Information
For
Investors

Bangladesh Economic Zones Authority (BEZA)
Prime Minister’s Office
www.beza.gov.bd
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Vision

Aspires to become a sustainable development driving force and a world class investment promoter and service provider.

Mission

- mitigate land crisis for industrial use;
- create fully serviced industrial land;
- ensure compliant economic activity;
- accelerate balanced economic development of the country.

Objectives

- Develop 100 EZs in the next 15 years;
- Create 10 million job opportunity;
- Foster industrialization by increasing additional production & Export of USD 40 billion

Regulatory Framework

- Bangladesh Economic Zones Act,2010
- Bangladesh Economic Zones Act (amendment),2015
- Bangladesh One Stop Service Act, 2018
- Bangladesh Economic Zones (Appointment of Developers etc.) Rules, 2015
- One Stop Service (Bangladesh Economic Zones) Rules, 2018
- Economic Zone Warehousing Station Rules, 2015
- Bangladesh Economic Zones(Construction of Building) Rules,2017
- Bangladesh Private Economic Zones Policy, 2015
- The Customs (Economic Zones) Procedures, 2017

Key Features

- Comprehensive industrial infrastructure
- Development under PPP (Private Public Partnership) model
- Owned and regulated by the government, but managed by the private sector
- Encompasses multiple business within each zone
- Combines both Export Processing area and Domestic Processing Area within bond
- EZ includes non-processing and commercial area
- Includes FDI and local investment
Type of Economic Zones

a) Economic Zones established through public and private partnership by local or foreign individuals, body or organizations;
b) Private Economic Zones established individually or jointly by local, non-resident Bangladeshis or foreign investors, body, business organizations or groups;
c) Government Economic Zones established and owned by the Government;
d) Special Economic Zones established privately or by public-private partnership or by the government initiatives, for the establishment of any kind of specialized industry or commercial organization;
e) Establishment of Economic Zone on partnership between or initiative by the government of Bangladesh and the government of any other country; and
f) Establishment of Economic Zone on partnership by and between one or more government corporation, Authority or Enterprise.

Ongoing Economic Zones

Government Economic Zones (EZ)

- Total approved sites – 98
- EZs under implementation – 9 nos.
- Type of EZs – Special EZ, Country specific EZs and multiproduct EZs
- Facility – Fully serviced with all utility
- Onboard Customs facility
- One Stop Service for the investors

PPP EZs and G2G EZs

- Two PPP EZs – One in Mongla, Bagerhat and other in Bangabandhu Sheikh Mujib Shilpanagar, Mirsarai, Chattogram
- Four G2G EZs – CEIZ, Chattogram for Chinese investors, Araihazar EZ, Narayangonj for Japanese investors and two EZs for Indian investors; one in Mongla and another in Mirsarai
- Nature of industry – multiple product
- Facility – Fully serviced with all utility
- Onboard Customs facility
- One Stop Service for the investors
Private EZs

- 27 private EZs have been approved
- Private EZs under implementation and operation – 11 nos.
- Management: Privately built and managed
- Nature of industry – Heterogeneous product
- Facility – Fully serviced with all utility
- Onboard Customs facility
- One Stop Service for the investors

BEPZA Economic Zone

- Location - Bangabandhu Sheikh Mujib Shilpanagar, Mirsarai, Chattogram
- Area covered – 1150 acres under various stages of implementation
- Nature of industry – heterogeneous products
- Facility – Fully serviced with all utility, Onboard Customs facility, One Stop Service for the investors
**BEZA’s Core Functions**

*Broad category of functions*

- Site selection of EZ
- Acquisition of EZ land
- Appoint EZ Developer
- Allotment of land on direct allotment method
- Infrastructure development
- Investment promotion
- Investment facilitation (approval, recommendation, aftercare)
- Policy advocacy

**Regulatory Service**

- Approval / Registration of new project
- Facilitation of utility service
- Visa recommendation
- Work permit issue
- Issuance of Import permit
- Issuance of Export permit
- Issuance of sub-contract permit
- Approval of construction permit
- Recommendation of foreign borrowing
- Approval of Royalty and Technical Assistance fees
- Issuance of license to Private EZ Developer

**Facilitation service**

- Responding to investment related queries
- Guidance on doing business in EZ and Bangladesh
- Investment guidance and advice in specific sector
- Addressing concerns faced by individual company
Frequently asked questions by the EZ Investors

Q 1. What are the structural options that I could choose from in setting up a business?

