to only visual inspection and not evaluated by laboratory tests. In most of the cases there are no written specification guidelines for incoming, in-process and for finished goods. Other than the high standard factories, there is no system of COA for the finished goods. Most of the two ply technology factories do not possess any drying rooms and as such during rainy season the corrugated boxes are loaded with high moisture contents and results in poor strength and quality. In most of the industries there is no culture of MIS and SOP

Wastage control and management. Due to the lack of formal training and education the operator level technical competency is low resulting in inadequate wastage control measures adopted at most of the companies. A huge scope to improve in this area in cost and quality effectiveness through formal operator's level training is possible.

Many of the industry in the export business expressed their satisfaction on the test certificates that are issued by a Testing facility in Hong Kong. However, as seen from the test reports, the tests were not accredited to ISO 17025. However, the certificate carried the logo of Woolmark accreditation. Such a certification could be accepted by the clients of RMG sector but needs to be reviewed for other sectors.

Large workforce migrants (981,000 in 2007-08) mostly in Gulf Region, contributes to the demand of Bangladesh packaged exports to this region.

For mono films and bags, disposal of the waste materials are mostly recycled in-house by converting into small pellets and sold to outside vendors/third parties.

Packaging converters have a limited understanding of what it takes to compete in demanding markets such as the EU. As a result, they are not able to advise their export customers, leading to a fundamental gap in the ability for Bangladesh to succeed on exports.

High rate of interest is one of the critical financial issues for the SME sector. Almost all converting machines for packaging materials are imported and there is no VAT. Local converting machines are not receiving proper support due to imposition of VAT.

Impediment to exporter competitiveness is largely due to the ignorance of both exporters and their backward integrated packaging supply chain, related to application requirements of demanding sectors. Whilst the packaging industry has been performing and responding to the relatively "simple" requirements of the RMG sector, the supply to the newly identified priority sectors, dealing with horticulture, agro-processed foods and fishery products in particular, puts a completely new challenge to the packaging industry that needs to address the complex issues of food preservation: mastering hygiene, preventing oxidation, aroma loss, UV degradation, etc.

Many factors drive the demand for packaging, some having a short term and other a much longer-term influence. The development of the economy plays a central role in influencing the size and growth of markets and therefore the demand for packaging. Other factors have also a direct or indirect influence on the evolution of the packaging demand, irrespective of the performance of the economy. These include the aging of population in developed markets; the trend towards smaller families with both parents working outside home; the increasing demand for convenience products and packaging; the rapid development of mass-distribution systems (super and hyper markets); the growing concern of consumers for health, sustainable development and environmental issues; the more competitive environment due to liberal trade regimes; the easy availability of new packaging materials; the trend towards the use of smaller pack sizes (as a result of reducing disposable incomes and/or smaller size families); the steady growth of fast, out of home food; the globalisation of economies and the relocation of manufacturing units to low labour cost countries.

The necessity to comply with importing markets requirements related to product and packaging cannot be overlooked. Quality/ safety standards and regulations on environment protection and ethical considerations are gaining grounds and demanded by the consumers. The need to harmonize national, regional and international rules and regulations in this respect is becoming critical and unavoidable for the development of exports. Bangladesh can immensely reap the benefits by setting up a body under Packaging Resource Centre to address such issues.
Plastic based packaging is favoured by the fast food and snacks food sectors. PET bottles will continue to remain a major alternative to glass bottles for applications such as packaging of beverages and juices, vegetable oils, mineral water, alcoholic and non-alcoholic beverages and liquid detergents. The use of PVC bottles will, on the contrary, further decline due to the advent of PET. Amber-coloured PVC bottles will still remain in use.

The introduction of thermoformed expanded polystyrene containers (with the changes in consumption habits) has revolutionized their utilisation as “take away” containers in the fast food industry. Their use is foreseen to develop in the future.

The use of polypropylene sacks and bags for the handling and transportation of dry bulk products (such as poultry feed, cereals, building materials, etc.) is likely to increase in importance.

With growing use and no sufficient collection and disposable systems in place, plastic packaging will be under severe attack and threats of a ban. In the coming years the industry will be obliged to support the collection and disposal programmes for packaging waste initiated by the government and thus contribute to the protection of the environment.

The foreseen growth in export of non-traditional products (such as fruits and vegetables, and other agricultural products) will support the increase in the demand for corrugated boxes and the expansion of their local production and import. The market demand for corrugated boxes will increase in the years to come.

It is expected that new investments in technology, expansion of plant capacities and the modernisation of equipment, as well as in testing facilities and the research and development area, will support the development of this packaging sub-sector. Moreover, the current trend towards increased use of white-top, multi-colour boxes for packaging of processed foods is expected to support this development.

The main customers using metal packaging are the local industries, specifically, food-processing companies and producers of ghee, beverages and chemicals (paint and lubricating oils). Use of cans for packaging is low compared to other forms of packaging containers, possibly because they are relatively

more expensive than other forms of packaging.

Although glass is an ideal and reusable packaging material for a wide variety of end uses, it is likely to be substituted by plastic containers in some local use applications. However, demand will continue to be led by pharmaceutical sector.

The use of jute bags and sacks for packaging local food crops is declining, due to their more difficult availability and higher costs in comparison with the woven polypropylene bags and sacks, considered stronger and cleaner.

5.3 Recommendations

Industry groups and associations need to reorganize themselves to respond to the growing and demanding needs of clients especially the exporters. Some of the leading actions could be attending and organizing fairs and exhibitions, improving sourcing of raw materials through QA and testing, assisting in formulation of local standards, improving quality of packaging manufacturing etc.

The challenge of the Bangladesh food export sectors in general and the packaging supply industry in particular, is therefore to ramp up the knowledge and learning curve rapidly to be able to offer competing products in the EU markets. This means significant industrial investments at both supply and exporter user levels in terms of operating conditions, equipment, etc. But even more so, the country needs to have available a Packaging Resource Centre in the country able to back up the efforts of the industry.

The country has a few standards related to packaging. BSTI could consider its membership status with ISO to reap the benefits of incorporating BSTI/ISO duel standards in certain areas which are critical at the moment.

There is an urgent need to establish the ways to enhance the dialogue between Government and private sector representing all packaging materials, processes including printing, machines, and other components that go into production of packaging. There is a need to create one voice for success rather than creating policies and incentives selectively for sectors.

There is an imminent need to support the industry through:

- Championing the actions that effect whole packaging industry. Some suggested areas could be: decrease dependency on few export sector clients through export diversification programs, increase safety and environment standards, improve public/private dialogue, rationalize duty and tax matters to foster packaging industry dynamism.
- Creating facilities for research and testing across all sectors.
- Packaging training centre: establish links with universities.
- Develop quality standards for whole industry
- Packaging Information centre

Creation of platform for technology transfer and B to B meetings through a Packaging Resource Centre will go a long way in building up the strength of local industry. As an example the local industry is already producing extruded up to 3 layer films for various applications. Addition of 5 layer high barrier co-extruded films locally can result in substitution of imported aluminium foil for many applications.

To promote up gradation of the packaging industry, policy makers need to re-look at the promotion

policies, for inclusion of collaboration and tie ups for transfer of modern technology into the country after due assurances to the foreign players through IPR measures.

The next step

ITC may like to position the national packaging audit in the international context after seeking feedback from the stakeholders and validating assumptions made. In addition may like to consider following actions:

- Communicate recommendations to government, industry stakeholders and the donor community: early 2010.
- Initiate next phase of the EU funded project by early 2010 with intended packaging improvement support to selected key export sectors:
  - Horticulture
  - Agro-processed foods
  - Natural medicinal herbs
  - Light engineering
  - Fisheries.
- Include recommendations for implementation in the phase II of the EU project, for setting up of a Packaging Resource/Technical Information/Training centre.

5.4 Packaging Technology Centre

As already discussed in the report, Bangladesh lacks production facilities for high quality export packaging as well as the services needed by packaging producers and users. There is no institution to provide packaging services such as information, education, training, quality assurance, testing, and structural design. Another principal weakness in the packaging sector in Bangladesh is the absence of trained professionals in packaging technology.

Sometimes packaging companies get their quality checks done from laboratories abroad, since they are under-equipped to perform these functions satisfactorily. The absence of package testing equipment and qualified staff also means that it is not possible to train the sector's packaging personnel in these vital testing and quality assurance functions.

Vision s t a t em ent

- To create and maintain a world class centre of excellence with sustained commitment from the stake holders.
- To develop professional relationship with worldwide packaging fraternity using ITC base

The challenge

This vision can be achieved by the establishment of a Packaging Resource Centre to serve as the national hub for information, design, development, testing, research and training in packaging. The centre will have a well equipped laboratory for designing packages, carry out trials, perform tests on packaging materials and conduct scientific experiments. It will have the ability to test the interface packaging/product packed, i.e. not just the testing of materials performance. It is a must to support the

exporting SMEs.

The Centre will keep a packaging database and a collection of packages, which together with technical and advisory service to be offered, will provide the necessary support to packaging manufacturers and users who often experience serious difficulties with structural design, sourcing of materials and machinery for their products

The main objectives for the packaging resource centre will be:

- Research into methods of improving the currently used packaging materials. Packaging machinery and packaging designs in respect of various commodities;
- Study of current packaging, handling and transport hazards with a view to improving the transport pattern of packages in relation to exports as well as internal movements.
- To provide professional training at different levels.
- To create database and networking facilities with international bodies.

The Packaging Resource Centre with design, testing and research facilities to assist exporters in improving their packaging will go a long way in building up the competitiveness of the local industry in international trade. The Centre will also support the packaging of local food products and processors to reduce spoilage and wastage while adding the value to ensure food security thereby prevent the distress sales by the farmers.

5.5 Proposal

This proposal seeks to solicit donor support of around US$2,000,000 to set up a Packaging Resource Centre in Bangladesh for training, testing, design improvement and development. It will be the centre of excellence for a network of experts from academia, research institutions, industry and government agencies to provide assistance to those who need help in packaging. The details are placed at Annex VII.

