



Explore your investment in Economic Zones of Bangladesh
Your Investment, Our care.....



Bangladesh Economic Zones Authority
Prime Minister's Office



**BANGLADESH
ECONOMIC ZONES
AUTHORITY**

Government of the People's Republic of Bangladesh
Prime Minister's Office

Message from the Executive Chairman

“Bangladesh Economic Zones Authority is carrying a vision of establishing Economic Zone's in potential areas in the country with a view to encourage rapid economic development through diversification of industry and augmentation of employment, production and export. Our targets over next 15 years are to:

- Establish economic zones in 30,000 hectares
- Create 10 million employments
- Export of US\$ 40 billion per year

On behalf of the government of Bangladesh and as the Chief Executive of the Bangladesh Economic Zones Authority, I would like to invite national and foreign investors to invest in Economic Zones in our country.”

Your investment... our care..



Paban Chowdhury
Executive Chairman
Bangladesh Economic Zones Authority

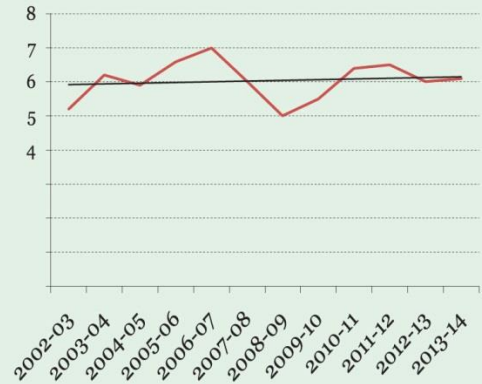
Bangladesh

“A Rapidly Industrializing Economy”

Bangladesh has demonstrated strong economic fundamentals with a consistent GDP growth rate of 6 percent over last five years. This growth in GDP is supported by increasing domestic market, with population increasing three fold from 49.54 million in 1990 to 156.6 million in 2013 and a significant growth in per capita income from USD 820 in 1990 to USD 3,190 in 2013.

In addition to the domestic demand, low-cost labor with growing skills provide Bangladesh potential competitive advantage to attract labor-intensive industries and serve as a hub to cater to the export demands. Moreover, the cost of doing business in, Dhaka city, is considered to be one of the lowest when compared to other major cities. A study by JETRO illustrates that the cost of doing business in Dhaka is lowest among 28 South Asian cities. The potential of the economy is acknowledged by Investment fraternity with Goldman Sachs including it in its ‘Next 11’ country list and HSBC increasing its confidence in economy’s trade potential.

Economic Growth of Bangladesh



Population	160 million (estimated)
Area	147,570 sq. km
GDP growth	6% (average)
Poverty reduction	More than 25% (in last 2 decades)
Total Exports	US\$ 30 billion
Per Capita GDP	US\$ 1190 (2013-14)
FDI Inflow	US\$ 1730 million (2013)
Major Ports	Chittagong, Mongla and Payara (Ongoing)
Major Cities	Dhaka, Chittagong, Khulna

Bangladesh provides a winning combination of business-friendly environment and cost structures, thereby giving investors competitive returns.

Why Bangladesh is your optimal destination of investment.....

Consistent Economic Growth.....

Despite ups-and-downs in the global economy and the subsequent slump in growth, Bangladesh's economy has been maintaining an impressive growth rate of more than 6% on average over the last 10-years.

Industrious low-cost work force.....

Bangladesh offers a well-educated, highly adaptive and industrious workforce with economic wage level, proven by its remarkable success in RMG manufacturing and export.

Low Cost Energy....

Energy prices in Bangladesh are much cheaper compared to neighboring countries.

Strategic location of Economic Zones....

The locations of first economic zones of the country, has been chosen, based on regional connectivity, proximity to India, China and Bhutan; access to ports , abundance of labor force, and backward linkage opportunities.

Competitive Incentives to the Economic Zone developers and Units established in the Economic Zones ...

