



**PROSPECTUS  
FOR  
ALLOTMENT OF LAND  
IN  
MIRSARAI ECONOMIC ZONE  
AND  
FENI ECONOMIC ZONE**

**BANGLADEH ECONOMIC ZONES AUTHORITY (BEZA)  
PRIME MINISTER'S OFFICE**

**[www.beza.gov.bd](http://www.beza.gov.bd)**

# **Applications are invited for allotment of land in Mirsarai Economic Zone and Feni Economic Zone intending to setup Large composite industries, Specialized Utility Infrastructures, Export Oriented Industrial Enclave, Import Substitute Industries, Commercial and Social Infrastructures from bonafide investors of home and abroad.**

## **Introduction:**

Bangladesh Economic Zones Authority (BEZA) has been established with the enactment of Bangladesh Economic Zones Act, 2010 with the objective to develop regional and lagging areas of the country by developing industrial land, attract investment in export and import substitute industries, foster and generate employment and thereby ensure economic development of the country. BEZA has targeted to establish 100 Economic Zones throughout the country with the objectives to create 10 million jobs and ensure United States \$40 billion dollar additional production and export within the time frame of 15 years.

Bangladesh is a land scarce country, every year at least 1% of total arable land is being depleted by developing homestead, urbanization and indiscriminate industrialization. BEZA is entrusted with the responsibility to develop non-arable coastal land, river basins, un-utilized government land for industrial and commercial development. Since establishment, BEZA could identify 76 locations for setting up Economic Zones. Of which 20 Economic Zones will be developed by the private sector developers. The rest will be implemented by BEZA mainly on Public-Private Partnership arrangement. Bangladesh Economic Zones Act, 2010 permits BEZA to develop Domestic Market Demand Industrial enclave, Export Oriented Industrial enclave, Sector Specific Industrial enclave and Non-Processing Service enclave within any or all Economic Zones.

Prime objective of BEZA is to lease out Economic Zone's land to prospective Zone Developers through open bidding process. They will develop the designated land and re-allot the same to the Unit Investors for setting up their industries. Apart from these, lot of potential investors will be desirous to get land directly from BEZA for setting up composite heavy industries, specialized utility infrastructures, cluster of import substitute and export oriented industrial enclave. Others may have the option to set up non processing facilitatory infrastructures like; warehouse, logistic parks, hospitals, market complex etc. to support manufacturing sector within the zone.

To expedite investment attraction through direct allotment of land, the government of Bangladesh has approved a schedule of land tariff along with service charges and regulatory fees. Till today, few Economic Zones have been identified for allotment of land directly to the unit investors side by side with leasing of land to the zone developers through Request For Proposal (RFP) method.

**Location :a)** Upazilla: Mirsarai, District: Chittagong.

b) Upazilla: Sonagazi, District: Feni

**Category of land to be leased out:** Both developed and undeveloped land in Mirsarai Economic Zone and only undeveloped land in Feni Economic Zone will be leased out on direct allotment method. Developed land in Mirsarai Economic Zone is earmarked in sector 2a which will be ready for handover on or before 31 December 2017.

## **Scope of Offer:**

This offer is attributable to;

**Large Industrial Sector Investment:** High-tech heavy industry or high value product manufacturing industry like; steel processing, ship building and recycling, cement, industrial chemicals, pharmaceuticals, automobile assembling, electric and electronic product assembling, integrated textile, frozen food, food processing. Large industry will be defined as follows:

- a) **Large Manufacturing Industry** means and includes the cost of fixed assets including replacement cost of industry, except cost of land and factory building, exceeds Tk.50(fifty) crores or employ more than 300 workers for industry other than RMG and labor intensive Industry. RMG or Labor intensive industry which have workforce more than 1000 will be included in large industry category;
- b) **Large Service Industry** means and includes the cost of fixed assets of the industry, except value of land and factory building, exceeds Tk.30 crores or employ more than 120 workers.