Ans: You may set up business in the Processing area of any Economic Zone under the organizational structure of a Private Limited Company, Public Limited Company or Unit of a limited Company. But in the case of Non-processing area or Commercial area of any Economic Zone you may have several organizational structures known as proprietorship, Partnership, Limited Company, Branch office, representative office, regional office.

Q 2. Can a foreign investor be allowed to own 100% of a business entity?

Ans: Yes, 100% ownership is allowed. Investment Policy of Bangladesh liberalize ownership of investment by any national in any enterprise except enterprises with activities listed on the ‘reserve list’ which are prohibited for both foreign and Bangladeshi nationals. The reserve list includes:

a) Arms and ammunitions and other military equipment and machineries;

b) Nuclear power;

c) Security printing and minting;

b) Afforestation and Mechanized Extraction within the boundary of reserved forest.

(Source: The Foreign Private Investment (Promotion and Protection) Act,1980)

Q 3. Is there any protection mechanism for foreign investment?

Ans: The Foreign Private Investment (Promotion and Protection) Act, 1980 provides fair and equitable treatment to foreign private investment which shall enjoy full protection and security in Bangladesh.

Q 4. Is there any scope to change the terms of sanction?

Ans: The terms of sanction, permission or license granted by government to an industrial undertaking having foreign private investment shall not be unilaterally changed under which the establishment of such undertaking was sanctioned; nor shall foreign private investment be accorded a less favorable treatment than what is accorded to similar private investment by the citizens of Bangladesh in the application of relevant rules and regulations.
Q 5. *Is there any scope for Indemnifications for loss of foreign investment due to unusual situation?*

Ans: Yes. As per section 6 of The Foreign Private Investment (Promotion and Protection) Act 1980, it is clearly mentioned that in the event of losses of foreign investment owing to civil commotion, insurrection, or riot, foreign private investment shall be accorded the same treatment with regard to indemnification, compensation, restitution, or other settlement as is accorded to investments by the citizens of Bangladesh.

Q 6. *Whether repatriation of foreign Investment is allowed?*

Ans: Yes. As per section 7 of The Foreign Private Investment (Promotion and Protection) Act 1980, it is clearly mentioned that in respect of foreign private investment, the transfer of capital and the returns from it and, in the event of liquidation of industrial undertaking have such investment, of the proceeds from such liquidation is guaranteed.

Q 7. *Is there any chance of expropriation and nationalization of foreign investment?*

Ans: Foreign Private Investment shall not be expropriated or nationalized or be subject to any measures having effect of expropriation or nationalization except for a public purpose against adequate compensation which shall be paid expeditiously and be free transferable.

Q 8. *Where does one apply for registration of business?*

Ans: (a) Trade license – All business organizational structure need to get Trade License from the concerned City Corporation/ Municipal Corporation/ Union Council office under which jurisdiction the business entity or the EZ is located. They may apply through BEZA’s One Stop Service cell to get the Trade License, the later will expedite the process of getting the document. (b) Limited Company and Partnership Firm will apply to the Registrar of Joint Stock Companies and Firms for obtaining Certificate of Incorporation/ partnership Registration Certificate (as the case is applicable). (c) All Single proprietorship, Partnership, Limited Company, Branch office, representative office, regional office need to obtain project clearance/ registration of business from BEZA.

Q 9. *Whether the business unit need to have environment clearance certificate from the Department of Environment?*

Ans: All industrial processing unit need to have obtain Environmental Impact Assessment (EIA) from the Department of Environment before start construction of industry.
Q 10. *Whether the business unit need to have obtain Tax Identification Number (TIN), Value Added Tax (VAT) Registration Number before start the business?*

Ans: Yes the business unit need to obtain Tax Identification Number (TIN), Value Added Tax (VAT) Registration Number before start the business, In this case BEZA will facilitate in getting the above numbers under OSS.

Q 11. *What requirements must be complied with before an enterprise can enjoy Tax benefits?*

Ans: To qualify for incentives, the company or firm must register with BEZA but prior to get registration of BEZA you need to obtain Certificate of Incorporation/ Partnership registration, TIN, VAT Registration, Environment clearance.

Q 12. *What are categories of VISA available to enter Bangladesh for doing business in EZs?*

Ans: VISA Category for entering into Bangladesh:

- A-3 – Foreign citizen as per agreement signed in between the Government of Bangladesh and the Development Agency;
- FA3 – Family members of A-3 Visa holder;
- B – Business purpose travel;
- PI – Travel by prospective investor;
- FPI - Family members of PI Visa holder;
- E – Employment of foreign technician;
- FE - Family members of E Visa holder;
- E1 – To train local people/ supervise in regard to supply/ installation/maintenance of machineries and software.

