



**Welcome To Bangladesh...
Your Investment Hotspot!!**

Bangladesh Economic Zones Authority



*Strictly Private
and Confidential*

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**BANGLADESH
ECONOMIC ZONES
AUTHORITY**

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Section 1

Bangladesh – “A Rapidly Industrializing Economy”



Geographic & Demographic Characteristics

Bangladesh has demonstrated strong economic fundamentals with a consistent 6% GDP growth rate over last five years and poverty reduction by more than 25 percent points in last 2 decades

Population	160 million (estimated)
Area	147,570 sq. km
GDP Growth	6% (average)
Total Exports	US\$ 23.76 billion (2012-13)*
Per capita GDP	US\$ 1084 (2013-14P)**
FDI Inflow	US\$ 1730 million (2013)*
Major Maritime Ports	Chittagong and Mongla
Major Cities	Dhaka and Chittagong



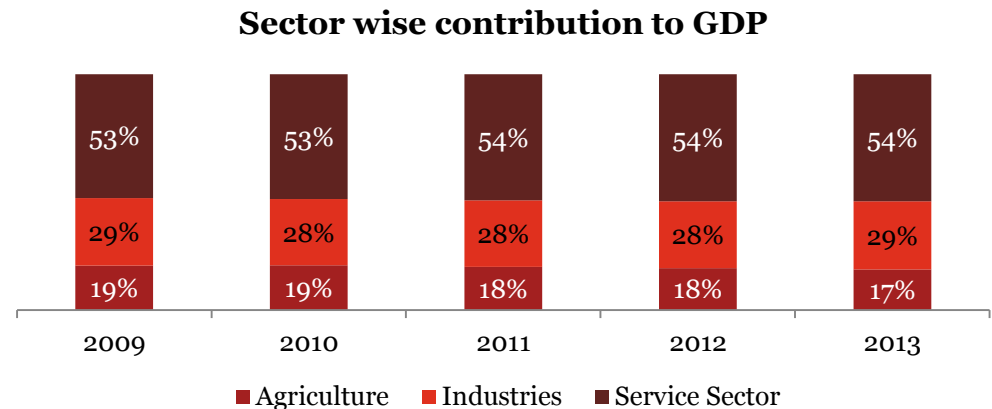
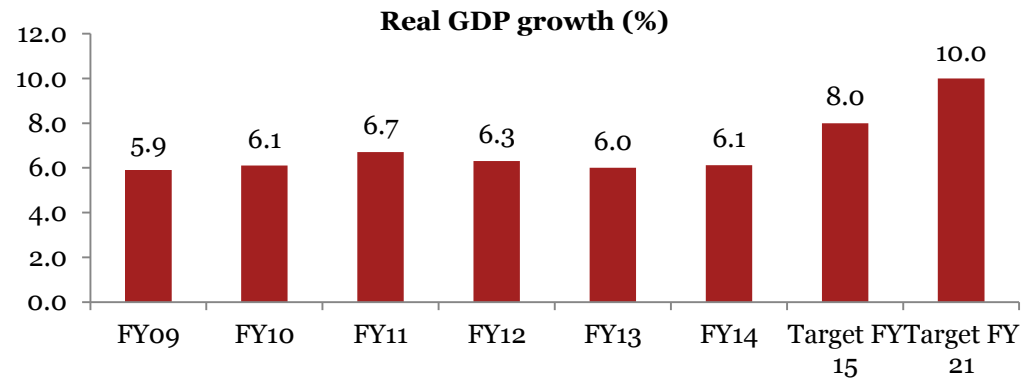
Bangladesh a Competitive Market Place





Bangladesh’s economy has experienced strong growth rates over the past few years , country’s perspective plan sets ambitious targets for future

- Perspective Plan 2021 aims to achieve a middle income status for the country till 2021 with growth rates exceeding 8%
- Bangladesh is primarily an agricultural economy with close to 50% of the labor force employed in agriculture
- Manufacturing sector contribution to GDP has hovered around 25-30% over the last few years lagging the service sector
- Services sector while creating lesser jobs has the highest contribution to the country’s GDP





Industrial Trend – Bangladesh

Vision 2021 of the GoB indicates that Bangladesh will attain middle income status by 2021

