

BANGLADESH

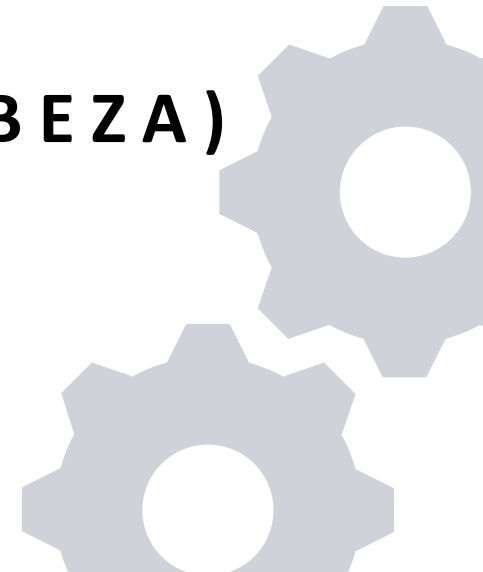
Investment Opportunities in Economic Zones

Mohammad Hasan Arif
Joint Secretary

Bangladesh Economic Zones Authority (BEZA)

www.beza.gov.bd

8 June 2022





The struggle to build a country is more difficult than the struggle for liberation, so we must devote all our effort in building the nation.

Father of the Nation
Bangabandhu Sheikh Mujibur Rahman



“

We need to encourage planned industrialization in EZs and suggest entrepreneurs to invest and establish industries there

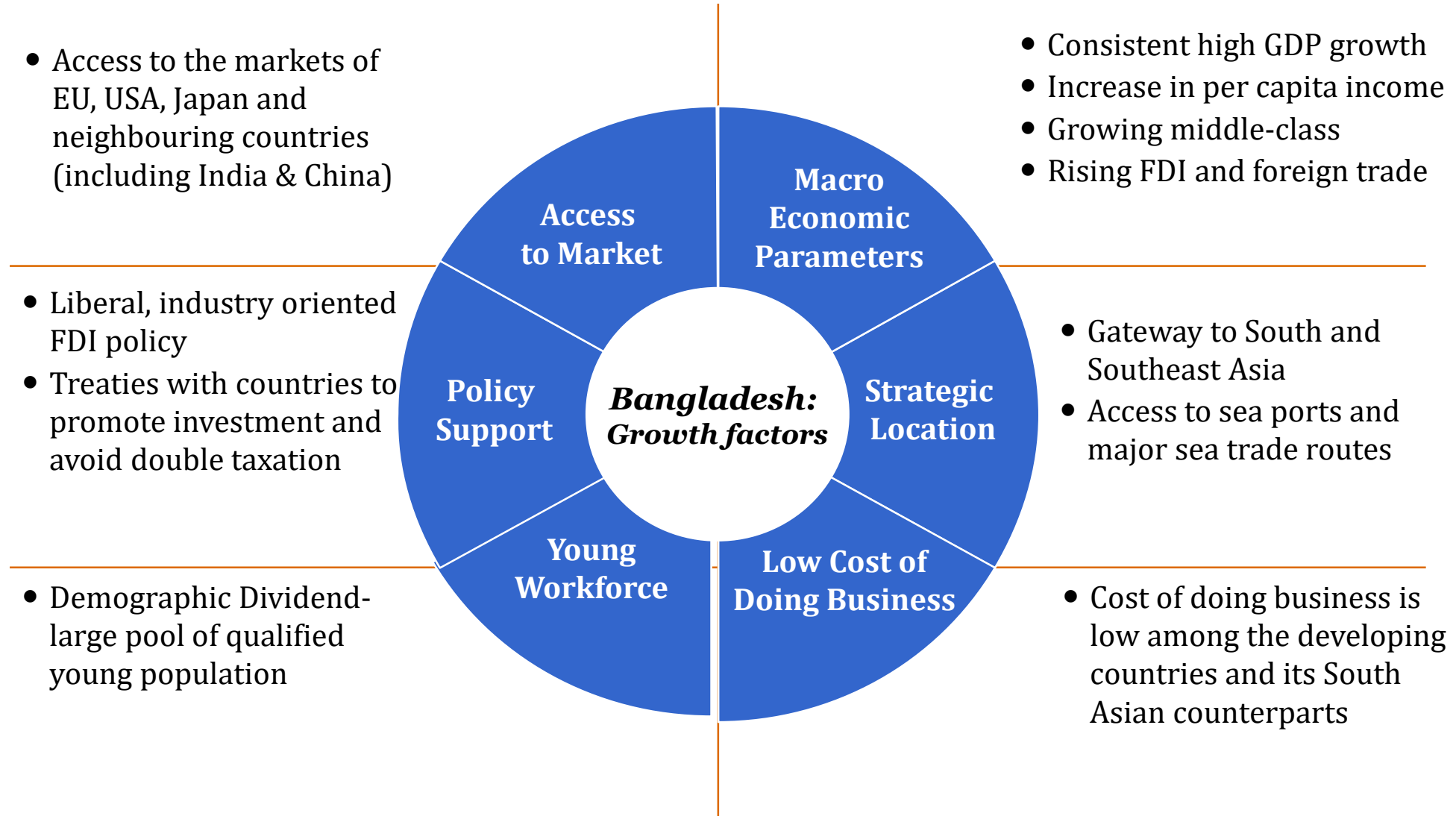
**Honourable Prime Minister
Sheikh Hasina**

Bangladesh at a Glance

Total Land Area	1,47,570 Sq. Km
Political Regime	Parliamentary Democracy
Population	168 Million
Demographic Distribution	0-14 years: 26.48% 15-24 years: 18.56% 25-54 years: 40.72% 55-64 years: 7.41% 65 years and over: 6.82%
Language	Bangla
Religion	Islam, Hinduism, Buddhism, Christianity
Climate	Tropical, prominent Monsoon, hot and humid summer and a dry winter
Currency	Taka
Exchange Rate against US\$	92.00
Major Cities	Dhaka, Chattogram, Khulna, Rajshahi, Sylhet
Int'l Airport	Dhaka, Chattogram and Sylhet
Int'l Seaport	Chattogram and Mongla



