PROSPECTUS
FOR
ALLOTMENT OF LAND
IN
MOHESKHALI ECONOMIC ZONE-3

BANGLADEH ECONOMIC ZONES AUTHORITY (BEZA)
PRIME MINISTER’S OFFICE

www.beza.gov.bd
Applications are invited for allotment of land in Moheshkhali Economic Zone-3 (Dhalghata) intending to setup Large Composite Industries, Specialized Utility Infrastructures, Export Oriented Industrial Enclave, Import Substitute Industries, Commercial and Social Infrastructures from bona fide investors of home and abroad.

Introduction:
Bangladesh Economic Zones Authority (BEZA) has been established through the enactment of Bangladesh Economic Zones Act, 2010 with the objective to set up economic zones in all potential including undeveloped and backward regions 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 a view to generate 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 79 locations for setting up Economic Zone, out of which 23 Economic Zones will be developed by the private sector developers. The rest of EZs 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.

One of the objectives 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 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, several 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 under PPP model.

Location: Union: Dhalgata, Upazila: Moheshkhali, District: Cox’s Bazar.

Category of land to be leased out: Undeveloped/ Developed/ Specialized Infrastructure land in Moheshkhali Economic Zone-3 (Dhalghata) will be leased out on direct allotment method.

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 industry which have fixed assets including replacement cost of industry, except cost of land and factory building, above 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 has workforce more than 1000, will be included in large industry category;

b) **Large Service Industry** means and includes the industry which owns fixed assets, except value of land and factory building, above 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), Solid Waste Disposal Plant, Construction of Sea or River Port.

**Import Substitute Industry:** Investment in Import substitute Industry; domestic production of goods 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 shopping mall, 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 Moheshkhali Economic Zone – 3 (Dhalghata);
   b) Proposal for vertical expansion of working space will be given preference.

**Mode of Lease value Payment:**
   a) 50 (Fifty) years lease on Upfront Payment (One time);
   b) 50 (Fifty) years lease on Annual Rental 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 shall training/skill development program for the workers/employees.

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

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

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

**Undeveloped Land:** Undeveloped Land means and includes the plots of land to be allotted “as is where is” basis.
Profile of Economic Zones for direct allotment of land on fixed tariff basis:
Moheshkhali Economic Zone - 3: Moheshkhali Economic Zone is located in Dhalghata Union of Moheshkhali upazila under Cox’s Bazar district. This area lies in the west and north-west direction of Moheshkhali Upazila. The entire area is reclaimed from the Bay of Bengal by natural course and remains undeveloped. This site is connected by Chokoria – Moheshkhali road through Badarkhali bridge. Earmarked area is navigated by Kutubdia Channel in the west. The south-west area of Moheshki is being developed as the Energy Hub of the country. Initially, a massive coal-fired power plant is being set up with financial and technical support from JICA. Apart from this, CPGCBL is going to develop at least five power plants to supply electricity to the national Power Grid. Moreover, LNG Terminal, Single Mooring Oil Terminal, Sea Port facilities are also being constructed in this area. BEZA is mandated to develop 6(six) Economic Zones in Moheshkhali including a massive Eco-Tourism Park in Sonadia island. Entire Moheshkhali island is going to be transformed into industrial and tourist city by keeping the natural bio-diversity intact. The Government has taken up massive development plan for Moheshkhali island to construct road & railway network, embankment to protect from tidal upsurge, construction of bridges, sluice gates etc. Relevant service providing agencies have been given land allocation for construction of infrastructure as per their requirements. The prospective sector of industry mix may include LNG terminal, ship building, industrial chemicals, steel, cement, frozen foods industry, automobile assembling, electric and electronic assembling plant etc.

Application Form: Application Form for Investment Proposal can be purchased from BEZA office, Monem Business District, Level-12, 111 Bir Uttam C R Dutta Road, Dhaka-1205, Bangladesh, at a cost of US$125.00 or Bangladeshi taka 10,000.00, 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 package of incentives both fiscal and non-fiscal for the Unit Investors to augment investment in the Economic Zones/Special Economic Zones/Tourism Parks of Bangladesh.

One Stop Service: BEZA will provide/ facilitate 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 Moheshkali Economic Zone-3:

<table>
<thead>
<tr>
<th>Mode of Payment</th>
<th>Category of land</th>
<th>Annual rent per sq. meter (US$)</th>
<th>Contract period (Year)</th>
<th>Per sq. meter total rent (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upfront payment (One-time)</td>
<td>Developed</td>
<td>0.525</td>
<td>50</td>
<td>26.25</td>
</tr>
<tr>
<td></td>
<td>Undeveloped</td>
<td>0.2625</td>
<td>50</td>
<td>13.125</td>
</tr>
<tr>
<td></td>
<td>Specialized Infrastructure</td>
<td>0.315</td>
<td>50</td>
<td>15.75</td>
</tr>
<tr>
<td>Annual Rental Basis</td>
<td>Developed</td>
<td>1.35</td>
<td>50</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Undeveloped</td>
<td>0.675</td>
<td>50</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Specialized Infrastructure</td>
<td>0.81</td>
<td>50</td>
<td>-</td>
</tr>
</tbody>
</table>

**Service Charges and Regulatory Fees:**

1. Service Charge (On total tariff) |
   a) Water-Own generation
      • WASA Price + 5%
      • Treatment- Price +5%
      • Re-cycling- Price +5%
   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:
      • Industrial unit: BDT10,000.
      • Economic Zone: BDT 50,000.