Sector wise contribution to GDP

Year	Agriculture	Industry	Service
1971-1980	44%	11%	45%
1981-1990	32%	12%	56%
1991-2000	25%	15%	60%
2001-2010	18%	28%	52%
2011-current	17%	29%	54%

Source: www.worldbank.org

Growth of industrial sector and share to GDP

Sector	2002	2006	2008	2009	2013 (est.)
GDP growth	4.2 %	6.7 %	6.2 %	5.9 %	6.3 %
Industrial growth	6.5 %	9.6 %	6.8 %	5.9 %	9.5 %
Industry share to GDP	26.8 %	29.0 %	29.7 %	29.7 %	30.0 %

Source: Bangladesh Bureau of Statistics

Role of Private Sector in Establishment of Economic Zones in Bangladesh

Several types of private sector participation models are used in SEZ development, Public-Private Partnership (PPP) is becoming a way to develop SEZ projects

- Develop land parcels and act as Anchor developer for proposed Economic zones in Bangladesh
- Act as Co-developers /Tenants on the proposed Economic zones
- Acquire land and apply to BEZA for issuance of license for development and operation of Private Economic Zones in Bangladesh

Types of PPP	Role of Private Player
Build Own Operate (BOO)	The private sector designs, builds, owns, develops, operates and manages an asset with no ownership transfer obligation to the government.
Build Develop Operate (BDO)	
Design Construct Manage Finance (DCMF)	
Design Build Finance Operate (DBFO)	
Design Build Operate Manage (DBOM)	
Buy Build Operate (BBO)	The private sector buys or leases an existing asset from the government, operates the asset with no ownership transfer obligation to the government
Lease Develop Operate (LDO)	
Build Operate Transfer (BOT)	The private sector designs and builds an asset, operates it, and then transfers it to the government upon completion of the operating contract or within some other agreed time period.
Build Own Operate Transfer (BOOT)	



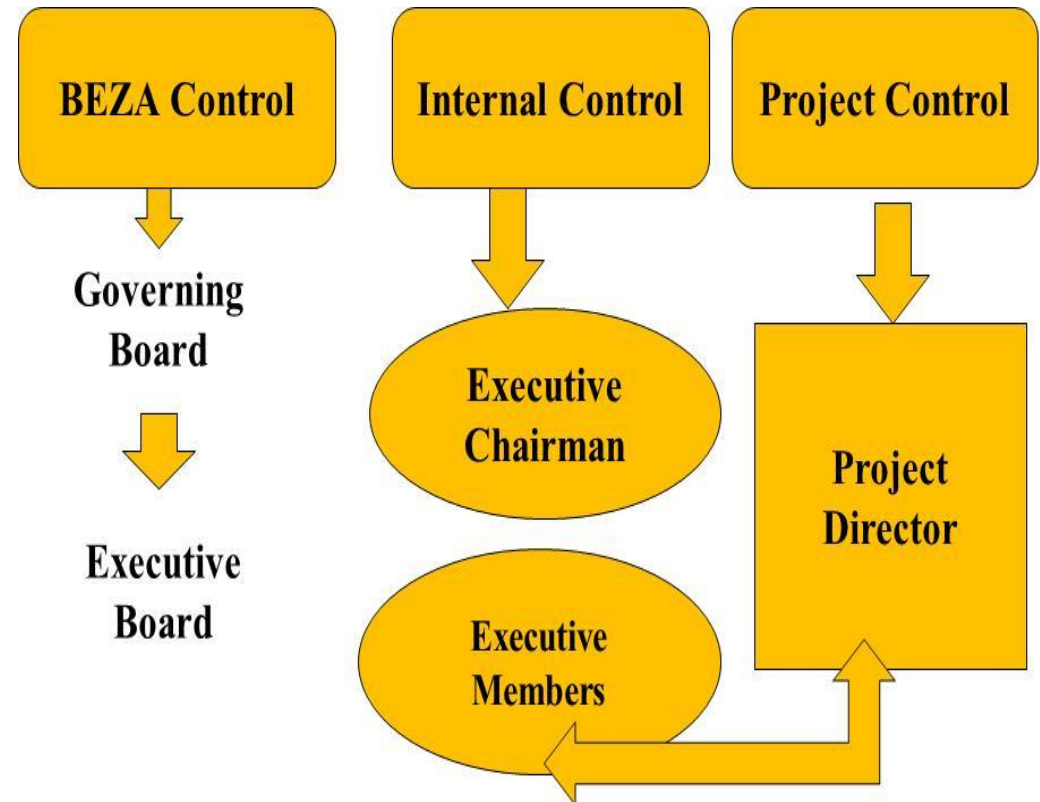
Section 2

Bangladesh Economic Zones Authority (BEZA)

