

Receipt No. 149

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Client's copy

The Government of the People's Republic of Bangladesh
Bangladesh Economic Zones Authority (BEZA)
Monem Business District, Level-13
111, Bir Uttom C.R Dutta Road, Dhaka-1205.

Mr./Messers... BGAPMEA.....

Address: Sonaratori Tower (9th Floor) Plot No-12

Sonaragan Link Road, Banglamotor, Dhaka-1400

mob: 01711-937363

An amount of TK./USD... = 10,000/- (Ten thousand).....


has been received from the above client on account of
sales of prospectus of Mirsarai and Feni

Economic Zone/Tourism Park/IT park/SEZ,

vide Cash/Cheque/payorder... cash.....


Cashier
Signature & seal

আবু সালেহ
ক্যাশিয়ার
বাংলাদেশ অর্থনৈতিক অঞ্চল কর্তৃপক্ষ
প্রধানমন্ত্রীর কার্যালয়, ঢাকা।


Assistant Manager
(Accounts and Finance)

Signature & Seal
সহকারী ব্যবস্থাপক (হিসাব ও অর্থ)
বাংলাদেশ অর্থনৈতিক অঞ্চল কর্তৃপক্ষ
প্রধানমন্ত্রীর কার্যালয়, ঢাকা।



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



**Bangladesh Economic Zones Authority
Prime Minister's Office**

www.beza.gov.bd



We Target
Export of
USD 40 Billion
Per Year



Bangladesh Economic Zones Authority
Prime Minister's Office

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 Mirsarai 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 in 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 includes 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".

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 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 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 BIDA 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"> • 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: BDT 500.00 per permit f. Registration of Industrial unit: US\$ 500.00 g. Design approval: <ul style="list-style-type: none"> • Industrial unit: BDT 10,000. • 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 fixedup later on Workers management – to be fixedup later on
4.	Levy-Service support to PPP Zone developer	<ul style="list-style-type: none"> • 2% on total service charge