Growth Factors of Bangladesh





Bangladesh Economic Zones Authority

Your Investment Our Care

OPPORTUNITIES BEYOND BOUNDARIES





**BANGLADESH
ECONOMIC ZONES
AUTHORITY**

Bangladesh Economic Zones Authority

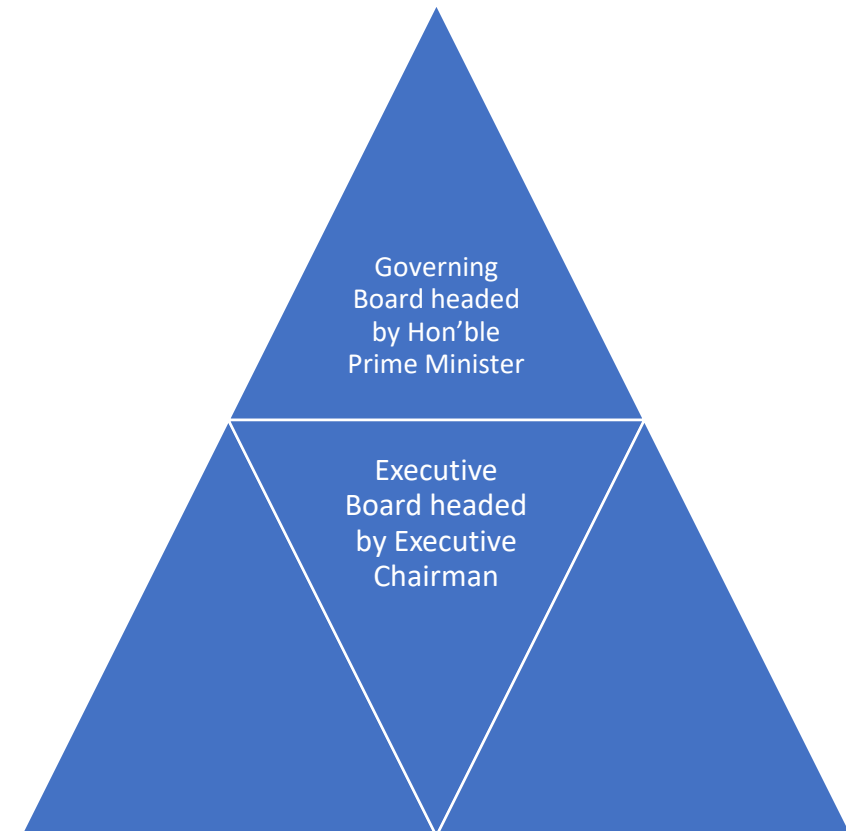
Promotes and Protects Investment

Bangladesh Economic Zones Act 2010

Objectives:

- Planned Industrialization
- Nationwide, Clustering of industries
- Attract FDI and domestic investment
- Generate employment
- Develop and diversify Export
- Promote skill development, knowledge sharing and technology transfer
- Spill over effect enabling Linkage industries
- Ensuring dynamic economic benefits for structural change
- Social and environmental sustainability

*BEZA governed by a
Two-tier management structure*



Delivering 125 types of services through One Stop Service Centre of which 48 are being delivered online

29 industrial Units are running their production in EZs and 39 units are in construction stage

Land Bank of 60,000+ Acres. 206 Investors have already been allocated 7651 Acres of land



Winning trust of the Investors

Investment proposals worth 28 Billion USD which are expected to generate 1 Million Employment

Approved 97 Economic Zones, of which 9 are already in production and 28 are under construction

BEZA's MISSION

Sites Approved **97** Zones
Commercial operation **9** Zones
Under Construction **28** Zones



100

Setting up 100
Economic Zones
across the country
by 2030



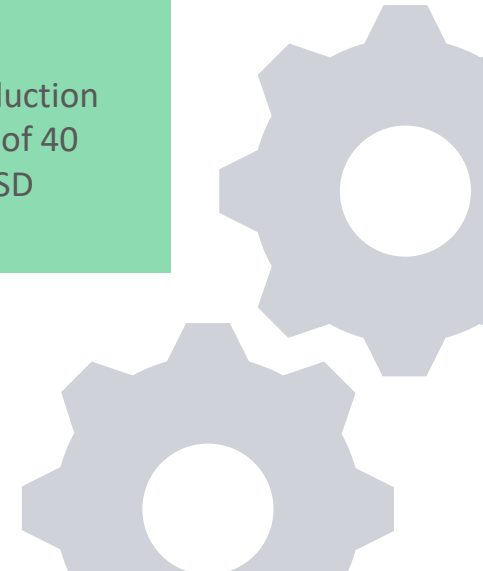
10M

Generating direct &
indirect employment for
10 million people



\$40B

Export / Production
to the tune of 40
billion USD



WHY

Bangladesh EZs?

Adequate
Land

Uninterrupted
Utility Connection

Incentives
Fiscal & Non fiscal

Simplified
Business Procedure

Market
Both domestic & International

FISCAL INCENTIVES



Scan this code to get the details



INCOME TAX

100% off: 1st 3 years
80%-20% off: 4th - 10th year

DIVIDEND TAX

No tax: 10 years

CAPITAL GAIN TAX

No tax: 10 years

VAT EXEMPTION

No Vat on Gas,
Electricity and Water

ROYALTY, TECH. KNOW-HOW etc.

No tax: 10 Years

INCOME OF FOREIGN WORKER

No tax: 3 years

Unique in EZs

DUTY FREE IMPORT

No duty: Capital Machinery & Construction Material



NONFISCAL INCENTIVES



Scan this code to
get the details



BOND FACILITIES



Duty free import & export of
raw materials

EASY CUSTOMS



Separate procedures for
customs in EZs

TELEPHONIC TRANSFER



Demand from Japan: No
limit of TT

REMITTING REVENUE EARNED IN BDT



Local Currency to
Foreign Currency

SENDING OF DIVIDEND/PROFIT



100% profit allowed to
send home

REPATRIATION OF DISINVESTMENT



100% allowed

SENDING OTHER FEES



Need no permission upto 6%
turnover

Unique
in EZs



FISCAL

INCENTIVES



Scan this code to
get the details



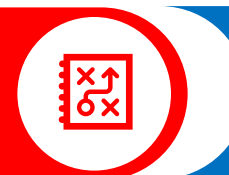
Zone Developer

INCOME TAX



100% off: 1st 10 years
70%-30% off: 11th - 12th year

DIVIDEND TAX



No tax: 10 years

CAPITAL GAIN TAX



No tax: 10 years

ROYALTY, TECH. KNOW-HOW etc.