Annex I. Socio-economic Indicators of Bangladesh Subject	Indicators	Subject	Indicators
Area (sq.km)	147570	Regional High way	4323 km
Standard Time	GMT+5hrs	Feeder Road	13678
Currency	Taka (BDT) 1US$= Tk. 69.30	Total Road	22571 km
Population2007	150 million (est.)	Railway	2835 km
Population Density	953/sq.km	Per capita National income	US$ 599
Population growth	1.56%	National savings	29.23% of GDP

Life Expectancy	65.10 years	Export income (July07June 08)	US$ 14111 million
Patient per bed (govt.)	3680	Import Payments July07-June 08)	US$ 21629 million
Medical doctor 1 for	Each 3150 persons	Foreign exchange Reserve	US$ 715 billion (June 08)
Literacy rate	62.66%	NRB Remittance	UD$ 7914.78 million
Labour Force	44.3 million	Rate of Exchange	69.30/US$
Male labour force	34.5 million	Currency Name	Taka (BDT)
Female labour force	10 million	National Highway	3570 km
Sectoral Labour:		Total GDP (07-08)	Tk.541919 crore
Agriculture	51.69%	GDP growth rate	6.43%
Industrial	13.56%	Per capita GDP income	US$ 554
Service	34.75%	Total GNI 07-08	585318 crores

Source: Bangladesh Economic review 2008 Finance Divisions, Ministry of Finance, Government of the Peoples' Republic of Bangladesh

Annex II. Sectors percentage contribution to Bangladesh GDP

	Sector	2005-2006	2006-2007	2007-2008
1	Agriculture & Forestry	16.98	16.64	16.23
2	Fisheries	4.86	4.73	4.64
3	Mining & Quarrying	1.16	1.18	1.20
4	Industry (manufacturing)	17.08	17.55	17.77
5	Electricity, Water, Gas	1.65	1.57	1.56
6	Construction	9.14	9.15	9.14
7	Whole sale and Retail trade	14.08	14.24	14.39
8	Hotel & Restaurant	0.69	0.69	0.70
9	Transport, Storage & Communication	10.07	10.18	10.43
10	Financial Intermediations	1.72	1.76	1.80
11	Real estate, renting etc.	7.87	7.64	7.46
12	Education	2.49	2.54	2.58
13	Health & Social Works	2.27	2.29	2.32
14	Community, social & personal services	7.25	7.09	7.00
	Total	100	100	100

Source: Economic Survey of Bangladesh 2007 and 2008

Annex III. Major government policies for trade and exports

Bangladesh Export Policy: 2006 - 2009

In the new export policy of Bangladesh the main incentives for exports are classified under the following three broad categories:

- Fiscal incentives
- Financial Incentives
- General Incentives

Export of sample products allowed under fulfilment of certain conditions by the exporter.

Export opportunities without LC Upon the submission of EXP Form and Shipping Bill, exports without LC can be done through buying contract, agreement, purchase order or advance payment. "Buying Contract" will refer to a signed agreement for the purpose of exporting a product between an exporter and an importer.

Pre-shipment Obligations:- If no other conditions apply, then a pre-shipment certificate for the purpose of export of products is not obligatory.

Quality Control Certificate:- While exporting products for which quality control certificate is obligatory, the exporter will have to submit, to the Customs Authorities, a quality control certificate issued by the concerned authority.

Export Promotion Strategy - 2006-2009 paper has been prepared as steps toward Export Diversification of Bangladeshi exports. The main features of the strategy paper are summarized below:

Est ablis hm ent of th e Pr oduc t D ev elop ment Council

Several sector/ product specific business promotion councils have been created by the Ministry of Commerce with both government and non-government initiatives under the Company Act 1994 for the purpose of export diversification, improving and ensuring the product quality, acquiring appropriate technology, maintenance of compliance requirements, product marketing etc. The Export Policy 2006-09 will take adequate initiatives to strengthen and organize the activities of these councils, and also encourage the creation of more such councils. If necessary, joint development projects will be initiated with the development partners so as to accelerate product/ sector-based development activities. The stated initiative of the Ministry of Commerce will be considered as complementary to the export promotion and export expansion activities of the Export Promotion Bureau.

Classification of Product Sectors

In consideration with the level of production and supply, potential contribution to the export sector, demand in the international market and above all the capacity to contribute to the socioeconomic development, several product sectors will be identified as highest priority sectors" while some others will be identified as "special development sectors". The government will continuously modify this list, and

provide special privileges to encourage the export of these products.

Most Priority Sectors

Most priority sectors will refer to those product sectors which have special export potentials yet could not be utilized properly due to certain constraints, but more success is attainable if adequate support is rendered to them. For example:

- Agro-products and agro-processing products;
- Light engineering products (including auto-parts and bicycles);
- Footwear and leather products;
- Pharmaceuticals products;
- Software and ICT products; and
- Home textile.

Benefits and facilities to be rendered to the priority sectors

- Project loans with reduced interest rates on a priority basis;
- Income tax exemptions;
- Subsidies which are compatible with WTO Agreement on Agriculture, and WTO
- Agreement on Subsidies and Countervailing Measures;
- Possible financial benefits or subsidies for utility services such as electricity, water and gas,

provided that they are compatible with WTO Agreement on Agriculture, and WTO Agreement on Subsidies and Countervailing Measures; Export loans with soft terms and lesser interest rates; Reduced air travel fares; Tax return/ bond facilities; Privileges for the establishment of backward linkage industries including infrastructural development so as to reduce production cost; Expansion of institutional and technical facilities to improve and control product quality; Assistance in production and marketing; Assistance in foreign market search; and Taking necessary initiatives to attract foreign investments.

Special Development Sectors

Product sectors which have export potentials but whose production, supply and export base are not well organized will be included in special development sectors so as to strengthen their export base. The following product sectors will be included in the special development sectors:

- Finished leather production;

- Frozen fish production and processing;
- Handicraft products;
- Electronic products;
- Fresh flower and foliage;
- Jute products;
- Uncut diamond; and
- Herbal medicine and medicinal plants.

Product-specific export facilities have also been developed such as for readymade garments industry, frozen fish industry, handicrafts made from bamboo, cane and coconut fibre, tea industry , jute industry, leather industry and other sectors like contract farming for fruits and vegetables, Production of modern and scientific packaging materials necessary for the export of vegetables, foliage and fruits will be encouraged, Optimal use of ICT will be ensured in the country for the development of information and communication system and efforts will be made towards the establishment of an "IT Village" for the purpose of software production and export, pharmaceuticals sector, initiatives will be taken to establish Active Pharmaceutical Ingredient Park and Common Lab in Dhaka and Chittagong; light Engineering Cluster Village" will be established near Dhaka for the development of the light engineering sector; a modern laboratory and common facilities centre will be established for the development of the light engineering sector; An "Agro-Products Business Promotion Council" will be formed to improve and control the quality of agricultural products;

Production and export of herbal plants will be encouraged; Import of raw materials for jewelleries will be encourage for the expansion of export of gold and silver jewelleries.

Quality control and export clearance

Quality control licences are required from the Ministry of Commerce and the National Board of Revenue-NBR for certain exports products; however, no list of the products concerned, or other information were available from the authorities.

The authorities indicate that measures have been taken to ensure observance of sanitary and phytosanitary standards and working conditions at fish and other food processing plants, as well as to upgrade testing laboratories in the country.

Permission is required from the Ministry of Shipping for each export shipment. A waiver may be granted for the shipment of certain goods, or upon approval of application by the Ministry.
According to a World Bank report Bangladeshi exporters' transport and processing costs are relatively high compared with five other countries in Asia. Bribes and related unofficial fees seem to account for 10% of the cost of exporting. The authorities indicate that the processing of export documents takes only three hours, as export (and import) procedures at Customs Houses have been automated; customs clearance of export consignments takes less than 30 minutes. At the time of the previous TPR, it took on average seven days, but up to 30 days, to complete documentation requirements, and a further nine days, but up to a maximum of 75 days, to obtain customs clearance for shipment.

Export/import taxes, charges, and levies

No product-specific taxes, charges or levies seem to affect exports. Tax at source on all export earnings

remains at 0.25%. Customs duty for medium paper 12%, Liner 12-25 %, Customs duty on raw materials (Poly Ethylene-PE and Poly Propylene- PP) 5%, VAT 15%, Advance Income tax 3%, development surcharge 4%, PSI charge 1%, and sales VAT 1.5% including other charges it comes to about 31%.

Minimum prices and price controls

Apparently, minimum export prices on raw jute continue to be set by a committee in the Ministry of Textiles and Jute; the committee comprises representatives of the Bangladesh Bank, Bangladesh Jute Corporation, Bangladesh Jute Association, and Bangladesh Jute Exporters Association. According to the authorities, these prices are indicative, not mandatory. However, jute exporters are required to obtain an Export Price Certificate, a permit to export raw jute below the export prices set by the committee, from the Bangladesh Bank.

Special bonded warehouses

Special bonded warehouses (SBWs) allow 100% exporters and "deemed" exporters to import and stock inputs duty free. The warehouse facility is administered by the NBR, which issues a licence to operate an SBW and monitors the inventory through the use of import and export passbooks and a pre-tabulated input-output system. SBWs have been a critical factor in the development of Bangladesh's garment exports. From July 2006 to April 2007 the total quantity of plastic raw materials imported were about 115952 MT for US$ 112 million imported through bonded warehouse. In the FY 2005-06 80627.94 MT of plastic raw materials were imported through bonded warehouse and commercially imported 193246.22 MT. In 2004-005 83364.51 MT through bonded warehouse and 209803.20 commercially and in the FY 2003-04 it was 57476.68 MT though bonded warehouse and 157053.24 MT commercially, while in the FY 2002-2003 it was 60605.62 MT through bonded ware house and 126571.07 commercially.

(Source: National Board of Revenue)

Export processing zones

Three types of investment are permitted in EPZs, 100% foreign-owned, foreign-local joint ventures and 100% locally owned; all receive equal treatment. Industrial units located in the EPZs must export at least 90% of their production, i.e. they can sell a maximum of 10% on the domestic market upon payment of import duties and other taxes. Industrial units located in the EPZs also enjoy an income tax exemption for ten years and 50% rebate on export earnings thereafter.