Q 13. *Where to apply for VISA?*

Ans: Application along with necessary papers to be submitted to the Executive Chairman, BEZA. After due scrutiny the BEZA will recommend to the Embassy or High Commission of Bangladesh in the respective countries to issue desired VISA.

Q 14. *What are the procedure for getting “VISA On Arrival”?*

Ans: The nationals of any country where there is no Diplomatic Mission of Bangladesh, they will have to obtain “VISA On Arrival”. On getting application from the desirable foreign nationals the BEZA will recommend to respective Airport or Land Port to issue Visa on Arrival.
Q 15. What are the criteria for issuance of Work Permit to foreign nationals?

Ans: Every industrial unit located inside Economic Zone(s) must obtain Work Permit before employing any foreign national. For getting Work Permit the following criteria need to be fulfilled:

- Before applying for Work Permit the concerned person upon recommendation of BEZA need to obtain specific category of VISA;
- Work Permit will be discouraged unless the incumbent is having a person of specialized knowledge and skill which is not commonly available in Bangladesh;
- Before processing the appointment of foreign national the EZ unit shall have to try to appoint local people of same expertise through advertisement in the national dailies;
- Work Permit will be issued only to the foreign nationals who obtain PI Visa and E Visa.
- Work permit will be issued initially for one year. On satisfactory performance this can be extended for four years.

Q 16. Is there any provision to allow “NO VISA REQUIRED” permission?

Ans: Any foreign national by investing minimum USD 5.00 (Five) million in any heavy industry or long term business in Bangladesh will be eligible for getting “NO VISA REQUIRED” permission.

Q 17. Is there any scope to use VIP lounge of Airport by the foreign investor in Bangladesh?

Ans: Yes, EZ foreign investor/ shareholder will be entitled to use Airport VIP Lounge with prior recommendation of BEZA.
Fiscal Incentives

Income Tax Holiday:

For Economic Zone Developer (SRO.No.227- Law/Income-tax/2015 dated 08-07-15):

Applicability: Income-tax payable on all of the designated Economic Zone’s income arising out of its commercial operation. Tax holiday will start from the date of commercial operation.

Rate of tax holiday: 100% for the 1st 10 years, 70% for the 11th year and 30% for the 12th year.

Conditions: (1) the Economic Zone shall have to be a company registered under the Companies Act;

(2) the Economic Zone developer shall have to obtain Tax Identification Number (TIN);

(3) the Economic Zone developer shall have to maintain accounts properly under section 35 of Income Tax Ordinance, 1984.

For Industrial Unit of Economic Zone (SRO.No.226- Law/Income-tax/2015 dated 08-07-15):

Applicability: Income tax payable on all of income of the industrial unit as set up in the economic zone arising out of its commercial operation. Tax holiday will start from the date of commercial operation.

Rate of tax holiday: 100% for 1st, 2nd and 3rd year, 80% for the 4th year, 70% for the 5th year, 60% for the 6th year, 50% for the 7th year, 40% for the 8th year, 30% for the 9th year and 20% for the 10th year.

Conditions: (1) the industrial unit shall have to obtain Tax Identification Number (TIN);

(2) the industrial unit shall have to maintain accounts properly under section 35 of Income Tax Ordinance, 1984.


Applicability: Foreign employee having technical knowledge employed in the company of an economic zone.

Rate of Tax exemption: 50% for a period of 3 years from the date of employment.
**Conditions:** (1) Foreign employee shall not be entitled to such exemption after expiry of 5 (five) years from the commencement of commercial operation of the company;

(2) foreign technician shall have to obtain Tax Identification Number (TIN);

(3) file income tax return with the concerned income—tax authority with in the time prescribed under section 75 of Income Tax Ordinance, 1984.

**Exemption of Income Tax on Dividend, Capital Gain, Royalties**

(SRO.No.299- Law/Income-tax/2015 dated 08-10-15):

**Applicability:** The company/industrial unit operated for the purpose of producing goods and services in any Economic Zone will be exempted from payment of income tax payable on:

(a) Dividend declared by the said company for 10 (ten) years from the commencement of its commercial operation;

(b) Capital gains arising out of transfer of shares of the said company within 10 (ten) years from the commencement of its commercial operation;

(c) Royalties, technical know-how and technical assistance fees payable within 10 (ten) years from the commencement of its commercial operation;

**Conditions:** The company shall have to—

(a) Obtain Tax Identification Number (TIN);

(b) file income tax return with the concerned income—tax authority with in the time prescribed under section 75 of Income Tax Ordinance, 1984.