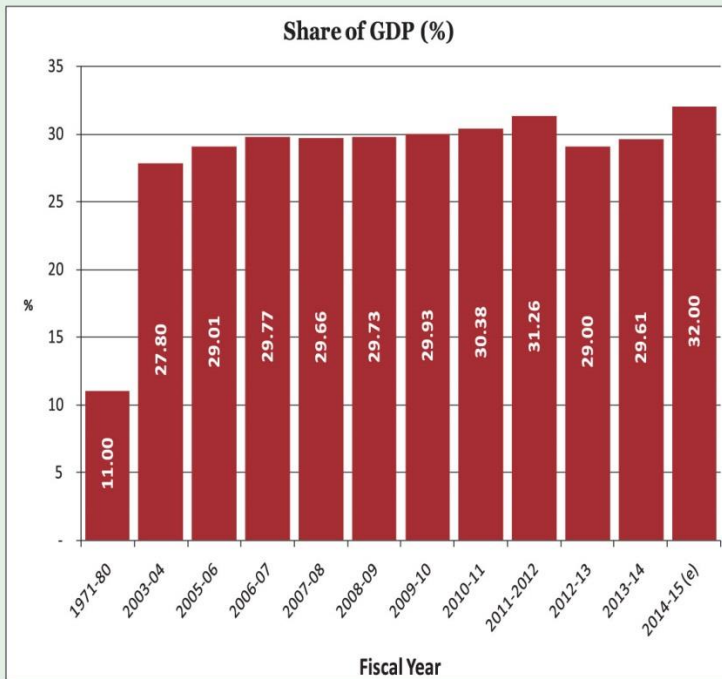
The government provided similar fiscal and financial incentives and benefits to industrial units as provided to the industrial units covered under Bangladesh Export Processing Zones Authority Act, 1980 and Bangladesh Private Export Processing Zone Act, 1996.

Industrial Overview of Bangladesh

The growth of Bangladesh's economy has been driven by industrial sector growth ...

with private sector playing an important role..

The government has taken the role of a facilitator by creating investment friendly environment, linking Bangladesh with free market economy and liberalizing trade so that private entrepreneurs can obtain opportunities of establishing and running industrial enterprises profitably. In order to fostering industrialization, government has taken initiatives to set up more new industrial parks, economic zones and special economic zone.



Source: Bangladesh Economic Review (2005-2013), MoF

The contribution of the industrial sector to Bangladesh economy has been on the increase. During the period 1971-80, the contribution of the broad industry sector to GDP was 11 percent and it increased to 30 percent in FY 2013-14. The growth of the industrial sector is driven by manufacturing sector particularly in textile and apparels, lather, food and beverage, pharmaceutical, chemical etc.

In order to build a vibrant industrial sector as well as to enhance the contribution of its share to GDP from 30 percent to 40 percent by 2021, government has formulated the 'National Industrial Policy, 2010'. The salient features of this policy include modernizing the economy, transforming infrastructural, diversifying economic base, enhancing productivity, mainstreaming women in the industrialization process and promoting small and medium enterprise.

Bangladesh a competitive market place

- Industrious low-cost work force
- Growing Local Market of 160 million consumers Energy cost is lowest among neighboring countries Lucrative incentive policies & FDI friendly EPZ's & Economic Zones Easy access to Local & Global Market
- Steps taken for continuous energy supply to the Economic Zones
- Cost of doing business in Dhaka (Bangladesh) is lower than 28 major cities in Asia
- Treaties with 28 countries to avoid Double Taxation

Bangladesh Economic Zones Authority (BEZA)

Bangladesh Economic Zones Authority was constituted under Prime Minister's Office in August 2010, with an aim to establish economic zones in potential areas of Bangladesh for employment generation, FDI and inclusive growth of the country..