Annex IV. Major legislation relating to trade

Area	Legislation
Customs duties	Customs Act, 1969
Import regulations	Imports and Exports (Control) Act, 1950; Customs Act, 1969; Review, Appeal and Revision Order, 1977; Importers, Exporters and Indentors (Registration) Order, 1981; Licences and Permit Fees Order, 1985
Customs valuation	Amendments introduced to the Customs Act, 1969
Pre-shipment inspection	Amendments introduced to the Customs Act, 1969
Rules of origin	Standard Rules of Origin, 1977

Standards	Imports and Exports (Control) Act, 1950
Sanitary and phyto-sanitary measures	Imports and Exports (Control) Act, 1950
Marketing and labelling	Imports and Exports (Control) Act, 1950
Anti-dumping measures	Amendments introduced to the Customs Act, 1969
Countervailing measures	Amendments introduced to the Customs Act, 1969
Safeguard measures	Amendments introduced to the Customs Act, 1969
Pricing and marketing arrangements	Consumer Index
Export regulations	Imports and Exports (Control) Act, 1950; Customs Act, 1969
Government procurement	Public Procurement Regulations 2003; Procedures For Implementation of The Public Procurement Regulations 2003; Public Procurement Processing and Approval Procedures
Competition law	No legislation
Intellectual property rights	Patents and Design Act, 1919; Copyright Act No. 28, 2000; Trade Marks Act, 1940
Foreign investment	Foreign Investment (Promotion and Protection) Act, 1980
Foreign exchange	Foreign Exchange (Regulation) Act, 1947
Banking services	Banking Companies Act, 1991
Insurance services	Insurance Act, 1938; Insurance Corporations Act, 1973; Insurance Rules, 1953
Telecommunications services	Telegraph Act, 1887; Telecommunication Act No. 18, 2001
Maritime transport services	Merchant Shipping Ordinance, 1993; Inland Shipping Ordinance, 1976; Bangladesh Flag Vessel (Protection) Ordinance, 1982

Note: No comments on the content of this table were provided by the authorities. Source: WTO Secretariat, based on information provided by the Bangladeshi authorities

Source: BSTI published documents. Complete list of standards in numerical order are available at http://www.bstibd.org , e-mail: bsti@bangla.net.

Annex V. List of current BSTI standards with relevance to packaging Packaging Item	BSTI standard #
Adhesive liquid gum(paper)	1483
Bangladesh Hessian Part-1 General	813
Bangladesh Hessian Part-2	837
Bangladesh Hessian Part-3	1023
Bangladesh Hessian Part-4	1024
Base paper for waxed paper	1183
Base paper for carbon paper	1153
Glass making sands	209

Glass milk bottles	210
Glass container for preserved fruit industry	341
Jute bag	1609
Bags for packing cement	839
Packaging in bales	894
Packaging in rolls	895
DW flour jute cloth	941
DW flour jute bag	948
Cotton sack cloth	1026
Sacking general requirement	1049
Laminated Jute bags for fertilizer	1073
Brightness of jute goods	1174
Kraft paper	331
Packages for use of libraries	732
Packaging for air freight	693
Packet tea	1107
Paper bags size	445
Wrapping paper	214
Writing and Printing	405
Substance of paper and board	213

Packaging Item	BSTI standard #
Packing and wrapping	1544
Paper sizes	104
Plastic materials	1631, 772
Plastic	1593
Methods of testing plastics	1446
Plywood for general purposes	799
Plywood tea chests	18
Plastics portable water bottles	1510
Tube polythene cold water service	391
Packing/wrapping paper	1547

Annex VII. Draft proposal for the Packaging Resource Centre

This proposal seeks to solicit donor support to set up a Packaging Resource Centre in Bangladesh for

Training, Design and Development. It will be the hub for a network of experts from academia, research institutions, industry and government agencies to provide assistance to those who need help in packaging

Justification of the Project

As already discussed in the audit report, Bangladesh lacks production facilities for high quality export packaging as well as the services needed by packaging producers and users. There is no institution to provide packaging services such as information, education, training, quality assurance, testing, and structural design. Another principal weakness in the packaging sector in Bangladesh is the absence of trained professionals in packaging technology.

Packaging companies get their quality checks done from laboratories abroad, since they are under-equipped to perform these functions satisfactorily. The absence of package testing equipment and qualified staff also means that it is not possible to train the sector's packaging personnel in these vital testing and quality assurance functions.

Vision Statement

- To create and maintain a World class centre of excellence with sustained commitment from the stake holders.
- To develop professional relationship with Worldwide Packaging fraternity using ITC base

O b jec t iv es

This vision can be achieved by the establishment of a Packaging Resource Centre to serve as the national hub for information, design, development, testing, research and training in packaging. The centre will have a well equipped laboratory for designing packages, carry out trials, perform tests on packaging materials and conduct scientific experiments. It will have the ability to test the interface packaging/product packed, i.e. not just the testing of materials performance. The centre will keep a packaging database and a collection of packages, which together with technical and advisory service to be offered, will provide the necessary support to packaging manufacturers and users who often experience serious difficulties with structural design, sourcing of materials and machinery for their products

Thus the main objectives for the packaging resource centre will be:

- Research into methods of improving the currently used packaging materials. packaging machinery and packaging designs in respect of various commodities;
- Study of current packaging, handling and transport hazards with a view to improving the transport pattern of packages in relation to exports as well as internal movements.
- To provide professional training at different levels.
- To create database and networking facilities with international bodies.

Institutional Framework

It is essential that such a facility works independent of existing institutions in the country with the involvement of top representatives of the Government, trade and industry, research organisations, export organisations and educational institutions. Accordingly a Governing Board will be responsible for Governance and identifying the long and short range objectives of the PRC.

Major activities schedule

Activities will flow parallel as Preparatory activities, Equipment selection/ordering, and creation of expertise. Generally pattern will be as follows :

- Site Selection. Should be easily accessible by the industry needing testing.
- Procurement of equipments for testing under different labs e.g. Material testing, Transport testing, performance testing and trials, students research and demonstration lab etc.
- Building construction with approximately 2000 square mt. for Labs, approximately 500 sq mt for Class rooms, Library and IT rooms 500sq mt, Office blocks and other general areas.1000sq mt. Total around 4000 sq mt.
- IT and Office equipments, training aids, library books, consumables for labs etc.
- Training of Technical personnel.

Rough Cost Estimates

	Cost (US$)
Packaging Database	

Packaging related tools ▯ PACkit ▯ Export Packaging fitness checker ▯ Packaging design training pack ▯ Books, fact sheets, video films, collection of slides	Per unit: 10,000
Packaging Manuals Catalogues Publications (Magazines & Journals) CD-ROM: EC - Info Disk (Information regarding International standards) Internet Connection Design software [for packaging design and optimisation of case design, product pack size palletisation & pallet display] Computers	50,000
Library books ▯ Packaging Design ▯ The Packaging Designer's book of Patterns ▯ Colour in Industrial Design ▯ Label Writing & Planning ▯ 8X Magnifier ▯ The Wily Encyclopaedia of Packaging Technology 2nd Edition ▯ Packaging in the Environment ▯ Canning of Fish & Meat ▯ Can Making : The Technology of Metal Protection & Decoration ▯ Industrial Packaging Adhesives ▯ Quality Control of Packaging Materials in the Pharmaceutical Industry ▯ Packaging of Pharmaceuticals and Health Care Products ▯ Green Design ▯ Fundamentals of Packaging Technology ▯ Packaging as an Effective Marketing Tool ▯ Bar codes and other automatic identification systems ▯ Packaging Design Strategy ▯ Advances in Plastics Packaging Technology ▯ Food Packaging Principles and Practice ▯ Packaging : Specification, purchasing and Quality Control ▯ Packaging related standards (ASTM, TAPPI, ISO etc.)	70,000
Total	130,000
Labs, Offices and Conference/Training Halls, Library and Pilot Plant appox 40000 sq mtrs	
	800,000

	Cost (US$)
Equipment for general testing lab	
Test equipment for Mechanical properties [tear, strength, crush, stiffness, porosity, hardness, puncture, burst, etc]	30,000
Leak tester	10,000
MVTR+OTR TESTER permeability test complete with accessories	100,000
Test equipment for cans	10,000

Equipment for packaging design	5,000
Gas Chromatograph	30,000
Laboratory Oven	2,000
Profile Projector	30,000
Refrigerator	500
Temperature & Humidity Chamber	20,000
Thermohygrograph	1,500
Timer / Stop Clock	200
Vacuum Dessicator	800
Vacuum pump	800
Assman Aspirated hygrometer	500
Air Compressor + Dryers + filters	5,000
Force gauge [low]	500
Force gauge (Medium	500
Guillotine [Table]	800
Guillotine [Floor]	800
pH meter	2,000
Laboratory Press	400
Temperature measurement Instrument	200
Timer Venier Scale	200
Voltage Stabilizer	800
Temp and humidity controller for the material testing lab	2000
Stress cracking jigs	1,000
Colour measurement instrument	1,000
Gloss meter	2,000
Measuring equipments like Balance, callipers, micrometers, indicators etc.	30,000
Crease / Board Stiffness Tester + COBB Tester Melt flow Indexer	25,000
Sun/IR Tester Consumable items/ Chemicals	15,000 20,000
Total	349,300

	Cost (US$)
Equipment for shipping and distribution lab	
Compression tester	30,000
Vibration tester	200,000
Corrugated box sample making table	10,000
Accelerometer [s]	4,000
Scales [heavy duty]	1,500
Shrink-wrapping guns	8,500
Hand staplers	5,000
Strapping applicators	4,000
Sealing tape applicators	2,500
Stretch Wrapping applicators	2,500
Total	268,000

Equipment for pilot plant	
Small fillers	25,000
Form Fill-seal machine	40,000
Labellers	15,000
Seamer	40,000
Steam Boiler	30,000
Retort	30,000
Pasteurizer	10,000
Total	190,000
Budget summary	
Packaging database	110,000
Building (lab, offices, library, pilot plant, etc.)	800,000
Equipment for general testing lab	349,500
Equipment for shipping and distribution lab	268,000
Equipment for pilot plant	190,000
Consultants & other staff emoluments	25,000
Travel	50,000
Training and study tours	50,000
Miscellaneous	10,000
Reports	40,000
Reserve	80,000
Total	1, 972,500
SAY	2, 000,000