**Exemption of Custom Duty and Value Added Tax**

**Custom Duty and Value Added Tax on Import of Goods:**


**Applicability:** Exemption from payment of all import Duties, Regulatory Duties, Supplementary Duties and Value Added Tax(VAT) on importation of capital machineries, Spare parts and construction materials for establishing Economic Zones and or establishment of industrial units in the said zone.

**Conditions:** (1) The industrial unit shall have to be registered for the Value Added Tax;

(2) Statement of importable goods need to be approved and certified by BEZA regarding their name, description and quantity; provided that the exemption benefit shall not be applicable for
importation of easily available construction materials, such as M.S. Rod/Bar, Cement, Pre-fabricated building, Iron/Steel sheet.

(3) Exemption benefit shall not be applicable for importation of goods which are not directly related to development and construction of Economic Zones such as:- Office equipment, Air conditioner, Refrigerator, Articles for household use, Food articles and other similar consumable goods.

Custom Duty and Value Added Tax on Import of Vehicles:

(SRO No.210-Law/2015/47/Customs dated 01-07-15)
Applicability: Exemption from payment of all import Duties, Regulatory Duties, Supplementary Duties and Value Added Tax (VAT) on importation of vehicles for use by the industrial units in the Economic zone.

Conditions: (1) The industrial unit shall have to invest at least 10 million US Dollar or equivalent money or there shall be at least 500 manpower working in the concerned industrial unit;

(2) at the time of assessment of duties and clearance, approval and certificate in that respect from BEZA shall have to be submitted to the Custom Authority;

(3) One Sedan car with 2000 CC engine capacity and one Microbus/ Pick up Van/ Double cabin Pick up may be imported;

(4) The imported vehicle shall not be transferred or sold within 5 years with certain conditions;

(5) An industrial unit may import the vehicle only once during the tenancy period;

(6) The word BEZA shall be inscribed before the serial number on the Number Plate;

(7) The vehicle imported shall not be used for any other activity or for any commercial purpose except for production and related activities of the importing Industrial unit.

Bangladesh Economic Zone Warehousing Station Rules, 2015

(SRO No.211-Law/2015/48/Customs dated 01-07-15)
Applicability: Each Economic Zone including the Industrial Unit within the said Zone shall be treated as Warehousing stations.

Exemption: The Industrial unit established in the Economic Zone shall import the raw materials and ingredients usable for production of its products under the Bond arrangement, without paying the Import Duty, Supplementary Duty and Value Added Tax applicable at the time of importation.
Conditions: The Industrial units of any Economic Zone who will import raw materials from abroad or procure raw materials from the domestic market for production purpose, can sell the output / goods to the domestic market; provided, they-

(a) shall have to pay applicable Duty-Taxes for the procurement of raw materials;
(b) shall have to pay Value Added Tax (VAT) as applicable to finished product produced and supplied to the domestic market for home consumption.
(c) 100% Export Oriented Industrial units of any Economic Zone will not be allowed to sell goods to the domestic market beyond the quantity as stipulated by the National Board of Revenue (NBR).


Applicability: Industrial Unit, which is registered under VAT Act 1991 and with BEZA may get VAT exemption on utilization of electricity, water, gas and procurement of raw materials from the domestic market for exclusive use in the production process of the said unit.

Exemption:

<table>
<thead>
<tr>
<th>Heading no.</th>
<th>H.S.Code</th>
<th>Description of Goods</th>
<th>VAT Exemption Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>27.11</td>
<td>27.11.21.00</td>
<td>Natural Gas</td>
<td>80%</td>
</tr>
<tr>
<td>S025</td>
<td>S025.00</td>
<td>WASA</td>
<td>80%</td>
</tr>
<tr>
<td>S037</td>
<td>S037.00</td>
<td>Procurement provider (Local goods except petroleum product)</td>
<td>100%</td>
</tr>
<tr>
<td>S057</td>
<td>S057.00</td>
<td>Electricity supply</td>
<td>80%</td>
</tr>
</tbody>
</table>

Condition: To avail VAT exemption, the Industrial unit shall have to follow the procedure as prescribed under sub-rule 38 of VAT Rule 1991.

Exemption of Local Government Tax (SRO No.333-Law/2015 dated 12-11-15)

Applicability: Economic Zone and Industrial units established under the provisions of Bangladesh Economic Zones Act, 2010 are exempted from payment of Tax under section 65 of Local Government (Union Parishad) Act, 2009.