**Specialized Industrial Sector Investment:** Power Generation plant, Central Effluent Treatment plant (CETP), Sewerage Treatment plant (STP), Water Treatment plant (WTP), Construction of sea or River Port.

**Import Substitute Industry:** Investment in Import substitute Industry; domestic goods production of which is counted less than local demand will be given preference.

**Export Oriented Industry:** Investment in development of Export Oriented industrial enclave; production and export of non-traditional items will be given preference.

**Commercial and Service Sector Investment:** Investment in market complex, hospitals, training centers, warehouses, accommodation, logistic parks, school, college and other commercial and service sector investment.

**Quantum of Land to offer:**

- a) Minimum (+ -) 10 (Ten) acres of land will be leased out per block/ plot in Mirshorai Economic Zone and Feni Economic Zone;
- b) Proposal for vertical expansion of working space will be given preference.

**Mode of Lease value Payment:**

- a) 50 (Fifty) years lease on One time Upfront payment;
- b) 50 (Fifty) years lease on Annual lease rent payment.

**Employment Generation:** Proposal for maximum employment generation will be given preference.

**Value Addition:** Industries, involving in multi-stages of processing will be given preference.

**Training of Workers etc:** Investors should have to submit training scheme/program to the workers/ employees.

**Foreign Direct Investment (FDI):** FDI will be given preference.

**Research and Development (R&D):** Activities involved R&D will be given preference.

**Infrastructure provision:** Leasable plots/ land will have access with roads, connected with electricity, water, gas (on availability) distribution lines and be secured by dykes and embankment.

**Developed land:** Developed land means and include considerable level of land filling and adequate offsite infrastructures.

**Undeveloped land:** Undeveloped land means and include the plots of land to be allotted “as is where is basis”.

**Land Handing Over:** Allotted land will be handed over soon after the access road is completed.

## **Profile of Economic Zones for direct allotment of land on fixed tariff basis:**

**Mirsarai Economic Zone:** Total Area is about 7,138 acres, locating in Mirsarai upazilla of Chittagong district. This area lies in between Dhaka – Chittagong highway in the east and Sandwip Channel in the west. Ongoing development works includes four lane access road from Dhaka-Chittagong highway, massive embankment to protect tidal upsurge, construction of bridges, land development, construction of sluice gates, administrative building etc. Eventually the area of this zone will be extended up to 20,000 acres. Out of the land parcel 550 acres have already been awarded to a Joint Venture of four Bangladeshi reputed business houses to develop zone for prospective unit investors. Total 1200 acres of land is being given to Bangladesh Export Processing Zones Authority (BEPZA) to develop BEPZA Economic Zone. Furthermore, development works of 1310 acres of land (sector 2a and 2b) is running on full swing. Upcoming off-site infrastructures of the zone will be included but not limited to high tension electric line with grid sub-station, gas transmission line with LNG mix, dedicated port facility, power generation unit by BPDB, marine drive up to Chittagong port, railway link, natural lake, hotel and amusement park etc. The prospective sector of industry mix may include garments and garments accessories, composite textiles, pharmaceuticals, ship building, industrial chemicals, steel, cement, frozen foods, agro processing industry, ICT, automobile assembling, electric and electronic assembling plant etc.

**Feni Economic Zone:** Total Area is about 4,513 acres, locating in Sonagazi upazilla of Feni district. Eventually the area of this zone will be extended up to 10,000 acres. It lies in between Dhaka – Chittagong highway in the east and Sandwip Channel in the west. Although Mirsarai and Feni Economic Zones are being developed as one Economic zone area, with similar connectivity, but due to its location in other administrative district, this portion would be known as Feni Economic Zone. All the features of development and prospects of Feni Economic zone will be as same as Mirsarai Economic zone.

**Application Form:** Application Form for Investment Proposal can be purchased from BEZA office, BDBL Bhaban(Level-15), 12 Kawran Bazar, Dhaka-1205, Bangladesh at a cost of US\$125.00 or Bangladeshi taka10,000.00, either by cash or Pay order. Specimen of the Application Form may be seen with this document (As attached) and can be downloaded from BEZA website. Application can be made either by submission of hard copy or through online.