Annex VII. Major Trade Associations Related To Packaging

Company	Address	Email	Tel/Fax
Bangladesh Corrugated Carton and Accessories Manufacturers' and Exporters Association	"Sonartari Tower" (9th Floor) Plot No.12, Boonton C/A Sonargaon Link Road, Dhaka1000.	bccamea@bdcom.com bccamea@aitlbd.net	Tel: 88 02 9666763, 8802 8621200 88 02 9010603 Fax: 880-2-8621200 88 02 9010401
Dhaka Chamber of Commerce and Industries	Chamber Building, 65-66, Motijheel C/A Dhaka,	dcci@bangla.net	Tel: 9552562 Fax: 9560830
Metropolitan Chamber of Commerce and Industries	Metropolitan Chamber Building 122-124, Motijheel C/A., Dhaka	sg@citechco.net	Tel: 9565208/10 Fax: 9565212
The Federation of Chambers of Commerce	Federation Bhaban, 60 Motijheel C/A.	fbcci@bol-online.com	Tel: 9560588, 9560482 PABX: 9560102-3

and Industries	Dhaka,		Fax: 9551233, 8613213
Bangladesh Leather goods Manufacturers Association	3, Outer Circular Road, Rajarbagh, Dhaka		Tel: 406415
Bangladesh Garments Manufacturers and Exporters Association	BTMC Bhaban, 7-9, Kawran Bazar, Dhaka	info@bgmea.com	Tel: 8115597, 8115751, Fax: 8113951
Bangladesh Agricultural Machinery Merchants' Association	97, Nawabpur Road (4th Floor) Dhaka-1100		Tel: 7118678
Bangladesh Agro-Processors' Association	Property Heights 12 RK Mission Road, Dhaka1203.		Tel: 9563126 Fax: 880-2-9559415
Bangladesh Association of Software and Information Services	BSRS Bhaban (14th Floor-East) 12 Kawran Bazar Dhaka-1215.		Tel: 9137375, Ext. 215 Fax: 880-2-9133687
Bangladesh Aushad Shilpa Samity	House No. F-31 Road No. 4 Banani Dhaka-1213	bdass@bol-online.com	Tel: 9889731, 8816767 Fax: 880-2-8816767
Bangladesh Betel Leaves Exporters' Association	Ispahani Building (8th Floor) 14-15 Motijheel C/A Dhaka - 1000	inpo@zedandzed.com	Tel: 9568985, 9550912 Fax: 880-2-9565316

Company	Address	Email	Tel/Fax
Bangladesh Bi-Cycle and Parts Manufacturers and Exporters Association (BBPMEA)	187-188/8, Tejgaon I/A Dhaka.		Tel: 8817611 Fax: 997674
Bangladesh Bi-Cycle Merchants, Assembling and Importers Association	74/B, Bangshal Road Dhaka-1100.		Tel: 7319950 Fax: 88-02-7319950
Bangladesh Bread Biscuit-O-Confectionery Prostutkarak Samity	85, Bara Magh Bazar Wireless Mor, Ramna Dhaka.		
Bangladesh Cement Manufacturers Association	C/o. Bashundhara Group Sena Kalyan Bhaban (14th Floor) 195 Motijheel C/A, Dhaka.	bgc@bdcom.com	Tel: 9556452-54 Fax: 9556459
Bangladesh Ceramic Ware Manufacturers' Association	52/1, New Eskaton Road (3rd Floor) Hassan Holding Dhaka - 1000	bfcl@dbn-bd.com	Tel: 9345174, 9343948, 9356085 Fax: 8314933

Bangladeshiyo Cha Sangsad	(Tea Association of Bangladesh) Progressive Tower (4th Floor) 1837, Sk. Mujib Road (Badamtali) Agrabad C/A Chittagong.		Tel: 031-716407 Fax: 031-716407
Bangladesh Cigarette Manufacturer Association	T.C.B. Bhaban, Basement Room No. 5, Kawran Bazar Dhaka - 1215		Tel: 0171-705707
Bangladesh Cosmetics and Toiletries Manufacturers Association	48 Mohakhali C/A Dhaka-1212.	info@squaregroup.com	Tel: 8817729, 8827729
Bangladesh Cotton Association of Agents Trader's Growers and Ginners	87, Motijheel C/A Red Cresent Chamber (1st Floor) Dhaka-1000.		Tel: 9553007 Fax: 880-2-9558940
Bangladesh Electrical Merchandise Manufacturers' Association	2, Shahid Nazrul Islam Road (Hatkhola) Rowshan Chamber (2nd Floor) Dhaka-1203	bemma@bol-online.com	Tel: 9562126

Company	Address	Email	Tel/Fax
Bangladesh Electronics Manufacturers Association	94 Malibagh DIT Road Arafat Tower Dhaka-1217.	glactron@citechco.net	Tel: 9557967, 9557227 , 9568992 Fax: 880-2- 9563242
Bangladesh Embroidery Manufacturers and Exporters Association	House No.505, Road No.35 New DOHS, Mohakhali Dhaka-1212.		Tel: 9899967 Fax: 880-2- 8119191
Bangladesh Fertilizer Association	City Heart Complex (10th Floor) Room No. 867, Naya Paltan, Dhaka-1000.	bfaurbora@dhakacom.com	Tel: 9352410, 9348714 Fax : 880-2-9348714
Bangladesh Finished Leather, Leather Goods and Footwear Exporters' Association	House No. 61 Road No. 2/A Dhanmondi R/A Dhaka-1209.	infor@bfllfea.org	Tel: 8622167, 8622168 Fax: 880-2- 8622168
Bangladesh Flexible Packaging Industries Association	2, BSCIC Industrial Estate Tongi, Gazipur.	tampaco@citecho.net	Tel: 9803333 (Hunting) Fax: 880-2-9801710, 9801711
Bangladesh Frozen Foods Exporters Association	Skylark Point (10th Floor) 24/A Bijoy Nagar, North South Road Dhaka-1000.	bffea@dhaka.net	Tel: 8316882, 8317531 Fax: 880-2-8317531

Bangladesh Fruits Vegetables and Allied Products Exporters' Association	56-57 Sharif Mansion (6th Floor) Dhaka-1000.		Tel: 9560506 Fax: 880-2-9560506
Bangladesh Grey and Finished Fabrics Mills Exporters Association	Dilkusha Center, 18th Floor Suit No. 1804 28, Dilkusha C/A Dhaka - 1000	bgffmea@dhaka.net	Tel: 7170645, 9570476 Fax: 880-2-9564029
Bangladesh Handicrafts Manufacturers' and Exporters' Association (Banglacraft)	13, Gaus Nagar, New Eskaton Road Dhaka-1000	bcraft@dhaka.net	Tel: 9350423 Fax: 880-2-9350423
Bangladesh Hard Board Dealers' Association	8/3 Jumrail Lane Nayabazar Dhaka.		Tel: 7391018
Bangladesh Homeopathic Medicine Manufacturers' Association	32, Naya Paltan (3rd Floor) DIT Extension Road Dhaka- 1000		Tel: 408958 Mob: 018-237289, 0171-540901, 018-292287
Bangladesh Horticultural Producers and Exporters Association	27, Dilkusha C/A Room NO. 1301 (12th Floor) Dhaka- 1000		Tel -Fax: 9334476, 9359785, 0171-671533
Bangladesh Hosiery Association	Shasongong Fatullah Narayanganj-1400.		Tel: 7601023, 7601629 Fax: 880-2-7601629
Bangladesh Jute Association	77, Motijheel C/A, Dhaka.		Tel and Fax: 880-2-9552916

Company	Address	Email	Tel/Fax
Bangladesh Jute Exporters' Association	54, Motijheel C/A (3rd Floor) Dhaka-1000.		Tel: 9551515, 9552288 Fax: 880-2-9560398
Bangladesh Jute Goods Association	Nahar Mansion (2nd Floor) 150, Motijheel C/A Dhaka-1000.		Tel: 9550664, Fax: 9550664
Bangladesh Jute Mills Association	Adamjee Court (4th Floor) 115-120 Motijheel C/A Dhaka-1000.		Tel: 9566472, 9555798, 9560071-2 Fax: 880-2-9566472
Bangladesh Jute Spinners' Association	55, Purana Paltan (3rd Floor) - Dhaka-1000.		Tel: 9551317, 9562772 Fax: 880-2-9562772
Bangladesh Knitwear Manufacturers and Exporters Association	233/1, B.B. Road Press Club Building (1st Floor) Narayanganj-14000.	bkmea@aitlbd.net	Tel: 7610535, 7611295, 7611857, 9715494 Fax : 880-2-9716050

Bangladesh Label Manufactures and Exporters Association	Erectors House (9th Floor) 18, Kemal Ataturk Avenue Banani C/A, Dhaka.		Tel: 9880102-5 Fax: 880-2-8822453
Bangladesh Leather Goods Manufacturing Association	3, Outer Circular Road Rajarbag Dhaka		Tel: 9358978
Bangladesh Marine Fisheries Association (BMFA)	Suit # 10/4 (9th Floor) Eastern Plaza, Hatirpool Dhaka.	bmfa@bdcom.com	Tel: 8616934 Fax: 880-2-8616934
Bangladesh Medical Instrument and Hospital Equipment Dealers and Manufacturers Association	30, Banghabandhu Avenue Ground Floor, Dhaka - 1000	himalaye@bangla.net	Tel: 9555679, 9551131, 7317912, 7318750 Fax: 880-2-9556157
Bangladesh Mudran Shilpa Samity	City Heart (4th Floor) 67, Naya Paltan (4th floor) Dhaka-1000.	mudran@aitlbd.net	Tel: 9351728, 8321023
Bangladesh Paint Dyes and Chemical Merchants' Association	118, Chawk Circular Road Chawk Bazar (1st Floor) Dhaka-1100,		Tel: 0171-938123
Bangladesh Paper Importers' Association (BPIA)	40, Nawab Yousuf Road Nayabazar, Dhaka-1100. Liaison Office: 2/C, Purana Paltan, Shown Tower (2nd floor) Dhaka-1000.	falguni@1postbox.com	Tel: 9570620, 9570705 Fax: 9558757
Bangladesh Paper Merchants' Association	12, Lyall Street, Patuatuly Dhaka-1100		Tel: 7391868, 9569474