Exemption: Local government Tax, Cess, Rate, Toll, Fees etc
Exemption of Land Development Tax  (SRO No.05-Law/2016 dated 11-01-16)

Applicability: Economic Zone and Industrial units established under the provisions of Bangladesh Economic Zones Act, 2010 are exempted from payment of Land Development Tax under section 13 of Land Development Tax Ordinance, 1976.

Exemption: Land Development Tax.

Exemption of Land Transfer Tax  (SRO No.328-Law/2018 dated 11-11-18)

Applicability: Economic Zone and Industrial units established under the provisions of Bangladesh Economic Zones Act, 2010 are exempted from payment of Land Transfer Tax payable to Upazila Parishad Fund under section 44 of Upazila Parishod Act, 1998.

Exemption: Land Transfer Tax.

Exemption of Stamp Duty

Stamp Duty of PPP Economic Zone Developer  (SRO No.08-Law/2016 dated 12-01-16)

Applicability: Economic Zone Developer is exempted from payment of Stamp duty imposable on signing of Lease Deed in between BEZA and the Developer. This exemption will be applicable for the first lease deed only.

Exemption: 100% of applicable stamp duty.

Stamp Duty of Industrial unit  (SRO No.06-Law/2016 dated 12-01-16)

Applicability: Industrial or commercial enterprise in the Economic Zone is exempted from payment of Stamp duty imposable on the lease deed to be executed for allotment of land, building or space to a person for setting up industry or business house.

Exemption: 50% of applicable stamp duty.

Stamp Duty for Loan Document  (SRO No.07-Law/2016 dated 12-01-16)

Applicability: Economic Zone Developer is exempted from payment of Stamp duty imposable on signing of Mortgage Deed between PPP Economic Zone Developer and any schedule Bank or financial institutions for raising loan to develop the designated Economic Zone.

Exemption: 100% of applicable stamp duty.
Registration Fees of Private Economic Zone Developer

(SRO No.120-Law/Income-tax/2018 dated 26-04-18)

**Applicability:** Private Economic Zone Developer is exempted from payment of Registration fees imposable on signing of Sale Deed between the Land owner-Sponsor of the Economic Zone and the Consortium or Joint venture Company (Private Economic Zone Developer) and the unit investor.

**Exemption:** 100% of applicable Registration fees.

Stamp Duty of Private Economic Zone Developer

(SRO No. 287-Law/2017/08.00.0000.040.22.005.15 dated 21-09-17)

**Applicability:** Private Economic Zone Developer is exempted from payment of Stamp Duty imposable on signing of Sale Deed between the Land owner-Sponsor of the Economic Zone and the Consortium or Joint venture Company (Private Economic Zone Developer) and the unit investor.

**Exemption:** 100% of applicable stamp duty.

Repatriation of royalty, technical know-how and technical assistance fees:

(FE Circular No.21 dated 11-05-17)

Banks (AD) also Off-shore banking units may remit the royalty, technical know-how and technical assistance fees of enterprises of EZs from their FC accounts without prior permission from Bangladesh Bank or BEZA if the total fees and other expenses connected with the above mentioned purposes do not exceed the following limit:

(a) For new projects, nor exceeding 6% of the cost of imported machinery;

(b) For ongoing concerns, not exceeding 6% of the previous year’s sales as declared in the income tax returns.

However, remittance of such fees in excess of the prescribed limit is subject to prior specific approval from BEZA.

Issuance of Trade License


Industrial unit(s) of Economic Zone shall obtain Trade License for operation of business within the designated Economic Zone from the Bangladesh Economic Zones Authority on payment of applicable fees.
Non Fiscal Incentives

a) Full repatriation of Capital and Dividend;
b) Free Flow of Foreign Direct Investment (FDI);
c) Backward linkage facilities to and from Domestic Tariff Area (DTA);
d) 20% local sale permitted from 100% Export Oriented Industry;
e) Sub-contracting with DTA industries allowed;
f) Facility to maintain Foreign Currency Account;
g) Credit facility from home and abroad;
h) Repatriation of dividend to non-resident shareholders;
i) Repatriation of Disinvested proceeds by non-resident shareholders;
j) Remittance facility by foreign nationals working in EZs;
k) Sale of goods to local Export Oriented Industries for getting export benefit;
l) Credit facility for ‘A’ category company from Off-shore Banks operated under BEZA;
m) Inter bond transfer facilities available;
n) Custom clearance from Economic Zone site;
o) Security and commissariat facilities available;
p) One Stop Service facilities to all types of permit, clearances etc.;
q) Pool of professionals for all types of business solutions;
r) Investment regulatory Acts, Rules, Policy, Guidelines, Orders etc.
Category of Economic Zones (EZ)

Government has so far categorized 22 Economic Zones/ SEZ/ Tourism Parks on the basis of Tariff structure to lease out land on Direct Allotment as follows:

Category-A: Mirsarai EZ, Feni EZ, Sreehatta EZ, Dhaka EZ, Araihazar-2 EZ,, Gazaria EZ, Bagura EZ and Narayanganj EZ.

