



BANGLADESH EXPORT PROCESSING ZONES AUTHORITY (BEPZA)

OFFER FOR PUBLIC - PRIVATE PARTNERSHIP (PPP) IN EPZ DEVELOPMENT

Proposals are hereby invited from the bonafide entrepreneurs from home and abroad to develop infrastructures in EPZs of Bangladesh under Public - Private Partnership (PPP) arrangement

1. Scope of activities :

a) Existing and Proposed EPZs

- Development and management of Electricity Generation Plant (EGP).
- Development and management of Central Effluent Treatment Plant (CETP)
- Operation and management of Water Generation and distribution system (WTP)
- Construction and management of Container Terminal both inland & riverine (As applicable)
- Construction and management of Shopping cum Commercial Complex
- Construction and management of Hospital, Health care and Day care centre
- Installation and management of Security system with access control devices and other equipments
- Construction and management of Housing complex and Dormitory
- Operation of Multi-modal Transport Operating system (MTO)
- Development and management of Online arrangement between the industrial Enterprises and the Zone
- Development of communication and Telephone hub
- Beautification, Gardening, Plantation, Landscaping
- Development and management of Restaurant, Health Club, Souvenir shop, Commissariat, Investors Club
- Development and management of Training Institute for workers
- Conservancy including cleaning of Zone and management of Street light

b) Activities exclusively for New EPZs (Feni, Meghna)

- Sector wise land development by the leasee entrepreneurs.
- Sector wise land development by the outside investors.
- Sector wise Roads & drainage development by the leasee entrepreneurs
- Development of Drainage system by the CETP operator.
- Development of electricity distribution system.
- Development of Water Supply system
- Construction of Standard Factory Building

2) Development of new EPZ Model :

a) Land acquisition & development by Private Sector

- Developed land will be arranged by the investors
- BEPZA / Private entrepreneurs will create all infrastructure
- Regulatory functions will be made by BEPZA as per existing norms

b) Conversion of State Owned Enterprises (SOE) into EPZ

- Normally state owned enterprise is denationalized on public bidding system.
- Bidder will enter into agreement with BEPZA to have EPZ facilities and service.
- Bidder may invest in the zone as Single Factory EPZ or he (they) can invite others to invest in the zone
- Zone will be operated by BEPZA
- Sector Corporations may also directly hand over their loss making enterprises to BEPZA to convert EPZ on profit sharing basis

c) Development of Zone by the entrepreneurs Model

- BEPZA will acquire the land. Enterprises will be given the allotment of land
- Enterprises will develop the land and create all necessary infrastructures on co-operative basis
- Development cost will be adjusted against rental

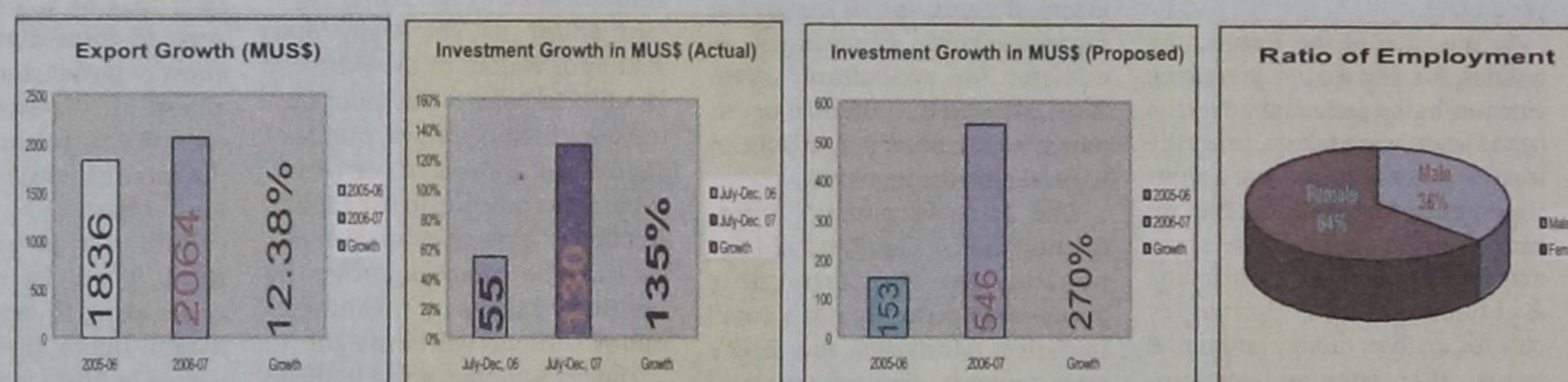
d) Land earmarked by BEPZA & Partial management Model