**Incentives:** Government of Bangladesh has declared packages of Incentive for the Economic Zone Developers and Unit Investors to augment investment in the Economic Zones/Special Economic Zones/Tourism Parks of Bangladesh as follows:

### **Economic Zone Developer:**

- Income Tax Exemption for 12 Years;
- Exemption on Custom Duty on Import;
- Exemption on stamp Duty & Registration fees for Registration of land transfer;
- Exemption of Stamp Duty on registration of loan document;
- Exemption of Land Development Tax;
- Exemption of Local Govt.Tax (Union Parishad);
- Exemption from enforcement of BOI Act in EZ.

### **Economic Zone Unit Investors:**

- Income Tax exemption for 10 years.
- VAT free import of Machinery, Construction materials;
- Duty free import of vehicles;
- Declaration of Economic zone as Warehousing station – Duty free import & export
- IT Exemption on salary of expatriates;
- Exemption from Dividend Tax, Royalty & Technical fees;
- Exemption from Local Government Tax;
- Exemption from Land Development Tax;

- Exemption from Registration fees on land transfer and loan document;
- Exemption from Stamp Duty for loan document created by Scheduled Bank;
- Exemption from Stamp Duty on lease of land/ space;
- Exemption of VAT on utility supply;
- Repatriation of Capital & Dividend;
- No ceiling of FDI;
- 100% Backward Linkage of raw materials for selling to DTA;
- Sale of finished product to DTA from EPA;
- Sub-contracting with DTA allowed;
- Exemption of Double taxation;
- Foreign Loan available;
- Remittance of salary by expatriates;
- Repatriation of sale proceeds of non-residents owned equity;
- Repatriation of Royalty & Technical fees;
- FC Account for Non-resident;
- FC Account for local & JV;
- Formation of JV;
- Issuance of work permit;
- Transfer of Shares by foreign shareholders to local;
- Re-investment of remittable dividend as new investment;
- Resident VISA with investment of US\$100,000.00
- Citizenship with investment of US\$10,00,000.00

**One Stop Service:** BEZA will provide following business support services:

- Import Permit
- Export Permit
- Local Sale Permit
- Local Purchase Permit
- Sample Permit
- Sub-Contract Permit
- Permission for Utility Connection
- No Objection Certificate for Off Shore Banking License
- License for Service Provider
- Permission for Installation of STP, WTP, CETP
- Permission for Installation of Generator
- a. Name Clearance
- b. Certificate of Incorporation/Registration
- a. TIN Certificate
- b. VAT Registration
- Trade License
- Building Plan Approval
- Environmental Clearance
- Fire Safety Clearance
- a. Clearance on Electrical wiring/plan/connection
- b. Clearance on Plumbing/Water Connection
- Factory Registration with DIFE
- Boiler Registration
- Captive Power Plant
- a. Visa Recommendation
- b. Work Permit
- NoC for Bank Loan
- Customs Clearance

**Tariff Rate for Leasing of Land:** Government has fixed up following Tariff Rate for direct allotment of land in Mirsarai Economic Zone, Feni Economic Zone:

Mode of Payment	Category of land	Annual rent per sq. meter (US\$)	Contract period (Year)	Per sq. meter total rent (US\$)
1	2	3	4	5
One-time payment (Up front)	Developed	0.60	50	30.00
	Undeveloped	0.30	50	15.00
	Specialized Infrastructure	0.345	50	17.25
Annual rent basis	Developed	1.50	50	-
	Undeveloped	0.75	50	-
	Specialized Infrastructure	0.90	50	-

