

THE PEOPLE'S REPUBLIC OF BANGLADESH

**THE PEOPLE'S REPUBLIC OF
BANGLADESH
PROJECT FOR DEVELOPMENT OF
ECONOMIC ZONES AND CAPACITY
ENHANCEMENT OF BANGLADESH
ECONOMIC ZONES AUTHORITY**

FINAL REPORT APPENDIX

FEBRUARY 2017

JAPAN INTERNATIONAL COOPERATION AGENCY

WORLD BUSINESS ASSOCIATES CO., LTD.

JAPAN DEVELOPMENT INSTITUTE

RECS INTERNATIONAL INC.

ORIENTAL CONSULTANTS GLOBAL CO., LTD.

IL
JR
17-012

**Appendix 01: Comparison sheet of the key institutional items
in the SEZ / industrial park project in other countries**

Appendix 02: Comparison sheet of the OSS system in other countries

Appendix 03: EZ Development Guide

**Appendix 04: Enterprise Survey on the potential investment
to the Upcoming EZs in Bangladesh**

Appendix 05 :Outline of Candidate Sites for Short-term EZ Development

**Appendix 06 :Profiles on Environmental and Social Considerations
in Bangladesh**

**Appendix 07: Environmental and Social Consideration Data and Information
for Short-term EZ Candidate Site**

Appendix 08: Digital Topographic Maps for short term candidate sites

Appendix 09 : Figures related to Project cost estimation

**Appendix 10 :Environmental and Social Consideration Data and Information
for Medium-term EZ Candidate Site**

Appendix 11: Digital Topographic Maps for Midterm candidate sites

Appendix 12: Explanatory Material for Discussion on bank height

Appendix 13: Materials related to Capacity Building

Appendix 14: Materials related to BEZA Investment Seminar

**Appendix 01: Comparison sheet of the key institutional items
in the SEZ / industrial park project in other countries**

- a. Objectives and legal system of SEZ / industrial park development (main rationale laws, jurisdiction organization, the number of industrial parks, etc.)**
- b. Incentive (developers, tenants)**
- c. Development process (master plan, developers selection procedures, land acquisition, zoning, EIA, sales methods)**
- d. Infrastructure (off-site infrastructure development, on-site infrastructure)**
- e. Various business approvals and licenses (investment license to the tenant companies, licensing from other ministries and agencies)**
- f. Services provided in Economic Zone (customs duties, human resource development, etc.)**

Appendix 01: Comparison sheet of the key institutional items in the SEZ / industrial park project in other countries

a. Objectives and legal system of SEZ / industrial park development (main rationale laws, jurisdiction organization, the number of industrial parks, etc.)

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
Laws and regulations	The Bangladesh Economic Zones Act, 2010, Bangladesh Private Economic Zones Policy, 2014, Bangladesh Economic Zones (Appointment of Developer, etc.) Rules, 2014, Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016	The Bangladesh Export Processing Zones Authority Act, 1980, there are related rules and regulations. For Private EPZ, Bangladesh Private Export Processing Zones Authority Act, 1996 and related rules and regulations	Industrial Park There are business support (financial) schemes such as the Scheme, 2002. However, there are no laws established by the central government, and instead regulations or other laws relating to the establishment of industrial development corporations are applied according to each state.	Special Economic Zone Act, 2005 Special Economic Zones Rules, 2006 Special Economic Zones (Customs Procedure) Regulations, 2003 Guidelines for Development of Special Economic Zone, 2009	Thailand Industrial Park Public Corporation Law B.E. 2522 (1979) Revised twice in 1991 (B.E. 2534) and 1996 (B.E. 2539) Announcement of IEAT, No.78/2554 (Guideline on Sewage discharge), No.64/2536 (Guideline on land development), No.25/2547 (Waste discharge)	Presidential Decree Regarding Industrial Parks No. 53/ 1989 (Deregulation of industrial parks by civilians) Decree of the Minister of industry and trade of the Republic of Indonesia (No. 509/MPP/Kep/10/1999) Concerning the Provisions on and Procedure for the Granting of Industrial Business Licenses, Expansion licenses and Industrial Registration Certificates Presidential Decree Regarding Industrial Parks No. 41/ 1996 (Guideline regarding industrial parks) Government Regulation Regarding Industrial Parks No. 24/2009 (Statute Book of 2009 No. 47, Supplement to Statute Book No. 4987) Procedure of Issuing Industrial Estate. Permits and Industrial Estate. Expansion Permits. (Regulation of the Industry Minister. No.05/M-IND/PER/2/2014)	Law Regarding the Establishment of EPZ (1991) (Decree No.322/HDBT) Government Regulation Regarding Industrial Park Regulation (1994) (Government No.192/CP): Promotion of industrial park development with foreign capital Regulation Regarding Industrial Parks (1997) (Decree No.36/CP): Revision of government regulation (1994) Decision of Prime Minister relating to national development projects for industrial parks, EPZ, SEZ (2006) (Decision No. 1107/ DQ-TTG): Emphasis of industrial park development, industrial development, and waste water treatment by civilians. Decree of Government No. 153/2007/ND-CP of October 15, 2007 providing detailed regulations and guidelines for implementation of The Law on real estate business Subsidiary Rules Relating to the	2005 Government Ordinance No.148 (Sub-Decree No.148 on the Establishment and Management of the Special Economic Zone) (Special Economic Zone Ordinance) 2001 The Land Law	Regulations for the sake of assurances of smooth business operation in Special Economic Zones together with infrastructure / service specification and regulatory standards of these provisions in industrial parks are necessary measures for ensuring a certain extent of quality of international standards of industrial parks and for attracting investment of international companies. The required guideline is developed in Southeast Asia, and it is clear for zone developers to follow. While Bangladesh has prepared a guideline for Economic Zone Developers, there is no specific standard and specification for infrastructure and industrial zone development, which zone developers are supposed to follow.

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication	
						Establishment of Industrial Parks (2008) (Decree No.29/2008/ND-CP)			
Jurisdictional organization	Bangladesh Economic Zone Authority (BEZA) under Prime Minister’s Office	Bangladesh Export Processing Zone Authority (BEPZA) under Prime Minister's Office	State government/ Dept. Of Industry State Industrial Development Corporation	Ministry of Commerce and Industry SEZ Authority	Industrial Estate Authority of Thailand: IEAT or Board of Investment: BOI)	Ministry of Industry and Trade Also organizations such as Indonesia Industrial Park Association made by civilian industrial park operators.	The Ministry of Planning/ Investment is designated as an organization that is in charge of adjustments with other ministries (Ministry of Industry, Ministry of Construction, Industrial Park Management Committee, etc.), and the Prime Minister makes the final decisions regarding intentions relating to industrial park development.	The "Cambodia Special Economic Zone Board" under the Cambodia Development Council, where the Prime Minister is the chairman, is the management organization of the special economic zone. The Special Economic Zones Trouble Shooting Committee: SEZ TSC in the CDC is responsible for swiftly solving all technological/ legal issues in special economic zones as well as all matters exceeding the authorities of the Cambodia Special Economic Zone Board as well as the Special Economic Zone Management Office by extending over several ministries. Also, the Special Economic Zones Trouble Shooting Committee receives complaints from special economic zone developers as well as investment companies located within special economic zones, and is responsible for finding solutions for these.	The practice of assigning competent authorities on industrial park development and management is different from country to country. But in Southeast Asia, the delegation of power to a single mandated organization is clearly legally stated under the name of the head of state with respect to industrial park development and management, so that any dysfunction of industrial parks coming from friction between ministries due to different jurisdictional matters can be avoided. The legal framework for Economic Zone development in Bangladesh is also based on this principle, and yet detailed regulatory/administrative jurisdictions among each department and ministry has not yet been formulated.

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
Number of industrial parks	22 approved Economic Zones, which include 3 private Economic Zones	8 EPZ operating in the country	N/A	158 (Government: 20, public: 138)-2012 Special economic zone permission land 61,829ha (2013)	62 (Government/ IEAT: 11, JV: 25, public: 26) (2012) Industrial park development land 20,560ha (2012)	225 Industrial park development land 27,320.6ha (2012)	118(2008) Industrial park development land 33,195ha (2008)	8 (Public: 7, Government: 1) (2013) Industrial park development land 2,609ha (2012)	In Southeast Asia, industrial parks developed by the private sector are recognized as the majority.
Location	According to Article-3 of the Acquisition and Requisition of Immovable Property Ordinance, 1982, no property used by the public for the purpose of religious worship, graveyard, or cremation ground shall be acquired. Moreover, by article 5(3) of the Economic Zone Act, any area within the City Corporations, Municipalities and Cantonment Board area shall not be declared as an economic zone. According to section 3 of the Private Economic Zone Policy, for selection of Private Economic Zone Sites, priority will be given to less fertile land and less developed areas and the land of ecological importance as identified under the Bangladesh Environment Protection Act, 1995 shall be kept out of the scope of such selection. In Regulation 21 of the Economic Zone operational Regulations, double cropped and triple cropped agricultural	Location selection of EPZs were made mostly on feasibility study report which was done by professional repudiate firms. In all respect, potential source of labor supply, nearness of national communication hub like railway, road, preferably port, source of electricity, water, preferably gas got priority in selection of EPZ sites. The Government of Bangladesh has got some reservation in selection of Zones; where zone should be on khas govt. land , unutilized govt. land, less crop undeveloped land, remote poor rural areas, river island, coastal on-shore and off- shore island, or Privately owned land.	The location selection conditions for industrial park lands advanced by industrial development corporations of the state avoid multi-crop lands and target lands that are not suitable for agriculture while they would not go as far as wastelands, and conduct the selection of industrial park candidate lands from the perspective of linkage, market access, availability of utility, and celebrity of land. However, even in the New Land Expropriation Law (2013), the expropriation of irrigated multi-cropped land is restricted.	In the guideline regarding of special economic zone development, there are regulations regarding locations that avoid nearby urban areas while securing plenty of land as well as water resources, or avoiding cultivated land and consideration towards the environment.	With the establishment of industrial parks that will be managed by the IEAT, development approval will be given under the conditions that IEAT standards are met through field surveys and that regulations regarding land utilization are not violated. With pure public businesses by the BOI, developments advance with advantageous location conditions such as along main roads.	From the perspective of agricultural land and environmental preservation, industrial park development is restricted to industrial development, promotion lands designated by the central or district government, and is regulated so that development is approved according to the National Zoning Plan/ Regional Spatial Planning.	The location of industrial parks is in accord with master plans relating to industrial park developments and conforms to social economic development plans. There are no impediments with the industrial/ social infrastructure developments. The room for expansion with the preparation of industrial clusters is secured. It is also stipulated in the Prime Minister's Decision (2006) / Industrial park regulation (2008) that there are no issues with the securing of labor force. Also, in the event at least 60% of the provided industrial land of the industrial park area in the same area is supposed to be for the use of the lease contract. Furthermore, in the event of advancing of over 500ha of industrial park development nearby national roads, defense districts, or nature reserves, it is necessary to come to agreements beforehand with the Ministry of	There are no particular regulations with location selection conditions.	In Southeast Asia, there is a mechanism available for selection of the project site to follow the national industrial park development master plan, which was prepared mostly through the use of ODA. Hence the location of the individual business projects is also allowed in the scope of the master plan. Some states have regional development master plans like in India, but a national industrial park master plan has not been formulated either in India or Bangladesh.

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
	land together with Ecologically Critical Areas as declared under the Bangladesh Environment Protection Act 1995 is stated as land to be avoided.						Construction and related departments.		
Geographical access factors	The Economic Zones being approved recently was facilitating planned industrial development all over the country.	Every EPZ under BEPZA has got some locational advantage and some inherent limitations. Most of the EPZs are located within the vicinity of urban culture like Dhaka and Chittagong city. They are enjoying financial support quickly, have easy access to urban and social facilities, but the workers of these EPZs are not getting proper accommodations, their cost of living is high consequently they are asking more financial benefits than they deserve.	Port access and provision of power supply system are essential for industrial parks. However India seriously lacks production bases that accompany this.	Special economic zones tend to be located nearby large cities in the states of Delhi, Haryana, Gujarat, Maharashtra, AP, Karnataka, and Tamil/ Nadu, while special economic zone development is not advancing in the northeast sections of India such as the states of UP and MP.	The entire country of Thailand is divided into three zones by the BOI and more favorable policies for investment promotions are placed as going further out from Bangkok into the suburbs and other hinterlands. However, industrial park developments are concentrated in zone 1 and zone 2, which are relatively close to Bangkok. In general, industrial parks are located in places with good access to ports, stations, and other transportation methods. Shipment of products as well as raw materials is good and is located in places that are easy for working people to commute.	An industrial park area is formed in the state of West Java, which is within a range of 50km from Jakarta, the capital, and the industrial park of the district covers approximately half of the area of the industrial parks in Indonesia. Standard access to the industrial park of this district is by highway. However Tanjung Priok Port is the only international port in this district, and traffic jams are becoming chronic. Efforts in order to improve the situation are being carried out.	Industrial park areas are being developed in the three divided areas of the Northern section (Hanoi), Central section (Da Nang), and Southern section (Ho Chi Minh City). The industrial park area of the suburbs of these three cities covers approximately 70% of all industrial parks.	Special economic zone development is advancing in conveniently located lands such as the hinterland of the port of Sihanoukville, suburbs of Phnom Penh, and near the borders with Thailand/ Vietnam.	Both in South and Southeast Asia, there is a common tendency that the industrial park development is concentrated near the large cities, but the number of industrial parks/special economic zones which have a good access to a seaport is limited in Bangladesh and India. The industrial park business in Southeast Asia is an extension of existing industrial areas/estates, while the focus of industrial area development projects in Bangladesh and India is on green-field projects.
Anti-corruption measures	Anti-corruption measures in Bangladesh are described in the Anti-corruption Commission Act, 2004 as the legal system. With regards to the Economic Zone development affairs, , the fight against	Besides the Anti-corruption Commission Act, 2004, there is no such specific measures/institutional legislation for EPZ as for its development and management.	The legal system of anti-corruption measures is based on the Prevention of Corruption Act, 1988 (Act No. 49 (Sept. 9, 1988), in 2014 and further strengthened with an enactment of a new legal system in accordance with the	On the legal system relating to SEZ, there is not specific provisions relating to the anti-corruption measures. On the other hand, it is pointed out that through the private-sectors' Special Economic Zone development business	Laws and regulations have been made relating to corruption as per the Thai Criminal Code. In recent years, the Office of Public Sector Anti-Corruption Commission (PACC), Ministry of Justice, which is fighting	Law No. 20 of 2001 ("Indonesian Anti-corruption Law"), as well as Law No. 11 of 1980 on Bribery ("Indonesian Anti-bribery Law") formulate the legal system relating to anti-corruption measures. However, when it	In accordance with the Criminal Code as well as Anti-corruption Law (2005), together with the amendment through Decision 64 (2007) and Decision 59 (2013), the legal system and its reforms have been promoted. However corruption,	Enacted by the Anti Corruption Law (2008), certain measures are practiced in recent years to set up a hotline among, Anti-Corruption Unit and the Special Economic Zone development & management company,	In Thailand and Cambodia, cooperation between the investment promotion agencies and anti-corruption monitoring institutions is set up with a hot channel through which the industrial park development and