- BEPZA will earmark a huge chunk of land for particular EPZ
- BEPZA will facilitate acquisition of land, provide major road, water, gas & electricity line
- Zone comprised of one Export Processing Area (EPA), sector specific Industrial Park, heterogeneous product IP, technology park, Small & medium size Industrial Park, commercial outlet, off shore bank, housing, hospital, educational institutions
- BEPZA will manage EPA to create competitiveness and ensure efficiency in zone operation and management. In line with export oriented industries emphasis will be given to import substitute industries in the proposed Export Processing Zone

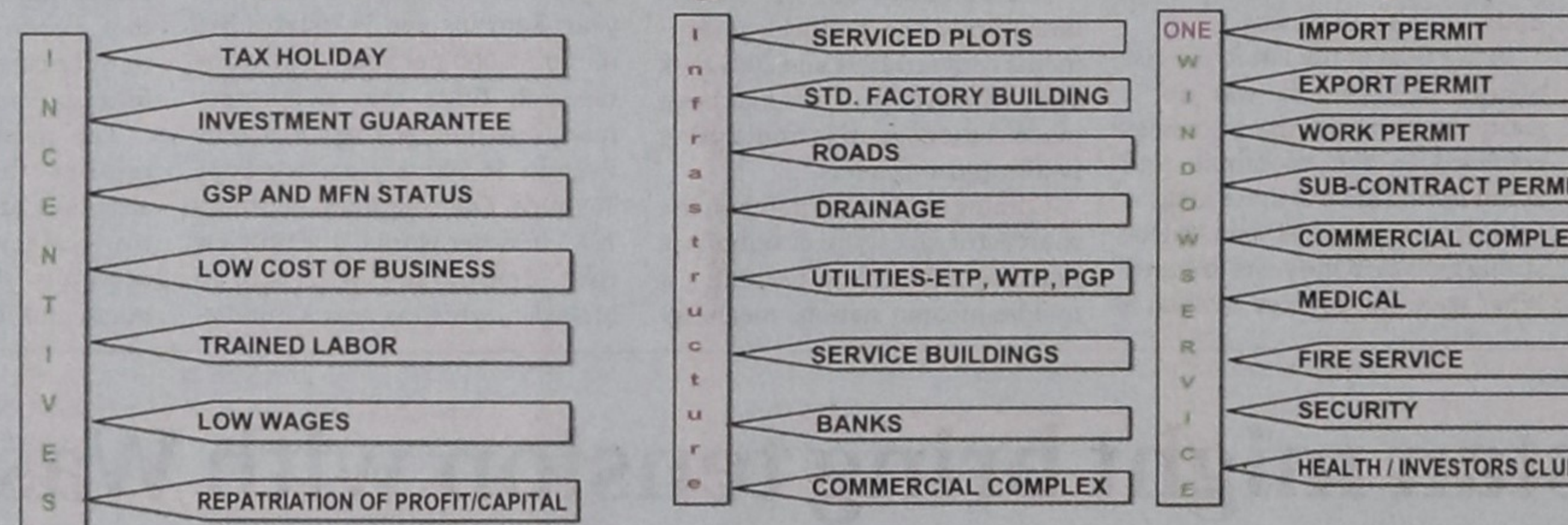
3.a. Profile of Export Processing Zones Infrastructure & Utility

Particulars	Chittagong EPZ	Dhaka EPZ	Comilla EPZ	Adamjee EPZ	Karnaphuli EPZ	Mongla EPZ	Iswardi EPZ	Uttara EPZ	Meghna EPZ (Proposed)	Feni EPZ (Proposed)
Area (acres)	453	393	272	272	282	255	309	212	500	440
Total plots nos.	463	413	210	199	305	124	158	150	690	550
Allotted plots no.	462	413	188	113	100	27	30	6	-	-
FACTORY SPACE										
Total m ²	76310	106243	29733	19768	45305	9000	10939	11000	35200	35200
Allotted m ²	72555	102465	12482	19768	2086	6700	1543	4714	-	-
Total Road net work (km)	20.72	16.19	8.90	8.60	14.56	9.00	11.30	8.39	17.00	15.00
Total drain (km)	27.80	21.78	12.50	3.25	17.30	7.58	11.61	10.70	15.00	15.00
TOTAL UTILITY NET WORK										
Electricity (km)	19.34	10.38	6.00	7.56	5.80	4.88	7.15	6.00	13.22	18.80
Water (km)	18.95	23.60	9.19	4.88	13.80	25.00	10.37	8.00	30.00	18.40
Gas (km)	11.74	10.86	5.51	1.61	9.00	-	4.00	-	13.84	11.40
TARIFF ON INFRASTRUCTURE US\$ PER M²										
Land-per annum	2.20	2.20	2.20	2.20	2.20	1.00	1.00	1.00	2.20	2.20
SFB per month	2.75	2.75	2.75	2.75	2.75	1.25	1.25	1.25	2.75	2.75
WATER (100,000 GALLON)										
Present Requirement	30	100	5.05	1.83	1.60	0.75	0.08	0.5	1.00	1.00
Ultimate Requirement	50	125	10	10	20	10	10	5	180	38
ELECTRICITY (MW)										
Present Requirement	40	50	22.50	5	2.00	1.32	0.2	0.2	-	-
Ultimate Requirement	50	60	40	45	15	10	20	20	50	40
GAS (100,000 CUBIC)										
Present Requirement	53	117	1.70	0.5	0.38	No gas	0.60	No gas	-	-
Ultimate Requirement	80	129	50	50	10	No gas	60	No gas	50	40
TARIFF (Taka)										
Water/Cu-m	Tk. 18.47	Tk. 18.47	Tk. 18.47	Tk. 18.47	Tk. 18.47	Tk. 20.00	Tk. 18.47	Tk. 18.47	Tk. 18.47	Tk. 18.47
Electricity /Kwh	Tk. 4.18 (I)	Tk. 4.18 (I)	Tk. 4.18 (I)	Tk. 4.18 (I)	Tk. 4.18 (I)	Tk. 4.18 (I)	Tk. 4.18 (I)	Tk. 4.18 (I)	Tk. 4.18 (I)	Tk. 4.18 (I)
Gas /Cu-m	Tk. 5.76 (I)	Tk. 5.76 (I)	Tk. 5.76 (I)	Tk. 5.76 (I)	Tk. 5.76 (I)	-	Tk. 5.76 (I)	-	Tk. 5.76 (I)	Tk. 5.76 (I)