### Service Charges and Regulatory Fees:

1.	Service Charge (On total tariff)	a) Water-Own generation <ul style="list-style-type: none"> <li>• WASA Price + 5%</li> <li>• Treatment- Price +5%</li> <li>• Re-cycling- Price +5%</li> </ul> b) Electricity: Supply price+5% c) Gas: Supply price+5% d) Effluent Treatment: Price +5% e) Regulatory permit fees: BDT500.00 per permit f) Registration of Industrial unit: US\$ 500.00 g) Design approval: <ul style="list-style-type: none"> <li>• Industrial unit: BDT10,000.</li> <li>• Economic Zone:BDT50,000.</li> </ul>
2.	Conservancy charge	Per sq. meter land/factory space US\$ 0.05 per annum.
3.	Compliance charge	Medical & Environment-To be fixed up later on Workers management – to be fixed up later on
4.	Levy-Service support to PPP Zone developer	<ul style="list-style-type: none"> <li>• 2% on total service charge</li> </ul>

### Earnest Money:

- a) **Application with One time Upfront payment:** Every application must be accompanied by 1% Earnest money, which will be refundable to the unsuccessful applicant. Earnest money will be calculated on total amount of one time/upfront lease value of applied land.
- b) **Application for land against Annual lease rent:** Every application must be accompanied by Earnest money, which will be refundable to the unsuccessful applicant. Earnest money will be calculated at 1% on total amount of 10 years lease rental for the applied rent.

- c) Earnest money of successful applicant will be refundable/ adjustable with advance lease rent.

**Security Deposit:** Successful applicant for land lease against annual rent shall have to deposit an amount equivalent to two years rental as security deposit at the time of signing lease agreement with the Authority in the form of Demand Draft or Pay order drawn in favor of Bangladesh Economic Zones Authority. The security deposit will be retained till the annulment of the lease agreement.

**Pre-requisites:** Application Form has to be filled up in clear language, with all supporting documents/ attachments as mentioned in the Application Form. After submission of application, but before opening, any content(s) of Application can be altered by serving written notice to the Authority.

**Preferential treatment:** Leasing of Economic Zone's land will be made for 50 years, in consideration of either for one time upfront payment of 50 years lease rent or annual lease rent as stipulated in this prospectus. **Preference will be given to the applicant(s) who will apply for 50 years leasing of land in consideration of One Time Upfront payment.**

**Time line:**

**Submission of Application:** Applications for allotment of land in any of the designated Economic Zone may be submitted any time before leasing of all plots of that particular Zone becomes exhausted.

**Scrutiny of Application:** Scrutiny of application will be completed within 90 (ninety) days from the date of submission of application or within such period as may be determined by the Authority.

**Communication to Applicant(s):** All applicants will be communicated in writing about decision of their applications within 120 (One hundred twenty) days of submission.

**Signing money and payment of rental dues:**

- a) **Applicant for One time Upfront payment:** Successful applicants will be issued provisional Letter of Allotment (LoA). They will be requested to deposit 25% of their rental dues and sign lease agreement with the Authority within 60 (sixty) days from the issuance of LoA. Second installment of 25% will be deposited within 6(six) months of signing the lease agreement. Remaining 50% of rental dues will be payable at the time of handing over physical possession of allotted land.
- b) **Applicant for Annual lease rent:** Successful applicants will be issued provisional Letter of Allotment (LoA) and will be requested to sign the lease agreement upon payment of security deposit. They will be required to deposit annual rent at the time of handing over the physical possession of allotted land.

**Cancellation of Allotment and return of earnest money:** If the Allottee fails to pay the signing money within 60(Sixty) days from the date of issuing LoA, upon his/her request in writing stating the reasonable cause, the Authority may consider and notify in writing to extend the time for such period as it deems fit from the due date to pay the dues, failing which the allotment will stand cancelled without prior intimation. Ineligible applicants will be given back their Earnest Money soon after communication of their ineligibility.

**Investment Counseling:** BEZA will extend all possible support in counseling investment decision regarding product, location, market demand, incentives, environment and social issues, sourcing of labor, arrangement of off-site infrastructure, utility connections like electricity, water, gas etc.

**Authority's Prerogative:** Bangladesh Economic Zones Authority (BEZA) reserves the right to increase/decrease the size of applied land and accept/ reject any or all application(s) without assigning any reason.