Company	Address	Email	Tel/Fax
Bangladesh Paper Mills Association	Sena Kalyan Bhaban (14th Floor) 195 Motijheel C/A Dhaka - 1000	bgc@bdcom.com	Tel: 9556452-54 Fax: 880-2-9556459
Bangladesh Plastic Babosayee Samity	40, K.B. Rudra Road (3rd Floor) Urdu Road, Dhaka-1211.		Tel: 7314678
Bangladesh Plastic Drabya Prostutkarak Association	30, Haider Baksh Lane, Churihatta, Lalbagh, Dhaka1211.	bpgma@bol-online.com	Tel: 7314834, 7314770Ô Fax : 880-2-7314834
Bangladesh Podder Samity	28, Kotowali Road (3rd Floor) Dhaka - 1100		
Bangladesh Polymar Importers' Association	315/B Tejgaon Industrial Area Dhaka-1208.		Tel: 8821665 Fax: 880-2-8829177

Bangladesh Poly Propylene Polythin Khudra Shilpa Karkhana Malik 0 Banik Samity	16, Mokim Katra (2nd Floor) Nagina Bhaban Chawlk Bazar Dhaka-1211.		Tel: 7313883 Fax: 880-2-9664994
Bangladesh Publishers and Booksellers Association	3, Liaquat Avenue Dhaka		Tel: 7111666, 7123425
Bangladesh PVC Pipe Manufacturers Association	20/25, Siddique Bazasr North South Road Dhaka.		Tel: 7163263
Bangladesh PVC Compound Manufacturers Association	36, Lake Circus Kalabagan Dhaka.	npolymer@bangla.net	Tel: 8115054 Fax: 880-2-8113164
Bangladesh Rubber Industries Association	4, Nazimuddin Road Dhaka.		Tel: 7313944 Fax: 880-2-7310598
Bangladesh Salted and Dehydrated Marine Foods Exporters' Association	Nur Mansion 15, Agrabad C.A. Chittagong		Tel: 031-711523-4, 711521, 710171
Bangladesh Sewing Thread Manufacturers and Exporters Association	Youth Tower, 822/2 Rokeya Sarani Dhaka-1216.	mahmud@youthbd.com	Tel: 8052343, 8052418, 8052758, 8052998 Fax : 880-2-8052351 / 8052998
Bangladesh Specialized Textile Mills and Powerloom Industries Association	Paltan Tower (2nd Floor) 87, Purana Paltan Lane Dhaka - 1000	bstmpia@shaplanet.com	Tel: 9360736, 8351973, Fax: 880-2-8351973
Bangladesh Tanners Association	99, Hazaribagh, Dhaka-1209.		Tel: 8626878, 9662836, 9660754 Fax: 880-2-8618564

Company	Address	Email	Tel/Fax
Bangladesh Terry Towel and Linen Manufacturers and Exporters Association	80/4 Kakrail (1st Floor) Dhaka-1000.	bttlmea@citechco.net	Tel: 935 1815, 935 1820 Fax: 880-2-935 1815
Bangladesh Textile Dyeing Printing Industries Association	Islampur Mansion (4th Floor) 17, Islampur Road Dhaka-1100.		Tel: 9569334, 8112977, 7391420, 7390247, 0171-732731 (Mob) Fax: 880-2-9111562
Bangladesh Textile Mills Association	Moon Mansion (6th Floor), Block-M 12, Dilkusha C/A Dhaka-1000.	btma@dhaka.agni.com btmea@citechco.net	Tel: 9552799, 9563790 Fax: 880-2-9563320

Bangladesh Textile Mills Owners' Association	92, Motijheel C/A Dhaka.	sunsilk@aitlbd.net	Tel: 9570124 Fax: 880-2-9556549
Bangladesh Weavers Product and Manufacturers Business Association	45, B.B. Avenue (4th Floor) Room No. - 24 Dhaka.		Tel: 9569005
Exporters Association of Bangladesh	BTMC Bhaban (Ground Floor) 7-9 Karwan Bazar Dhaka.	bgmea@dhaka.agni.com	Tel: 8125734, 8125735 Fax: 880-2-8125739
National Association of Small and Cottage Industries of Bangladesh (NASCIB)	63/1 Purana Paltan Line Dhaka-1000.		Tel: 88-02-8322709 Fax: 88-02-8322709
Packaging Industries Association of Bangladesh	68 Dilkusha C.A, Dhaka-1000.		Tel: 9557270-1 9552591/2
Plastic and Rubber Shoe Merchants Association of Bangladesh	15, Shawary Ghat Road (4th floor) Chawk Bazar Dhaka-1211.		Tel: 7315645 0171627182 (Mob)
Sea Food Export Buying Agents Association of Bangladesh	House # 28, Road # 14 Section-14 Uttara Model Town Dhaka-1230.	sebaab@bol-online.com	Tel: 8917012 Fax: 880-2-8917511

Annex VIII Government Bodies and Agencies Connected With Packaging

Company	Contact Details
Bangladesh Export Promotion Bureau (BEPB) This a government agency established under the Ministry of Commerce, Government of the Peoples' Republic of Bangladesh. They have the sole responsibility of developing and promoting exports of traditional and non-traditional products. These involve the provision of technical assistance at the enterprise level in production, marketing, training and general advisory services as well as participation in export finance committees and others for creating an enabling environment for traditional and non-traditional export expansion. There are 172 exportable items in their list and they have taken a scheme to identify one district one item course of action.	TCB Building Kawran Bazar Dhaka Tel: 8802 9128377, 8802 8151497 8802 9144821-24 Fax: 8802 9119531
Ministry of Commerce	Bangladesh Secretariat Ramna Dhaka

	Tel: 8802 7167999, 8802 7165741 Fax: 8802 7167999, 8802 7165741 Email: mincom@bdonline.com
Bangladesh Standards and Testing Institution (BSTI)	Ministry of Industries 116/ATejgaon Industrial Area Dhaka-1208 Tel: 8802 8821462, 88 02 8825685 E-mail: bsti@bangla.net http://www.bstibd.org

Annex IX Major Converters and Suppliers of Packaging Materials

Company	Address	Email/Web	Tel/Fax
Corrugated Boxes			
Montrims Ltd. Contact: Subhas Chandra Pramanik	Corporate Office: #8(2nd Floor), Sector #11, Sonargaon Janapath Road, Uttara, Dhaka - 1230, Bangladesh Factory: Mouchak, Kaliakair, Gazipur	http://www.mondol.net montrims@mondol.net marketing@montrims.net	Tel: +880-2-895000-2, 8955004, Ext. 204 Fax: +880-2-8955005 Tel: +88-02-9295508-12, Ext.125 Mob: 01713-039273 Fax: +88-02-9298372
Taehung Packaging (BD) Limited Contact: Han Sik, Kim	Teen Sarak, Joydebpur, Gazipur - 1700, Bangladesh,	info@taehungbd.com cpahskim@taehungbd.com	Tel: 880-2-925-7068 / 9 926-1224 / 2151, 011 - 864081 / 2 Fax: 011-864080, 926-2376 Mob: 0171 - 3039782
Zenith Packages Ltd. Mast Packaging and Paper Converting Ltd.	H.O.: Zenith and Mast 28, Dilkusha C/A 10th Floor, Dhaka-1000, Bangladesh. Factory: Kazlar Par Demra Road, Dhaka Contact: Shahdat Hossain	mast@bdmail.net	Tel: Office: 9552645, 9552129, 9568135, 9568149 (Direct) Fax: 880-2-9568505 Off: 9568135, 9552129, 9552645 Factory: 7518372 Mob: 0171 352823 Fax: 880-02-9568505

Arbab Poly Pack Ltd. Contact: Zakir Hossain Nezum	H.O: Arbab 64,Dilkusha C/A, 1st Floor Dhaka-1000 Bangladesh.		Tel: Office: 9558824, Mob: 011-850360, 017 547 146, Fax: 9556226
The Delta Engineers Ltd. Contact: Humayun Kabir	H.O. and Factory: Plot No.A-86/87 BSCIC Industrial Estate, Konabari, Gazipur. Dhaka Office: Plot No.389, Lane No.6, DOHS Baridhara, Dhaka - 1206	http://www.deltagroupbd.com	Tel: 9298415-6, 9297150 Tel: 8813636-7, 8824092 Fax: 880-2-8813635

Company	Address	Email/Web	Tel/Fax
Zawad Group Contact: Managing Director: Lokman Hossain	Zawad Packaging Ind. Ltd. 86, Tongi Industrial area, Tongi, Gazipur, Bangladesh.	zahidh@accesstel.net	Tel: 9800891, 9803120, 9813563, 9815693-4 Fax: 880-2-9803815 Mob: 01817-141907.
Prompt Packaging Ltd. Prompt Accessories Contact: Managing Director: Zakir Hossain	Office: 27, Road #10, Block # E, Banani, Dhaka, Bangladesh Factory: Vill-Itahata Post-Chandana, Dist-Gazipur	ffashions@intrepidbd.com	Tel: 880-2 9898626, 9893482 Mob: 0189-245316 (m) Fax: 880-2-9898626 Tel: 880-2-9261464, 9263210 Fax: 880-2-9263810
M/s. Meghna Packaging and Poly Meghna Multipurpose Himagar Ltd. Contact: Managing Director: Jasim Uddin	23/4, Kunipara, Tejgaon Industrial Area, Dhaka - 1208, Bangladesh.	jasimm@citechco.net	Tel: 9898246, 9897993, 9880195, 8827532 Residence: 8826883 Fax: 880-2-8826222
M/s. Khan Accessories and Packaging Co. Ltd. Contact: P.K. Paul (Babu)	270/B, Tejgaon I/A Dhaka-1208	kapco@dhkonline.com	Tel: 8822184, 8829632, 8816642, 8826281, 603323 Fax: 8828245, Mob:011-856432
Kuliarchar	Office:	packaging@kuliarchar.com	Tel: 02-9291804-6

