

Export Processing Zones (EPZ) in Bangladesh

Bangladesh has established several Export Processing Zones (EPZs) to promote the foreign investment and generate employment opportunities in Bangladesh. Bangladesh Export Processing Zone Authority (BEPZA) is an authorized agency and responsible for promoting, attracting, and facilitating foreign investment in Bangladesh.

List of Export Processing Zones (EPZ) in Bangladesh

SL	Title of Zone	Location	Profile of Zone Area	Export (Cumulative Million USD) in FY 2014-15	Employment Cumulative (Number) in FY 14-15	Investment (Cumulative Million USD) in FY 14-15
01	Chittagong EPZ Established: 1983	South Haliashahar 5.50 Km from Chittagong City	Zone area : 453 acres Number of industrial plots : 501 Plot Size: 2000 sqm Avg. Tariff for Plot: US \$ 2.20 / sqm / year.	21,803.099	1,90,815	1,355.54
02	Dhaka EPZ Established: 1993	Savar 35 Km from Dhaka City	Zone area: 356.22 acres Number of industrial plots: 451 Plot Size: 2000 sqm Avg. Tariff for Plot: US \$ 2.20 /sqm /year.	18,300.15	86,638	1,141.36
03	Karnaphuli EPZ Established: 2006	North Potenga, Chittagong 10 Km Chittagong City 6 Km from Chittagong Port	Zone area : 209.06 acres Number of industrial plots : 255 Plot Size: 2000 sqm. Plot Tariff: US \$ 2.20 / sqm / year	2,105.22	54,812	372.53

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04	Adamjee EPZ Established: 2006	Adamjee Nagar, Shiddirgonj, Narayanganj 15 Km form Dhaka City	Zone area: 245.12 Acres Number of industrial plots: 229 Plot Size: 2000 sqm Avg. Plot Tariff : US \$ 2.20 /sqm /year	1,688.28	40,091	316.48
05	Comilla EPZ Established: 2000	Comilla old Airport area 167 Km from Chittagong port, 97 Km from Dhaka.	Zone area: 267.46 acres Number of industrial plots: 238 Plot Size: 2000 sqm Avg. Plot Tariff: US \$ 2.20 / sqm / year	1,373.28	21,821	224.50
06	Ishwardi EPZ Established: 2001	Pakshi, Pabna 220 Km form Dhaka	Zone area : 309 Acres Number of industrial plots : 290 Plot Size: 2000 sqm Avg. Plot Tariff: US \$ 1.25 / sqm / year	340.02	8,323	81.42
07	Mongla EPZ Established: 1999	Mongla port area, Bagerhat 210 Km from Dhaka	Zone area : 255.41 Acres Number of industrial plots : 190 Plot Size: 2000 sqm Avg. Plot Tariff: US \$ 1.25 / sqm / year	364.41	1,598	22.11
08	Uttara EPZ Established: 2001	Shongalshi, Nilphamari. 409 Km from Dhaka	Zone area: 213.66 Acres Number of industrial plots: 180 Plot Size: 2000 sqm. avg. Plot Tariff : US \$ 1.25 / sqm / year	166.70	16,003	80.49

Package of Incentives

The Government offers numerous incentives for sitting up factories in EPZs. The major Fiscal and Non- Fiscal incentives are listed below:

1. Fiscal Incentives

Tax Exemption

1. 10 years tax holiday for the industries established before January 1, 2012. Separate tax policy is applied to the industries set up afterwards are listed below:

Period and rate of tax exemption for Mongla, Ishwardi & Uttara EPZ for the industries set up after January 01, 2012:

Duration of Tax Exemption	Rate of Tax Exemption
First 03 years (1 st , 2 nd and 3 rd year)	100%
Next 03 years (4 th , 5 th and 6 th year)	50%
Next 01 year (7 th year)	25%

Period and rate of tax exemption for Chittagong, Dhaka, Comilla, Adamjee and Karnaphuli EPZ for the industries set up after January 01, 2012:

Duration of Tax Exemption	Rate of Tax Exemption
First 02 years (1 st and 2 nd year)	100%
Next 02 years (3 rd and 4 th year)	50%
Next 01 year (5 th year)	25%

2. Exemption from income tax on salaries of foreign technician for 3 years (in case of Projects approved before March 22, 2009).
3. Relief from double taxation subject to bilateral agreement.
4. Complete exemption from dividend tax for tax holiday period for foreign nationals.

Duty Free Facilities

1. Duty free import of machineries, equipments, and raw materials.
2. Duty free import of two/three vehicles for A & B type industries subject to certain conditions (Projects approved before March 22, 2009).
3. Duty free import of materials for construction of factory buildings in the zones.
4. Duty free export of goods produced in the zones.
5. Full repatriation of profit, capital, & establishment.

2. Non-Fiscal

Investment

1. All foreign investments are secured by the foreign Private Investment (Promotion and Protection) Act-1980.
2. No ceiling on extent of foreign investment.
3. 100% foreign ownership is permissible.
4. Repatriation of investment including capital gains, if any, is permissible.
5. Overseas Investment Corporation (OIC) insurance and finance programs facilities is available.
6. Security and safeguards under the provision of Multilateral Investment Guarantee Agency (MIGA)
7. Arbitration facility under the provision of the International Center for the Settlement of Investment Dispute (ICSID)
8. Remittances allowed in following cases:
 - All post tax profit and dividend on foreign Capital.
 - Savings from earnings, retirement benefits, personal assets of individual on retirement/termination of services.
 - Approved royalties and technical fees.