**Liaison with BEZA:** Before or after submission of applications, the applicant will be given all out information and support by;

a) **Abu Hena Md. Mustafa Kamal**  
**Manager**  
**Investment Promotion**  
**E mail: [hena\\_mustafa15018@yahoo.com](mailto:hena_mustafa15018@yahoo.com)**  
**Phone; Off: +88 02 9632475 Cell:+88 01718-754 848**

b) **A K M Mahbubur Rahman FCA**  
**Zone Development Consultant**  
**E mail: [mahbubur.bepza@gmail.com](mailto:mahbubur.bepza@gmail.com)**  
**[zonedev.stcb@beza.gov.bd](mailto:zonedev.stcb@beza.gov.bd)**  
**Cell: +88 01755-589 582/01711-563 998**

**Bangladesh Economic Zones Authority (BEZA)**  
**Monem Business District, Level-12**  
**111 Bir Uttam C R Dutta Road**  
**Dhaka-1205, Bangladesh**  
**Website: [www.beza.gov.bd](http://www.beza.gov.bd)**





**7. Sponsor Shareholder (Schedule to be attached)**

Name	Address	Nationality	Status in proposed company	Share
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**8. Area of Land Applied for Allotment:**

a) Area in Acres/Sq. m; Plot Address:

**9. Type of Allotment**

a) One Time (For 50 Years) Lease Rate (Per Sq.m – US\$.....  
b) Annual Lease Rate (Per Sq.m – US\$.....

**10. Total Amount of Lease Money**

a) One Time : US\$ .....  
b) Annual : US\$ .....

**11. Products/ Services (As applicable- to be attached)**

- a) Name & Description of Products /Services:
- b) Usage of the Products /Services:
- c) Manufacturing Process (Stages of Production)/Service Process:
- d) Cost of Products/ Services:
- e) Application of new technology:
- f) Local raw materials consumption:
- g) Imported raw materials consumption:
- h) Product development/new product/innovative product:

**12. Production/ Service Rendering Program (As applicable-to be attached)**

a) Five Years program with unit/qty./Any other description as applicable:

**13. Projection of Domestic Sale/ Rendering Services(As applicable-to be attached)**

a) Description/ Unit/ Five years projection etc.

**14. Projection of Export(As applicable-to be attached)**

- a) Description/ Unit/ Five years projection etc.
- b) Export destination
- c) Sources of raw materials

**15. Machinery and equipment (List to be provided)**

- a) Imported:
- b) Local:

**16. Infrastructure Requirement (Supported by Master Plan)- List to be provided**

- a) Factory & Administrative Buildings, Warehouses
- b) Road, drains

- c) Market Complex, Hospital etc.
- d) Electricity, water, gas generation/distribution
- e) Dedicated own ETP/CETP/WTP/STP
- f) Logistic Yard etc.
- g) Other relevant infrastructures

**17. Social Infrastructure (Supported by Master Plan) – List to be provided**

- a) Accommodation for workers
- b) Dormitories for executives
- c) Training centers etc.
- d) Corporate Social Responsibility (CSR) activity plan.

**18. Green Environment**

- a) Provision and sharing of surplus heat energy by sister concerns
- b) Development and submission of Environment Management Plan of the site

**19. Requirement of Utility supply**

- a) Electricity (in KWH per day) – Requirement per Sq.m per day
- b) Water (In CM) per day – Requirement per sq.m per day
- c) Gas (In CM) per day – Requirement per sq.m per day

20. **Requirement of Manpower:** Skilled: \_\_\_\_\_ Unskilled: \_\_\_\_\_

**21. Financial Analysis**

**22. Economic Analysis**

**Required Documents and Pay Order/ Bank Draft As Attachment :**

- a) Audited Balance Sheet of the Sponsor Company / Firm for last 3 (Three ) Years
- b) Bank Solvency Certificates
- c) Guarantee/ Assurance from bank(s) for obtaining loan both home and abroad
- d) Conceptual Master Plan for development of the applied land
- e) Action plan for implementation development works & commercial operation
- f) Certified papers against FDI (If any)
- g) Earnest money to the tune of 1% of the onetime lease value of the land/10 years annual rent.
- h) Latest Income Tax Assessment certificate/ Tax Return for last 3 years.
- i) Trade license
- j) Certificate of Incorporation along with Memorandum & Articles of Association.
- k) Business plan.
- l) Annexures/ Schedules (If necessary)