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
corruption is clearly defined in the selection and appointment procedures for Zone Developers as per the Bangladesh Economic Zones Guideline, 2015. This includes the definition of corruption, denial of the proposal, which was involved in corruption, and the prohibited activities that lead to legal actions.		United Nations anti-corruption Convention, which India ratifies, so that more effective, quick and fair investigation and prosecution against corruption become institutionalized.	with involvement of buying and selling of the land and incentives provision for the factory construction, improper licensing and permission caused also a hotbed of corruption.	against corruptions, and the BOI signed an agreement that comes up with incorporation and strengthening the information sharing, in order for the protection of foreign investment companies.	comes to customs clearance, and concerned approval for development and operation of industrial estates, sufficient measures is not yet achieved against corruption, such as bribery.	such as bribery relating to customs clearance and licensing in the industrial park has been the amendment through pointed out still a major issue.	and tenant companies, through formulation of a MoU that claims such measures against corruption.	management company can quickly correspond to tackle the corruption cases without administrative barriers. In Bangladesh, although the provision of the anti-corruption measures is made in the Economic Zones developer's selection process, also for the reduction of corruption opportunities in customs clearance, and various licensing and approvals, provision of OSS thorough economic zone administration, and establishment of the hot line between Anti-corruption Commission and developer may be considered for its institutionalization.

b. Incentive (developers, tenants)

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
Incentives for private zone developers	In the BEZA Act, private economic zone development led by local, non-resident Bangladeshis or foreign investors are encouraged. According to the Bangladesh Economic Zone (Appointment of Developer etc.) Rules, 2014, the authority may appoint Economic Zone Developer or Special Economic Zone Developer on Public Private Partnership for	Since BEPZA is mandated to develop EPZ as a solo-public sector developer; therefore, a private sector foreign investor does not have the scope to become a joint venture partner with BEPZA as zone developer. The only thing possible is, any foreign investor can make their own Private EPZs.	Industrial park development by private business operators does not have regulations in federal law. It is regulated according to states, and in the state of Rajasthan there is a regulation of the development of industrial area in the revenue law, and this is applied. Public zone development business operators must continue negotiations	It is accepted for various tax benefits and special measures to be taken by the state government for SEZ development business operators (Article 50). Therefore royalties are often exempted in SEZ businesses. Development business operators are allowed to purchase approved items and services that are free of tax from standard customs territories. Also	While the IEAT encourages public groups and government organizations to jointly operate industrial parks together with the IEAT, they seek for the provision of public facilities as well as services of infrastructure facilities necessary for operating industrial park businesses, and have environmental maintenance	According the Presidential Decree No. 53/ 1989 regarding industrial parks, the entry of private business operators into industrial parks that have been developed by provincial/ state governments have been accepted until now. Since then, many industrial park developments have been advanced by private business operators.	According to the Government Law Regarding Industrial Park Regulations (1994) (Government No.192/CP), industrial park/ infrastructure development has been encouraged regardless of domestic/ foreign capital, and preferential tax treatment towards industrial park developers are being taken. However, those with	Private business operators cover most of the special economic zone development, and special economic zone developers receive the following privileges. - VAT exemption regarding import - Corporate tax exemption for a maximum of 9 years - Exemption of import tax and other taxes for imported facilities and	In Thailand, Indonesia, and Vietnam, the public industrial park development scheme was initially predominated through initiatives from the central and local Governments, but the entry permit has been given to the private zone development companies since the 1990s, and the development by

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
developing Economic Zone, infrastructure development in Economic Zone, Administering, Managing and Monitoring/controlling activities in Economic Zone. Incentives for Private Economic Zone Developers are also set and approved by the Government.		<p>with various points of contact responsible, with the Department of Industrial Development of the state.</p> <p>Also, it is the common formality to exchange lease contracts of the land through industrial development corporations, and when doing so royalties must be paid. The difference between industrial park developments by state government, industrial development corporations is evident due to the cash flow.</p> <p>On the other hand, policies that encourage industrial park development by private business operators are being announced in recent years. When private business operators assemble developable land, power lines, water pipes, access roads, or water purification facilities in the state of Gujarat, a scheme that allows the use of a maximum subsidy of Rs. 20 Crore is provided as utility development fee necessary for industrial park development over 100 acres in accordance with the industrial policy announced in 2013. Also, a measure is taken so that there is a 100 % tax exemption of the stamp duty charged when</p>	<p>privileges such as exemption of corporation tax, import tax, commodity tax, service tax, and reduction of central sales tax are provided. However, 16.22% has become applied in SEZ from June 2011 to each of the dividend distribution tax (DDT) / shares from developers and the weakening of the preferential tax system can be seen.</p>	<p>conducted with permission/ approval as well as under supervision of the IEAT.</p> <p>With industrial parks of Thailand, there are industrial parks managed by the IEAT that have been developed by public operators, as well as industrial parks that form/ sell/ manage with public operators receiving investment encouragement of the BOI, apart from estates operated by the IEAT on their own.</p> <p>In general, most industrial park development by Japanese corporations possesses the form of receiving approval of the BOI.</p>		<p>Vietnamese nationality must be preferentially used as construction workers for the development, and the employment of foreigners is accepted for a certain period only in the event there is no one else qualified due to technical issues.</p>	<p>materials for the infrastructure development of the special economic zone</p>	<p>private players is progressing. In Cambodia, there is even a set of incentives given for private zone developers, same as set forth in Bangladesh.</p>

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
			purchasing land from the landowner and 50% tax exemption when signing the lease contract of corporations entering after that. Also a subsidy of Rs 5 Crore is granted to link infrastructure in public, industrial park development, and in the state of Karnataka a law for promoting industrial park development plans by private business operators is currently being drawn out.						
Restrictions on foreign investment	In section 12 of Private Economic Zone Policy, it is stated that a Foreign National or Foreign Enterprise may acquire 100% ownership of any Private Economic Zone. It also guarantees in Section 13 non-discriminatory treatment between foreign and local investment, in respect of acquisition, development, expansion, management, activities, operation, sale, shifting or otherwise transfer.	There is no restriction in bringing foreign capital and making foreign investment in Bangladesh. All foreign investment in Bangladesh is protected by Law (Foreign Private Investment (Promotion and Protection) Act, 1980).	Regarding industrial park development, it is accepted in the event the following requirements are met with the 100% investment by foreign capital that has been automatically approved by the consolidated FDI policy 2012 regulated by the DIPP. (1) Residential areas for over 10 companies are developed and make certain that one company among the ten does not possess over 50% the land available for sale. (2) Out of the land available for sale, over 66% is industrial land. 100% financing is accepted if 10 hectares are developed for service residential projects and at least 50,000m ² of the land area for construction of development projects.	In the case of SEZ development, the conditions that are usually imposed on land development/ construction building projects regarding townships, residences, commercial facilities, resorts, and entertainment facilities are not imposed, and 100% investment of foreign capital is accepted.	Real estate transactions by foreign corporations are not accepted. However, construction work involving a minimum capital of over 500 million Bahts and mediators/ agencies possessing a minimum capital of over 100 million Bahts will be exempt from the regulation. Most entries of foreign corporations in industrial park development take the form of Joint Ventures.	Regarding the construction business using high-level technology, is a high risk project, and where the construction expense is over 1 billion Rupiahs, the maximum foreign capital investment accepted is up to 67%. Factories, forming, establishment, interior construction of commercial buildings fall under the construction field of the above mentioned. Therefore, only the JV form is accepted for the entry of foreign corporations into industrial park development.	Foreign corporations cannot possess land. However, they are able to use the land by obtaining the land use right (LUR). The development of industrial districts (industrial parks, export processing zones, high-tech zones) by foreign corporations is carried out with the development companies obtaining the LUR from the Vietnamese government. The period of use is specified as 50 years.	Foreigners and foreign corporations are permitted to possess land only through long term or short term leases. In the case of corporations possessing the Cambodian nationality (Cambodian capital is over 51%), the possession of land is accepted. (2001 land law)	Bangladesh allows even foreign companies to enter the industrial park development/special zone development, while restrictions on real estate development by 100% foreign capital are often applied in Southeast Asia. However, in the industrial park development and management business, more than licensing, there are needs for a wide range of field support along with the local business practices. Hence, it consequently becomes one of the responsibilities of local companies/partners to cater to such needs. Thus, in models of industrial park development in

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication	
		However, in the case of 100% foreign capital, a minimum investment of 10 million Dollars is required. Also, it is regulated that the initial investment cannot be remitted to the country unless 3 years have passed since the completion of investment of the minimum capital.						Southeast Asia, JVs between local/foreign capitals have been functioning as the best practice.	
Incentives for unit investment	There is a separate set of incentives and benefits for both Economic Zone developers as well as Economic Zone users. Such incentives varies between Economic Zone developers and Economic Zone users in that 10 years tax holiday in 15 years may be approved for Economic Zone developers, whereas Economic Zone users may be eligible to receive tax holiday of 100% exemption for the first 2 years depending on the location of the industrial enterprise.	The Government has declared a Fiscal and Non- fiscal incentive packages for the investors of EPZs (BEPZA investment Promotion Folders). The tenant companies are allowed to sell the processed goods to the domestic market up to 10% as the upper limit, through the taxation procedures. However, the above measures are not applied to the garment industry, and it is applicable only to the manufactured products that are not produced domestically.	All kinds of preferential treatments shall be provided for Investment in fields such as Infrastructure development, electric power development/transmission, renewable energy and chemistry research fields. For royalties, the government may give preferential treatment such as tax reductions in each case (usually limited to large cases). However, there is no significant preferential treatment to medium-scale investments.	In accordance with the Special Economic Zone Law of 2006, tenant companies in SEZs shall be entitled to a corporate tax reduction for up to 15 years. Reduction of customs duties on raw materials is also offered for the purpose of export promotion. Companies expanding to SEZ shall not be subject to the Service Tax. They shall also be exempted from paying Stamp Duty when it's a lease contract. Although, it seems that tax incentives have weakened due to the minimum alternate tax (MAT) / 18.5% of book profit and the dividend distribution tax (DDT) / 16.22% of dividend received from developer application in SEZ from April and June 2011.	The Corporate Income Tax exemption shall be applied for up to 3 to 8 years from the taxable income earning day based on an approval from the Board of Investment (BOI). In case of losses that incurred during the exemption period, the amount of the loss shall be deducted from a single year or multi-year net profit within 5 years after the end of the exemption period. Exemption from import taxes on parts, raw materials, and equipment depends on the projects. *Project duration varies depending on its location and detail. EPZ includes the following benefits: exclusion from import tax, value-added tax (VAT), sales tax etc., on raw materials for manufacturing, machinery and equipment, tools, factories, and building materials shall be	According to a Cabinet Order (2008, Article 62), based on conditions of region and price, 30% of its investment amount shall be deducted (5% for 6 years) for fixed asset investment in specific industries. Application of accelerated depreciation (half the time) is also possible. A tax holiday (corporate tax exemption for 5 to 10 years) was introduced by provisions from the Minister of Finance in 2011 (dated August 15) to 5 specific industries. It has not been issued as of August 2011.	Even though preferential treatment for tenants in Industrial Parks was abolished on January 1, 2009, with a new corporate tax law that was formulated in 2008 and revised in January 2014 to be applied, tax rate to profit from projects that perform field survey on new Economic Zone and High Tech Park (limited to regions where it's hard to develop natural and social environments) shall be 10% with the privilege period of 15 years, the tax exemption period of 4 years and the tax reduction period of 9 years.() Even an average Industrial Park measures an investment incentive to reduce corporate tax rates to 20% unless it's an investment for big cities. Depending on regions, exemption of	Customs or other taxes are subject to preferential treatment the same as other QIP. QIP shall be applied the tax exemption of corporate tax (max. 9 years), import/export duties and VAT based on Investment Trust Law of 2003. Others are as shown below. - Export Processing Model QIP : Tax exemption on raw materials, materials for factory construction, import duties for production facilities as well as VAT - Domestic Market Model QIP : Tax exemption on materials for factory construction and import duties for production facilities.	Thailand, Indonesia, and Vietnam offer incentives for investment when investment was made in rural areas as it is practiced in Bangladesh. There are tax benefits and non-tax benefits. The former is a tax-exemption of customs duties and corporate income taxes for certain foreign companies, and the latter may vary from the establishment of 100% foreign companies, land ownership rights to foreign companies, permission of foreign professional engineers, etc. As a set of tax incentives, a tax holiday period applicable in Bangladesh (10 years), in particular, is superior to those in Southeast Asian countries. However, the applied reduction measures of 100%

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
				exempted (Article 48), and this applies to exporting from EPZ to other EPZs (Article 49). However, in the event of shipping within a country, import tax, VAT, sales tax etc., in accordance with the tax levied at the time of shipping depends on the kinds of goods, which shall be subjected (Article 51). Approval from a president or a delegate authorized by a president is required in order to export or import any goods to EPZ (Article 56).		rent payment of the land and issuing visas for foreign workers who work in Industrial Parks and their family are also encouraged.		corporate tax exemption for 3 years is inferior to the ones applied in India and other Southeast Asian countries. Moreover the upper limit in the percentage of final product import from the Economic Zone into the domestic market is set to be 20%, and that is also inferior to the conditions set forth in other countries.

c. Development process (master plan, developers selection procedures/qualification, land acquisition, zoning, EIA, sales methods)

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
Master Plan	There are provisions in Article 6(1) and (2) of Bangladesh Private Economic Zones Policy as for the master plan, in that private EZ developer and operators, after the first step (First Stage Application) of acquisition of Pre-qualification license), are supposed to submit the master plan, in which, land-use plan, zone planning, infrastructure development plan, the description of the phase plan is	BEPZA is deemed to prepare Development Project Pro-forma (DPP) in which master plan is included. In the master plan, designs on roads, drainage, and office as per the BEPZA's internal regulations and building standards, as well as the descriptions of development area, and business cost will be included all together.	Each State Governments Industrial Development Corporation prepares a master plan in accordance with their industrial policy. Its standard varies by each state, but not to ensure the certain standard quality of such plans.	In accordance with the third paragraph 3.1 of Guidelines for Development of Special Economic Zones (SEZs), private SEZ developers are supposed to observe the following points for their preparation of master plans: - Analysis and evaluation of physical conditions and natural resources - Land use pattern, road, regional spatial planning in accordance with the other infrastructure - Activity base leading	Among the industrial estate business, which is going to be operated and managed jointly by the IEAT, private industrial estate developers and operators are supposed to prepare a master plan for its approval by the IEAT. IEAT shall call meetings and consult with the developers and consulting companies for seeking an explanation of the project information required for their approvals. In the basic plan, water use planning, land use	For the industrial estate development in Indonesia, which are mainly carried out by private business entities (about 90% of the total industrial estates are developed by the private sector entities), after receiving the approval of the application (In principal approval) for the industrial estate development by the Ministry of Industry and the local government, Industrial Estate Public Order is supposed to be prepared, and the Order is required for	In accordance with Section 4. 3 of the Subsidiary Rules relating to the Establishment of Industrial Parks (2008), industrial zone development projects, which are formulated by the multiple operators or which area was more than 500ha, the preparation of the master plan is required as per the guidelines set forth by the Ministry of Construction. In the master plan, 1) 60% of the total development land to be allocated for the	After receiving the CRC (Conditional Registered Certificate) from CSEZB, within 180 days, submission of a business plan together with a master plan is required. However, there is no provisions so far in the legal documents as for the items to be incorporated in the master plan.	In every country, as a part of an authorization system for the private industrial park/zone business, a system to review their master plan is established. Through such system, the authorities are making efforts to ensure the quality of infrastructure and utility services to a certain level of those industrial parks/zones. Criteria to be set and reviewed in the description of the master plan in many countries are zoning, other physical infrastructure design,