Space available for CETP, WTP, EGP, Commercial Complex, Security System, Housing, MTO, Online arrangement, Communication hub, Commissariat, Health Club, Container Terminal.



Why Should You Invest in EPZs



3.b. Profile of Export Processing Zones Investment, Export & Employment

Particulars	Chittagong EPZ	Dhaka EPZ	Comilla EPZ	Adamjee EPZ	Karnaphuli EPZ	Mongla EPZ	Iswardi EPZ	Uttara EPZ	Meghna EPZ (Proposed)	Feni EPZ (Proposed)
INVESTMENT (MU\$)										
Actual	596.21	550.17	68.15	26.07	13.58	3.35	2.14	2.81	-	-
Proposed (So far)	604.64	686.85	269.60	399.68	188.40	147.67	216.38	11.85	-	-
Ultimate	725.56	823.20	525.00	450.00	525.00	202.00	310.00	194.00	1725	1375
EXPORT (MU\$)										
Actual	972.00	1033.00	46.01	9.47	-	1.31	2.23	0.08	-	-
Ultimate	1263.60	1239.60	1050	900	1050	404	420	388	4312	3430
EMPLOYMENT (NOS.)										
Actual	119,874	71,679	6,642	2,114	1,302	363	201	1,417	-	-
Proposed (So far)	122,760	91,246	35,527	48,359	37,057	6,753	3,343	5,924	-	-
Ultimate	184,140	107,518	53,290	77,720	77,819	20,640	20,058	76,518	100,000	71,500

4. Existing Development works under PPP arrangement

- 50 MW Power Generation Plant in CEPZ
- 40 MW Power Generation Plant in DEPZ
- 40 MW Power Generation Plant in AEPZ
- 40 MW Power Generation Plant in IEPZ
- 100 lac Gallon Central Effluent Treatment Plant in DEPZ
- 50 lac Gallon Central Effluent Treatment Plant in CEPZ
- 100 lac Gallon Water Supply management in DEPZ
- Installation of Cellular phone hub in CEPZ

5. Return on Investment :

This PPP arrangement is designed mainly to serve the EPZ entrepreneurs and to facilitate the smooth operation of zone activities. Therefore, the return on investment by the BEPZA and the private investors shall be borne by the EPZ entrepreneurs and other stake holders. Return on investment shall be calculated on any of the basis as applicable to the nature of investment :

- Proportion of investment by BEPZA and the investors.
- Prescribed rate as applicable in the DTA.
- Competitive rate as applicable in the neighboring Countries.
- Negotiated rate between BEPZA, investors and the entrepreneurs.

6. Facilities and Incentives :

a) Private Sector investors will be entitled to get the following services :

- Secured environment to develop and manage the job.
- Unencumbered fully serviced land/space on hire basis.
- Uninterrupted utility connection with prescribed charges.
- Same day service in connection with import / export permit.
- Proactive support to get clearance from different Govt. department

b) Investors will be entitled to get :

- 10 years tax holiday (in case of Service Oriented Industry)
- Duty free import of Machineries, Construction materials, consumable, chemicals, raw materials
- Full repatriation of capital & dividend
- State / international guarantee on foreign investment
- Other EPZ incentives as applicable to investors

7. Risk Factor :

Change of product, decreasing market demand of output, globalization impact on country's export may hamper industrialization in the EPZs and thereby cause decreasing growth resulting reduced utilization of infrastructure and reduced rate of investment.