**Signature of the Applicant with seal**

**Bangladesh Economic Zones Authority (BEZA)**  
**Application Form for Allotment of Land**  
**Category: Specialized Infrastructure Investment**



**1. Applicant Information**

- a) Applying Firm or Company (Sponsor):
- b) Full Address of Applicant (Firm/Company):
- c) Country/Division/District:
- d) National ID No:                          TIN:
- e) Phone:
- f) E mail/Website:

**2. Authorized Information**

- a) Name of the correspondent Applicant Name:
- b) Nationality:
- c) Address & Contact Details:
- d) Division/District:
- e) Phone:
- f) E mail/Website:

**3. Proposed Project(s)**

- a) Name of Economic Zone:
- b) Proposed Project(s)/Company name Which will carry out Business:
- c) Type of Business/Industry or Services:
- d) Type of Industry:
- e) Type of Company:
- f) Industry category:

**4. Implementation Schedule(With annual action plan & Implementation/ Gantt chart):**

- a) Start Time:    End Time:    Duration in Days:
- b) Commercial Operation Date:

**5. Capital/Loan Structure**

- a) Authorized capital:
- b) paid up Capital:
- c) Borrowing/Loan:                                  Local (Million USD):                                  Foreign(Million USD):

**6. Contribution in Paid up Capital Among Shareholders**

- a) Paid up Capital    Local(BDT):    Foreign(US\$)

## 7. Sponsor Shareholder (Schedule to be attached)

Name	Address	Nationality	Status in proposed company	Share
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a) Area in Acres/Sq. m; Plot Address:

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b) Annual Lease Rate (Per Sq.m – US\$.....

## 10) Total Amount of Lease Money

a) One Time : US\$ .....  
b) Annual : US\$ .....

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- a) Name & Description of Products /Services:
- b) Usage of the Products /Services:
- c) Production Process (Stages of Production):
- d) Cost of Products/ Services:
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- g) Imported raw materials consumption:
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a) Five Years program with unit/qty./Any other description as applicable:

## 13. Projection of Domestic Sale(As applicable-to be attached)

a) Description/ Unit/ Five years projection etc.

## 14. Infrastructure Requirement (Supported by Master Plan)- List to be provided

- a) Production/Processing & Administrative Buildings
- b) Road, drains
- c) Electricity, water, gas generation/distribution
- d) Other relevant infrastructures

## 15. Machinery and equipment (List to be provided)

- c) Imported:
- d) Local:

## 16. Social Infrastructure (Supported by Master Plan) – List to be provided

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19. **Requirement of Manpower:** Skilled: \_\_\_\_\_ Unskilled: \_\_\_\_\_

## **20. Financial Analysis**

## **21. Economic Analysis**

### **Required Documents and Pay Order/ Bank Draft As Attachment:**

- a) **Audited Balance Sheet of the Sponsor Company / Firm for last 3 (Three ) Years**
- b) **Bank Solvency Certificates**
- c) **Guarantee/ Assurance from bank(s) for obtaining loan both home and abroad**
- d) **Technical details and Analysis of the Project**
- e) **Conceptual Master Plan for development of the applied land**
- f) **Action plan for implementation of development works & commercial operation**
- g) **Certified papers against FDI (If any)**
- h) **Earnest money to the tune of 1% of the onetime lease value of the land/10 years annual rent.**
- i) **Latest Income Tax Assessment certificate/ Tax Return for last 3 years.**
- j) **Trade license**
- k) **Certificate of Incorporation along with Memorandum & Articles of Association.**
- l) **Business plan.**
- m) **Annexures/ Schedules (If necessary)**

**Signature of the Applicant with seal**