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
	required. In the case of EZ development projects through the PPP scheme, there is a description in Rule 36 of the Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016, in that after obtainment of Letter of Award (LOA), the successful bidder is supposed to submit a comprehensive master plan. The matter should include the land use planning / zoning, on-site infrastructure plan, and a phase plan, as the same contents as the approval procedures for the private EZ development businesses.			to job creation - Transportation infrastructure projects between the major cities in the region - 20 to 25 years development plans and short-term action plans after 5 years - Infrastructure development plan in line with the investment plan and phase - Land use policies and plan for the usable land - Conforming to the environmental aspects, the installation of the green belt, the surface water reservoir, attention to disaster preparedness, etc.	planning, infrastructure concept design (capacity development plan), investment planning financial analysis, and environment-related information are supposed to be included, and those will be subject for evaluation.	issuance of the permit for the development of the industrial estate(in principal permit). This order is interpreted as the master plan. The items, which are required to be described in the Order, are as the followings: - Significance and purpose of the industrial estate - Assumption of Industries and tenants to be accommodated - Available industrial infrastructure - Services to be provided - Rights and obligations of the Zone Developers - Rights and obligations of tenants - Building standards to be applied in the industrial estate - Correspondence to the results studied in the environmental impact assessment In addition, in recent years, certification system by the Ministry of Industry for the private industrial estates are introduced on the basis of the above as well as a certain level of infrastructure and service provision.	tenants, 2) compliance and integrity with the national socio-economic master plan, 3) linkage between the industry and land infrastructure, as well as living environment for labor, and 4) cooperation with other industrial district other than land expansion, and corresponding capacity to attract investment and workers' request, are all to be addressed. In addition, for the approval process of a master plan, according to the nature of the project, in prior to the approval of the provincial People's Committee, it has also been determined if it is necessary to have an approval from the Ministry of Construction (the Bylaws Section 5 4.). Moreover, as for the EZ development approval, the EZ master plan can only be approved after conformity with deep water harbor and the airport, in addition to the advantage of the access to the main road, securing land of more than 10,000ha,and bringing a good impact on the socio-economic areas.		financial project evaluation, and environmental impact assessment, etc. In Bangladesh it is also similarly defined the equivalent items as the requirements to be described in the master plans.
developers selection	As qualification to be	EPZ development is a	Industrial Development	Any individual,	Qualifications of	As qualifications to be	In accordance with the	In accordance with	Although it is practiced

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
procedures/qualification	an Economic Zone Developer through the PPP scheme, Bangladesh Economic Zones (Appointment of Developer, etc.) Rules, 2014 stipulates its requirement as having development and management experience of the similar industrial zone for more than three years, design and finance operating revenue from such economic zone activities of a total of \$ 10 million in the past three years, and equity capital of \$ 25 million. On the other hand, as for the Economic Zone development projects through private initiative, entities are deemed to posse the development experience related to land development, and attains a net worth of at least 500 million Taka, as per the Policy, 2015.	privileged business of BEPZA. For its development, BEPZA is supposed to obtain the approval from the Board of Governor, through preparation of the DPP, which is required to be submitted to the Planning Commission (Planning Commission).	Corporations of each state are responsible for the development and management of general industrial areas/zones, hence involvement of private developers and operators is not practiced.	cooperative, company, and partnership are eligible to apply to the SEZ development businesses. The application documents are deemed to be submitted to the state governments responsible for the affairs as well as to the Ministry of Commerce and Industry (Board of Approval: BoA). After having received an appropriate evaluation, applicants can obtain approval by the BoA to involve in a development business. However, for its submission to the BoA, it is necessary to submit together a letter of recommendation from the state government.	persons/companies eligible to engage in industrial estate development projects jointly with IEAT (Joint-Development Industrial Estate), are determined in the following manner. - Thai nationality corporation - The owners or prospective buyers of the land (sale and purchase agreement), and those who have the intention to develop the site as an industrial estate	a developer and operator of the industrial estate, the entity must register itself in accordance with Indonesia domestic law, and either state-owned enterprises (central and local government), cooperatives, or the private sector entities, locating in Indonesia are defined to be such qualified entities. As a necessary procedure, the entities are supposed to submit an application for industrial park development, and after its evaluation, a development permit shall be issued.	Decree of Government No. 153/2007/ND-CP of October 15, 2007 providing detailed regulations and guidelines for implementation of The Law on real estate business, developers of the industrial park are supposed to hold at least 20% of the total investment amount for the project. In addition Subsidiary Rules relating to the Establishment of Industrial Parks (2008) (Decree No.29/2008/ND-CP), stipulates that the self-investment is defined to be free from cost of land and compensation paid to, and details rules and procedures applicable for individuals and enterprises running a real estate business, are defined. In accordance with Rules 10 of Subsidiary Rules (2008), in order to develop industrial parks, the applications must be submitted to the industrial park management committee or the Ministry of Planning and Investment, but its final approval is defined to be subject to the review of the local People's Committee.	Article 4.4 of the Special Economic Zone Decree, zone developers and operators need to be qualified with the following requirements: - Sufficient funds to carry out the infrastructure development in the special economic zones and to have sufficient human resources to manage the activities of the special economic zones. - To have the legal right to make land ownership required for the special economic zone development.	through PPP scheme in Bangladesh, the industrial parks/zones development models through public tendering method is not mainstream in many countries, rather the industrial parks/zones development are mainly driven by the private sector initiative. It should be also noted that with regards to the selection criteria/qualifications to participate in the development business, a model which Bangladesh envisages is quite different from the practices made in other countries in that there is no stringent entry barrier like the company scale and related business experience in order to filter the free entry of the private entities into the business of zone development and operation. Instead, there are provisions that as long as business applicants who wish to enter the business were fairly evaluated with the necessary selection process, an entry into the industrial / special zone business can be permitted. In reference to the cases in Southeast Asia, many cases of industrial park/zone business are run even by corporations who do

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
									not have any experience in such business, but they are in association with experienced partner (JV, consultants, engineering companies) so that promotion of investment as well as smooth operation and management of industrial Park has been well conducted, hence the size of company and business experience can be a necessary condition for the success of the industrial / special zone business, but those are not necessary to consider to be a sufficient condition.
Land acquisition	According to article 5(1) of Economic Zone Act 2010, the Government may, by notification in the official Gazette declare any specific land area as economic zones after selection. The government may acquire such land under the provisions of the Land Acquisition and Requisition of Immovable Property Ordinance, 1982 (Ordinance No. II of 1982) by the Article 6(1) of the Economic Zone Act, 2010. For acquisition of land, there is a provision of a fund in BEZA, which can be used as a source of funding	Land for Chittagong, Dhaka and partial land for Comilla EPZ was made available through 'Acquisition' under Acquisition and Requisition of Immovable Property Ordinance, 1982 (Ordinance No. II of 1982). Ishwardi, Uttara (Syedpur) and Mongla EPZ are sub-leased by government institutes. Adamjee EPZ and Karnaphuli EPZ are given to BEPZA on 'Right to Use' basis for indefinite period.	While small differences can be seen, according to states in land acquisitions for the purpose of industrial park development, in general, land expropriation is carried out by request from the Industrial Commissioner of by the state industrial development corporation itself with the fund of the state government. In the case of expropriation by the District Collector, the registered ownership is transferred to the state industrial development corporation. Thus an income tax/ stamp duty is not imposed in that process. Also, according to the	The same as standard land acquisition procedure. Special regulations are not mentioned in special economic zone regulations or laws. However, it is widely regarded that the regulation by the government that is stipulated in the land expropriation law that allows the expropriation of "public purpose" expanded land acquisition for the purpose of special economic zone development by the state government for private business operators.	In the event land is necessary for the development or expansion of industrial parks, the IEAT is permitted to expropriate land with the application of the land expropriation law according to imperial ordinance. It is also possible to transfer the expropriated land to operators specified by the IEAT as for business purposes related to industrial park development. (Article 38). Regarding the development of export processing zones, in case the use of public land is necessary, it is possible for the IEAT	According to the latest land expropriation law passed in the assembly in December 2011, it was regulated that the government can acquire land by providing their share relating to compensation, relocation site, and public undertakings. The price of the compensation is decided by an independent investigation team approved by the Department of National Land, and regulates that it must be paid within 30 days. The land expropriation law stipulates so that all legal procedures relating to land	The government is able to expropriate land with important national projects where investment policies have been decided by the assembly, industrial parks or export processing zones, high-tech parks, special economic zones, constructions where investment policies have been approved by the Prime Minister, new constructions and improvements of new urban districts and rural housing districts, and cases where projects decided by people's councils in the ministries/ urban levels are carried out. In the revised law of 2012, it was decided that the	In the 2001 Land Law, it is stipulated that only those with Khmer nationality possess the right to own land in Cambodia. A Cambodian corporation refers to a corporation where over 51% of its shares are owned by Cambodians or Cambodian companies. In the event of expropriating land, it is stipulated that it must be carried out through formalities and procedures stipulated by the law after paying the appropriate compensation beforehand. In the event of using government land, the private business	It is common in Southeast Asia for private companies to purchase land under the land ownership system of the private sector businesses, and the acquisition of land by the private sector is assumed as the basis of industrial park development. In India and Bangladesh, institutional land acquisition by the state/local government has been a fundamental premise of industrial park/EPZ development; thus, there is a difference between the two cases of the acquisition method of development land and in the division of roles of the private and public sectors. Also in

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
for land acquisition after budget request through the Development Project Proposal (DPP) was made. .Otherwise, private entities can submit a proposal to register their land as Private Economic Zones through an initiative of a private company.		<p>General Land Ceiling Act, there is a limit on land acquisition by individuals/ private corporations (with land purchase for the purpose of industrial parks, when the area of land exceeds 1,000 acres, permission from the Land Ceiling Exemption Commission (Commissioner of Land Reform) under the Revenue Dept. is necessary), and so the current state is that land acquisition for industrial park development is in reality exclusive for the government.</p> <p>As a method of land acquisition in the state of Rajasthan, a committee including a land pricing officer is established, allotment prices are calculated through resident hearing surveys of the relevant district as well as land based labor performance sources, and mainly the two methods of providing monetary compensation or providing substitute land to the landowner are taken. With the provision of substitute land, in the case of a development land scheme project that includes industrial parks, the plan is that 75% of the entire land is used as land for business operations and</p>		to continue developing as the land owner with the IEAT paying the value decided by the Ministry of Interior to the Ministry of Finance or by providing substitute land. Or in the event of being reserved as specified land, development of the land becomes possible through payment to the Ministry of Finance. (Article 36).	<p>acquisition for infrastructure operations ordered by the government are completed within 583 working days. A 60 day public consultation period is also permitted to be arranged before expropriation of the land.</p> <p>Furthermore, in early August 2012, the 2012 Presidential Decree No. 71 regarding the code of practice of the 2012 Act No. 2 relating to land expropriation law for public facilities was established.</p>	<p>people's committees of each ministry are able to secure rights of the land user and that compensations are paid according to the law.</p> <p>Also, in the event agricultural land is expropriated, the people's committee of each ministry must carry out occupational training for the farmers of that land and support them until they find a new occupation.</p> <p>Regarding the price of the land, a valuation specialist is required to participate in the land price evaluation council in order to fairly decide the price, and the government is obligated to evaluate the price of the land every 5 years.</p>	operator will acquire an ELC: Economic Land Concession for special economic zone development from the government. The maximum land area is 10,000ha, and the maximum contract period is 99 years.	Southeast Asia, at the time of the land acquisition by the government, the central Government attempts to create a fund for the purpose.