Packaging Ind. Ltd. Contact: Sarwar Uddin Choudhury	Holding #10-184, Kamarjuri Bada Kalmasher, K.B.Bazar, Gazipur, Bangladesh.	http://www.Kuliarchar.com	Mob: 0173-013721 Fax: 8802-9291803
Business Network Benison Packaging and Printing Ind. Ltd. Contact: Managing Director Tanvirul Islam (Rony)	Office: 159, Shantinagar (4th Floor), Dhaka Factory: 195, North Goran, Dhaka-1219	bnetwork@citechco.net	Tel: 880-2 9349543, 8355934 Fax: 880-2-9360585 Tel/Fax: 880-2-7218280
1 Stop Trims and Packaging Solution		accessories@kdsgroup.net accessories@kdsgroup.net	KDS Head Office: Tel: 880 31 681701-3,685207-9 Fax: 880 31 682137 KDS HK Office

	Factory: (Packaging) BSCIC Industrial Estate Plot # B-35, B-50 Tongi Gazipur	packaging@patriotgroupbd.com	Tel: 9813697, 9815445, Fax: 880-2-9815446, Mobile: 01711 62 28 46
Board Cartons			
nting And ng Limited shraf Ali	Head Office: 67 Dilkusha C/A. Dhaka-1000, Bangladesh Factory: A-98, BSCIC 1/E, Tongi, Gazipur	ashrafeppl@agni.com eliteppl@agni.com	Tel: 9557270-1,9552591-2, Fax: 880-2-9564528. Tel: 9802353, Fax: 9802713 Mobile: 0189-228618
ress d ury	69, Nasirabad Industrial Area, Bayazid Bostami Road (Textile Gate), P.O.: P.T.I. Chittagong-4209, Bangladesh	azadsignet@globalctg.net	Tel: 031 2580830-31 (PABX) :031-2580829 Cell: 01711-749637, Fax: 880-31-2580227
ckaging er ng Ltd. g Director lossain	Office: 28, Dilkusha C.A. (10th floor.) Dhaka - 1000, Bangladesh.	mast@bdmail.net http://www.zenith-mast.com	Tel: 955129, 9552645, 9568135 Factory: Tel: 7510403, 7515557 Fax: 880-2-9568505
Printing kaging Contact: nad Ali	89, Mohakali, C/A, Dhaka - 1212, Bangladesh	mppl@bttb.net.bd	Tel: 9899123, 9899082, 8821631 Fax: 880 2 8829794 Mob: 0189 260280 Residence: 8811804, 8829229

Company	Address	Email/Web	Tel/Fax
Home Printing Press Visibility	207/1, Sharna Plaza, Fakirapool (1st Lane)		Tel: 9354325

Advertising Contact: Gias Uddin Sannamat	Motijheel, Dhaka-1000		
Khan Printing and Packaging Contact: Rahman Khan	H.O.: 120, Arambagh, Motijheel, Dhaka - 1000	khanpp@gmail.com	Tel: 7100787, 7100455, 7101536 Handset: 01711538555, 01190534184, 0152468976 Fax: 880-2-7100455
Films and Flexible Laminates			
Famouspack Famous Printing and Packaging Ltd. Contact: Fazul Karim	Plot #93, Togi Industrial Area, Tog, Gazipur, Bangladesh.	fazul@famouspack.com http://www.famouspack.com	Tel: (880-2), 9810478, 9810480-1 Fax: (080-2) 9810529, Mobile: 0189-249635
Magura Packaging Ind. Ltd. National Packing Ind. CLASSIC FOILS LTD. Contact: Shamsul Alam	Office: 50/D Inner Circular Road, Nayapaltan, Dhaka - 1000 Factory: Shimrail, Shiddiraganj, Narayanganj.		Tel: 880 2 9333091 Fax: 880 2 8314081 Cell: 8801911327872 Tel: 7609585
The Merchants Ltd. Contact: Enayet Kabir	House 38, Road 13 Sector, 3 Uttara, Dhaka 1230, Bangladesh	enayet@themerchantsltd.com http://www.themerchantsltd.com	Tel: 8953645 Ext: 205 Fax: 880 2 8920379, Cell: 0173015286
Shetu International (Pvt.) Ltd. (Flexible Packaging and Paper Converting) Contact: Anisur Rahman	Ismail Mansion (3rd Floor) Room No. 306, 9-H Mohtijheel C/A Dhaka - 1000 Bangladesh.	shetu.anis@citech.net	Tel: 9568168, 9564754 9564774, 9570065. Mobile: 01711-638614 Fax: 880-2-9564749
Trice Pack Ltd. Contact: Karim Sherali Jivani	Red Cresent Concord Tower (10th Floor), 17, Mohakhali C/A, Dhaka - 1212, G.P.O. Box - 3223, Dhaka - 1000 Bangladesh.	bsnl2004@citech-bd.com http://www.bombaysweetsbd.com	PABX: 9893800, 9893801, 9896800, 9897100 Fax: 880-2-9893077

Company	Address	Email/Web	Tel/Fax

BRAC Printing Pack Contact: Shamsul Hoque	Head Office: 75 Mohakhali C/A, Dhaka - 212, Bangladesh. Factory: Laxmipura Teen Sarak, Joydebpur, Gazipur - 1710.		Tel: 9252127, 925073 Mobile: 01711623849, 0713035734. Fax: 9252127-115
Laminated Tubes			
Associate Industries (Pvt) Ltd. Manufacturer of Aluminium and Laminate Tube Contact: KH. Salim Hamid	House #55, #A2-B2 (Ist Floor) Block-C, Road #6 Banani Model Town, Banani, Dhaka - 1213, Bangladesh.	aipl@agni.com aipl@bdmail.net	Tel: 88-029887272, 9887288, 984098 Fax: 88-02-9884939, 9561453
Padma Group of Converters Contact: Bikash Sarker	Padma Centre 32/1, Dilu Road, New Eskaton, Dhaka - 1000, Bangladesh.	padmagrooup@dhaka.net http://www.padmagroupbd.com	Tel: 8312263, 8322009,8350799, 9356528 Fax: 88-02-8312273
Padma Cans and Closures Ltd. Contact: Mainul Huq Khan	Corporate Office: 'Padma Centre" 32/1, Dilu Road, New Eskaton, Dhaka - 1000, Bangladesh Factory Hemayatpur, Savar, Dhaka Tel and Fax: 88-02-7710112 and Bagura Road, Barisal	padmacap@citechco.net http://www.padmagroup.com http://www.padmacans.chakachamber.com	Tel: 8312263, 8322009, 8350799, 9356528 Fax: 88-02-8312273 Tel: 0431-53602,54183 Fax: 88-0431-54003
Padma Group of Converters Contact: Akhtar Hossain	Padma Centre 32/1, Dilu Road, New Eskaton Dhaka - 1000, Bangladesh	padmagroup@dhaka.net http://www.padmagroupbd.com	Tel: 8312263, 8322009, 8350799, 9356528 Mob: 0171-1640846 Fax: 88-02-8312273
Glass Bottles			
The Bengal Glass Works Ltd. Contact: Tahmid Ahmed	139, Motijheel C/A (10th Floor) Dhaka -1000, Bangladesh.	bglass@bttb.net.bd bglass@citech.net info@astechbd.com	Cable: "BEBGALGLAS" Office: 9565524-26 Works: 7400090-92 Home: 8828360 Fax: 880-2-9565523

Company	Address	Email/Web	Tel/Fax
Plastic rigid bottles and caps			
Astech Limited Contact: Ali Ahmed	Alpha Automation Ltd. A.S. Technical services Ltd.	aliahmed@astechbd.com	Phone: +880-31-624123, Fax: +880-31-285-0742

	175, Jubilee Road (Ist Floor), Chittagong, Bangladesh,		
Hamid Packaging and Container Ltd. Contact: Hamid	Office: 2/22, Block-B, Lalmatia, Dhaka-1207 Bangladesh Factory: Kashimpur Road, Konabari, Joydebpur, Gazipur.	deshind@agni.com	Tel: 9124857 Fax: 880-2-8128659 Tel: 9298417
Luna Plastic Industry Ltd Contact: Murshedul Iqbal.	Plot Nos. 55 (East) and 57, Block-K Rupnagar I/A, Mairpur-2, Dhaka-1216 Tel: 8014069,8032235, Mob: 0171-4012279 Head Office: 5/1 Kamal Daha Road (2nd Floor), Lalbagh, Dhaka-1211, Bangladesh	lunaplst@bol-online.com	Tel: 88-07-7318999, 7315073, 7319082 Fax: 88-02-7318429
The Delta Carton Industries Ltd. Contact: Babur Al Masud	Dhaka Office: House #389, Road #6, DOHS Baridhara, Dhaka1206, Factory: Plot No: A-86,87, BSCIC Industrial Estate, Konabari, Gazipur		Tel: +880-28813636-7, 8824092 Fax: +880-2-8813635 Tel: +88-02-9298415-6 Mobile: 01715428403 Fax: +88-02-9297746
PP woven sacks			
Shovon Paper Shopping Bag Ind. Ltd. Contact: M. Shamsul	Head Office: 18, Kazi Nazul Islam Avenue Shahbag, Dhaka-1000, Bangladesh. Factory: Sonargoan, Narayangonj.	shovon@bangla.net http://www.shovongroup.com	Tel: 8611662, 8619733,9663349 Mob: 0173-013092 Fax: 880-2-8613552, 01819227843 (S)

Company	Address	Email/Web	Tel/Fax
T.K. Polypropylene Products Ltd., Contact: Abul Kalam Azad	Head Office: 83, Khatungonj, Chittagong, Bangladesh. Factory: 11/P, Kalurghat Heavy Industrial Area, Kalurghat Chittagong, Bangladesh.	tkg@globalctg.net	Fax: 880-031-631583 Telephone: 670419, 01819-325853.
Sack and hessian bags			
Janata Jute Mills	7 Gulshan Avenue	sales@janata-sadat-jute.com	Tel : 880-2988698