Category-B: Cox’s Bazar Special EZ, Moheshkali EZ-1, Moheshkali EZ-2, Moheshkali EZ-3, Moheshkali EZ-4, Moheshkali Special EZ, Moheshkali EZ, Mongla EZ, Sabrang Tourism Park, NAF Tourism Park, Jamalpur EZ, Sylhet Special EZ.

Category-C: Nilphamari EZ and Chandpur EZ.

Tariff of Economic Zones for Direct Allotment of Land

Tariff Rate for Leasing of Land: Government has fixed up following Tariff Rate for direct allotment of land ‘A’ category Economic Zone:

<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>1</td>
<td>Developed</td>
<td>0.60</td>
<td>50</td>
<td>30.00</td>
</tr>
<tr>
<td></td>
<td>Undeveloped</td>
<td>0.30</td>
<td>50</td>
<td>15.00</td>
</tr>
<tr>
<td></td>
<td>Specialized</td>
<td>0.345</td>
<td>50</td>
<td>17.25</td>
</tr>
<tr>
<td></td>
<td>Infrastructure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual rent basis</td>
<td>Developed</td>
<td>1.50</td>
<td>50</td>
<td>-</td>
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<tr>
<td></td>
<td>Undeveloped</td>
<td>0.75</td>
<td>50</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Specialized</td>
<td>0.90</td>
<td>50</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Infrastructure</td>
<td></td>
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</tbody>
</table>
**Tariff Rate for Leasing of Land:** Government has fixed up following Tariff Rate for direct allotment of land ‘B’ category Economic Zone/ Tourism Park:

<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 (Onetime)</td>
<td>Developed</td>
<td>0.525</td>
<td>50</td>
<td>26.25</td>
</tr>
<tr>
<td></td>
<td>Undeveloped</td>
<td>0.262</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 rent 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>

**Tariff Rate for Leasing of Land:** Government has fixed up following Tariff Rate for direct allotment of land of ‘C’ category Economic Zone:

<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 (Onetime)</td>
<td>Developed</td>
<td>0.405</td>
<td>50</td>
<td>20.21</td>
</tr>
<tr>
<td></td>
<td>Undeveloped</td>
<td>0.202</td>
<td>50</td>
<td>10.125</td>
</tr>
<tr>
<td></td>
<td>Specialized Infrastructure</td>
<td>0.24</td>
<td>50</td>
<td>12.00</td>
</tr>
<tr>
<td>Annual rent basis</td>
<td>Developed</td>
<td>1.05</td>
<td>50</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Undeveloped</td>
<td>0.525</td>
<td>50</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Specialized Infrastructure</td>
<td>0.63</td>
<td>50</td>
<td>-</td>
</tr>
</tbody>
</table>

**Tariff Rate for Leasing of Land:** Government has fixed up following Tariff Rates for direct allotment of land in Sabrang Tourism Park/ Sonadia Eco-Tourism Park:
<table>
<thead>
<tr>
<th>Mode of Payment</th>
<th>Category of land</th>
<th>Annual rent per sq. meter (US$)</th>
<th>Development Surcharge</th>
<th>Contract period (Year)</th>
<th>Total rent per sq. meter (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>One-time Upfront payment</td>
<td>Developed</td>
<td>0.525</td>
<td>0.40</td>
<td>50</td>
<td>46.25</td>
</tr>
<tr>
<td></td>
<td>Specialized Infrastructure</td>
<td>0.315</td>
<td>0.40</td>
<td>50</td>
<td>35.75</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: BDT50,000.

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

- Land Lease period: 50 years

Private Economic Zone
- Lease period: 15 years with option to renew for same period.
- Application form: BDT 5,000
- Fees – Pre-qualification License – USD 10,000
  Final License - USD 10,000

Cost of Registration of Companies and Firms
Fees for Registration of Companies & Firms:

a) Fees for Name Clearance (NC)
   - For NC clearance: BDT100.00 for each of proposed names;
   - For time extension: BDT 100.00 for each time extension application.

b) Stamp and Fees of Registration
   - **PRIVATE COMPANY**
     - **Stamps**
       - For affixing on the Memorandum of Association: BDT500.00
       - For affixing on the Articles of Association
         | For Authorized Capital (BDT) | Stamp (BDT) |
         |-----------------------------|-------------|
         | Up to 10,00,000              | 2,000.00    |
         | BDT 10,00,000 to 3,00,00,000 | 4,000.00    |
         | BDT over 3,00,00,000         | 10,000.00   |
     - **Registration fees:**
       - For filling 6 documents (5 filled in forms plus 1 Memorandum & Articles of Association BDT200.00 per document): BDT1200.