Bangladesh Economic Zones Act 2010 was promulgated under which Bangladesh Economic Zones Authority was established, with broad objectives to:

- *Identify and select sites for Economic Zones for industrial activities*
- *Acquire land for Economic Zones*
- *Ensure off-site infrastructure development for the Economic Zones*
- *Establish Economic Zones through Public-Private Partnership (PPP)*
- *Provide One Stop Service*

The Act provides for legislations for developing economic zones of the country and powers and functions of the authority.

BEZA is governed by a 3-level management structure.



BEZA is poised to structure an ecosystem of industrial development, thus facilitating investors to create sustainable business.

BEZA's vision is to establish one hundred Economic Zone's in the next fifteen years with an employment generation of 10 million and development of 30,000 hectares of land.

“Vision 2021” of Bangladesh is to achieve the status of a middle-income country by 2021.”

Vision 2021

BEZA Objectives

Ensuring broad-based growth

- **Develop 100 Economic Zone in country over the next fifteen years**
- Create 10 million employment opportunities
- Establish **backward linkage industries** in economic zones to meet requirements of local economy

Addressing globalization and regional cooperation

- **Attract foreign investors** for development and operation of economic zones
- **Encourage PPP** in development and operation of economic zones
- Foster to **exports worth USD 40 billion from current 30 billion from the Economic Zone development**

Creating a caring society

- Initiatives towards **poverty reduction program**
- **Create 10 million opportunities for employment**
- Establishing backward linkage industries
- Steps to **implement social and economic commitments**
- **Establishing social rights of workers** and creating conducive employer-employee relationship

Ensuring effective governance

- **Monitoring** of activities of its own and of economic zone developers to ensure infrastructure development
- **Encourage efficient management and monitor programs** for implementing commitments on environment and other matters

Mitigating impacts of climate change

- **Encourage business organizations to relocate polluting and unplanned industries** from metropolitan cities through establishing separate economic zones for different industries

BEZA has positioned itself to contribute in achieving the vision through regulatory reforms and facilitating support to the investors and developers.

Incentive Package

BEZA would provide multiple incentives, other than infrastructure provision, to the developer of the Economic Zone as well as to a particular manufacturing unit. Benefits to the zone developer range from income tax exemption to subsidy on capital expenditure. The incentive structure for investor unit is also attractive, ranging from fiscal incentives such as exemption of taxes, custom/excise duties to non-fiscal incentives such as no FDI ceiling, work permits related and recommendation for Resident ship/ Citizenship.

For Developers

1. Income Tax exemption in a block of 10 years out of 15 years
2. VAT Exemption on electricity or taxes on sale (for 10 years)
3. VAT Exemption on local purchase excluding petroleum products
4. Exemption from custom/excise duties
5. Exemption of stamp duty and registration fees for land registration for the first time
6. Exemption of stamp duty and registration fees for land registration of loan/credit document
7. Exemption from dividend tax
8. Exemption from Tax on Income from service charges

For Unit Investors

1. Tax Holiday up to 100%
2. Duty free import of raw materials etc.
3. Exemption from dividend tax (after tax holiday period is elapsed)
4. Full repatriation of capital and dividend
5. No ceiling of FDI
6. 100% backward linkage raw-materials and accessories to sell for EOI in DTA
7. 20% sale of finished product to DTA
8. Sub-contracting with DTA allowed
9. 50% exemption of stamp duty and registration fees
10. Exemption of VAT on all utility services
11. Duty exemption on export
12. Exemption of CD for import of vehicles
13. Exemption of double taxation subject to Double taxation agreement
14. Exemption of Salary income from IT for expatriates
15. Consider Export Processing Area of Economic Zone as custom bonded area
16. Foreign loan is allowed in compliance with existing laws
17. FC Account for non-residents
18. FC Account for both local and joint venture industry
19. Foreign investors to be free to enter into JV
20. Tax exemption on royalties, technical fees etc.
21. Tax exemption on capital gains from transfer of shares.
22. Provision of transfer of shares by foreign shareholders to local shareholders and investors
23. Issuance of work permits to foreigners is allowed up to 5% of total officers/employees of an industrial unit
24. Re-investment of remittable dividend to be treated as new foreign investment
25. Resident visa for investment of US\$ 75,000 or more
26. Citizenship for investment of US\$ 500,000 or more