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication	
		<p>the remaining 25% is provided to the landowner as substitute land. If it is a residential project, substitute land covers 20%, and if it is a commercial facility it becomes 5%.</p> <p>In India there isn't a system that registers real estate titles – no cadastral registry. So in order to identify the true owner of the selling side, in general, it is necessary to research by looking into the past 30 years regarding the changes with ownerships (documents related to real estate/ sales and purchase agreements etc.).</p>							
Zoning	According to Article 7(1) of Economic Zone Act, 2010, the Economic Zone Authority may issue order for the formulation of master plan by dividing an economic zone into four areas, namely, Export Processing Area, Domestic Processing Area, Commercial Area, and Non Processing Area. Such a Master Plan must be approved by the Economic Zone Authority according to Article 7(2) of the same Act. Although there is no provision in the legal	Although BEPZA has a building code for infrastructure development by industrial units in EPZ, the Authority does not have any Building Code or any guideline regarding EPZ development/zoning. But they used to hire the services of professional architecture and engineering firms to produce the Master Plan. The minimum land in BEPZA's zone is planned with 250 acres (100 hectares) and the maximum is planned 1000 acres (400 hectares). In any ideal EPZ at least 40%	In the case of new urban development of large areas of land such as DMIC and NIMZ as Greenfield projects, exclusive organizations assigned for each project of the regions create industrial city development plans along with zone plans, conduct land pulling in the process of consensus building with development plans as in the concept referred to as SIP (Special Investment Region) based on the SIR Act in the state of Gujarat and MP state. In the scheme for the re-allocation of land of the land owners land is	When receiving SEZ Clearance, it is required to set a Processing Zone and Non-processing Zone (the development of commercial zones, schools, and residential facilities are assumed). Regarding Processing Zones, it is required to be roughly over 50% of the entire land, although it also depends on the area to be developed as a special economic zone. In addition, zoning policy has a deep reflection as to where investment companies can be accommodated in the SEZ in that, export-oriented	In the master plan that the IEAT approves, differing utilization plans of land according to the characteristics of the industrial parks are required, and these are divided into industrial districts, commercial or service districts, districts of public facilities or infrastructure facilities, and green districts or buffer zones. In other words, the ratio (%) covering the total area, location, and stencil paper of the master plan that shows the details of the following districts must be explained in the application forms.	It is specified that up to 70% of industrial park lands can be developed as industrial land, and the remaining 30% can be used as common infrastructure or green belts. It is to be noted that 2% of the entire land, is deemed to be allocated for small and medium-sized enterprises for at least two years. In case there is no such prospect, the plots can be provided to other companies. Companies which are either export-oriented or domestic market-oriented can be	It is specified that the Ministry of Construction possesses the authority to grant permissions regarding the zoning of the industrial parks. On the other hand in the Rules relating to the development of the industrial park, there is a guideline that at least 60% of the project site is deemed to be used for a site to attract investment companies. Companies which are either export-oriented or domestic market-oriented can be accommodated together in the industrial estates without discrimination	According to the Special Economic Zone Article 3 of the Cabinet Order, "the Establishment of Special Economic Zones," special economic zones require the following zoning conditions. (a) Securing of land over 50ha (b) Establishment of a surrounding fence (c) Establishment of a management office, roads, waterworks, electricity, telecommunications, and fire department within the special economic zone. According to cases facilities for	Since the industrial zone development by private companies is the majority, maximizing the profitability of the land is the core philosophy from the private sector viewpoint, while planning for use of non-profit land is mostly related to the area of regulations under public purpose infrastructure and utilities, hence regulations on zoning are specified as a rule in Southeast Asia , where the system to comply with the set-forth guidelines is provided. In Bangladesh, there are

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
documents describing the proportion between the processing zone and the non-processing zones, which include the other on-site infrastructure, as an opinion of BEZA on the master planning, the ratio of non-processing zone is ideally deemed to be 30 to 40 percent of the entire project site. Also for the division of the Export Processing Zone and domestic processing zones, there is no clear provision/guideline set forth in the present legal system if rigid zoning plan is going to be set up with a boundary dividing the areas, or if the processing zone is broadly defined to accommodate any industries regardless of export market or domestic market.	area of the total land area must be reserved for roads, drains, footpath, administrative and other support service buildings, utility distribution lines etc. The remaining 60% will be available for manufacturing purpose, although there is no specific regulation or provision on proportion of areas of processing zone and non-processing zones in case of development of EPZs.	not expropriated in the business development stage and the system is organized so that industrial city development is carried out through what is known as land re-allocation/ urban re-development method. In other words, it is a method where if it is the Dholera SIR of the state of Gujarat that will control each SIR, the DSIRDA will create urban plans such as zoning, request the creation of DPR according to individual businesses among them to a third party, and sign a PPP or an EPC contract with private business operators depending on the result. In the case of MP state it would be each AKVN.	companies and domestic market oriented company can only be accommodated in separate zones, and domestic-market-oriented companies, Consequently, there is a situation in a certain SEZ projects that even though domestic-market-oriented companies desire to come to SEZ's processing area, there is no plot available in domestic processing area, while there are plenty unsold plots available in export processing area.	Areas that generate profit - Industrial district - Residential or commercial district Areas of public facilities or infrastructure facilities - Roads - Drainage/Flood prevention systems - Waterworks system - Effluent treatment system - Communication system - Electric system - Industrial waste disposal system - Other green districts or other buffer zones	accommodated together in the industrial estates without discrimination in the processing zone complex.	in the processing zone complex.	employees, parks, medical clinics, occupation training facilities, gasoline stations, restaurants, parking lots, and commercial facilities may also be established. (d) Establishment of a water treatment facility and waste disposal facility. Companies which are either export-oriented or domestic market-oriented can be accommodated together in the industrial estates without discrimination in the processing zone complex.	no clear zoning rules for EPZ and Economic Zones, and there is likely concern that the zoning of the shared infrastructure such as power generation, substation facilities, wastewater treatment plants and logistics centers may be neglected.. Therefore, as practiced in Southeast Asian countries., there is a need to create rules/guidelines for zoning for zone developers to follow and delegated authority to manage development of standard level of public infrastructure/utility service in the Economic Zone. Also from the lesson learnt from the zoning regulations of SEZ in India, it was revealed that the zoning practice of dividing the processing zones into export-oriented and domestic market-oriented casts restriction for the zone developer's marketing activities with lack of flexibility in the sales policy of plots, and eventually failed in adjusting more plots for domestic market-oriented in accordance with the demand of the market. Due to rigid zoning policy restricting entry of those companies who

Bangladesh Economic Zone		Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
									look into domestic market into export-oriented area, thus, as in the case being practiced in Southeast Asia, for accommodation of industries regardless of export-oriented or domestic market-oriented, processing zone should be open for the processing industries, and each one of the different market-oriented companies can locate adjacent to each other. Consequently zoning policy of Bangladesh Economic Zone can be institutionalized with a design of enough flexibility responding to the needs of companies developing and operating in the Zone.
Environmental Impact Assessment (EIA) for Zone Developer	It is stated in Regulation 23 (2) Stage 1 of the Economic Zone Operational Regulations, 2012 that EIA is required for Economic Zone License at the Final Approval Stage. The environmental and social impact assessments should contain approved environmental management plans and sufficient health and safety schemes to mitigate negative impacts. In Regulation 60 of the Economic Zone	The survey reveals that BEPZA did not conduct any Environmental Impact Assessment (EIA) for any of its Zones. Perhaps at the time of implementing the EPZs the Department of Environment (DOE) rule/laws were yet to be enforced significantly in the country. BEPZA officials explained that during the implementation of EPZs the DoE were assigned the task of maintaining the Environmental standard to BEPZA. BEPZA had done this job in their	There is the need to display to the central government/ Ministry of Environment and Forests or Central Pollution Control Board what kind of preparations are made regarding polluted water/ wastewater/ wastes/ toxic wastes discharged from industrial parks when applying for EIA. Frameworks that require time are institutionalized regarding the EIA, and the setting up of plans on a time base is relatively easy by using	In reality, the EIA in an SEZ needs an EIA Clearance from the developer, co-developers such as utility service providers (companies that invest over 26% of SEZ businesses), and companies located within the zone. In the case of the SEZ developer having obtained an EIA approval as a regulation, the interpretation of the law is that an EIA is not necessary for each individual corporation for expansion into the	Public operators who have the intention of establishing industrial parks that are jointly managed by the IEAT must create an EIA report by the developers on their own during the period of applying for the industrial park establishment, submit that to the IEAT, and then the IEAT submits that report to the Office of the Natural Resources and Environmental Policy and Planning under the Ministry of Natural Resources and Environment. After	The Regulations State in the Environment Management Program (RKL) and Environment Monitoring Program (RPL) must be observed with an industrial park development. Therefore the carrying out of the EIA towards developers is required at the state of each industrial park development. And so the environment management standards based on the EIA must be observed by the companies located	In general, industrial parks are required to submit an EIA report at the time of applying for industrial park development as a part of the development approval document. For this reason, with the basis of Environmental Impact Assessment by industrial parks and based on the Circular No. 490/ 1998/ TT-BKHCNMT) regarding the examination of the Environmental Impact Assessment report for the investment project,	In the event it matches with the EIA necessary case list stipulated by the Environmental Protection and Resource Management Law (December 1996), an EIA application by the Ministry of the Environment becomes necessary before applying for the QIP. However, regarding special economic zone development, the CSEZB assesses whether it is an EIA necessary case, and if necessary it will be notified to the business operator.	For industrial park development companies, the implementation of EIA is required, to one extent or another, in all countries. However, in some countries like Indonesia and Vietnam, under certain conditions where an EIAs have been finalized at the time of industrial park development, tenants to come and invest in the industrial park do not require full-fledged EIAs but a rather a relaxed simpler form of an EIA. On the other hand, Thailand seeks a

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
	Operational Regulations, 2012 for expedited environmental impact assessments, BEZA is deemed to coordinate with Department of Environment under all applicable law and governing MOU to apply in each Economic Zone special rules and procedures set forth by Department of Environment	way rather than conducting any study.	specialist firms. It is necessary that there are no Eco sensitive parks or bio-spheres within a 10km radius nearby the industrial park, and it is also necessary to prove this in the environmental parameter study. In this regard, there are cases with the above regulation of the 10km radius becoming more flexible within the TOR as a 5km radius if the point of industrial park development being advanced by targeting industries that do not cause atmospheric pollution is explained in the EIA application document.	SEZ. However, in reality, it is stipulated that the SEZ developer must take responsibility regarding the environment/ pollution of the companies located within the zone, and most cases are where the developer seeks each company be located within the zone to individually obtain an EIA. However, there are also cases where the SEZ developer provides service for reducing the term of the EIA such as by providing data that can be used for monitoring work that is required with EIA TOR in one season.	that the IEAT will conduct a document examination, notify the developer of the industrial park and their consulting company of the opinions as well as advice when submitting to the environmental subcommittee. Then the Office of the Natural Resources and Environmental Policy and Planning under the Ministry of Natural Resources and Environment will examine the EIA report and approve.	within the parks in the form of laying down the results mentioned above in the Estate Regulations.	most corporations that expand are able to utilize the system where Environmental Impact Assessment procedures can be completed by submitting a simple Registration for Securing Environmental Standards) and going through a screening.		stricter adaptation to environmental regulations. In Bangladesh, there is a norm that the EIA process can be expedited for Economic Zone development, and yet there is no clear legal description and stand-point as to how an overall EIA obtained at the time of Economic Zone development would impact an Economic Zone User's respective EIA procedures.
Environmental Impact Assessment (EIA) for Unit Investor	The Economic Zone Act 2010 has provisions regarding environmental law compliance. According to the provisions of the act, industrial units and other financial and business institutions established in the economic area shall be bound to comply with the laws related to the protection of the environment and international commitments ratified by the Government of Bangladesh. According to Private Economic Zone Policy 2014, private	The industrial units come to EPZs must conduct EIA of their projects and get clearance issued by DOE	NOC from the Union territory Pollution Control Committees are necessary to operate manufacturing for tenant companies in general Industrial Parks. Companies that plan to build over 200,000 sq.ft shall be required to apply to the Regional Office of the Union Ministry of Environment & Forests (MoEF) and others shall apply to the State Pollution Control Board (SPCB) to get approval.	In SEZ, business developer projects determine what kind of companies will be expanded into the country beforehand, so it's not required to submit a new application to EIA as long as the company fits in the same category prescribed in pre-application. Each SEZ places expertise for each category to complete EIA Clearance normally within 2.5 - 3 months.	In accordance with the National Environmental Quality Act of 1992, establishment of a new project or expansion of an existing project in Industrial Parks shall be required to submit the analysis report based on the result from Environmental Impact Assessment (EIA) and Initial Environmental Examination (IEE) to the Office of Natural Resources and Environmental Policy and Planning. All Industrial Parks Offices are responsible for continuously	Through an Environmental Impact Assessment provided by Industrial Parks project manager called ANDAL (ANDAL), each factory shall be required to meet the environmental standards. If the environmental assessment has already been undertaken by the Park by the time of settlement in Industrial Parks, preparing and submitting a report from an Environmental Impact Assessment shall not be necessary.	The tenant company must apply for an investment license as well as going through the procedure for an Environmental Impact Assessment. In general, an Environmental Impact Assessment report must be submitted in accordance with Government Decree No. 175/CP of 1994 providing guidance for the implementation of the Law for Environmental Protection. Because investment from overseas is encouraged in Vietnam, they issued the Circular (Circular	If those listed as required conditions listed in the Environmental Protection and Natural Resource Management (December 1996) apply, application for EIA by the Ministry of Environment must be done prior to applying for QIP. If CDC determined that company requires EIA, company shall be notified.	In the Industrial Parks in Indonesia and Vietnam, if the parks are granted the EIA clearance to move forward as an Industrial Park, a detailed EIA is not required to units/companies in the industrial park with a simple examination measures authorized by regulations. On the other hand, in India, an EIA clearance is the subject for each and every business of companies to be operating in the industrial zone, and EIA is the most time-consuming subject for investment approval,

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
	<p>entrepreneur or Entrepreneur Company will have the responsibility of conducting such EIA and private entrepreneur or Entrepreneur Company will be granted Economic Zone license for Economic Zone development based on such an EIA. Thereafter, the Economic Zone enterprise interested to establish industrial units in Private EPZ shall apply to the BEZA or Economic Zone Operator with required application for Economic Zone User License. As a part of an application form, an environmental management plan and evidence that proposed business activities have complied with all environmental laws and regulations are included. There is no description how overall EIA conducted by Economic Zone developers affects on the process of evaluation, except expedited efforts by BEZA, on Economic Zone User Licenses.</p>				managing and controlling the environmental management system in compliance with the regulations.		<p>No.490/1998/TT-BKHCHNMT) so that these investment projects need to follow a simpler procedure to submit the EIA report.</p> <p>Small-scale projects of little environmental impact shall be classified as Category ____.</p> <p>When a project falls under Category II , the company concerned may complete the Environmental Impact Assessment procedure by submitting the Registration for Securing Environmental Standards to the Ministry of Science, Technology and Environment (MOSTE) through the National Environment Agency (NEA) or the relevant Department of Science, Technology and Environment (DOSTE). Most Japanese-affiliated companies located in Industrial Parks are qualified for this circular.</p>		and it is the pending factor of investment approval in any places. It appears from this reality, that there is a need in Bangladesh to consider improvement measures on EIA Clearance on Economic Zone development and operation by examining the comparative advantage with other countries from the point of international investors.
Sales method	By Article-15 of the Bangladesh	EPZs in Bangladesh are meant for export. The	Sales methods of industrial parks are	Only lease contract can be offered in SEZ.	As for the industrial parks managed by	The method to sell the land with building	The rest of the duration of Land Use Rights	As foreign companies are not allowed to own	Sales methods vary from country to country

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
Economic Zone Act, except those identified as protected industries in the existing policy of the government, all other industries including those of small and cottage industries and agriculture, farm structure, service-oriented organizations, etc. can be placed. If any individual granted the permission to establish industries or make commercial establishments in any Economic Zones under Article-15, then the Economic Zone authority shall allot, rent, or lease land, building, or space to that individual under Article-16 of the same act. That is, private sector may develop land parcels and act as an Anchor developer for proposed Economic zones in Bangladesh or act as Co-developers / Tenants on the proposed Economic zones, or acquire land. According to the provision in article 5(3) of the Bangladesh Economic Zone (Appointment of Developer, etc.) Rules, 2014, the tenure period in the	plots in the EPZs are leased or rented out on a First-come-First-Served basis depending on application in prescribed form to BEPZA. However, the industrial units are allowed to sell up to 10% of their product in the local market subject to the payment of duty and taxes as leviable to the industries located outside EPZs. But, this facility is not open for garment manufacturer but for those products which are not produced in the economy or usually imported will be allowed to be sold from EPZs. In EPZs, to private zone developers - such allotment, rent, or lease would be granted for 15 years whereas in the case of PPP projects the validity period is 50 years	different in each state. Rajasthan and Karnataka are especially based on public announcement and approximately 80% of the whole sections are on a bidding system. If there are more bids placed than the number of sections available, then it goes on a draw to decide the allotment. If there are not enough bids placed, then “First-come-First” system applies to the allotment. The rest of the 20% is for auction. Meanwhile, in the industrial parks exclusively for Japanese or Korean companies, they don’t utilize these methods. They negotiate the price by designating the section of their choices. Developed industrial park sites in Gujarat and MP don’t go through competitive bidding. But rather a “First-come-First” system applies after the announcement as to when sales begin. Unless the case of excess demands, the bidding method won’t be taken.	SEZ developers can set the duration of the lease in between 5-99 years.	IEAT, private businesses turn the land into industrial lots and sell them but IEAT manages and operates the park. In private industrial parks, they generally sell the land that already has the infrastructure built in the park, but they also provide the service mainly for small/medium business to rent factory space.	rights (30 year + extension of 20 years) is generally in practice, but development of factories for rent in each industrial park is becoming a familiar occurrence.	(maximum: 50 years) for industrial parks acquired from the Vietnamese Government is to be offered for sublease by signing a lease contract (memo). Recently the number of medium/small businesses coming in has been increased and custom-made factories for rent are being established.	any land, they sign a contract for long-term land lease (maximum: 50 years) with SEZ developers. The number of factories for rent is also increasing. (2001 land law)	but, the lease agreement of 50 years is common in Indonesia, Vietnam, and Cambodia, while there are some states in India providing lease terms of 99 years. Consequently, 50 years of tenure period at Bangladesh Economic Zone is not inferior to the applicable cases in Southeast Asia but similar standard as an attraction to investors.