   - **PUBLIC COMPANY**
     - **Stamps**
       - For affixing on the Memorandum of Association: BDT500.00
       - For affixing on the Articles of Association
         | For Authorized Capital (BDT) | Stamp (BDT) |
         |-----------------------------|-------------|
         | Up to 10,00,000              | 2,000       |
         | BDT 10,00,000 to 3,00,00,000 | 4,000       |
         | BDT over 3,00,00,000         | 10,000      |
     - **Registration fees:**
       - For filling 8 or 9 documents (7 or 8 filled in forms plus 1 Memorandum & Articles of Association BDT200 per document): BDT1600 or 1800.

   - **For Authorized Share Capital:**
     - **Authorized Capital (BDT):**
       - Up to 20,000                                  Fees (BDT)
       - Additional for every 10,000 or part after first 20,000 up to 50,000 180
       - Additional for every 10,000 or part after first 50,000 up to 10,00,000 45
       - Additional for every 10,000 or part after first 10,00,000 up to 50,00,000 24
       - Additional for every 100,000 or part after first 50,00,000 45
     - **PUBLIC COMPANY**
       - **Stamps:**
         - For affixing on the Memorandum of Association: BDT 500.00
         - For affixing on the Articles of Association
         | For Authorized Capital (BDT) | Stamp (BDT) |
         |-----------------------------|-------------|
         | Up to 10,00,000              | 2,000       |
         | BDT 10,00,000 to 3,00,00,000 | 4,000       |
         | BDT over 3,00,00,000         | 10,000      |
     - **Registration fees:**
       - For filling 8 or 9 documents (7 or 8 filled in forms plus 1 Memorandum & Articles of Association BDT200 per document): BDT1600 or 1800.

   - **For Authorized Share Capital:**
     - **Authorized Capital (BDT):**
       - Up to 20,000                                  Fees (BDT)
       - 360
- Additional for every 10,000 or part after first 20,000 up to 50,000 180
- Additional for every 10,000 or part after first 50,000 up to 10,00,000 45
- Additional for every 10,000 or part after first 10,00,000 up to 50,00,000 24
- Additional for every 100,000 or part after first 50,00,000 45
- FOREIGN COMPANY
- For filling 6 documents (5 filled in forms plus 1 Memorandum & Articles of Association
  BDT 200 per document): BDT1200.
- PARTNERSHIP FIRM (Partnership Act, 1932
- Registration fee: BDT 10.00

- Fees of Return Filing
- COMPANIES (PRIVATE & PUBLIC)
- For filing any document within the scheduled time: BDT 200 per document
- Late fee for filing any document beyond the scheduled time: BDT 2.00 per day not
  exceeding BDT 1000 per document.
- PARTNERSHIP FIRMS
- For filing Form 2,5 or 6: BDT 4.00 each.

- Stamps and Fees for Issuance of Certified Copies;
  - Private Company, Public Company and Foreign Company
- Non-judicial Stamp:
  - For Memorandum of Association or part thereof: BDT 20.00
  - For Articles of Association or part thereof: BDT 20.00
  - For each of other document: BDT 20.00
- Court fee (Stamp) – per application per company: BDT 20.00
- Other fees:
  - For inspection of records: BDT 100
  - For copy of Certificate of Incorporation: BDT 100
  - For copy of Certificate of Commencement of business: BDT 100
  - Copying of documents for each 100 words or part: BDT 5 subject to minimum BDT100
  - Comparison of documents for each 100 words or part: BDT 5 subject to minimum
    BDT100.

One Stop Service
BEZA will provide/ facilitate following business support services:

- Project clearance
- 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
- Construction permit
- 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

**Steps to follow for Establishment of Economic Zone**
Public Zone

- Proposal (along with Mouza map covering khas/ private land) received from DC of respective District to set up Economic Zone.
- Proposal is to be sent to BEZA Governing Board for approval of the site.
- DC office is to send proposal again to Ministry of Land for clearance.
- DC office will proceed to give registration of the khas land in favor of BEZA for setting up EZ.
- DC office start private Land acquisition process and handover the same to BEZA.