Bangladesh Economic Zone Authority (BEZA)

Bangladesh Economic Zones Authority (BEZA) is established under the Bangladesh Economic Zones Act 2010 .

BEZA aims at establishing economic zones in all potential area in Bangladesh including backward and underdeveloped regions with a view to encouraging rapid economic development through increase and diversification of industry, employment, production and export. BEZA is under the Prime Minister's Office (PMO).





Planned Economic Zone Categories

Government has planned to establish any of the following categories of economic zones:

- **Economic Zones established through Public and Private Partnership** by local or foreign individuals, body or organizations.
- **Private Economic Zones** established individually or jointly by local, non-resident Bangladesh or foreign investors, body, business organizations or groups.
- **Government Economic Zones** established and owned by the Government.
- **Special Economic Zones** established privately or by public-private partnership or by the Government initiative, for the establishment of any kind of specialized industry or commercial organization.



Section 3

Why Bangladesh Economic Zones – An Optimal Destination for Investment...



Why Bangladesh (1/2) ...

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.



Why Bangladesh (2/2) ...

Strategic location of Economic Zones....

The locations of first economic zones of the country, has been chosen, based on regional connectivity, abundance of labor force, and backward linkage opportunities.

Competitive Incentives to the Units established in the Economic Zones

The government intends to provide 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.

Incentives to the Economic zone Developer....

Government is also considering special incentives for zone developers and industrial units subject to approval of appropriate authorities.



Investment Prospect – Bangladesh





Bangladesh's favourable business potential and emerging prospects for EZ development are evident through reforms in policy and regulatory regime as well as other key areas influencing business

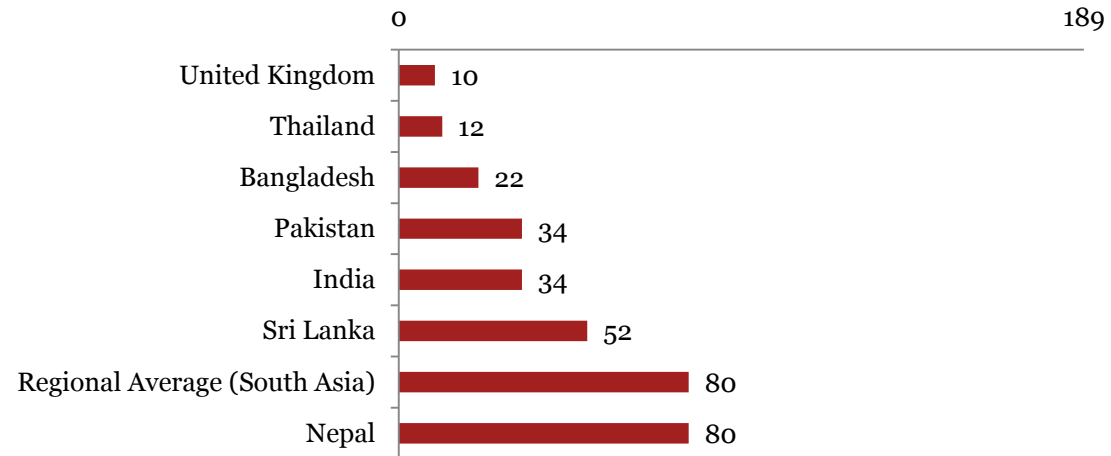
• Favorable business potential

- Growing domestic consumption,
- Increase in Foreign trade
- Improving Prospects of Doing Business in Bangladesh
 - Ease of business registration , Reduction in time requirement for licenses and approvals , Improved investor protection , Improvements in physical and energy infrastructure

• Several other Positive Factors influencing EZ Development

- Positive BEPZA Experience
- High Demand for existing industrial land plots in the EPZ with 93% occupancy
- Increased access to private sector funding
- Availability of mass skilled labour
- Conducive policy environment in the form of well defined EZ Act and Rules