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
case of an Economic Zone would be 30 years which can be extended if deemed appropriate by the authority.								

d. Infrastructure (off-site infrastructure development, on-site infrastructure)

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
Coordination with departments in relation to linked infrastructure / utility development	Although it is stated in Private Economic Zone Policy that construction of buildings including on-site infrastructure, transportation network and quarters of the workers are legal obligations of Zone Developers, there is no description stating about who will take care for assuring development of linked infrastructure/utilities . On the other hand, in Regulation 63 of Economic Zone Operational Regulations, 2012, it is stated that all construction or installation work, including any Infrastructure, on any Economic Zone Lands or any modifications to pre-built units on any Economic Zone Lands must be undertaken by an Economic Zone Enterprise or	BEPZA plays the role of facilitator in developing industrial linked infrastructure/utilities in the EPZs by any private parties. The responsibility for developing link infrastructure/utilities is of the respective units for which the industrial unit hires the service of contractor. BEPZA seeks assistance from related government agencies, and in accordance with the policy specified in the BEPZA Building Code, the required approvals for connecting those industrial infrastructure/utilities are given by BEPZA.	In an industrial park development by industrial development corporations of the state government, corresponding adjustment can be seen in some places such as by arranging posts from other departments for board members of industrial development corporations. For example, the Maharashtra Maritime Board (MMB), MSEDCL, MPCB are participating with the board members of the MIDC, and it is a system where reconciliations and consensus building at government policy levels can be conducted. On the other hand, there are states that do not arrange posts of other departments for board members of state government, industrial development corporations and adoption of a system where adjustments are devised with several	With the adjustments with other ministries and departments in the development of SEZs, Development Commissioners of the Deputy Secretary level shall be placed in charge (Article 12 (2) (c)). Also, the SEZ Authority organized so that the Development Commissioner is placed as the Chief Executive shall be responsible for resolving issues relating to infrastructure development and management within the SEZ. (Article 34) In the guideline relating to special economic zone development, temporal terms are provided and appropriate development support is given regarding the link infrastructure of special economic zones by the state government. However, as a legal basis, it is not that lateral discretions such as	Important matters such as linked infrastructure development are decided by the IEAT committee. However, the chairperson and members are selected by the cabinet, and the IEAT president is also considered as a member (Article 18). The responsibilities and authorities of the committee are land forming, sales, rental value, moving into housing estates, maintenance, and the creation of regulations that include internal human affairs and salaries apart from regulations of IEAT work (Article 23). If necessary a subcommittee can be established (Article 24). Also by approval of the cabinet the president is selected by the committee (Article 25). According to policies and regulations of the committee the president shall generalize the IEAT	It is stipulated that the Ministry of Commerce and Industry conducts coordination, such as linked infrastructure development (Presidential Decree No. 41 (1996) Article 3) It is stipulated in No. 230/ M/ SK/ 10/ 1993 as a technological standard of infrastructure in industrial parks and this includes roads, water disposal systems, waterworks, power supply, communication system, industrial waste disposal, wastewater disposal, street lights, and firefighting.	Industrial park developers must submit business plans of infrastructure development to the authorities and also submit documents regarding the necessity of development relating to linked infrastructure as well as requests towards the government. The government side is responsible for all dealings with pending problems relating to industrial park development (also linked infrastructure preparation) as not only the Ministry of Planning/ Investment, but also the Vietnam Board of Management of the IZ(s) are given authority by the Prime Minister, and they also have the role of adjusting with related ministries as well as departments (including local governments). Also board of management of local industrial parks is similarly appointed to	The Special Economic Zones Trouble Shooting Committee: SEZ TSC in the CDC is appointed with the responsibility of swiftly resolving all technological/ legal issues that occur in the process of special economic zone development as well as all matters that exceed the authorities of the Cambodia Special Economic Zone Committee and the Special Economic Zone Management Office by extending into several ministries and departments. Also, the SEZ TSC accepts complaints from special economic zone developers or investment corporations located within the special economic zone, and are responsible for finding solutions. The structure of the committee is as follows. 1) Chairman of the Council for the	In Thailand, IEAT is given the privilege of conducting development and operation of the industrial park, where all required coordination for services delivery and infrastructure facilities, even in private industrial park development projects, are given by IEAT. Whereas in Indonesia and Vietnam, representative focal institutions, which have a legal basis in bearing the obligation and mandate are deemed to support infrastructure development/utility services in collaboration with private zone developers through the Ministry of Commerce and Industry and Ministry of planning and investment respectively. In Bangladesh, the coordination role of linked infrastructure development is supposed to lie in

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
Economic Zone Resident in accordance with the Economic Zone construction and building guidelines issued by the BEZA or delegated to the Economic Zone developer / operator in consultation with all Competent Agencies pursuant to the applicable MOU.		departments in separate organizations that generalize all industrial infrastructure including industrial parks. In industrial development corporations of such states, the adjustment of linked infrastructure/ utility development that is a characteristic of industrial parks cannot be carried out alone by industrial development corporations, and there are many states where adjustments are not functioning in a coordinated manner (such as the state of Haryana, Karnataka, Tamil/ Nadu). With industrial park developments by private business operators, large amounts of time are required to receive approval from the state government/ central government and carrying out connections, especially for the establishment of junctions (junctions with nearby main roads/ preparation of surrounding access, power lines, water pipes, gas pipes, etc.) due to matters with infrastructure maintenance. With the development of linked infrastructure, it is said that MoU that is said to be a state service agreement is formed between the	where the central government or state government transfers authority to other ministries or departments towards the Development Commissioner/ SEZ Authority, and there is a limit with necessary measures.	secretariat (Article 28), and represent the IEAT towards third parties (Article 30). It is stipulated that along with the establishment of industrial parks the IEAT has the following public facilities as well as infrastructure facilities. Water supply to factories Maximum supply amount per day: total of 8,000 to 50,000 cubic meters Wastewater disposal Maximum disposal capacity per day: total of 8,000 to 40,000 cubic meters. Main roads The roads within industrial parks are made based on the standards of the industrial park public corporations of Thailand. The specifications of roads vary according to industrial parks; however, the widths are 16 to 18 meters with 2 to 4 lanes. Power supply The Thailand Province Electric Authority establishes high voltage substations in industrial parks, and a power system of three phases 22KV is directly connected to the lands within the		work on the resolving of pending issues with an industrial park development/ management in local regions.	Development of Cambodia (CDC) 2) Cabinet Council Minister member 3) Minister of Economy and Finance member 4) Minister of Commerce and Industry member 5) Minister of Land Management/ Urban Planning/ Construction member 6) Minister of Environment member 7) Minister of Industry and Mining/ Energy member 8) Minister of Public Works and Transport member 9) Minister of Labor and Vocational Training member 10) Deputy Secretary General of the Council for the Development of Cambodia 11) Deputy Secretary General of the Cambodia Special Economic Zone Board	BEZA, but tangible legal legislations governing the authority and responsibility of such role is not yet formulated. For assuring establishment of link infrastructure, clear legal description of the role of the Government (for power, road, water, pollution control and labor etc.) is essential and with such institutional design and set-up among difference jurisdictions, the style of industrial parks development becomes special. The significance of link infrastructure should be earmarked and role of BEZA to coordinate with relevant government departments and authorities should be clearly defined as an important instrument for smooth establishment of the Economic Zone.

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
		<p>state government and the establishment of connecting infrastructure as well as conclusive evidence such as construction approvals are secured from the government corporation. However the effectiveness varies.</p> <p>For the state government side, in the event a problem arises with an industrial park development/ management, first the Additional Chief Secretary/ Principal Secretary of the Department of Industrial Development will be in charge of solving the problem. However, with problems that exceed their authority (labor, environment, etc.), those problems will be taken up by the Conversion Committee if it is the state of AP, and on the committee where the PS or number 2 of other departments and agencies gather in the state of Tamil/ Nadu, as measures for resolution are mainly decided there. If an even more strong decision is necessary for resolving the problem, there is the measure where the resolution of the problem is taken up to the upper levels to the Chief Secretary and next to the Chief</p>		<p>industrial parks.</p> <p>Telecommunications</p> <p>The industrial parks in all of Thailand have a system that can provide services with landline phones, cellular phones, and the Internet communication.</p> <p>Provision of services through pipeline system</p> <p>In the Map Ta Phut industrial park, otherwise known as the Petrochemical Complex, there is the service of transporting raw materials as well as products through the pipeline system.</p> <p>Provision of high level factories</p> <p>The IEAT will cooperate with industrial parks and provide the sales of high level factories as well as leasing services in several industrial parks.</p> <p>Flood prevention system</p> <p>U-catch drains are to be used for the prevention of floods within industrial parks.</p> <p>Pipeline for natural gas</p> <p>In many industrial parks, natural gas pipes of the PPT company are laid in order to supply fuel necessary for the production process.</p>				

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
			Minister. Also with the infrastructure (On/ Off Site) related to industrial parks, a development support scheme referred to as the ASIDE from the central government (Ministry of Commerce and Industry) can be used, and if the purpose of the industrial park is beneficial to the export corporation it is perceived as a target of support. Similarly, a support scheme referred to as the Industrial Infrastructure Development Fund: IIDF is provided in the Department of Industry of the state of AP.						
Power supply	According to article 8(1a) of Bangladesh Private Economic Zone Policy, 2015 it is the responsibility of the license holder entrepreneur company to establish, develop, conduct, encourage and maintain the zone. Under the same article, the liberty of engaging a developer has been given to the entrepreneur company. In this case, according to article 25(a) of the same policy, the developer will be responsible for developing on-site infrastructure in the zone including	Out of the 8 (Eight) EPZs Chittagong, Dhaka, and Karnaphuli (Chittagong) have been connected with a private sector power generation plant. The same power generating company having a capacity of 100 MW power generation in each area can cater for the demand of these three EPZs. During the off peak hour of EPZs they (Generator) can supply their produce to National Power Grid. Besides, all the EPZs have 33/11 KV power sub-station with enough efficient distribution line. Moreover, industrial units are allowed to	By following the Electricity Rules 2005, the definition of a Captive Power Plant is that 51% of the electricity generated needs to be consumed by the ownership company or the companies that holds more than 26% shares, based on the electricity consumption rates of these organizations. Thus Captive Power Plant can sell the rest of 49% to any other third party (Open Access Consumer). However, it is either a Captive Power Plant or IPP; there are 4 types of charges for transmission and distribution. 1.	It is desirable to establish an independent power supply plant in each SEZ according to the guidelines regarding SEZ development, and it requests to establish its own power plant or a joint developer to establish one in SEZ. SEZ developers/managing businesses have been given the license to run power supply/water supply businesses (Deemed Distribution License) and they are allowed to sell electric power to the units in the industrial park, either for their own company use (Captive Consumer) or for sales	The Thailand Province Electric Authority (EGAT) establishes high voltage substations in industrial parks, and prepares a power supply system whose power system of three phases 22KV is directly connected to the lands within the industrial parks. Meanwhile the private IPP business is progressing by establishing their business in Thai industrial parks and is building their own power supply system.	Other than the distribution from Perusahaan Listrik Negara (PLN), each industrial park maintains the power station, the purpose of which is to make up for the shortage of power supply, power failure (blackout) from PLN and to help in supplying power. They also purchase electric power from the private power station (IPP) and try to supply steady power. Especially Bekasi, Cikarang, Karwang area are very popular with investors (enterprises) as they have established their own power supply	Although there is a difference in between the industrial parks, in regards to power situation nationally, the demand and the supply seem to be tight. The industrial parks are preparing for the case of power failure (blackout) by having their own power supply devices.	It is possible to establish their own power station in a Special Economic Zone and many of them already have done so, however, some of the power stations aren't in operation due to the lack of any Power purchase Agreement (PPA) with the government.	Industrial Parks in Southeast Asia, in particular Japanese IPs, attract investor's confidence by offering a stable power supply system with Independent Power Producer (IPP) installation at their parks. However, from the business side, when the IPP business focuses only on tenant investors in the Industrial Park, the business should embrace risk in scale and buyers. Hence most of the IPP business is based on a condition that the surplus power from IPP (the amount of power that exceeds the

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
infrastructure inside the zone, power generation, other utilities or services and residences for the workers. Establishment of a power sub-station with enough efficient distribution lines and a private sector power generation plant is permitted for industrial units. The industrial units are allowed to install Captive Power Generators as a backup for their production process also.	install Captive Power Generators as a backup for their production process.	Transmission charge: when using the transmission lines of the state transmission company, 2. Wheeling Charge: when using the distribution lines of the state distribution company, 3. Line Loss: partial loss of electricity while distribution, 4. Cross Subsidy Surcharge: when not Captive use. The chargeable amount is set for 1, 2, and 4 by the State Electricity Regulatory Commission. Regarding 4, Commercial/industrial power charge goes as a tax set for the purpose to allot a subsidy for low-income residences' power supply. Regarding power supply, members of private businesses need to invest if they are with Captive. Even if they are with IPP, they need to pay a large burden as a Cross Subsidy Surcharge, currently Rs.1/kWh, to the state power distribution company. Thus, this is not the optimal option. Some of the private businesses are considering a scheme to apply Bulk Supply Arrangements in regards to power distribution, so that the Zone Management Company can purchase	purposes to third parties, by following the Tariff of State Electricity Regulatory Commission.		systems.			demand in the IP) should be able to sell externally to power distribution companies in the region and ensure the economy of the business through a reasonable power purchase agreement with the power distribution companies.