Direct Allotment of land to the Unit Investors

- Issue Prospectus through advertisement in the newspapers and BEZA website.
- Prospectus contains but not limited to:
  - Profile of the Economic Zone;
  - Period of lease;
  - Minimum size of plot to be leased out;
  - Government approved Tariff and Service charge of the plot/ land;
  - Incentives and One Stop Service for the applicant;
  - Earnest money for application;
  - Security Deposit as applicable;
  - Contact signing money;
  - Application Form
- Evaluation of Application as per Govt. approved Evaluation Guidelines.
- A five members Evaluation Committee is headed by an Executive Member with one outsider.
- Evaluation Committee is to submit recommendations about the viability of Investment proposals.
- BEZA Executive Board is to approve Investment Proposals.
- Provisional Letter of Award (LoA) given to each Applicant to proceed for signing Lease Agreement.
- Handing over plots for development.

Allotment of land to PPP Developer
• Issue Request For Proposal (RFP) through advertisement in the newspapers and BEZA website.

• Request For Proposal (RFP) contains but not limited to:
  - Profile of the Economic Zone;
  - Period of lease;
  - Area of land to be leased out;
  - Usage of land;
  - Application money/ Earnest money/ Performance Guarantee;
  - Technical Proposal;
  - Financial Proposal;
  - Standard Developer’s Agreement.

• A five members Evaluation Committee is headed by an Executive Member with one Outside Expert.

• Evaluation of the proposal is done according to the provisions of Appointment of Developers Rules and Appointment Developers Guidelines.

• Evaluation Committee will examine the Technical soundness of each applicant first.

• On the basis of getting qualifying marks in technical areas, applicant will be selected through analysis of financial score.

• Evaluation committee to submit their recommendations to BEZA Executive Board for taking decision.

• Provisional Letter of Award (LoA) given to the qualified Applicant to proceed for signing Land Lease Agreement.

• Handing over plots for development.

• The Developer allots land to the unit investors and to submit project clearance application with BEZA for registration.

**Allotment of Land to G2G Developer**

• As per the provisions of Bangladesh Economic Zones Act, 2010 (amendment) with the recommendation from respective foreign Embassy
in Bangladesh, any foreign Zone Developer can apply for getting allotment of land in Economic Zone.

- Application for G2G Zone Developer is being processed/evaluated by Processing Committee consisting of Members from BEZA, PMO, MOF, MOFA and Bangladesh Bank.
- Committee is to submit its recommendations to BEZA Executive Board.
- BEZA submit Committee recommendations to CCEA through PMO for Government approval.
- Letter of Award (LoA) given to the Applicant to proceed for signing Land Lease Agreement.
- Handing over plots for development.
- The Developer allots land to the unit investors and to submit project clearance application with BEZA for registration.

**Private Zone**

**Selection of Private Economic Zone Developer**

- As per the provisions of Bangladesh Private Economic Zones Policy, 2015 any local or foreign sponsor having unencumbered land of reasonable size may apply in the prescribed form for becoming Private Economic Zone Developer.
- Application will be scrutinized with land title, access road, availability of utility etc.
- Proposal is to be sent to BEZA Governing Board for approval of the site.
- Applicant will be issued Pre-qualification License.
- Applicant will be allowed 12 month time to conduct Feasibility study, Environment Impact Assessment of the site before granting Final License to develop the Economic Zone.
- The Developer allots land to the unit investors and submit project clearance application with BEZA for registration.
Application for PQL (Art.-4) in the form of sch.- 4.

- Documents as described in schedule-2
- Non-refundable fee
- Project description and work list.

Scrutiny by the Authority within 30 days after application. [Art. 5(2)] [Time may be extended for add. Information.]

- PEZ construction related map and time line for starting the work.
- Other relevant documents if necessary.

If objection found

- Notice (21 days) publication in newspaper & gazette. [Art. 5(2)]

If no objection

Issue of PQL by the Authority. [2nd Governing Board Meeting (Decision 10-3)]

Application for final license within 12 months from the issue date of PQL (Sch.-4), Art.-6

- Master plan with FS.
- Time schedule for completion the establishment of EZ.
- Non Refundable fee.
- EIA & plan on environment management.
- Rehabilitation Plan if applicable.

Objection to be disposed up after hearing.

Scrutinizing of paper within 30 days after application received (Art.-7).

Issue of license within 60 days (another 60 days if necessary) by BEZA [2nd Governing Board Meeting (Decision 10-3)]

Gazette notification [Art.-7(3,4)]

Signing of "developer & operator agreement " [Art. 7 (5)].