Planned Economic Zones

Name	Location
1. Mongla EZ	Bagerhat
2. Sirajgonj EZ	Sirajganj
3. Mirersarai EZ	Chittagong
4. Anowara EZ	Chittagong
5. Shreehatta EZ	Moulvibazar
6. Sreepur	Gazipur
7. Sabrang Tourism Park	Cox's Bazar
8. Anowara-2 EZ	Chittagong
9. Dhaka IT SEZ	Dhaka
10. Jamalpur EZ	Jamalpur
11. Narayanganj EZ	Narayanganj
12. Bhola EZ	Bhola
13. Ashuganj EZ	Brahmanbaria
14. Panchghar EZ	Panchghar
15. Narsingdi EZ	Narsingdi
16. Manikgoni EZ	Manikgoni
17. Kustia EZ	Kustia
18. Agailjhara EZ	Barisal
19. Nilphamari EZ	Nilphamari
20. Shariatpur EZ	Goshairhat
21. Shariatpur EZ	Jagira
22. Dhaka EZ	Dohar
23. Habiganj EZ	Hobiganj
24. Jaliardiwp EZ	Cox's Bazar
25. Coxsbazar Free Trade Zone	Moheshkhali
26. Moheshkhali EZ	Cox's Bazar
27. Moheshkhali EZ-2	Cox's Bazar
28. Moheshkhali EZ-3	Cox's Bazar
29. Narayanganj EZ-2	Sonargoan
30. Natore EZ	Lalpur

Private EZs

Name	Location
1. AK Khan PEZ	Narsingdi
2. Abdul Monem PEZ	Munshiganj
3. Garments Shilpa Park	Munshiganj
4. Meghna PEZ	Narayanganj
5. Meghna Industrial Zone	Narayanganj
6. Famkam PEZ	Bagerhat
7. Comilla EZ	Comilla

***BEZA's Objective
is to establish one
hundred EZs in
the next fifteen
years***

***... with an
employment
generation of 10
million with
development of
30,000 hectares
of land***

Map of Economic Zone

- Planned Economic Zones
- Private Economic Zones



Mongla Economic Zone Project

- The Mongla Economic Zone is located on the river Mongla. Mongla Sea Port is the second biggest sea port of the country on the south west of the country near Bay of Bengal. It is bounded by upazila Rampal in the north, Mongla EPZ on the south, the Mongla River in the east and the Pashur /Mongla Port on the west.
- The economic zone is on 205 acres of land. Wide road is available around 300 from the site.