Bangladesh Economic Zone		Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
			a large amount of power from the state distribution company and distribute the power to the companies at the industrial park. To make this happen, some businesses are negotiating with the State Electricity Regulatory Commission.						
Electric Power Procurement Method	Entrepreneurs may apply either directly to the concerned authority for obtaining utility services or approach BEZA for assistance along with copy of registration/sanction letter, as Utility Service Cell is especially responsible within BOI to help investors in obtaining necessary utility services. In the zones, the power and gas distribution lines are developed by concerned authorities. The zone authority shall collect the tariff and service fee and make the payment to the concerned authority. As mentioned previously, in Private Economic Zones it is the responsibility of the developer if assigned by the entrepreneur company to arrange utility facilities for the industrial units.	Since BEPZA is the Developer of all the EPZs, they have the responsibility to procure bulk power either from private power producer or National power grid. The industrial units of EPZs shall apply to EPZ management for sanctioning required load. All the industrial units will have to follow the guidelines/ instructions of EPZ Building Code before installing electric installations/devices.	The electricity provided from state government is of poor quality. Based on this, Japanese-affiliated companies are expanding in each area in India, planning for production systems which include private electric generator facilities. It is rare to find companies that depend only on the power supply provided by Industrial Parks. As for large-scale assembly factories, they supply part of their electric power from private electric generators inside their factories supplemented by the neighboring large factories (subcontract company). Meanwhile, in the state of Gujarat where electric power development is progressing, it's common to purchase power from the State Electricity Board. Electric power procurement conditions vary by state.	Each Special Zone is different. There are private special zone projects that supply from their own power generation projects. As an electric power procurement method, power supplied by electric companies comprises the majority.	Although power outages and instantaneous power failures do happen in Industrial Parks, it is rare and an unproblematic level for operation. Only a few companies set up private electric generators since planned power outages for maintenance are notified suitably in advance.	Most of the main Industrial Parks adopt a Premium Service (variable rate within the range that does not exceed other private electric companies' rates) which provides a preferential power supply service by a government-owned electricity company (PLN). Issues in regards to power outages or instantaneous power failure are not reported often from companies that are expanding. However, as a whole industrial division over all, serious shortages of electric power are becoming apparent and this is leading to a growing concern about the effect of power shortages on the Industrial Park in the near future. Some private Industrial Parks have their power supply backed by both public companies and IPP in order to cope with limited power supplies.	The electricity rate of Vietnam is outstandingly low-priced relative to major Asian countries. While the companies that are expanding can take advantage of the cheap power costs, the downside to depending on hydroelectric power generation is leading to a great concern about an unstable power supply. Also, due to an order to reduce the peak load of electricity from the electric company, installing emergency private electric generators became essential in each factory. Peak demand was causing the malfunction of the transformer which led to frequent power outages.	The electricity rate in the city is 13 - 25 cents / kwh, which is fairly expensive compared to neighboring countries. Construction of Power Plants and regional power grid systems led by private capital and the Asian Development Bank (ADB) are being implemented. The expected power increments amount shall be 3,500MW (7 times more) by 2020; expansion of a power line shall be 2,362km (7 times more) compared to 323km in 2008 is planned. In regards to power outages in the central part of Phnom Penh city, instantaneous power failures occur a few times a month on a random basis.	Unlike Southeast Asian countries, captive power plants (including power backups) in Industrial Parks do not commonly exist in Bangladesh. This situation seems to come from the result of measures for IPP private operators to reduce their business risk, and for the regulatory authority on industrial zone not to hold duties and authority for development and delivery of power to investors as a clear mandate. While zone developers for Economic Zones are deemed to have the duty to set up required infrastructure, BEZA, as a regulatory authority, should have good legal bases and internal institutional organization to coordinate among relevant government departments and authorities for assurance of their development and

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
Water supply	According to article 43(2), the authority will formulate necessary act or roles on issues like Environmental Impact Assessment, activities related to Environmental Clearance, effluent and industrial waste treatment and others in cooperation with Ministry of Environment and Forest of the Government of Bangladesh. A guideline regarding industrial water source development in Economic Zone is yet to be developed. Therefore, for Private Zone development, following current practice in the EPZs regarding the Water Treatment Plants may give an indication on the issue in question. However, under Section 12 of the Bangladesh Environment Conservation Act 1995 (ECA 1995) no industrial unit or project can be established or undertaken without obtaining an Environmental Clearance Certificate (ECC) from the DOE. In case of establishing	Out of the 8 (eight) EPZs two EPZs of Chittagong have Reverse Osmosis method water treatment plants. These two plants are run by private sector operations. They were established as a service oriented industry. Water for Mongla EPZ is being carried out by piping from far reaching areas. It was organized and constructed by the Department of Public Health Engineering (DPHE) on deposit work basis funded by BEPZA. Other Zones are tapping underground water with treatment facility installed by private sector operations.	Water supply for the industrial parks in India is mainly to be provided by a state industrial development corporation. The limit has been set for using groundwater (200t/a day or more) in Rajasthan and any industry, requiring huge amounts of water, is not allowed to be invited newly.	The guideline regarding Special economic zone development, says that it is required to have a sufficient water supply, to preserve water sources, and to run a system that water recycling is taken into consideration.	There are slight differences between industrial parks, but there is a standard for water supply limit, 8-10 tons/1600 m3 a day. However, recently some of the parks have been offering “No limit of water supply” and some others are offering to supply steam/natural gas.	Establishing its own water supply plant in the industrial park and providing the industrial water service for the companies there is the water supply system mainly in use.	Other than water supply companies in the area are providing water for industrial parks, they have their own water supply services. Also, there is a system that a joint venture of the government and the people is providing the service to the companies in the industrial park.	SEZ Management Company has its own water supply system and provides industrial water. There is no significant difference between the water supply system of the industrial park operations in Southeast and South Asia, except in some industrial zones in India, the industries that use a large volume of water resources are not allowed for entry into the zone. Moreover there is a global tread to make imposition of recycling industrial water in industrial zone/parks. Water recycling is also encouraged through green technology in Bangladesh, yet a practical monitoring system needs to be installed with regulations.

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
	industrial units in DTA , the entrepreneurs shall collect an Environmental Clearance Certificate (ECC) from the Department of Environment, Ministry of Environment, Bangladesh. For this, the entrepreneur shall apply in prescribed form with the relevant documents as mentioned in the Environment Conservation Rules, 1997. As a part of the EIA of the industrial unit, the entrepreneur shall submit the layout plan including details regarding industrial water treatment plant, drainage & sewerage system, water supply and pump house and others for EEC from Department of Environment (DOE).								
Industrial Water Securing Method	There is no guideline regarding industrial water securing methods that can be used or standards that should be followed in establishing water securing techniques. However, current practices in the EPZs can be followed for an understanding on the industrial water securing methods used in the zones of Bangladesh.	Industrial water is being secured in EPZs through different means. In sea side zones Industrial water is secured in three different ways <ul style="list-style-type: none"> - Water is carried out by the public Water and Sewage Authority - Transporting water from sweet water areas - Treating saline water through a Reverse 	Water supply is basically secured from public corporations.	Water supplied by public corporations is common.	Water supplied by water corporations and Industrial Parks management companies are common.	Water supplied by Industrial Parks management companies is common.	Water supplied by water corporations and Industrial Parks management companies are common.	Water supplied by Economic Special Zone management companies is common.	Industrial water supply system is not seen as a major difference between Bangladesh and Southeast Asia. But the privatization of the water supply project is advancing in Southeast Asia.

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
		<p>Osmosis Process (ROP)</p> <p>Supply of water to all other Zones is made through extraction of underground water after treating with de-ironized plant. In Adamjee and Comilla EPZ BEPZA extract the water and in other EPZ private sector extracts and supply water to the tenants.</p>							
Sewage treatment	<p>There is no specific guideline regarding these issues also. All environmental issues related to industrialization in Bangladesh are dealt with under the Bangladesh Environment Conservation Act, 1995 following the rules mentioned in the Environment Conservation Rules, 1997. According to article 33 of the Bangladesh Economic Zone Act 2010, however, the authority, economic zone developers, industrial units established in economic zones, financial and business institutions shall be bound to comply with international commitments recognized by the Government of Bangladesh including compliance to all</p>	<p>It is mandatory for all the unit investors of EPZs to set up a sewage treatment system. However, there is no such case where BEPZA is operating common sewage treatment.</p>	<p>It depends on the industrial parks whether they have established a sewage treatment plant (STP), the main purpose of which is to treat wastewater. The accepted standard is PH (6.0-8.5), SS/suspended solids (200 mg/l), BOD (250 mg/l). Some of the industrial parks have set a severe standard on the premise of treating flushed toilet waste.</p>	<p>According to the guidelines for SEZ development, it requires the establishment of its own sewage treatment plant in any SEZ.</p>	<p>The Department of Industrial Works (DIW) under the Ministry of Industry has the authority to grant permission/approval by following the Factories Act 1992, in regard to regulations for wastewater and air pollution in the process of factory establishment, management approval, and factory operations. However IEAT has established its own regulations to manage wastewater in the industrial park, which manages and operates, and also provides its own wastewater treatment service.</p>	<p>By following government regulations regarding the industrial parks, the industrial park management company is required to run the park by taking the environment into consideration.</p>	<p>The effluent guidelines for environmental standards and a specified industrial pollution regulation are in Vietnam Standards (TCVN), which were regulated in 1995 and are almost 10 of those. There, a regulation of effluent standard (TCVN5945-1995) is in effect as an environmental standard indicating the desirable level of wastewater.</p>	<p>According to the Special Economic Zone Article 3 of the Cabinet Order, "the Establishment of Special Economic Zones," a wastewater treatment plant needs to be developed by the SEZ management company.</p>	<p>It is found that the concept of wastewater is somewhat different between Southeast Asia and South Asia in that sewage (domestic wastewater) and effluent (industrial wastewater) are clearly defined separately. There is a separate regulatory framework for the industrial wastewater and domestic wastewater, and the system design for treatment is also made assuming that the treatment is going to be individually processed. At present it is extremely rare that a domestic wastewater treatment plant (centralized processing facility) is available in a Bangladesh industrial zone, and, it is rather common for individual units/companies to install their own treatment plants at their premises and process treatment by their own in accord with</p>

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
	existing laws on the environment and environmental protection.								regulations.
Effluent treatment	For ECC falling in the Orange–A Category shall submit effluent discharge arrangement and industry/projects of Orange–B Category shall submit Layout Plan (showing location of Effluent Treatment Plant), design of the Effluent Treatment Plant and information about the effectiveness of the ETP of the unit or project (applicable only for an existing industrial unit or project) and others. Red Category industries/projects will submit design and information about the effectiveness of the Effluent Treatment Plan of the unit or project (applicable only for an existing industrial unit or project) and another in addition to the documents required for another category. Such provision is applicable for all types of projects including private zones, hi-tech parks and industrial units.	It is compulsory for all industrial units in EPZs to install Effluent Treatment Plant (ETP) by their own. Over and above, Central Effluent Treatment Plant (CETP) has been installed in Dhaka, Chittagong and Comilla EPZs to treat industrial waste water. The CETP is being operated by the private sector as a service oriented industry.	There is a concept and a group of businesses of an integrated effluent treatment facility called “Common Effluent Treatment Plant (CETP) in India. This is the development concept and establishment which only applies to Small scale industry. Although Inlet Effluent Standard is regulated by the Central Pollution Control Board, the basic policy is to treat wastewater individually for medium/large scale companies. When the company needs “Consent to establish” and “Consent to Operate” approvals from the State Pollution Control Board in advance to build a factory and to operate the factory, they won’t be issued unless the company’s effluent treatment system and the method of sewage treatment are confirmed. Also, it depends on the state or the industrial area, but many of them have a system that doesn’t allow wastewater to be discharged into a river or the ocean, or anywhere outside the	No particular regulation to distinguish from sewage, but it’s understood that it requires the developers to establish an effluent treatment facility in SEZ.	IEAT has no regulation in particular to separate sewage from effluent. It doesn’t require installation of the individual pipes, but asks for each business to install drains connecting to the common drain, sending waste water from the industrial activities of the central effluent treatment facility in the industrial park. Because of that, the effluent water from the factory is treated before discharging it into the public water system to prevent pollution. At the same time the business can save the building cost of its own effluent treatment facility.	In accordance with the Regulation Regarding Industrial Parks No. 24/2009, all industrial parks need to establish integrated effluent treatment facilities. Although the effluent from each factory is required to be treated to a certain standard, the integrated effluent treatment facility treats properly to nationally required effluent standards and the treated water is discharged into a river etc. at the end.	By the decision of the prime minister (2006/Decision No.1107/DQ-TTG) the importance of establishing the effluent treatment infrastructure has been announced, though many industrial parks (except for Japanese asset etc.) have no effluent treatment facilities or the facility has been established, but the treatment is not good enough and the wastewater not meeting water quality standard is discharged into a river and the ocean. Some cases are causing severe water pollution. To expand industrial parking lots, a condition has been decided that the effluent treatment facility must be completed. The regulation regarding establishment of an effluent treatment facility has been emphasized.	According to the Special Economic Zone Article 3 of the Cabinet Order, "the Establishment of Special Economic Zones," Effluent treatment plant needs to be developed by the SEZ management company.	In Thailand, Indonesia, Vietnam, and Cambodia, it has become a standard for an IP to equip a site with a communal industrial wastewater treatment plant from the outset of the development. The availability of a treatment plant that accepts both domestic and industrial wastewater after initial treatment at the plant is also the first and most important condition for units/companies to consider investment in the IP now. The current situation in Bangladesh illustrates that, in the EPZ developed by the BEPZA, there are only a few EPZs that have industrial wastewater treatment facilities, and then otherwise individual companies have their own treatment facilities provided the company has enough space and expertise. If Bangladesh intends to install a captive Central Effluent Treatment Plant (CETP) in the future, Economic Zone is the ideal site for setting up such a utility that enables wastewater treatment on the

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
		<p>factory. Thus the company must plan to establish a factory on the premise of having its own wastewater treatment facility.</p> <p>Fully 50% of the development cost comes from the central government (MoEF), and 20% comes from the State government of Industry, 5% from the Pollution control board and the rest of the donation from the association of enterprises as the development support policy of CETP. The standard model is to be run by the Industrial Association itself or by their designated business. In each state, CETP, for solo industry, is progressing to some extent. However CETP development is very limited in industrial parks.</p> <p>To promote the introduction of the latest technology, there is a support scheme called the National Clean Energy Fund from the central government. Also, there is a system called Water (Prevention & Control of Pollution) Cess Act 1977, which is set to enable private companies to maintain the wastewater standard but is tied together with a</p>						<p>assumption that industrial wastewater from unspecified industries can be treated collectively in accordance with the specified inlet standard, and CEPT, in such a development scheme, can maintain a release outlet in compliance with the provisions of the outlet standard, which should be stipulated by a competent authority like MoEF.</p>