No tax: 10 Years

INCOME OF FOREIGN WORKER



No tax: 3 years

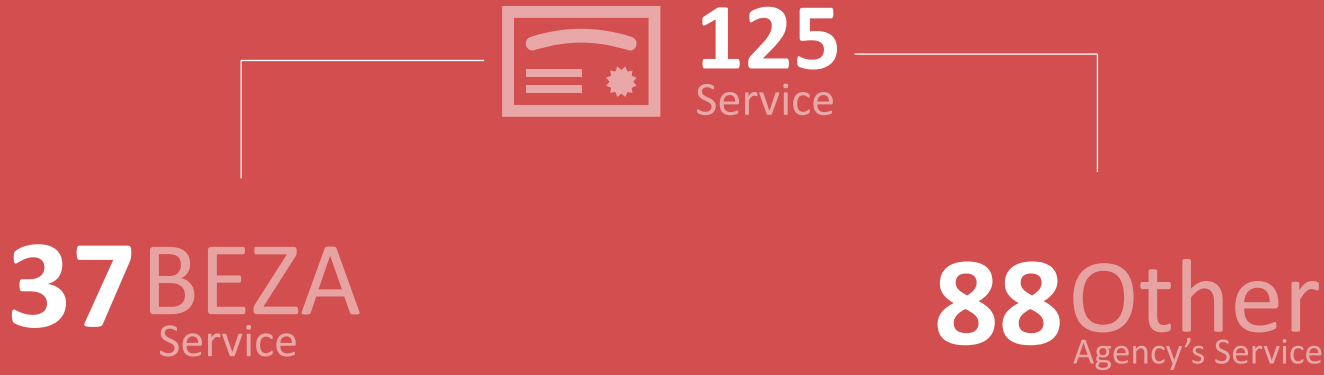
DUTY FREE IMPORT



No duty: Goods related to
Zone Development

BEZA OSS Centre

BEZA OSS Centre was inaugurated in October 2019. Since then this center has been working ceaselessly to streamline the service delivery process following SOPs.



One Stop Service

How it works?



ONLINE SERVICE

Service through Online
Portal



STIPULATED TIME

Legal obligation to
provide timely service



COORDINATION

29 Service Providing
Agencies Under one Roof



FOCAL POINT

32 Focal Points of
different agencies



Standard Operating Procedure

Service mapping,
required documents,
legal basis of the services
are made available online

One Stop Service

How it works?

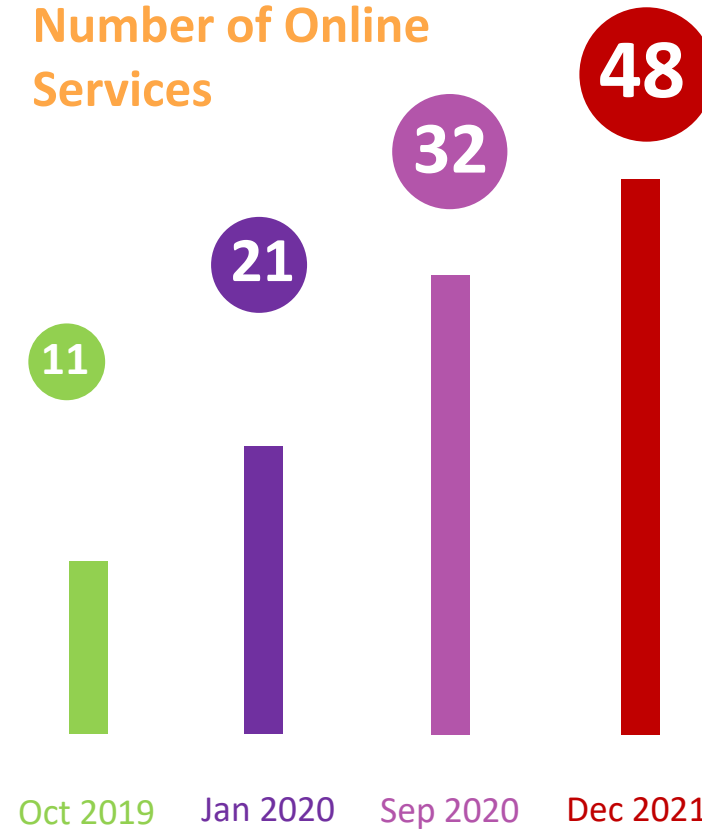


ONLINE SERVICE

Service through Online
Portal

- No need to be present physically
- Online Payment
- No duplicate submission of Document

Number of Online Services





OSS Portal

48

Online Services



Project Clearance



Land Allotment



Visa Assistance



Visa Recommendation



Export Permit



Local Sales Permit



Local Purchase Permit



Sample Import Permit



Sample Export Permit



Import Permit



Land Use Plan



Trade License



Work Permit



Commercial Operation



Environmental Clearance

Category of Economic Zones



PPP Economic Zone



G2G Economic Zone



Private Economic Zone



Special Economic Zone (Tourism Park/IT park etc.)