Ltd., Bangladesh Jute Spinners Association. Contact : Mahmudul Huq	(7th Floor) Gulshan 1, Dhaka 1212 Bangladesh	www.janata-sadat-jute.com	(PABX), Cell : 01711561365, Fax : 880-2-9881027,9888419
Zenin Cold Storage Ltd., Contact : Aveek Mansur	7 Gulshan Avenue (7th Floor), Gulshan 1, Dhaka 1212, Bangladesh	sales@janata-sadat-jute.com www.janata-sadat-jute.com	Tel : 880-2988698 (PABX), Cell : 01713452691, Fax : 880-29881027, 9888419
Cotheeka Jute Industry Contact : Mushfiqul Alam	141 New Circular Road (2nd Floor) Boro Mogbazar Dhaka -1217, Bangladesh.	mushfiqul@cotheeka.comwww.jute.cotheeka.com	Phone : +880-2-8361798
Thermoformed containers			
SATRANG KUTIR SHILPA Manufacturer of Disposal Biscuit Tray, Cup, Food Containers, Glass of HIPS, order Accepted also for any kind of container and Blister Pack of PVC. Contact : Salim Shamsi	430/2, Tejgaon Industrial Area, Dhaka-1208	cupglass@proshikanet.com satrang@proshikanet.com	Phone : 8312706, 8827519, Mobile : 019-354570 Fax : 8312706, 8322559
Ancillary packaging services			
DIGITAL ENGRAVERS LTD., Contact : Kalim Sharafi	55/1, Purana Paltan, Dhaka - 1000, Bangladesh	del_bd@intchworld.net,kalim_bd @yahoo.com	Tel : 9567681-83, 9554044, 9561176, 9559923 Cell : 0711522118, Fax : +88-02-9562552,

Company	Address	Email/Web	Tel/Fax
TOKA INK BANGLADESH LIMITED, Contact : M.A Momen	2 DIT Avenue (Ext.) Motijheel. C/A, Dhaka 1000, Bangladesh.	toka@bangla.net www.tokaink.com.bd	Tel : 956-8888, 955 4143, Fax : 880-2-956-8887

Annex X Suppliers of packaging converting machinery

Company	Address	Email/Web	Tel/Fax
Corrugated box and blown film extrusion			
Salim Engineering Works, Contact : Salim Ahmed	72/A Hrishikesh, Das Road, Narinda Dholaikal Dhaka - 1100 Bangladesh.	salimmaxhinery@yahoo.com sew@agnionline.com www.salimengworks.com	Tel : 7165635, 7114034 (Fact) Mobile : 01711-623538 Fax : 88-02-7174386
Jalal Engineering Contact : Jalal	8, Haranath Ghosh Lane Lalbagh, Dhaka-1211 Factory : Dhaka Mawa Bishwa Road, Keranigonj (Nearest Bhawarveti Petrol Pump)		Ph : 8616529 Mob : 01711-833843

Annex XI Suppliers of packaging filling machinery

Company	Address	Email/Web	Tel/Fax
Strip packaging, blister packaging, bottle filling			
Mark Services Ltd., Contact : Iqbal Ahmed	223/1, Tejgaon Industrial Area, Dhaka - 1208, Bangladesh		Phone : 8824838, 8859257 Mobile : 01714035423 Fax : 88-02-8816340

Annex XII Major Users of packaging materials

Company	Address	Email/Web	Tel/Fax
Agricultural Marketing Co. Ltd., Pran Foods Ltd., Contact : Noor Ferdous	Head Office : Property Heights, 12 R K Mission Road, GPO Box : 83 Dhaka -1203, Bangladesh, Factory : Ghorshal, Palash, Narshingdi	amcl@prangroup.com pranf@bangla.net	Fax : 880-2-9559415 Tel : 9667482-3, 9351225, Ext-118, Res : 9354596 Mobile : 0192-257186, 01711-438996
Bangladesh Agro-processors Association (BAPA) Contact : Moslem Ali	House #39, Road # 11 (New) Dhanmondi R/A Dhaka -1209	bapa@bracmail.net	Phone/Fax : 880-2-8144536 Mobile : 01711629268
Pran Dairy Ltd.,	Head Office : Property Heights, 12, R.K. Mission Road,		Tel : 9563126, 9667482 Fax : 880-2-9559415

E-mail : Contact : Sheikh Abdul Quadir	Dhaka -1203, Bangladesh. Factory : Bagpara, Polash Norshingdi	gmdairy@prangroup.com	Tel : 0628-74024, 74156 Ext : 221 Mobile : 0912-257322
Agricultural Marketing Co. Ltd., Pran Foods Ltd., (Enterprises of Pran-Rfl Group) Contact : Belal Hossain	Head Office :12, R.K. Mission Road, Dhaka -1203, Bangladesh. Factory : Ghorashal, Palash, Narshingdi	export@prangroup.com pfgexp@prangroup.com,	Tel : 9563126, Ext : 205/229, Tel: 9351225 Ext -221, Office: 0912-256719
Eskayef Bangladesh Ltd. Contact: M. Motiar Rahman	2/C, North East Darus Salam Road, Mirpur-1, Dhaka-1216, Bangladesh	motiar@skf.transcombd.com mtrskf@yahoo.com www.skifbd.com	Tel: 8011445, 8011395 (Off.), 8053099 (Res.) Mobile: 0173-062087, Fax : 880-2-9000833
Novartis (Bangladesh) Limited, Contact: Khurshid Alam	Healthcare Sector Cherg Ali Market, Squibb Road, Tongi Gazipur Bangladesh	tongipd@proshikanet.com	Tel: Of: 880-2-9800561-4 Res: 9803818, Ext. 113 Fax: 880-209800560
A S I A T I C Laboratories Ltd. Contact Sushil Kumar Sutradhar	Factory: 253, Tongi Industrial Area Tongi, Gazipur		Tel: 9803208 Res: 9666500 Mobile: 01711284711

Company	Address	Email/Web	Tel/Fax
	Head Office: 40-41 Siddeshwari Circular Road, Kulsum (2nd Floor) Dhaka-1217, Bangladesh,		Tel: 8311355 Fax: +880-2-8311633
Incepta Pharmaceuticals Ltd., Contact: Mostofa Zamana	Factory: Dewan Indris Road, Bhara Rangamatia, Zirabo, Sarvar, Dhaka	mzaman@inceptapharma.com	Phone: 7708502-6, Ext, -118 Fax: +880-2-7708507 Mobile: 01713036499
Hamdard Laboratories (Waqf) Bangladesh "Hamdard Bhawan" Contact: Hakim Mohammad Yousuf haroon Bhuiyan	99, Bir Uttam C.R. Datta Sarak (Old) 291/1 Sonargon Road) Dhaka-1205, Bangladesh Factory: Modern Factory Meghnaghat Sonargaon, Narayangonj	hamdradbd@bdmail.net www.hamdard-bd.com	Tel: 9665965-6, 8631782, 8625194, 8627003. Fax: 880-2-8616958 Res: 8851245

Bangladesh Aushad Shilpa Samity Contact: Ziaul Huq	House # F-31, Road # 4, Banani, Dhaka-1213	bdass@bol-online.com www.bapi-bd.com	Tele/Fax: +880-2-8816767, Tel: 880-2-9889731
Fish Preservers Ltd. Contact: Salahuddin Ahmed	292, Nasirbad Industrial Area, Baizid Bostami Road, Chittagong, Bangladesh.	fpl@globalctg.net	Tel: (Off) 880-31-681666, (Res) 031-671788 Fax: 880-31-681677, Mobile: 01711-720277
Convince Centre, Contact : Rafez Alam Chowdhury	Plot # 68-71 Block-K, Section # 2 Rupnagar, Mirpur, Dhaka-1216, Bangladesh.	racab@dhaka.net	Phone : 9010603, 8010739, 8023886, 8824694, 8810369 Fax : 880-2-9010401, 8827774
Patriot Group Contact: Mohammad Iqbal Hossain	430/1/A, Tejgaon Industrial Area, Dhaka - 1208, Bangladesh.	patriot@neksus.com patriot@altlbd.net	Tel: 9882034, 988036, 9898290, 9898354, 8829214 Fax: 88-02-9897814,
Pran -RFL Group Contact : Hasan Mahbub	12, R.K. Mission Road, Dhaka -1203, Bangladesh. PBX : 880	export@prangroup.co www.pranrflgroup.com	Tel : 880-2-7163709, 29563126 Ext - 100 Fax : 880-2-7176003, 880-2-9559415

Company	Address	Email/Web	Tel/Fax
Nestle Bangladesh Ltd., Contact : Shamsher Singh Rana	Gulshan Tower (4th Floor) Plot No : 31, Road No. 53, Gulshan North C/A Dhaka -1212, Bangladesh Factory : Rajendrpur, Sreepur, Gazipur,	shamsher.rana@bd.nestle.com	Tel : (02) 9882759 Fax : (02) 8822035, 9881302 Tel: (02) 9201060-2 Ext : 35 (02) 9201066 Fax : (02) 9881302
Bombay Sweets and Co. Ltd., Contact: Kamaluddin A. Aziz	Red Cresent Concord Tower (9th Floor), 17, Mohakhali C/A, Dhaka -1212 G.P.O. Box :3223, Dhaka - 1000 Bangladesh. PABX : 989 3800	reliance@citechco.net	Tel: 989 3801, 989 6800, 989 7100 Fax : 880-2 989 3077, 8314687

Siam's Superior Ltd., Contact: R.L. Bhalla	Sector -1, Plot No.6-8, Chittagong Export Processing Zone, Chittagong, Bangladesh.	bhalla@siamssueriorbd.com	Tel : 00880-31-740724 (Direct) 00880-31-741458-9, 742175 Fax : 00880-31-740029,
Unilever Bangladesh Limited. Contact: Rajib Barua	51, Kalurghat Heavy Industrial Area, Chittagong.	Barua@unilever.com	Tel : +880 31 670500, 011 703838-9 Ext:. 303 Fax : +88031 671448 Cell : +880 01713 123110
Unilever Bangladesh Limited, Contact: Mahtabuddin Ahmed	ZN Tower, Plot #2, Road # 8, Gulshan -1 Dhaka -1212, Bangladesh.	mahtabuddin.ahmed@unilever.com	Tel : +880 2 9888452 Fax : +880 2 8810491