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
			favorable policy in taxation. This provides the system for the state government to rebate Cess if the company maintains the standard for one month. However, the examination is very severe and it is mainly the case that the standard isn't maintained by several points and receives no rebate payment actually.						
Sewage/effluent treatment method	There is no guideline on this issue also. As inferred in article 33 of the Bangladesh Economic Zone Act 2010, like the industrial units in DTA economic zones are also bound to comply with international commitments recognized by the Government of Bangladesh and all existing laws on environment and environmental protection. As mentioned in the Environment Conservation Rules, 1997 for ECC industry/projects of Orange-B and Red Category shall submit layout plan.	The EPZs of BEPZA are designed with proper drainage systems since inception. The system was designed on the basis of estimated water/waste water disposal load. Moreover, average rainfall of particular zone location was also considered in designing drainage width and depth.	There is a provision that prescribes that companies must establish their treatment facilities and not discharge wastewater from households and industrial wastewater from the industrial wastewater treatment process, outside the factory. As a result, companies plan the production facilities that are designed to reuse wastewater in the factory as much as possible.	Treated within Special Economic Zones or company's own factories.	The basic drainage system for wastewater treatment that includes additive is to conduct an organic treatment at a central treatment plant in Industrial Parks upon two treatments implemented at each factory.	The central wastewater treatment plant established in Industrial Parks intake wastewater that has been treated once or twice as necessary, at each factories to process until it meets the wastewater discharge standard set by a country to finally discharge.	In order to become a tenant in Industrial Parks which have a central wastewater treatment facility with a biological treatment, each factory shall be enforced with a lenient numerical valued (normally class C level of industrial wastewater standards) standard compared to industrial wastewater standards for first treatment as BOD, COD and suspended substances shall be treated at central treatment facilities in Parks. However, normal industrial wastewater standards for applicable classes shall be applied to heavy metals and other harmful substances that are untreatable at a central wastewater treatment facility.	Industrial wastewater shall be transferred to wastewater treatment facilities established in Special Economic Zones to implement wastewater treatment.	Common wastewater treatment facilities capable of processing both domestic wastewater and industrial wastewater simultaneously are available in the IPs of Southeast Asia. Each individual unit/company does not need to install independent treatment facilities, otherwise individual companies must treat initial wastewater before discharging into common sewage treatment plants in line with regulatory standards specified by zone developers. In this regard, there is a difference in the system design for wastewater treatment between Bangladesh and Southeast Asia. In order to introduce such a system, as an Economic Zone

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication	
								developer's businesses, the installation of a common sewage/effluent treatment plant should become compulsory, and the provision of wastewater treatment services to the tenant companies is deemed necessary.	
Industrial waste disposal	Existing laws on environment and environmental protection related to this issue shall be followed in establishing an Economic Zone in Bangladesh. Standards for Waste from Industrial Units or Projects waste are specified in details in SCHEDULE-10 of the Environment Conservation Rules, 1997 of Bangladesh.	At present there is no Incinerator for destroying solid waste in all the EPZs as there is no scope since the EPZs are already filled-in by tenants. Considering the commercial value of solid waste, the government or the Customs Authority has allowed Industrial Units to sell their solid waste outside EPZs.	The Central Pollution Control Board and The State Pollution Control Board are the competent authorities in regard to Industrial waste disposal. Regarding disposal of the industrial waste from industrial parks, a development scheme similar to SCTP can't be used for the development of common infrastructure such as landfill sites or incinerators. However the Central Government has a support scheme to a certain extent as a subsidy (Grant), which was 25% of the cost in the past, but it seems to have changed now. An industrial waste disposal facility is developed and managed by a joint business of the government and the people in each state, although there is a case that the industrial wastes need to be transported far away as there is no disposal	According to the guidelines regarding SEZs, to the SEZ must have a storage space for all industrial wastes inside the SEZ and to designate a landfill disposal facility outside the SEZ.	Usually the Ministry of Industry, DIW, grants a permit for disposal and selects the manifest system, standards of harmful industrial waste, and non-harmful industrial waste comprise the industrial waste category. However, the industrial parks operated by IEAT have their own harmful industrial waste control regulations. General wastes and harmful industrial wastes from the industrial parks are either landfilled or incinerated by a private waste management company or GENCO (General Environment Conservation Public Company), a joint waste management specialist of the Ministry of Industry and IEAT. The wastes produced, and no longer needed, at the EPZ can be disposed outside the EPZ, without the need to pay any duties.	By establishing the transfer stations where they can collect the industrial wastes in the industrial parks, some private companies provide the industrial waste transport services to the final disposal facilities, but currently most of the companies which produce harmful substances are treating and storing industrial wastes inside their companies.	By the order of the prime minister (Directive No.23/2005/CT-TTG) regarding promotion to control Solid wastes from the central urban area and the industrial parks, the roles of the central ministries and the peoples' committees in states are regulated to control the wastes. It is necessary to develop the industrial waste disposal facilities in the industrial parks by the order of the Prime Minister (2006/Decision No.1107/DG-TTG), and solid wastes are separated into 3 categories, general waste (household waste), harmful waste and recyclable waste. In general, general waste is collected by a truck from the government owned disposal business through a contract, which was signed by the waste producer and the government owned	According to the Special Economic Zone Article 3 of the Cabinet Order, "the Establishment of Special Economic Zones", industrial waste disposal facility needs to be developed by the SEZ management company.	The processing scheme of industrial waste in the IP does not differ between South and Southeast Asia. But the location of the industrial waste treatment plant is not in conjunction with the IP development by region in Bangladesh. Consequently, it seems that business planning and systems design are often required in advance for factory investment.

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
		facility in the adjacent area.				<p>disposal business.</p> <p>A harmful waste producer needs to use a solid waste disposal service provided by an organization that has a license to collect harmful wastes.</p> <p>“The targets by 2010 and the visions toward 2020 regarding environmental conservation” decided in 2003 were listed as targets to introduce the integrated waste disposal system in 70% of industrial parks and export processing zones.</p> <p>As for the standards, and the laws and regulations, they exist by the unit of each state and each industrial park.</p>		

e. Various business approvals and licenses (investment license to the tenant companies, licensing from other ministries and agencies)

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
Zone Development approval	BEZA Act has provision for BEZA may appoint private economic zone developers in a prescribed manner for developing Economic Zones. As per the provisions in Article-4 in the Bangladesh Private Economic Zone Policy, 2014, the applicants for establishment and development of a	BEPZA must get initial approval of setting up an EPZ from BEPZA Board of Governors. After getting administrative approval, BEPZA must prepare Development Project Pro-forma (DPP) and submit it to the Planning Commission of the Government through Administrative Ministry. The DPP should contain the	Industrial park development by industrial development corporations of the state are given the permission for example to assemble developable land a, power lines, water pipes, and access roads as authority relating to industrial park development in accordance with state laws that are substantiations of the	Development business operators must submit a proposal of the SEZ establishment to the development commissioner. Then a decision will be made regarding a development permit by the Board of Approval of the central government, and then the area of the SEZ will be notified. With the acquisition of the SEZ clearance	With development approvals there are those from the IEAT and the BOI. Private operators who intend to establish industrial parks by joint management with the IEAT must submit application documents and attached documents to the IEAT, and receive inspection from the IEAT. If the proposal is	In accordance with the amendment by the Procedure of Issuing Industrial Estate. Expansion Permits, 2014, depending on the administrative district range, the permits required for industrial estate development may be granted through either the mayor, the governor, or the Ministry of	The industrial park development business operator must first receive approval regarding the development plan, and then they are able to conduct business services in accordance with the given license and company regulations (Article 9/ No. 192/ CP). In the event of a delay with the development plan, the extension of the	Developers must apply for special economic zone development to the "Cambodia Special Economic Zone Board: CSEZB" and also apply for a Qualified Investment Project: QIP). The application fee is 1,700 U.S. Dollars, and the CSEZB shall reply with the approval to the developer within 28 days. After receiving	In Southeast Asia, the structural reform is well advanced, and the organization to provide development approval is specified as the authorized focal point of industrial park development. This is based on the rules, procedures, and conditions predetermined in relation to the required infrastructure/services that are necessary for

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
Private Economic Zone and operation, maintenance and promotion of such Zone is deemed to submit first stage and second stage application in order to obtain Private Economic Zone License. The Licensee authorize to commence all approved activities including development, operation and maintenance of the Private Economic Zone. Once the license is issued under Sub-Article (3) of the Policy, the Authority and the Licensee shall sign the Private Economic Zone Developer and Operator Agreement.	quantum of land, price of land, location and Master Plan of the land, area of road, drains, administrative and support building etc. along with estimated cost of zone development. The Planning commission after detailed scrutiny passes on the document to the Executive Committee of National Economic Council (ECNEC), which is the highest authority headed by the Hon'ble Prime Minister usually gives approval of the Government funded development project, for final approval	establishment of industrial development corporations regulated by each state. On the other hand, other competent authorities exist within the state government or as corporations for power source development/ supply, water resource development/ supply, and water treatment facility management, and there are many cases where they do not fall within the jurisdiction of the authority to give permission of industrial development corporations. As major jurisdictions of the central government there is authorization relating to customs and national road access, and authorizations relating to the environment are those from central and state organizations. Thus, separate licenses are required depending on the project.	from the board, it is necessary to receive permission to establish a company from the Ministry of Corporate Affairs and its approval (Ministry of Finance). Also, approval relating to land utilization plan from the EIA clearance and Directorate Of Town & Country Planning, and permit for Land Ceiling Exemption (from the Revenue Dept.), water (from the Irrigation Dept.), and electricity (state power supply company) must be separately received. According to the SEZ (Amendment) Rule 2013, the minimum development land area as an SEZ is 500ha for multi-product SEZ. Sector specific SEZ is possible from 50ha, and in the case of coastal SEZ a minimum space of 100 acres/ 40ha is required. Development business operators must develop the minimum development land area within 10 years after receiving issuance from the SEZ clearance, and within 5 years 50% of the development must be completed. While it depends on the development approval, in the case of an official approval, a	approved as a result of the discussion by the IEAT committee, contact will be made to the group that will jointly manage or related government organization, and the contract of joint management will be made in either one of the following formats. (1) The IEAT will provide services of public facilities or infrastructure facility and services of other facilities. (2) Development business operators of the industrial park will provide services of public facilities or infrastructure facilities and other services. After signing the contract for joint management with IEAT, the IEAT will declare the area of the industrial park as a common industrial district or an IEAT free zone through notification of the IEAT committee. The development business operator must submit the application document for construction approval of public facilities as well as infrastructure facilities along with other attached documents to the general affairs section of the business service division of the	Industry Minister, and these licensing business can be offered through OSS, as such authority can be delegated even to the BKPM. In the case of business development by a foreign company, the development business operator must obtain a principle approval in prior to In principle approval from the Ministry of Commerce and Industry Within 2 years from the issuing of the approval, the acquisition of land, land use planning, development of land, environmental impact evaluation, development of related infrastructure/ utility, establishment of industrial park regulation, and the establishment of a management company must be carried out. An industrial park permit will be issued when these are fulfilled. An extension of 2 years is also possible if there is a valid reason. The minimum approval standard regarding the area of land is 50ha (Government Regulation Regarding Industrial Parks Article 10). In the case of industrial park development for small and medium size companies it is 5ha	development term limit to an appropriate term must be applied for 30 days beforehand. If this is neglected the requisition of an undeveloped land will be received. The approval process related to industrial park development is stipulated that it depends on the investment method. However, in the case that the park development is in accordance with the master plan, the provincial people's committee does not require confirmation by the Prime Minister for the development approval and can advance approval work (In the case of an economic zone: EZ, the Planning and Investment Ministry advances the approval work, and the Prime Minister makes the decision). If it is not in accordance, the provincial people's committee conducts selection of whether to include both industrial parks and EZ in the master plan. Then all examination materials will be submitted to the Planning and Investment Ministry and the Prime Minister makes the final decision. The developers of the	approval from the CSEZB, the developer shall create a detailed project plan within 180 days. After receiving the detailed project plan from the developer, the CSEZB will obtain approval from the relevant ministries on behalf of the developers within 100 days. Then the CSEZB shall issue the final registration certificate to the developer, and the approval as a special economic zone is completed.	an industrial park. These organizations are established as the empowered bodies to perform competent approval and licensing in charge of industrial park development and operation. The development approval of land in the industrial park for the purpose of investment promotion and sales of land is facilitated in Thailand, Indonesia, Vietnam, and Cambodia, through efficient licensing systems focused on how speedy/how efficiently the development period can be minimized. Also it can be highlighted that there is a unique feature in those countries, making it possible by preparing basic information provision to private developers through guidelines and various infrastructure standards. In Bangladesh, although licensing system is defined as a rule, practical competence of such licensing agency needs to be assessed as a future issue.