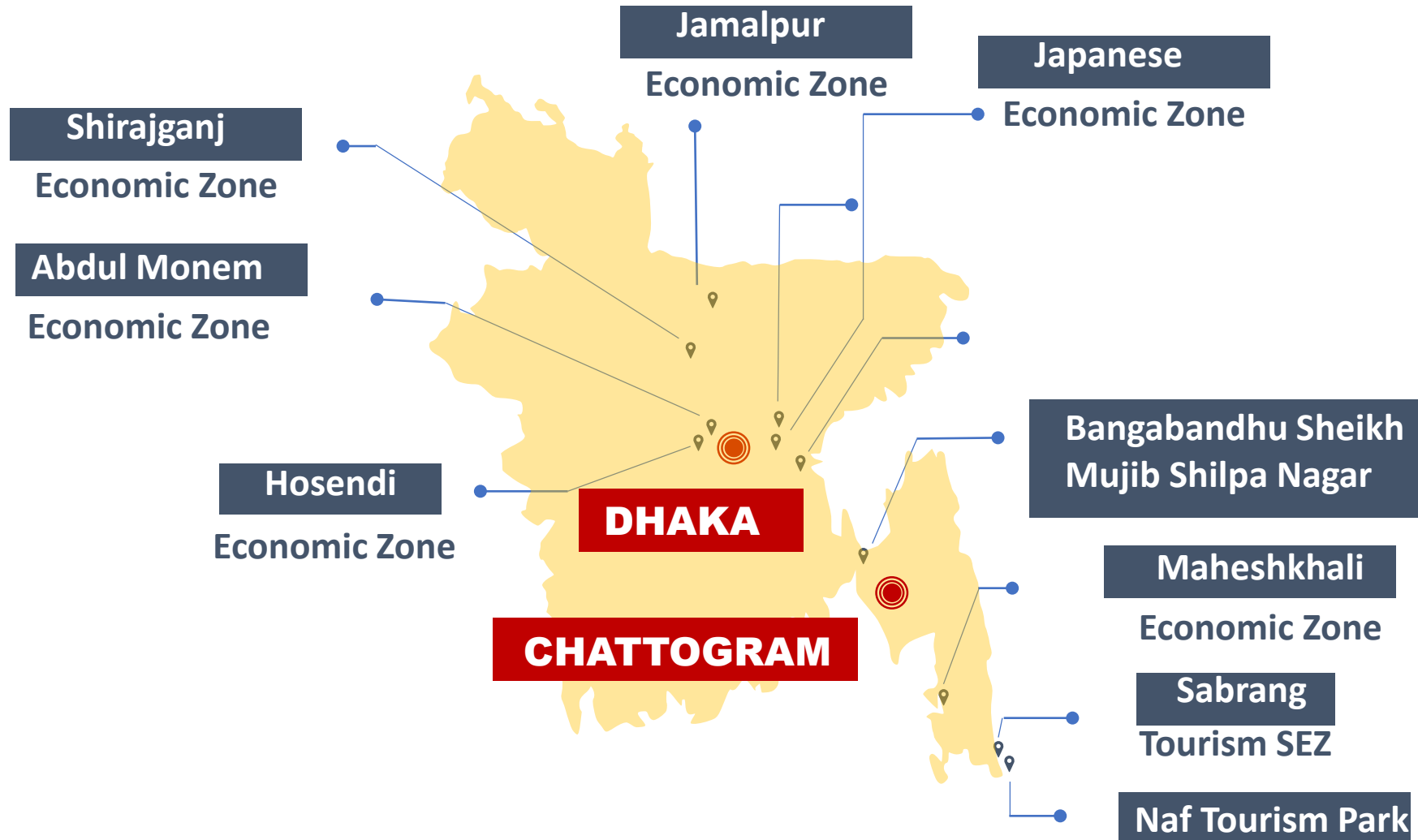


Economic Zone developed by other GoB entities



BEZA owned Economic Zone

Investors are cordially invited...



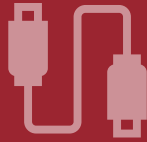
Bangabandhu Sheikh Mujib Shilpa Nagar

Flagship Project

BSMSN



Dedicated
Sea Port



Technology
Center



Green Zone



Power-Hub



Central
Effluent
Treatment
Plant



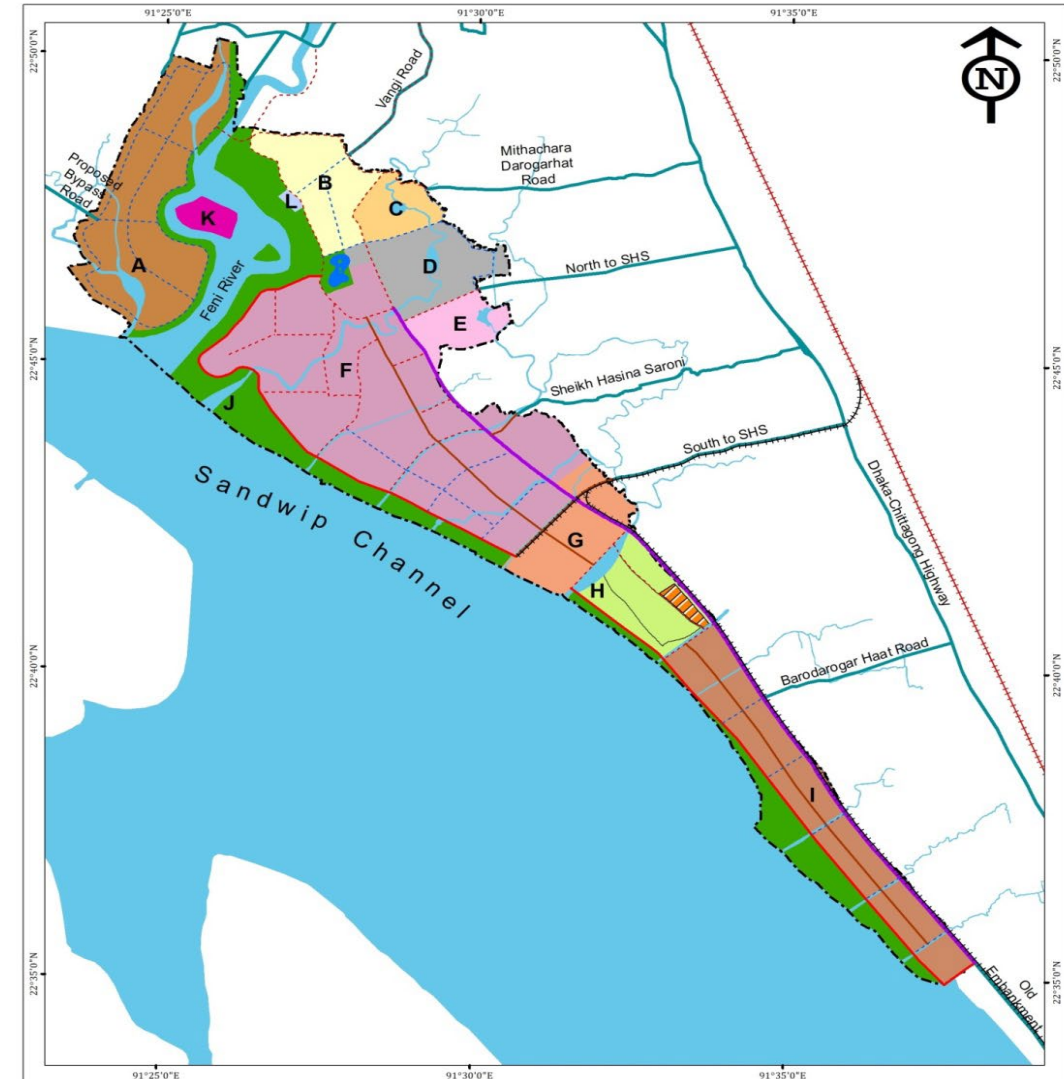
33800 Acres
of Land



Bangabandhu Sheikh Mujib Shilpa Nagar

Master Plan

Precinct	Name	Size in Acres	Size in %
A	Residential/Supporting Amenities	4606.57	13.63
B	City Centre/Technology Hub	1682.91	4.98
C	Health and Education Centre	837.35	2.48
D	Mixed Use/Residential	1778.59	5.26
E	Administrative/Institutional	880.68	2.61
F	Light and Medium Industrial	10043.12	29.71
G	Port and Logistics	1802.29	5.33
H	Transitional	1778.75	5.26
I	Heavy Industrial	3956.35	11.70
J	Open Space	6030.42	17.84
K	Leisure and Entertainment	350.89	1.04
L	Cultural Center	56.85	0.17
Total Area		33804.76	100.00



Super Dyke

BEZA & Water Board

22.5 KM



230 KVA Grid Sub Station

P G C B



150 MW Power Plant

BR Powergen



Sheikh Hasina Avenue

R & H

10 Km long 4 Lane Highway

Gas Pipeline

17 Km
1 CGS 2 DRS





Administrative Building



Entrance Gate

P W D

Bangladesh Ocean Front EZ in BSMSN

First Ocean Front Economic Zone

- First Integration of International Ocean Port and Economic Zone in Bangladesh
- Convenient option for Investors of Bangabandhu Industrial City & Private Manufacturers