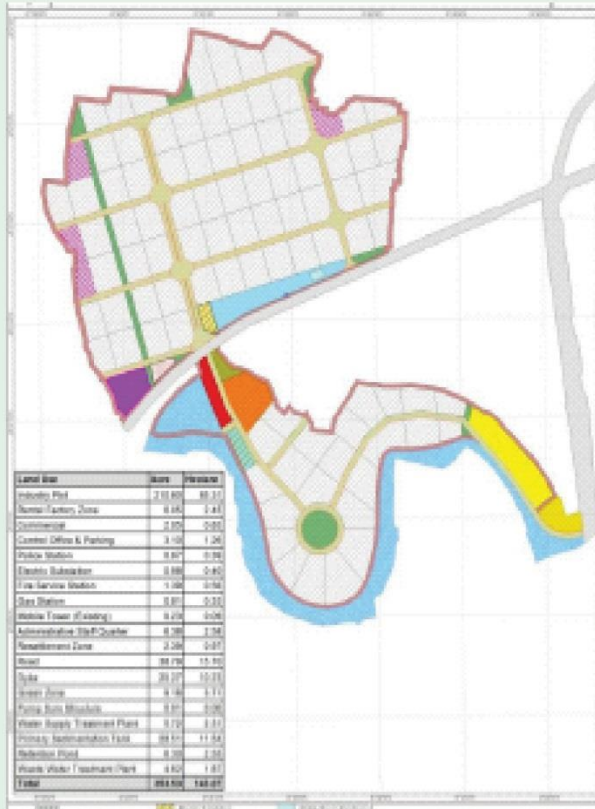


Mongla Economic Zone has gross area of 205 acres. The site is suitable for apparel/RMG, jute, food processing, shipyard etc. Construction on the site is expected to be completed by 2018 and the plots are likely to be available from 2016. Electricity supply is available at site.

Item	Key Information
Access	40 km from Khulna City, 105 km to Jessore Air Port and 230 km to Dhaka
Land	Gross area 205 acres
Suitable Industries	Apparel/RMG, Jute, Food Processing, shipyard etc
Competitiveness	Readily available developed land, power supply and water supply and direct access of sea and river
Employment Creation	Employment creation is expected to be 25,000 workers

Sreehatta Economic Zone Project

The Economic Zone is located in Maulvibazar District of Sylhet Division, at the converging point of the Dhaka – Sylhet Highway and Sylhet – Maulvibazar Highway at Sherpur. The site is 35 km from Sylhet and 23 km from Maulvibazar. Sreemangal Railway Station is 43 km from the site.



Sherpur Economic Zone has gross area of 352 acres and only 5 households shall be affected during development. The site is suitable for heavy and large industries. Electricity line of 220kv is available near site and gas supply source is available within 6 km.

A minor earth filling shall be required for development of land. Inland Container Depot (ICD) at Sreemangal Railway Station is planned to be constructed near the site, which will improve the rail connectivity. Development of economic zone is expected to create employment for 25,000 workers.

Item	Key Information
Access	Aside Dhaka – Sylhet Highway, 55 km from Sylhet Airport, 435 km to Chittagong Port and 208 km to Dhaka
Land	Gross area 352 acres
Industries to be set up	Textiles (spinning, weaving and dyeing), ceramics, paint and glass making, food processing etc
Estimated cost of on- and off-Site infrastructure	\$82.87 million for on-Site and \$7.7 million for off-site
Infrastructure facilities	Road, power, gas supply, sweet water and sand for earth-filling are very nearby the site.
Employment Creation	Employment creation is expected to be 40,000

Anwara Economic Zone Project

Anwara Economic Zone will be the first specialized seafront economic zone, with an existing area of 634 acres. It is also proposed that an additional 778 acre land to be reclaimed from the sea. It has the potential required to meet all the necessary conditions to become a successful Economic Zone. Once the economic zone is established, it is expected that there will be a huge demand for industrial plots, from potential investors.

The Zone has access to water transportation and it is located in the mouth of Bay of Bengal and Sangu River. The site is suitable for heavy and large industry like shipbuilding and shipbuilding component etc segment of industries. Land is flat at site and it is suitable for dredging and filling up and creating depth of the river. Also reclamation is possible in future. Electric line of 132kV is available near within 10 km. Development of economics zone is expected to created employment for 50,000 youth in the locality and shall protect the people of the locality from cyclone and tidal surge.



Item

Key Information

Access

Access to water transportation, 12 km from Chittagong Sea Port, 28 km from Chittagong city and 46km from Chittagong Airport

Land

Gross area 634 acres

Industries to be set up

Shipbuilding, shipbuilding components, steel, automobile parts, power plant etc.