Bangladesh's favourable ranking on Investor Protection

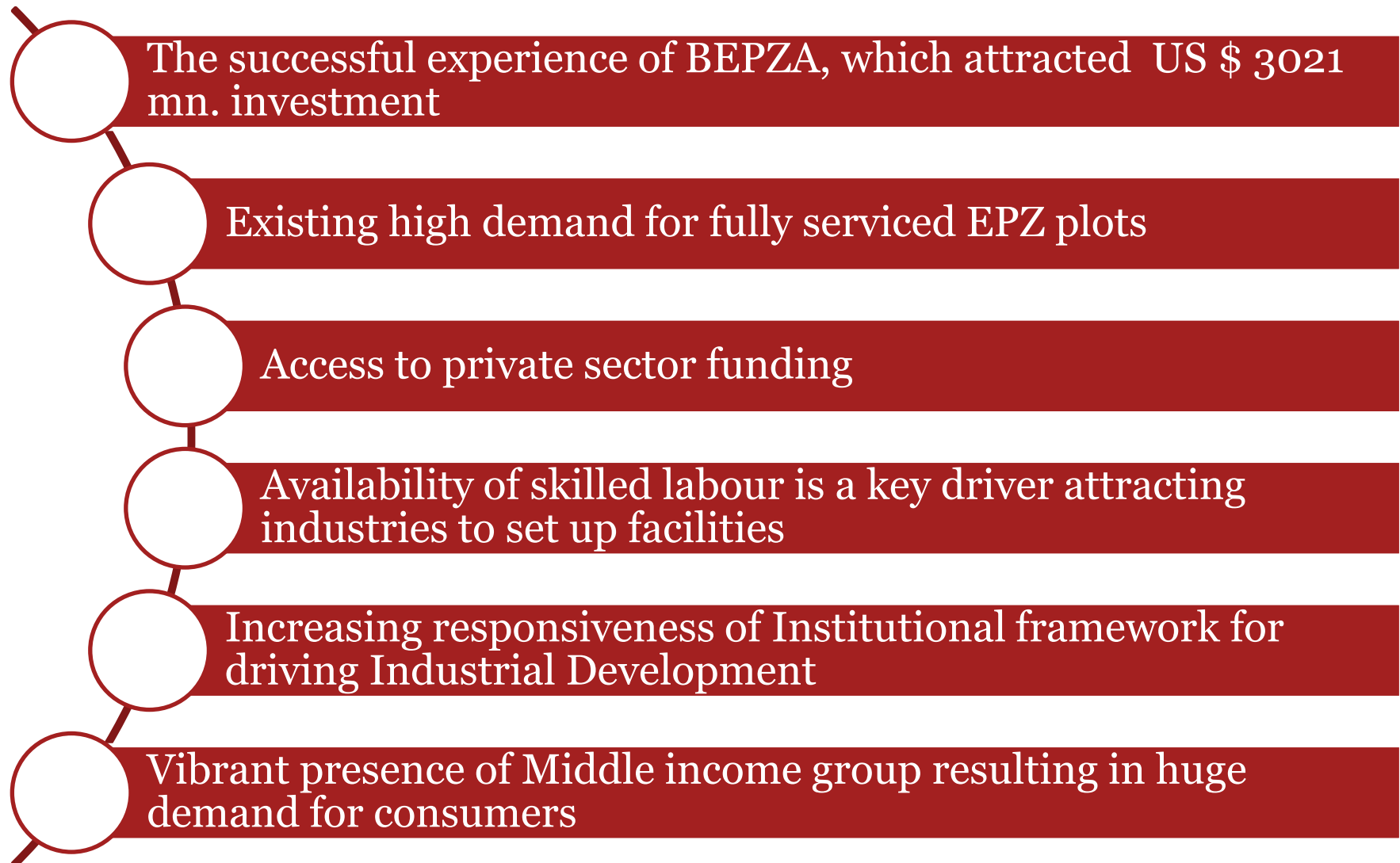


Growing Domestic Consumption in Bangladesh

Year	% of GDP
2008	84.2
2009	82.75
2010	82.2
2011	83.56
2012	82.41



Factors inspiring confidence for the success of EZ development in Bangladesh...