Logistics Improvement of Bangladesh

- New Commercial Multipurpose Port (Channel Depth: 8.5~11.5m, Port Area Depth:13.5m)
30,000DWT & 2,000~2,400TEU Conventional/Container Vessel “24hours Available”

Japanese High Quality/Performance Management & Operation

- Japanese One of the Largest Economic Zone Developers “Sojitz”
- Invite Japanese reputed Terminal Operator



BSMSN Development Project

World Bank financed



January 2021-December 2025

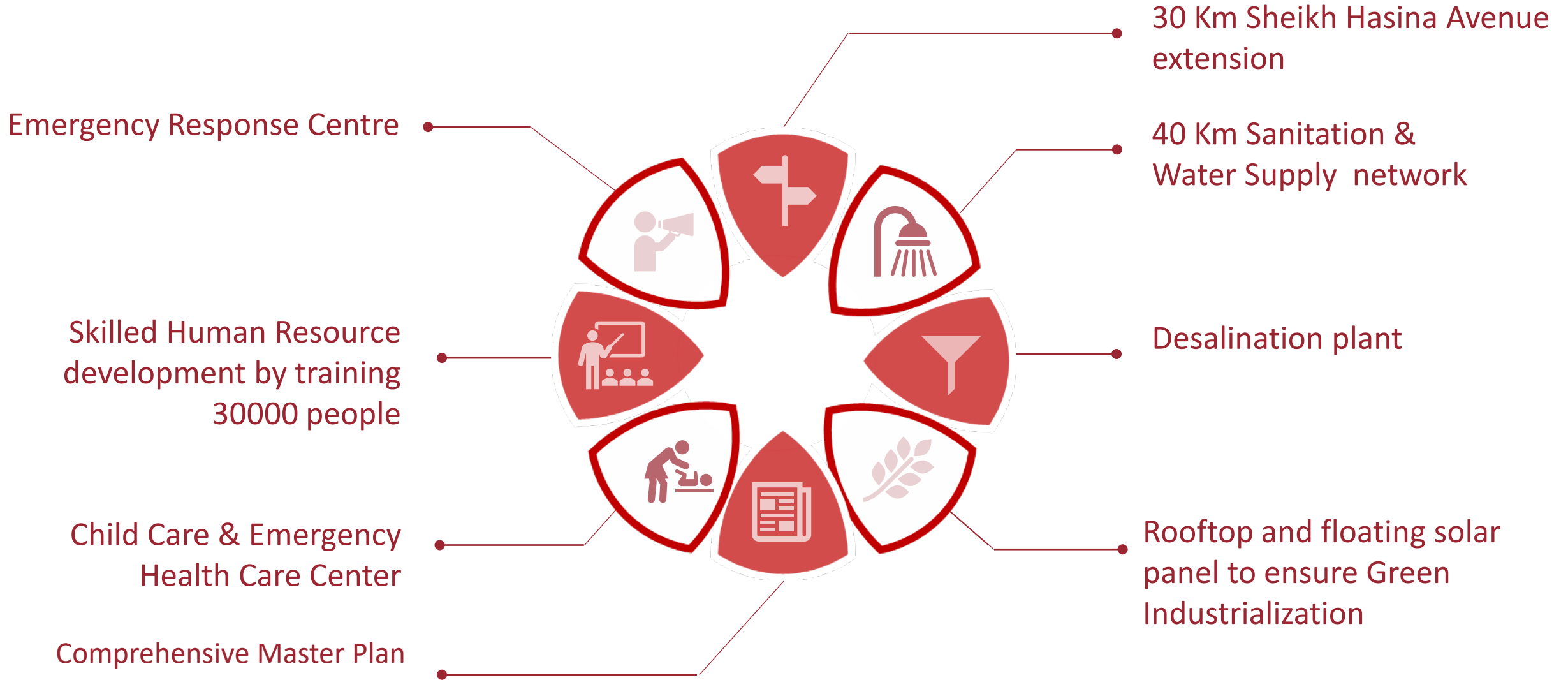


43670 million Taka



Attract Private Investment, Generate Employment and Ensure Sustainable Development