Cost of Infrastructure

\$ 172.87 million for on-site and \$ 67 million for off-site

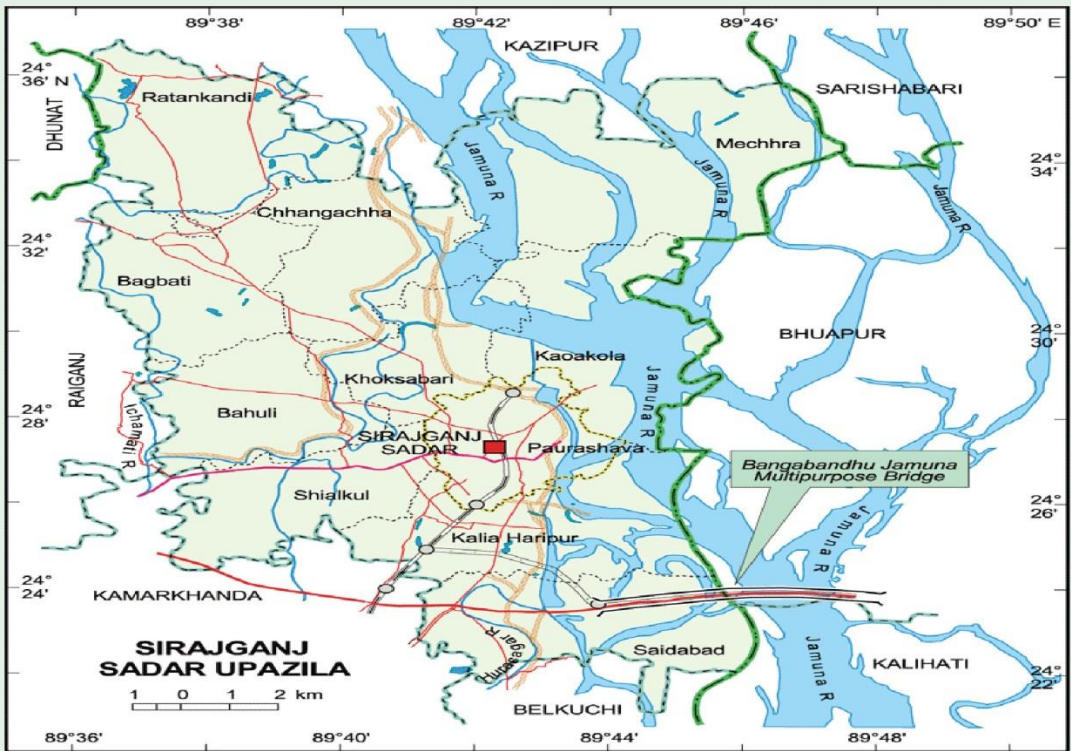
Competitiveness

Economic Zone has advantage of sea access directly able to attract the waterfront industries such as shipbuilding steel and cement and supporting industries

Employment Creation

Employment creation is expected to be 47,000 workers

Sirajganj Economic Zone Project



Item	Key Information
Access	By the side of Dhaka-Sirajganj Highway, road, river and rail connectivity, closest to Bangabandhu Bridge, 130 km to Dhaka Shahjalal International Airport, 375 km to Chittagong Sea Port .
Land	Gross area 1041 acres (Khas land 985.93 acre and private Land 55.50 acre)
Industries to be setup	Garments, food processing, cement etc
Estimated Cost of Infrastructure	\$172.87 million for on-Site and \$67 million for off-site
Competitiveness	Economic Zone has advantage of road, river and rail access
Employment Creation	Employment creation is expected to be 80,000 workers

Support to Capacity Building of Bangladesh Economic Zones Authority Project

Economic Zones in Bangladesh The Ultimate Investment Destination

With the support from



The World Bank

DFID Department for
International
Development

Bangladesh Economic Zones Authority (BEZA)

Prime Minister's Office

BDBL Bhaban(Level 15), 12 Karwan Bazar

Dhaka 1215, Bangladesh

Phone : +88-02 8180114, Fax : +8802 8180130

E-mail : exe.chairman@beza.gov.bd

Website : <http://www.beza.gov.bd>