Project Financing and Banking

1. Off-shore banking facilities
2. Foreign currency loan from abroad under direct automatic route (OBU facilities).
3. Non-resident Foreign Currency Deposit (NFCD) allowed for 'A' type industries
4. Local and international banking facilities also wide-open.

Export & Import

1. Enjoys GSP benefits in EU countries, Japan, Australia, USA & Canada etc.

2. No UD (Utilization Declaration), IRC (Import Registration Certificate), ERC (Export Registration Certificate), & renewal of bond license is required.
3. 100% backward linkage raw materials and accessories are allowed to sell for export oriented industries inside and outside EPZs.
4. Import and Export on CIVI/CMP/CMT basis are allowed.
5. Import from Domestic Tariff Area (DTA) and 10% export to DTA are permitted.
6. Freedom from national import policy restrictions.
7. Import of raw materials also allowed on Documentary Acceptance (DA) basis.
8. Advantage of opening back to back LC for certain types of industries for import or raw materials.
9. Import of goods from the domestic tariff area is permissible.

Operation

1. Re-location of existing industries from one zone to another within the country is permissible.
2. Sub-contracting within EPZ is allowed.
3. No permission required for expansion of the project or product diversification.
4. Inter-zone and intra-zone export are permitted
5. All customs formalities are done at the gate site of the respective factory building within the zone.
6. Permission for import/export is given in the same day.
7. Repairing and maintenance of machinery and capital equipment from domestic tariff are allowed.

Employment

1. Liberal employment of foreign technicians/experts is allowed.
2. Foreigners employed in the zones enjoy equal rights similar to those of Bangladesh nationals.
3. Law forbids formation of any labor union in the zones. Strike within the zones is prohibited.

One Stop Facilities

1. BEPZA offers One Window Same Day service.
2. Simplified project approval procedure.
3. Work Permits issued by BEPZA.
4. Import and Export Permits issued by BEPZA within the same day through automation system.

5. Customs clearance is done at the factory site.
6. Investors are required to deal only with BEPZA for Investment and all other operational needs.

Factory Setup Process in EPZs

1. Collect BEPZA Project Proposal Form on payment of Taka 3000.00. (Payment to be made in the Accounts Department of Executive office, BEPZA, Dhaka.
2. Submit the filled in BEPZA Project Proposal Form along with some required documents mentioned in the Project Proposal with a forwarding letter addressing to the Executive Chairman, BEPZA.

Required Documents

1. Letter addressed to the Executive Chairman
2. Filled in Project Proposal for investment in EPZ
3. Pro-forma invoice of machinery and equipment to be imported
4. Bank solvency certificates of the Shareholder Directors
5. Copy of Money Receipt
6. Memorandum & Articles of Association along with Certificate of Incorporation duly certified by the RJSC
7. Joint Venture Agreement (If applicable)
8. Copy of Passport of Shareholder Directors
9. Recent Photograph of Shareholder Directors
10. Deceleration of the re-location of machinery (if applicable)

Required Time for disposal:

05 working days

Contact Information

Zone Name	Designated Officer	Contact Address
Chittagong Export Processing Zone	Md. Khorshid Alam General Manager Mobile : 01713-105063	Chittagong EPZ , South Haliashahar, Chittagong Phone : +880 31 741446, +880 31 740919 Fax : +880 31 740031, Email: epz@ctg-bd.net
Dhaka Export Processing Zone	Md.Adus Sobhan General Manager Mobile: 01713-016415	Dhaka EPZ, Ganakbari, Savar, Dhaka Phone : +880 2 7789002, +880 2 7788822 Fax : +880 2 7789003, E-mail: gm_depz@yahoo.com
Karnaphuli Export Processing Zone	S.M. Akhter Alam Mostafi General Manager Mobile: 01713-102995, Email : gm_karnaphuli@yahoo.com	Karnaphuli EPZ , Karnaphuli, Chittagong Phone : +880 31 2501470, 2501469 Fax : +880 31 2501460
Adamjee Export Processing Zone	Md. Shah Alam Sarker (General Manager) Mobile: 01713-043004 Email: gmaepz@gmail.com	Adamjee EPZ, Adamjee Nagar, Siddirgang, Narayanganj Phone : +880 2 7692938, 7691207 Fax : +880 2 7692939
Comilla Export Processing Zone	Md. Mehboob Ali General Manager Mobile:01713-106675, Email: gm.comepz@yahoo.com	Comilla EPZ, Airport Area, Comilla Phone : +880 081 77055, +880 081 71009 Fax : +880 081 77056
Ishwardi Export Processing Zone	Md. Ruhul Amin General Manager (In Charge) Mobile:01711-419246, Email: gmiempz@yahoo.com	Ishwardi EPZ, Ishurdi, Pabna Phone : +880 731 59002, +880 731 59009 Fax : +8800 731 59008
Mongla Export Processing Zone	Md. Mahmud Hasan General Manager Mobile: +88 01713402040	Mongla EPZ, Mongla, Bagerhat Phone : +880 04662 75199 Email: gmmepz@gmail.com
Uttara Export Processing Zone	Md. Tanvir Hossain General Manager (In Charge) Mobile: 01713-201068,	Uttara EPZ, Shongalshi, Nilphamari Phone : +880 0551 61307, +880 0551 61119 Email: gm_uepz@yahoo.com