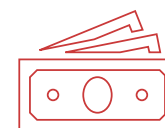
BSMSN Development Project



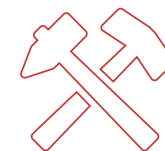
Jamalpur Economic Zone



Once fully operationalized 45,000 new jobs will be generated

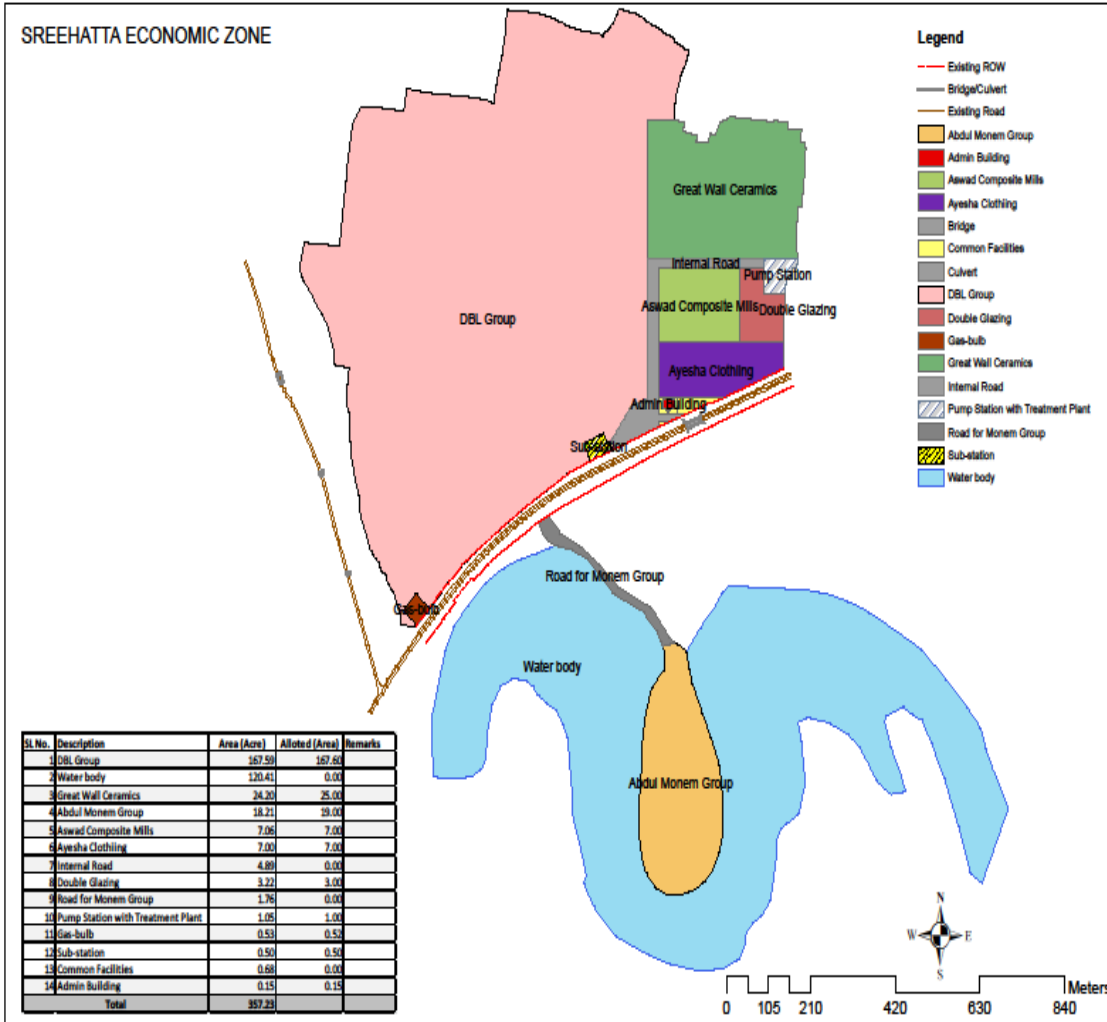


26.6 Million USD worth of Investment Proposal has already been received



3 industries have started construction in this 437 acres Zone

SREEHATTA Economic Zone



44,000 new jobs
Are expected to
be generated



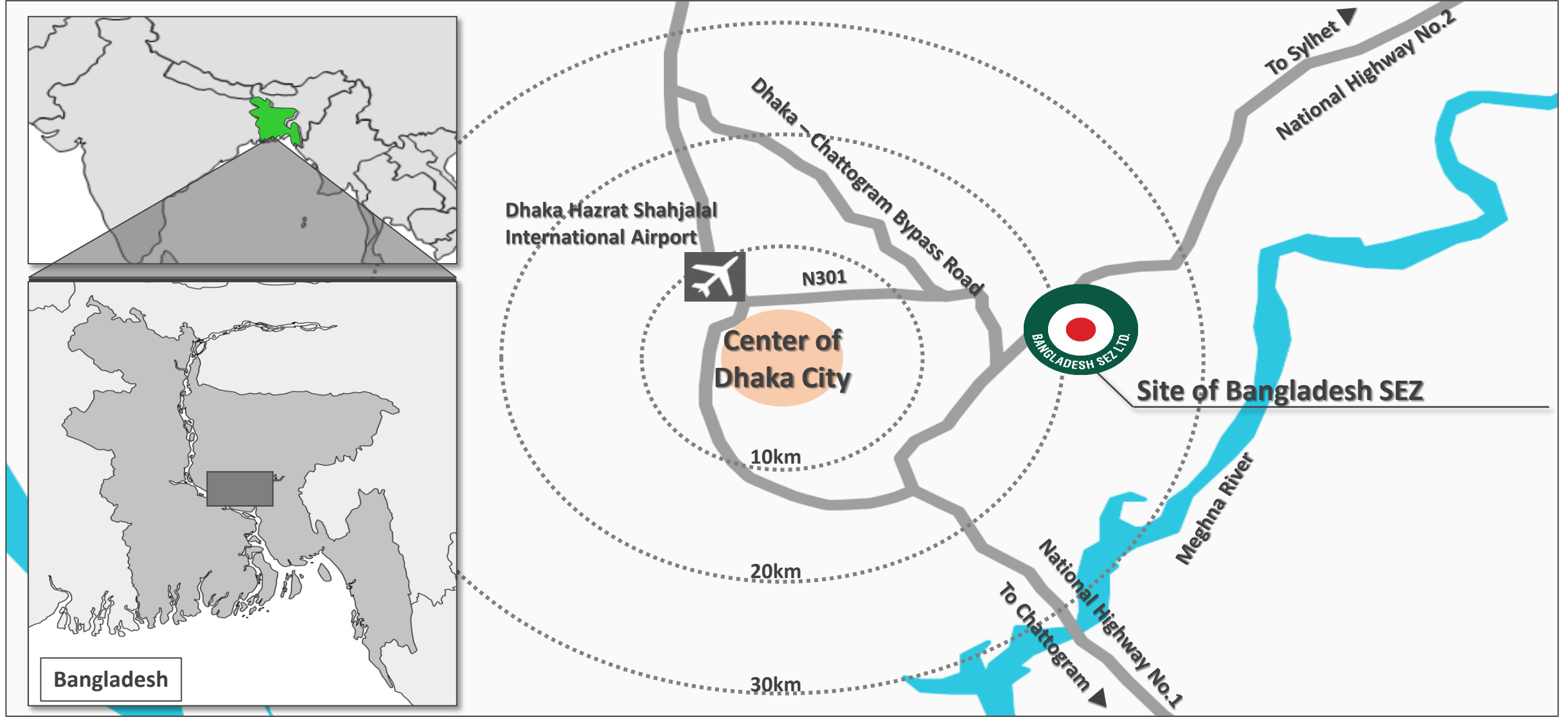
3 Industries are being
built and within a
year another 2 will
start construction



Investment proposals to the
tune of 1306 Million USD have
been received and 231 Acres
of Land has been allotted to 6
industries

Location of Bangladesh SEZ (G2G)