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
Earnest Money:

a) **Application with Upfront payment (One time):** 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 Rental basis:** 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 rent for the applied land.

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 rent 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 or deposit the amount directly to the designated Bank Account of Bangladesh Economic Zones Authority. The security deposit will be retained till the annulment or the expiry of the lease agreement as the case may be.

**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 Upfront (One time) 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 Upfront Payment (One Time).

**Time line:**

**Submission of Application:** Applications for allotment of land may be submitted any time before leasing of all plots becomes exhausted or within such time as may be fixed by the Authority.

**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 Upfront Payment (One time):** Successful applicants will be issued provisional Letter of Allotment (LoA). They will be requested to deposit 50% of their rental dues and sign lease agreement with the Authority within 60 (sixty) days from the issuance of LoA. 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 within 60 (sixty) days from the issuance of LoA. They will be required to deposit annual rent at the time of handing over the physical possession of allotted land.
**Payment of Dues:** All payment shall be made in the form of Demand Draft or Pay Order drawn in favor of “Bangladesh Economic Zones Authority” or deposit the amount directly to the designated Bank Account of Bangladesh Economic Zones Authority.

**Forfeiture of Earnest Money and Signing Money:** If without any reasonable cause, the allottee fails to pay the signing money of rental dues within the stipulated time, he/they will be given three month time from the date of issuance of demand to pay the dues with interest @ 6% per annum. Failing which, applicant’s allotment will be cancelled and Earnest money will be forfeited without any prior intimation. Similarly, if the Allottee fails to pay the remaining rental dues within stipulated time, their allotment will be annulled and signing money will be liable to be forfeited. Ineligible applicants will be given back their Earnest Money soon after communication of their ineligibility.

**Investment Counseling:** BEZA will extend counseling service for 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) Manager
   Investment Promotion
   E mail: maullah72@gmail.com
   Phone; Off: +88 02 9632486  Cell:+88-01911878749

b) Zone Development Consultant
   E mail: mahbubur.bepza@gmail.com
   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
Bangladesh Economic Zones Authority (BEZA)
Application Form for Allotment of Land
Category: Large /Export Oriented/Import Substitute/Commercial Investment

1. Applicant Information
   a) Applying Firm or Company (Sponsor):
   b) Full Address of Applicant (Firm/Company):
   c) Country/Division/District:
   d) Tax Payer’s Identification Number (TIN):
   e) Phone: Off: Cell no.:
   f) Email/Website:

2. Authorized Information
   a) Name of the Authorized person (Applicant):
   b) Nationality:
   c) Address & Contact Details:
   d) Division/District/ City:
   e) National ID/ Passport No:
   f) Phone: Cell no:
   g) Email/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:
   g) Name of Product:

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
   Paid up Capital
   Local (BDT): Foreign(USD):
7. **Sponsor Shareholder (Schedule to be attached)**

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>Nationality</th>
<th>Status in proposed company</th>
<th>Share</th>
</tr>
</thead>
</table>

8. **Area of Land Applied for Allotment:**

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

9. **Type of Allotment**

   a) Upfront (Onetime) Payment (For 50 Years) : Lease Rate (Per Sq.m – US$…………………..
   b) Annual : Lease Rate (Per Sq.m – US$…………………..
   c) Category of Land : Undeveloped/ Developed

10. **Total Amount of Lease Money**

    a) Upfront (Onetime) : 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 of environment friendly machineries to be provided)**

    a) Imported:
    b) Local:
    c) Technology to be applied:

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 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/or 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 Upfront (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) Authorization From Sponsor
   m) Pay Order/Bank Draft/ Payment Slip
   n) Copy of National ID/ Passport of Applicant
   o) Annexures/ Schedules (If necessary)

Declaration

I, solemnly, declare to the best of my knowledge and belief that the information given in this application and statements & documents annexed or attached herewith are correct and complete.

Signature of the Applicant with seal
Bangladesh Economic Zones Authority (BEZA)
Application Form for Allotment of Land
Category: Specialized Infrastructure Investment

1. Applicant Information
   g) Applying Firm or Company (Sponsor):
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   i) Country/Division/District:
   j) Tax Payer’s Identification Number (TIN):
   k) Phone: Off: Cell no.:
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2. Authorized Information
   h) Name of the Authorized person (Applicant):
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   k) Division/District/ City:
   l) National ID/ Passport No:
   m) Phone: Cell no;
   n) E-mail/Website:

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   a) Name of Economic Zone:
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   b) Paid up Capital:
   c) Borrowing/Loan: Local (Million USD): Foreign (Million USD):
   d) Capital in Paid up Capital Among Shareholders

Annexure-2
a) Paid up Capital                Local(BDT):                Foreign(US$)

7. Sponsor Shareholder (Schedule to be attached)

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d) Cost of Products/ Services:

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