Annex XIII. Other important contacts

Company	Address	Email/Web	Tel/Fax
Bangladesh Jute Research Institute Contact : M. Kamal Uddin	Sher-e- Bangla Nagar, Manik Mia Avenue, Dhaka - 1207, Bangladesh.	bjri@bdmail.net	Tel: 9111658(O), 8120209® Pabx: 8121929 Ex-220 (Off) Fax: 880-2-9118415
Plasma Plus+ Member AQC Group Contact: HQ. Chowdhury	House No: 12, Road No. 5A, Sector No: 11, Uttara Dhaka - 1230, Bangladesh	aqc@citech-bd.com www.plasmaplus.org	Tel: (8802) 8953501 Fax :(8802), 8854428
Bangladesh Standards and Testing Institution (BSTI) Contact : Azmal Hossain	Ministry Of Industries, 11/A, Tejgaon Industrial Area, Dhaka-1208.	bsti@bangla.net azmal_bsti@yahoo.com	Off: 88-02-8821462 Res: 88-02-818551 Fax: 88-02-9131581
Katalyst Contact: Peter Roggekamp	House 20, Road 6, Baridhara Dhaka-1212, Bangladesh		Tel: +88(02) 8823822 +88(02) 8859233 +88(02) 8861416 +88 (02) 8826504 +88 (02) 9860656 Fax: +88 (02) 8829555
United Nations		Margaret.goon@undp.org	

Development Programme Contact: Margaret Goon Mozammel Hoque	IDB Bhaban, Sher-e-Bangla Nagar G.P.O. Box 224, Dhaka-1000, Bangladesh	www.un-bd.org/undp mozammel.hoque@undp.org www.un-bd.org/undp	Tel: (880-2) 8118600 Fax: (880-2) 8113196
European Union Contact: Rozana Wahab	Plot 7, Road 84, Gulshan, Dhaka, Bangladesh	rozana.wahab@cec.eu.int	Tel: 880-2-8824730, 9888902 Fax: 880-2-8823118, 9888622
Bangladesh Quality Support Programme Contact: David Holbourne	BSTI Bhaban (3rd Floor) 116-A, Tejgaon (Industrial Area, Dhaka -1208, Bangladesh.	bqsp@ranksitt.net	Tel/Fax: (880-2) 8836242

Company	Address	Email/Web	Tel/Fax
Export Promotion Bureau Ministry of Commerce Contact: Abdul Qayyum	1, Kawran Bazar, TCB Bhaban (1st Floor), Dhaka -1215 Bangladesh.	dg1@epb.gov.bd www.epb.gov.bd	Tel: 9144641(0) Res: 9145213 Mobile: 01711350158 Fax: 88-02-9119531
Export Promotion Bureau Contact: Abdur Rahman	TCB Bhavan (1st Floor) 1, Kawran Bazar Dhaka-1215 Bangladesh	bjmajutegood@agnionline.com	Phone: 9566472 PABX: 9560071-72 CABLE: BAJMA Fax: 880-2-9566472
Senior Vice President The Chittagong Chamber Of Commerce and Industry Contact: M.A. Latiff	Chamber House,38 Agrabad C/A, Chittagong, Bangladesh.	ccci@globalctg.net, ccci@spnetctg.com www.Chittagongchamber.com	TEL: 880-31-713366-9,722325 (Direct) FAX: 880-31-710183
Bangladesh Jute Mills Association (BJMA) Contact: A. Barik Khan	Adamjee court, main Bldg.(4th floor) 115-120, Motijheel C/A, Dhaka-1000 Bangladesh	bjmajutegood@agnionline.com	Phone: 9566472 PABX: 9560017-72 CABLE: BAJMA FAX: 880-2-9566472
Rahimafrooz Superstores Limited Contact: Rahimafrooz	101, Gulshan Avenue Dhaka-1212 Bangladesh	gshelpdesk@rahimafrooz.com	Tel: 880-2-9892974, 9862845 Cell: 0189-957468, Fax: 880-2-9861896
Kulshi Packing Materials Ltd.	188/1, Motijheel Circular Road, Arambagh, Dhaka-1000, Bangladesh	kulshi@bol-online.com	Tel: 7102450, 7102452, Fax: 880-2-7102451

Bengal Group of Industries Contact: Jashim Uddin	Bengal House 75 Gulshan Avenue, Gulshan 1, Dhaka 1212, Bangladesh	jashim@bengal.com.bd	Tel: +880 2 988 8248,8827441, Fax: +880 2 882 7507
Mohammad Shawak Ali Director Information Export Promotion Contact: Mohammad Shawkat Ali	Bureau TCB Bhaban, 1 # Kawran Bazar, Dhaka-1215, Bangladesh	dir-info@epb.gov.bd msa2cat@yahoo.com	Tel: (8802) 9144886,9144821-24/132, Fax: 88-02-9119531
Bangladesh Accreditation Board (Ministry of industries) Contact: M. Liaquat Ali	Shilpa Bhaban 91, Motijheel C/A Dhaka-1000, Bangladesh	aliml@hrcworld.com	Tel: 9564462(off),8913307 (Res) Mobile: 01720089201

Company	Address	Email/Web	Tel/Fax
Commodore Muhammed Contact: Mohammed Farooque	Farooque Bandar Bhaban Chittagong-4100 Bangladesh	www.cpa.gov.bd Chairman@cpa.gov.bd	Tel: 880-31-2510870 Pabx: 812200-34/2384 Fax: 880-31-2510889
The Dhaka Chamber of Commerce and Industry Contact: Ferdaus Ara Begum	65-66 Mohitijheel Commercial Area, Dhaka-1000, Bangladesh	dcci@bangla.net @gononet.com Website : http:/www.bangla.net/dcci andwww.dhakachamber.com	Tel : 8802-9552562 Ext : 125/116, Res : 9002184, Fax : 880-2-9560830
Bangladesh Plastic Goods Manufacturers and Exporters Association Contact: Md. Jashim Uddin	Head Office: Paltan Tower, Suite #603 and604, 87 Purana Paltan Line (6th Floor), Dhaka-1000, Bangladesh. Branch Office: 30, Haider Baksh Lane, Lalbagh, Dhaka - 1211, Bangladesh.	www.bpmea.org, bengalgroup.com bpgmea@glinktel.com jashim@bengal.com.bd	Tel: 8350192, 7314770, 9888248, 8827441, Fax: 9347889
The Federation of Bangladesh Chambers of Commerce and Industry Federation Contact : Abdur Razzaque	Bhaban 60, Motijheel C/A, Dhaka-1000, Bangladesh,	fbcci@bol-online.com fbcci_id@aitlbd.net www.fbcci-bd.org	Tel: 9560482, 9560588, PABX: 9560102-3 Fax: 880-2-176030, 9560588

Annex XIV. Policy Issues justifications and suggestions

Policy Issues	Justifications	Suggestions
Extension of Bond period and empowerment of the bond Commissioner	Bonding period for imported raw materials was made for 1 year by amending the Customs Act 1969 through the finance act 2003. As a minimum quantity is to be imported under compulsion and the full quantity cannot be exhausted within a financial year for which financial involvement is increased and thus cost of production is also pushed up, making the sector financially non-competitive.	Bond period validation of imported raw materials for 2 years for the 100% export oriented industries and empowerment of the bond Commissioner to further extend the period by 1 year.
Validity of Bond License	Presently bond license is to be renewed every year and the license renewal must be done 30 days before the expiry date.	Bond license should be valid for 3 years per instance or there should be auto renewal for BCCAMEA members
Monthly Submission of Exports and Imports statements with VAT authority	Whereas the export oriented industries are exempted from any VAT, the monthly submission of export and import statement is time consuming and financially costly.	Like before export oriented industries to be allowed for submission of their export import statements half yearly instead of prevailing monthly statements.
Discretionary power of the VAT Officials	Due to the provision of discretionary power of the VAT officials in many cases the power is abused and for which, the industry suffers, while VAT is exempted on export industries	Discretionary power of the VAT Officials should be withdrawn.
Slashing/Exemption of Income tax and extension of Tax holiday period	As a 100% export oriented sector there is no special incentives for the sector. Compulsory plough-back of 30% profit and 10% profit to be invested in public company shares.	The rate of income tax is to be slashed down to 0.25% and tax holiday is to be allowed at par with EPZ industries. 10% profit should be allowed to invest at the choice of the industry instead of investing in public company shares.
Bank Guarantee against the raw materials import for plastic, poly and hanger	There is no instance so far regarding encashment of bank guarantee for default by the manufacturers and it is time, money and collateral bearing both for issue and release of bank guarantee.	Bank Guarantee against the raw materials import for plastic, poly and hanger should be withdrawn.

Amendment of Customs Act 1969	Per present law bonded industries cannot supply goods to non bonded industries, which hampers exports	Customs Act 1969 is to be amended to facilitate the bonded industries for supplying goods to non-bonded industries for boosting up exports through price competitiveness.

Tariff on import of spares for 100% export oriented industries	The export-oriented industries are the primary earners of foreign exchange for the country. Zero tariff will help boost exports as the industry will be more price competitive	Zero tariffs should be on the import of spares for 100% export oriented industries.
Separate license for each location/site of the same industry	For BMRE of an industry each location/site has to be under separate license now	There should be unified/single license for all locations/sites for a single industry irrespective of locations/sites it has
Simplification of Utilization Permission (UP)	This is costly and time consuming now. The Industry should be at par with other export sectors in terms of policy matters.	UP can be given to BCCAMEA for smooth and cost effectiveness.

Source: BCCAMEA

Bangladesh Quality Support Programme - Component 2

a European Community funded programme

Objective

The overall programme objective is to contribute to growth and poverty reduction, assisting Bangladesh in the development, strengthening and diversification of its production and export base.

Purpose

The purpose is to increase awareness on international quality standards and potential for exports, develop capacity to meet technical requirements in export markets

Results

- Increased awareness of the business community about standards, conformity assessment and packaging requirements of export markets.
- Enhanced national capacity to strengthen skills of the business sector in Bangladesh to take advantage of the WTO Agreements on TBT and SPS through compliance with standards and conformity assessment requirements.
- Improved technical knowledge of Bangladesh packaging industry, in line with international standards, with special focus on export packaging requirements to the EU.
- Enhanced awareness of export capacity of horticulture sector in Bangladesh, and sector development activities coordinated through a comprehensive sector development strategy and implementation plan.
- Improved conformity of horticulture products with requirements of selected market segments in UK and UAE covering areas of:

  1. Procurement chain
  2. Quality
  3. Packaging
  4. Market development

- Market approach strategies for four selected sectors. Sectors' development activities are coordinated through a comprehensive sector value chain development strategy and implementation plans developed by public & private sector stakeholders.

International Trade Centre

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