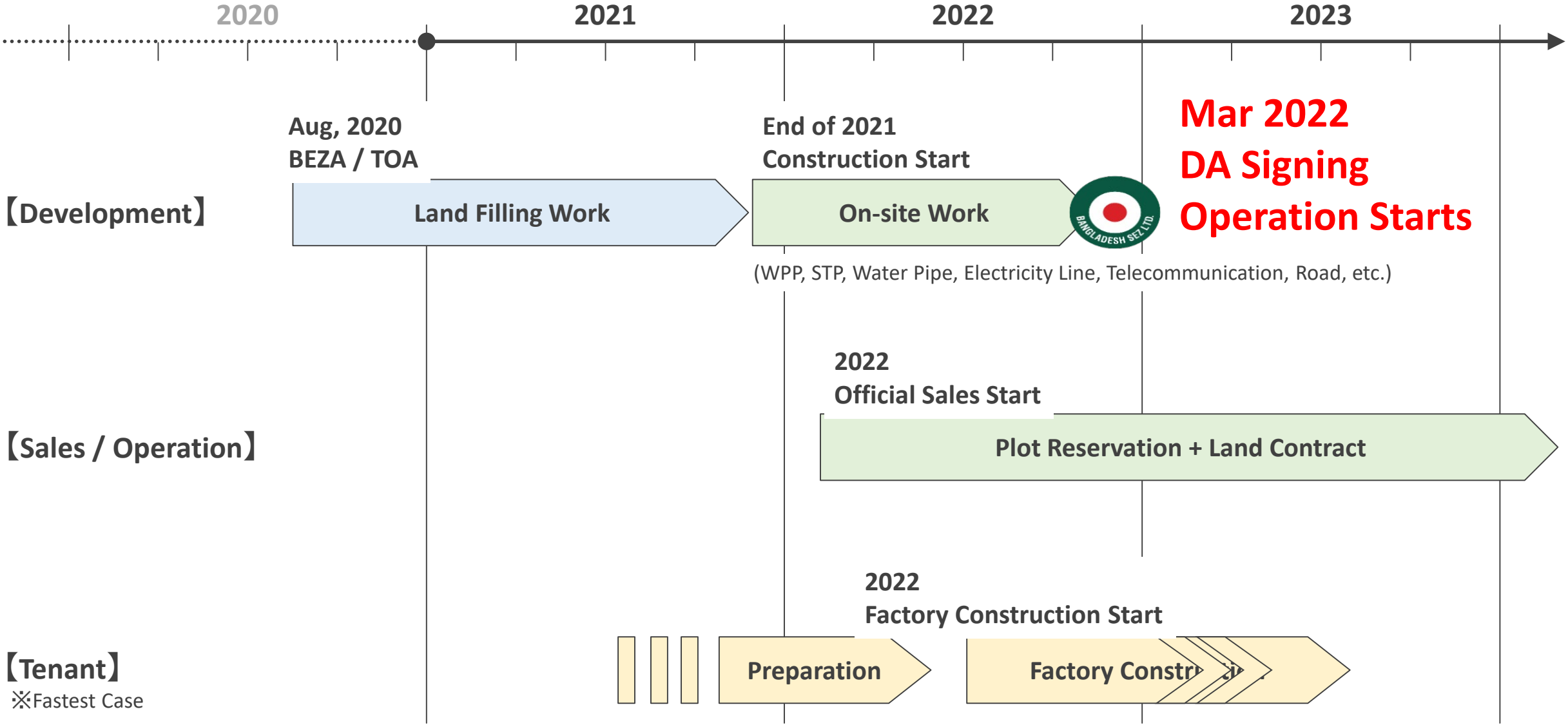
■ 1 hour from the center of Dhaka City by Car (Road Distance: 32km)



Outline of Special Economic Zone

Name of SEZ	Bangladesh Special Economic Zone (BSEZ)	
Project Size	Phase 1: 250 ha (expandable up to 400ha) * Advanced Development : 65 ha	
Location	Araihazar, Narayanganj District, Bangladesh (1 hour from Dhaka / 32km)	
Shareholder	<ul style="list-style-type: none"> - Sumitomo Corporation : 76% - Bangladesh Economic Zones Authority (BEZA) : 24% 	
Advantages	<ul style="list-style-type: none"> ① G2G Project between Bangladesh and Japan (USD 370mil ODA Fund for Project) ② 1st EZ developed by Japanese Developer with High Quality Infrastructure ③ Assistance for Governmental Permissions / Licenses by One Stop Service Center 	
Development Schedule	Aug. 2020	Land Filling Work Commencement by BEZA
	End of 2021	Construction Work / Sales Commencement by BSEZ
	End of 2022	BSEZ Official Operation Start
Basic Infrastructure (Plan)	Power	<ul style="list-style-type: none"> • Receiving : 230kV Ultra High Voltage Grid Line • Substation : 230/33 kV with 75MVA Capacity * • Distribution (to Factory) : 33kV Line
	Water	<ul style="list-style-type: none"> • WPP : 3,000m³ / day * • STP : 2,400m³ / day * <p style="text-align: right;">(* Expandable based on Demand)</p>
	Flood Prevention	<ul style="list-style-type: none"> • Factory Area : 6.5m (ASL) by Land Filling • Embankment : 8.0m (ASL)

Development Schedule



Bangladesh Economic Zones Authority

Tourism Parks



S a b r a n g

Tourism Park

1050 Acres

N a f

Tourism Park

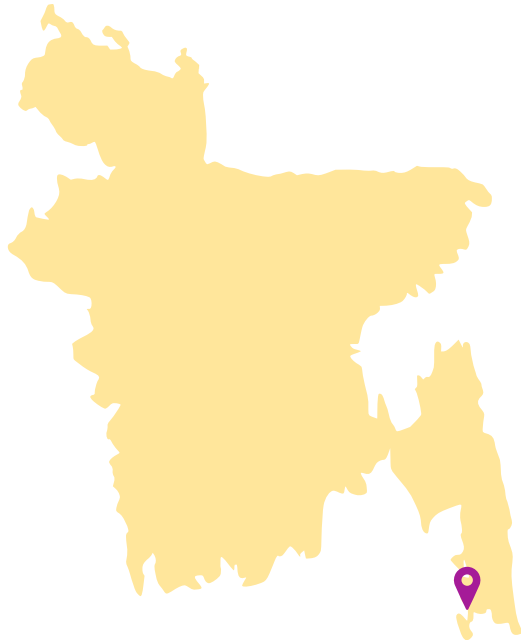
293 Acres

S o n a d i a E c o

Tourism Park

9000+ Acres

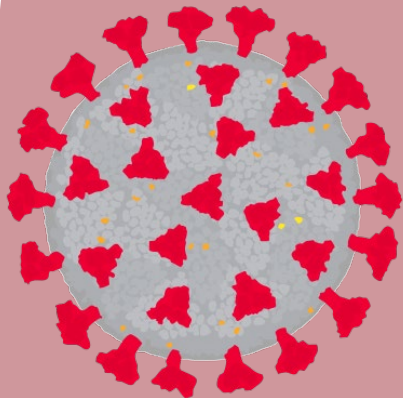
Maheshkhali Economic Zone



- Suitable for LPG Terminal, Ship Building & Petroleum
 - Energy Hub of the Country
 - Proposed Deep Sea-Port
 - Prospectus Ready

200 Hectare Available for Investors

Land Filling	Dec 2021	
Internal Road Connectivity inside the zones	Dec 2022	
Completion of Dyke	Dec 2022	
Setting up CETP	Dec 2022	
Gas Connection	Dec 2022	
Electricity Connection	Dec 2022	
Leasing the Land	Dec 2022	
Water Connection	Dec 2022	



COVID-19

Investment Spree continues during Pandemic (March-December 2020)

Sl	Land Allotment	No of Investor	Land (Hectares)	Proposed Investment (USD Million)	Employment Proposed
1	Land Lease Agreement	22	162.67	1168.834	19412
2	Letter of Allotment	65	165.04	1563.17	13300
3	BEZA EB approved	19	87.78	522.01	16522
	Total	106	415.49	3254.014	49234