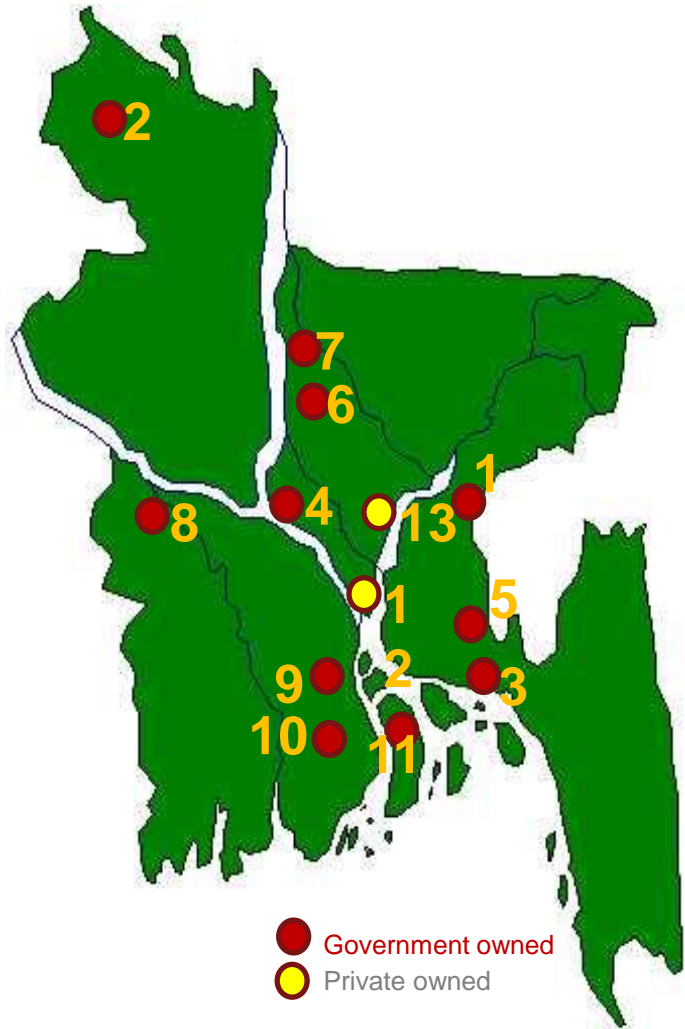




Section 4

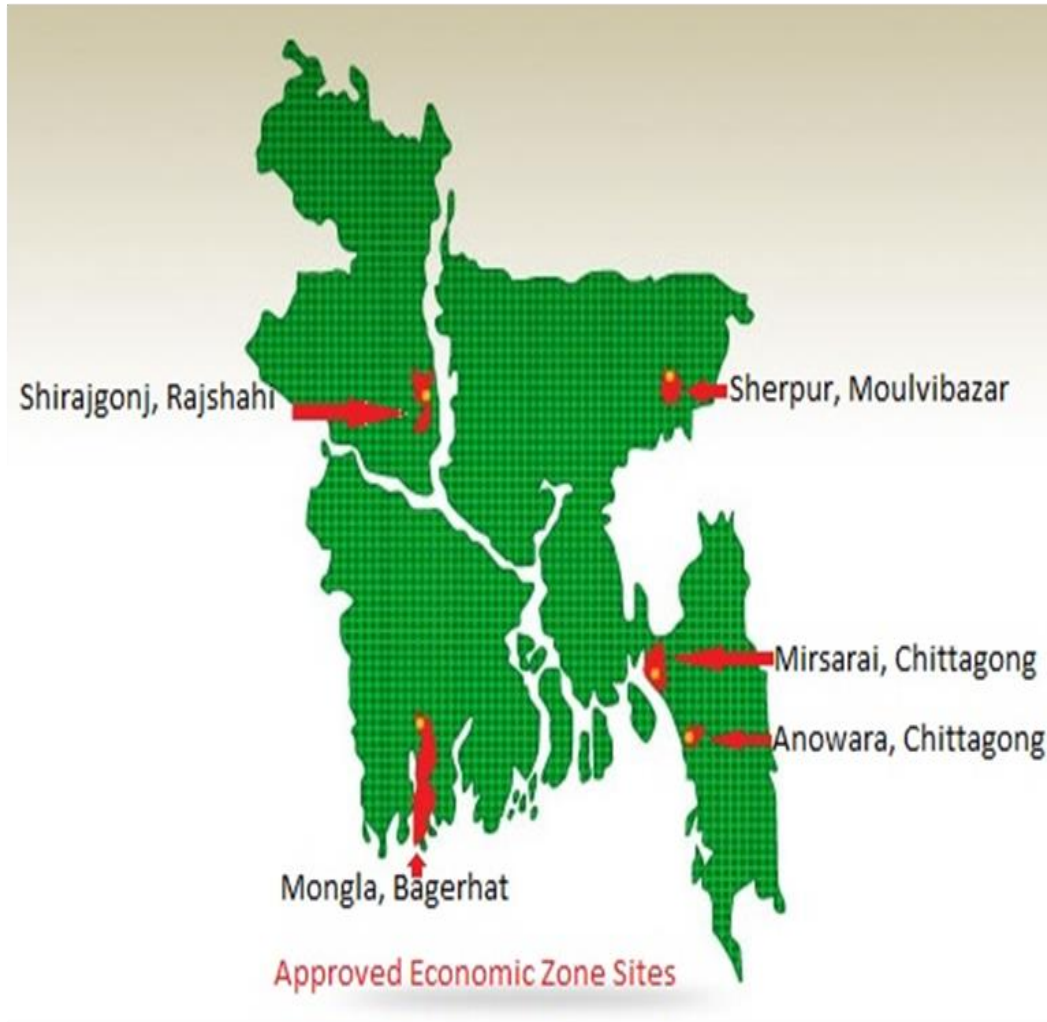
Key Information – For Investors

Planned Economic Zones (in Pipeline)



SL	Location	Size (Acres)
1	Ashuganj, Brahmanbaria	328
2	Nilphamari Sadar, Nilphamari	107
3	Subarnachar, Noakhali	350
4	Old Aricha Ghat, Manikgonj	300
5	Mainamati, Comilla	103
6	Fulbaria, Mymensingh	114
7	Jamalpur sadar, Jamalpur	488
8	Bheramara, Kustia	477
9	Agailjhara, Barisal	300
10	Patuakhali Sadar, Patuakhali	113
11	Bhola Sadar, Bhola	304
12	Baushia, Munshiganj	530
13	Danga, Palash Upazila, Narshingdi	200

Approved Economic Zones



	Location	Size (acres)
1	Mongla, Bagerhat	205
2	Sirajgonj	1041
3	Mirersarai, Chittagong	7716
4	Gohira, Anowara, Chittagong	635
5	Sherpur, Moulvibazar	352



Key Investors Information

- Bangladesh Economic Zones Act 2010 has been promulgated in 2010 (www.beza.gov.bd/act.php)
- BEZA notified in the official gazette “The Bangladesh Economic Zones (Appointment of Developer etc.) Rules,2014”
- Private Economic Zones Policy, 2014 is expected to be published soon.
- Feasibility study completed for three Projects – Mirshorai & Anwara of Chittagong and Sherpur of Moulovibazar district
- Social Screening report finalized on Mongla Economic Zone project
- Transaction Advisory Service firm appointed for 4 sites (Global Firm PwC)



Key Investors Information

- Land acquisition (205 acres) of Mongla Economic zone has been completed by BEZA
- Land acquisition of Mirshorai and Anwara of Chittagong and Sherpur of Moulovibazar and Sirajgonj are under process
- RFP for Mongla has been floated
- Submission of RFP for Sirajgonj site has been scheduled by the end of November
- MoU signed with Singapore Cooperation Enterprise for the purpose of enabling and encouraging cooperation between both parties on operational level.
- Investor from China and Japan visited Bangladesh and shown interest to invest in Economic Zones.
- Local investors also expressed strong interest to invest in Economic Zones



Section 5

Conclusion



Key Investors Information

- Economic zones are expected to fulfill the demand of much awaited well serviced industrial land in Bangladesh
- One day may come, when we can boast of the economic development of the country, with proper facilitation of investment through economic zones in Bangladesh.
- The environment is right, the EZ facilities are coming up

Thank You !

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