Bangladesh Economic Zones Authority

Notable Investors



Bangladesh Economic Zones Authority

Development Partners



Social Responsibility

Bangladesh Economic Zones Authority

BEZA has set an initial target of planting 2 million trees in EZs. 20% have already been planted



Relief Distribution among 7000 families during Pandemic



Building Houses for 800 homeless families



Training local people for skill development enhancing employment opportunity



3

Positive Developments for the Japanese Investors

1



Survey Report on Overseas Business Operations by Japanese Manufacturing Companies

Results of the JBIC FY2020 Survey

Chart 3-17. Promising Countries for Overseas Business over the Mid-term (Next 3 Years)

*Percentage of votes (%) = Number of votes for country / Number of respondent companies

Ranking		Countries (Total)	No. of Companies		Percentage Share(%)	
2020	← 2019		2020 356	2019 404	2020	2019
1	↑	China	168	180	47.2	44.6
2	↓	India	163	193	45.8	47.8
3	—	Vietnam	131	147	36.8	36.4
4	—	Thailand	111	133	31.2	32.9
5	↑	US	98	93	27.5	23.0
6	↓	Indonesia	96	102	27.0	25.2
7	—	Philippines	37	48	10.4	11.9
8	↑	Malaysia	34	41	9.6	10.1
9	↓	Mexico	32	47	9.0	11.6
10	↓	Myanmar	25	41	7.0	10.1
11	↑	Germany	20	14	5.6	3.5
12	↓	Taiwan	18	18	5.1	4.5
13	↑	Bangladesh	16	7	4.5	1.7
14	↑	Australia	14	13	3.9	3.2

Bangladesh made the best progress, From rank 21 to rank 13

2

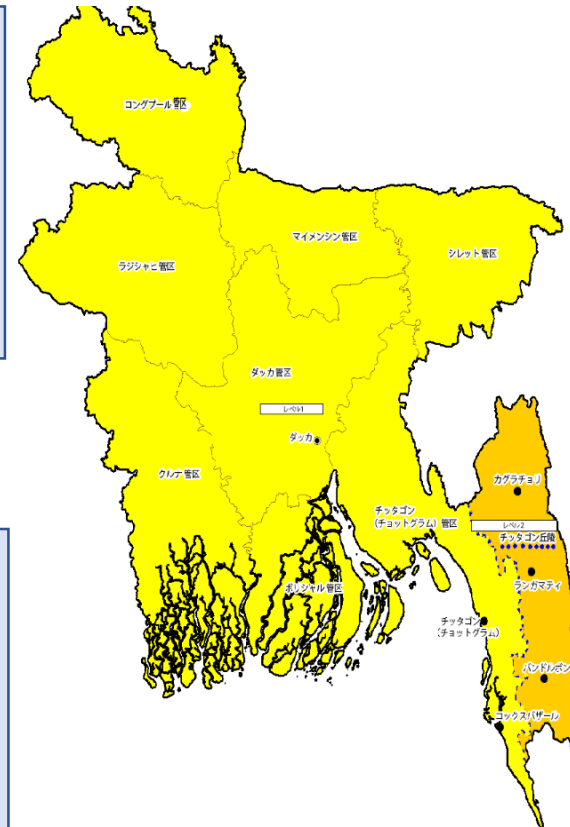
Lowering of Travel Alert on 11th November, 2021.

From Level 2 to Level 1

Ref: www.anzen.mofa.go.jp

3

Bangladesh is included in the list of countries eligible for relocation subsidies



凡例

- 「レベル1：十分注意してください。」
- その国・地域への渡航、滞在に当たって危険を避けたいための特別な注意が必要です。
- 「レベル2：不要不急の渡航はご遠慮ください。」
- その国・地域への渡航に不安を感じる場合は、渡航する場合には特別な注意を払うとともに、十分な安全対策をとってください。
- 「レベル3：渡航はご遠慮ください。（渡航中止勧告）」
- その国・地域への渡航は、どのような目的でもお断りください。（場合にによっては、現地に滞在している日本人の方々に対して渡航の可能性や準備を促すメッセージを发することがあります。）
- 「レベル4：渡航してはなりません。渡航はご遠慮ください。（渡航禁止勧告）」
- その国・地域に滞在している方は滞在地から、安全な国・地域へ渡航してください。この状況では、当然のことながら、どのような目的でも新たな渡航はご遠慮ください。

3

Best Destinations for Japanese Investors in Bangladesh

1. Japanese Economic Zone (BSEZ), Araihaazar
2. Bangabandhu Sheikh Mujib Shilpanagar
3. Moheshkhali – Matarbari (MIDI) Area

1

ARAIHAZAR ECONOMIC ZONE

A QUICK LOOK

- EZ** Area 1,000 acres
- Cost:** Tk 2,582cr
- Funded by** Bangladesh govt and Jica
- Expected to** Bring in \$1bn investment
- Generate** 1 lakh jobs
- Expected to open in 2022**
Go on full operation in 2023

It will manufacture

- Cars
- Motorcycles
- Mobile phones
- Electronic equipment
- Motor parts

2nd Japanese industrial zone to be in Mirsarai, third in Maheshkhali

2

BANGABANDHU SHEIKH MUJIB SHILPANAGAR

Mirsarai-Sitakundu-Sonagazi
Chattogram-Feni

3

Moheshkhali-Matarbari

Future View of MIDI Area

3 Opportunities for the Future for Japanese in Bangladesh

1

JICA funded TA Project for Capacity Building of BEZA on EZ Management and Investment Promotion



2

Supply Chain Disruptions due to COVID, Ukraine War, etc. have offered impetus for industrial relocation

3

Growing demand among Japanese businesses prompting the governments to contemplate on possible FTA to negate graduation challenges

Bangladesh Japan Future Economic Relationship

Japan Bangladesh economic relations will be based on **Roadmap** being developed by both Governments

Formulating since **2021**

6 Pillars



- Bangladesh as the best supplier of **high value added fibers/garments**
- Bangladesh as the **global hub** of supply chain and free trade
- Bangladesh as the nation of **clean, sustainable, reasonable energy**
- Bangladesh as the strong hub / exporter of **Car components**
- Bangladesh as a nation of **recycling**-utilization development
- Bangladesh as the next giant of **Information Technologies**

Prominent Japanese
Companies in
Bangladesh



**For more info about
Economic Zones**

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hasanarif71@gmail.com



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BANGABANDHU SHEIKH MUJIB SHILPANAGAR

Mirsarai-Sitakundu-Sonagazi
Chattogram-Feni



Thank You

www.beza.gov.bd