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication	
			company located within the area of at least one corporation must begin production within 3 years, and the need to begin operation of the SEZ is stipulated (Special Economic Zone Regulation No. 5, Article 6).	development business operator of the IEAT/ in charge of the jointly managed industrial park. The IEAT will conduct an inspection of the blueprint for the construction of the public facility and infrastructure facility, and notify all constituent parties of the inspection result. The joint operator must prove possession of the land at the stage of application.	(Article 10 of the same regulation). It is also necessary to obtain approval of the location from the district government (either the Regent/ Governor/ Head of National Land Agency according to the location).	industrial park will follow the Decree 153/ 2007/ ND-CP (2007) relating to enforcement of the Real Estate Law stipulated by the Ministry of Construction, and are required to cover at least over 20% of the total investment for the relevant project with their own contribution. Also, for the approval, this Decree states the guarantee of support, as well as the obligation and fulfillment of the rights of the developer for the realization of the relevant project by the concerned department. The organization in charge is regarding the procedures relating to the approval of the project is specified as the provincial people's committee, and it is also specified as the advisory body for Prime Minister matters.			
Conditions for Tenancy	In accordance with the BEZA Act, 2010, the BEZA may, from time to time, determine the category of industrial and commercial organizations established in an economic zone with a view to providing with benefits (Article 9). Industries to be established in an	As per the provisions of the BEPZA Act, 1980 and relevant circulars an Investor will be given lease of land for 30 years and/or factory space for an agreed period for the purpose of manufacturing operation and /or service oriented industry under certain terms and conditions.	Depends on the Industrial Parks. Some places set regulations that prohibit industries that generate industrial waste and factories that use large amounts of industrial water.	Regarding a block as five years from the start of production, companies in Special Economic Zones (SEZ), Software Technology Parks (STP), Electronics Hardware Technology Park, Biotechnology Park (BTP) and 100% Export Oriented Units (EOU) are obligated to operate profitably over	It is required that the FOB export value must reach 40% of yearly sales to become a tenant in an EPZ. (revised in B.E. 2538 (1995))	For Bonded Zones, there used to be a rule to allow the companies for domestic sales of 50%, but in accordance with Form No. 147 of the Ministry of Finance stipulation dated Sep 6, 2011; the domestic selling limit was reduced down to 25% after the renewal of the bonded license on or after 2012.	Regardless of capital investment by foreign or domestic sources, under the Common Investment Law and Enterprise Law enforced on July 1, 2006, Investment Encouraged fields and companies that are going into Investment Encouraged areas shall receive preferential treatment.	There are also places in private special zones where Industries with high contamination levels, such as plating processing or dyeing industries are not allowed to become tenants.	As a condition for entry into the Industrial Park, most of all units/companies, except the industries enlisted in the negative list, are expected to be allowed for the entry to the Industrial parks. Although there are restrictions for the industries which consume large volume of industrial water or

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
	economic zone is set any sector such as agricultural farms, service-oriented organizations, etc. including small and cottage industry, except the sectors identified as reserved industries in the exiting industrial policy of the Government (Article 15). For entry to the Economic Zone for conducting authorized Economic Zone activities such as an “Industrial Unit,” a private Enterprise needs to obtain an Economic Zone User License from either BEZA, the Economic Zone Operator or the Economic Zone Developer / Operator.	There are no written mandatory conditions but there are some unwritten conditions like 180 laborers per plot and \$2.5 million of initial investment (Tenancy Agreement between BEPZA and the Investor).		the course of the block. Selling to Domestic Tariff Areas (DTA) is allowed as long as import custom duties, etc., are paid by DTA. However, in accordance with foreign trade policies from 2009-2014, for companies in STP, EHTP, BTP as well as EOU shall be applied for selling a limit of 50% max of the total export value based on the FOB price. Moreover, selling cars, alcoholic drinks, books, tea, or other particular items to DTA is not permitted.		However, the application was postponed until 2014 due to a persistent argument against this rule.	They are also required to use the land within 2 years.		release effluent discharge, there is little difference in its conditions for tenancy to the Industrial parks. Yet for the EPZs, cases can be seen like the balance of import and export amount needs to be positive as a condition of tenancy. For SEZ, where the foreign manufacturing industry can sell finished products to a certain extent even to the domestic market of the host country, since many manufacturers has started to consider a domestic market in Bangladesh as their key market, entry conditions for Economic Zones should match with the demand of investors that aim to advance into the Bangladesh market.
Lease / Resale Possibility	Economic Zone License cannot be sold to any third party unless otherwise approved by the BEZA. (On the other hand, Economic Zone User License can be transferred to any third party, including through a sub-leasing arrangement, if such third party agreed to undertake the same commitments set out in such Economic Zone User License. However as a right of	The plots in the EPZs are leased or rented out on a First-come-First-Served basis depending on application in a prescribed form to BEPZA. No sub-lease of industrial plots in the zones is allowed but company shares may be sold to other third parties with prior consent from the authority.	As for resale, provisions vary in each state. In the State of Maharashtra, resale for industrial sites is not allowed for companies that are expanding unless 5 years has passed since the date of the lease contract and operation has begun. As for Industrial Parks operated by private companies, tenant company lease rights and factory resale based on market value are acceptable on the condition that the	Resale of lease sections in SEZs to a third party shall be acceptable, on condition that the buyers must possess an operation permit in SEZ (Letter Of Approval) by the Development Commissioner. Resale price must match the price for which it was bought. Approval from the SEZ Authority is required in order to resell. As for resale of the SEZ land by private	Tenant shall be able to sublease or transfer their lease to a third party as long as there are no other conditions prescribed in the lease contract. In the event of discontinuing or transferring the business by the foreign industrial company or exporter, they ought to sell the land that was approved to own and property associated with the land to a public corporation or person within 3 years;	Selling or transferring the Right to Build is acceptable. Also, the Right to Lease shall be provided in accordance with the agreement between the parties concerned, since there are no provisions on lease terms and transferability stated in Indonesian Laws.	Foreign-owned companies may use the Land Use Rights (or assets on land) in order to transfer, sublease and use assets on land as collateral (or as security) to trusted agencies. However, onetime payment of the lease fee for the entire period of the lease term in advance is essential if land is on a lease contract. Moreover, in regards to facilities for non-residential purposes such as office use or	As a general principle, resale shall be acceptable by changing the name on the Long-term lease certificate. However, sometimes conditions in regards to this shall be prescribed on its contract (are restriction, etc.). Reporting to CDC in advance is necessary.	In Bangladesh, the transfer/resale of the industrial land for EPZ use is strictly regulated. In practice, it is nearly impossible for a company to resell or transfer the land title to a third party. However, the land property of the Economic Zone developed by the private sector can be resold or transferred to the third party as long as such transaction was permitted by the regulatory authority as it is stipulated in

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
Developers, Developers can transfer Private Economic Zone land and other assets on a leasehold or freehold basis by sub-lease arrangement or by receiving money payable for such transfer or collection of rental fees (Article 24 (1), Private Economic Zone Policy, 2014). As per the current banking practice of the country, leased property can be mortgaged to Banks if the lease agreement allows for it. But even if the lease agreement allows for it, in case of private property approval from the owner, and in case of government property, a No Objection Certificate (NOC) from the concerned government body must be received. However, Bangladesh Banks do not have any regulation regarding this issue and there is no indication in the Economic Zone law, policy and roles on the revaluation of land (collateral/mortgage for a loan) in Economic Zones. That means, if the lease agreement allows for it, the land		developers shall come in to handle the transaction, become a primary negotiator, and monitor the entire negotiation. Transfer Charge shall be applied in regards to formation of the sales contract. Note that foreign companies shall not be allowed to resale a site and real estate or purchase them for lease purposes through their subsidiary or branches in India.	enterprise, provision shall be established so that tenant companies shall be able to resale the land lease right (applies both SEZ/DTA) to a third party after 2 years. Business developers shall be the primary negotiator in this case and although the price shall be at its market value, business developers shall be entitled to receive 15% of its profit in event the resale contract came to an agreement with a third party and another provision prescribed that if resold to a group company, then a payment to business developers of 15% of the profit shall not be required.	otherwise, the secretary of the Department of Lands must sell the land and property associated with the land to a public corporation or others in accordance with the Land Law.		factories, foreign-owned companies shall be allowed to acquire only if it's a private-use, not for speculation purposes. They shall not purchase facilities for the purpose of resale or for lease.		Economic Zone Policy and Operational Regulations, and it is practiced in Southeast Asia. However, the legal provision of transaction price is not clearly stated whether the market price at that time or the initial price of lease contract shall be applied. Consequently, it becomes a quite critical measure in contributing to the improvement of liquidity/assets for the industrial zone development business by the private parties. In addition, re-use of the particular plot in the zone needs to be rationally permitted in that the company carrying out a business in the parcel of land can be replaced with other companies/businesses due to sophistication of industrial structure in the country or course of the business, so that resale of land mechanism for private companies is considered important. In other words, even in achieving the “metabolism” of the industry running in the industrial park, introduction of a system with which zone plot can be smoothly traded among any interested industrial buyers becomes crucial. On

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
	leased from the government for the development of Private Economic Zone and other industrial unit can be mortgaged to Bank but for this which the government must take prior approval must be taken from the respective government body. As per the current banking practice in Bangladesh, the transfer value ¹ or forced sell value ² of plot or land is considered for such mortgage which is usually much higher than the government rate but the Financial Institutions of Bangladesh are not much interested in such transactions if government property is involved.								the other hand, at the time of the sale of zone plot, a certain preventive measures against land speculation needs to be installed in advance, so that the productive activities will not be disturbed. For example in India and Southeast Asian countries, at the time of the sales agreement of the particular zone plot, there is a clause incorporated that the company needs to develop a factory within a certain period of years, then the period is also set for commencement of factory operation after the completion of the factory. Accordingly to the agreement, in case the company could not either finish factory development or start operations within such agreed periods, the zone plot shall be retrieved at cost.
Regulations and conditions regarding financing	No special description in Act, Policy, Regulations, Rule on regulations, and conditions regarding financing. However, article 4 of the Foreign Exchange Regulations Act 1947 (the "FER Act") prohibits Bangladesh residents from	Bangladesh Bank has given various directives to facilitate credit arrangements for the Investors of EPZs. So far the Bangladesh Bank has published 18 Exchange Control Regulations for EPZs ³ . (Bangladesh Bank Circular dated 31 May, 2009 captioned subject	As for financing, not only procuring from Local banks, Japanese-affiliated banks or Foreign Capital banks denominated in rupees shall be possible but also to procure from any local Indian commercial banks denominated in foreign currencies by taking	Financing including ECB shall be in accordance with provisions prescribed by the Ministry of Finance but there are no special rules regarding financing.	Financing may be in Baht or any other type of currency within Thailand. There are no restrictions. Parent/subsidiary loans as financing shall also be freely allowed. However, borrowing shall be required to report the purpose of	It is possible to get financing in rupees or other foreign currency denominations unrestrictedly in Indonesia. Borrowers shall be obligated to report all offshore borrowings such as parent/subsidiary loans	Financing denominated in dong or other foreign currencies are allowed, although restrictions on the use of borrowing in foreign currencies shall be applied in Vietnam. 1. Payment for imported goods /service from overseas. 2. Payment	Getting a loan without having real estate as collateral is relatively difficult. Loan terms are usually short and interest is high. Since there are no regulations regarding loans from overseas, procurement of parent/subsidiary loans	There was a stringent restriction for applicability of foreign borrowing in Bangladesh as well as restriction of the uses of loans from the parent company, which is so-called "parent-subsubsidiary loan," where funds are provided to an overseas subsidiary

¹ The Transfer Value refers to the purchase price of the property the last time it transferred ownership

² Price at which an asset can be sold at an auction

³ <http://epzbangladesh.org.bd/guides/index/page:2>

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
<p>borrowing in foreign exchange without a general or special permission of the Bangladesh Bank (the central bank of Bangladesh). Under Chapter 15 of the FER Guidelines, all proposals for borrowing from abroad by private sector industrial enterprises in Bangladesh (including supplier's credit, financial loans from institutions or individuals and debt issues in capital markets abroad) shall require prior authorization from the BOI. In each case where the supplier's credit/loan is approved by the BOI, a copy of the loan agreement should be forwarded by the concerned authorized dealer to the "External Debt and Grant Section" Foreign Policy Department, Bangladesh Bank. However, short term credit terms up to one year in duration given by suppliers/buyers abroad are subject to the guidelines/instructions issued by the Bangladesh Bank in regards to settlements for commercial transactions. Foreign</p>	<p>'Credit Facilities to Industries in Export Processing Zones).</p>	<p>advantage of the External Commercial Borrowing (ECB) shall be possible and sometimes you get better interest rates than market interest rates in this case. In addition, borrowing from a foreign parent company that has a 25% share of the Indian subsidiary to finance Working Capital used to be prohibited but as of September 10th, it is now allowed, given certain conditions are met.</p>		<p>the borrowing (loan etc.) to the Central Bank through their banks and a 15% withholding tax shall be added at the time of interest payments on parent/subsidiary loans.</p> <p>Capital stocks, borrowings or other funds originating from Thailand shall be permitted to send outside the country (Article 47).</p>	<p>or foreign bank loans to the Central Bank. Also, a 20% withholding tax shall be added to interest payments in relation to parent/subsidiary loans and borrowings from foreign banks.</p>	<p>from Vietnam to overseas. 3. Prepayment for foreign debt (parent/subsidiary loans etc.). Procurement of parent/subsidiary loans shall be permitted. However, if it is a short term loan, reporting to the Central Bank after the event is required and payment must be made to foreign investment companies' ordinary accounts. The purpose of borrowing must only be for working capital. For a medium to long term loan, prior approval and a separate borrowing registration certificate from the Central Bank is required when borrowing but it's not necessary for parent/subsidiary loans. A 10% withholding tax shall be applied to the total Interest payment on the loan.</p>	<p>are generally used.</p>	<p>via a parent company is observed. As a result, there is a significant difference in financing regulation over foreign currency between Bangladesh and Southeast Asia. On the basis of it, it is analyzed that although certain incentives that are similar to existing EPZ are also applicable in the Economic Zone, still there are rooms for improvement, for example, in strict regulations restricting the use of foreign currency borrowing not for the working capital.</p>

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
	<p>borrowing is allowed only for investment (such as import of capital goods for new projects, modernization/expansion of existing production units) in industrial sector including small and medium enterprises (SME) as well as infrastructure and priority sector as defined in Industrial Policy announced from time to time. But, utilization of foreign loan proceeds is not permitted exclusively for working capital purpose and investment in capital market by corporate;</p>								
Labor : Dismissal Policy	<p>In accordance with the BEZA Act, 2010, the provisions of the existing laws on EPZ Workers Welfare Association and industrial relations shall, with necessary modification, be applicable to the workers of the Special Economic Zones (Article 34). Article 37 of the Act even stipulates that BEZA shall have the special right to order a shut down and/or dismissal of persons who led to labor unrest, strikes or lockout.</p>	<p>There is a separate dedicated labor rule for managing and administering labor matters in the EPZs. Under provisions of the Act the dismissal process will be completed by the Executive Chairman of BEPZA in the manner as set forth in the Act and BEPZA Instructions no. 1 and 2. (The EPZ Workers Welfare and Industrial Relations Act, 2010 and BEPZA Instructions 1 and 2).</p>	<p>Based on Industrial Employment (Standing Order) Act, the Companies shall add provisions for dismissal procedures on public standing order. Employers must prove employee's wrongful acts (negligence, violation and disobedience of duty) in order to justify an employee's dismissal. Employers shall be required to prepare a document that states the reason behind the dismissal and conduct an internal investigation. After the report from a prosecutor is examined, the reason</p>	<p>While the Indian Labor Law is determined at a state level, it shall still be enforced or revised within a certain range. As a result of this, working conditions differ by each state. So even Special Economic Zones have provisions prescribed by each state to prohibit the formation of labor unions (State of Maharashtra, Karnataka, Tamil Nadu and AP etc.).</p>	<p>Employers can dismiss employees at employer's discretion. Employer shall be required to give the employee a notice of at least one full payment period in advance of the effective date of dismissal. Severance pay varies depending on the length of the employee's service with the employer.</p>	<p>Employers can only dismiss employees when the work contract has ended or the employee reached retirement age. If more than 10 employees are involved in a dismissal case by an employer, the employer must apply for the request of approval from the government. Even for cases like disciplinary discharge, employers may be required to pay for employee's severance payment, retirement benefits, etc. 1 month pay shall be paid to employees who completed 1 year of</p>	<p>Based on Labor Law, dismissal is permitted only when the employee has done any of the following: The employee commits an act of theft, embezzlement, disclosure of business or technology secrets or other conduct that is seriously detrimental to the assets or interest of the company. Repeating a breach while a disciplinary sanction (such as suspension of salary raise, job transfer or demotion) has not been removed for the earlier breach. Repeating a breach after being</p>	<p>Hiring and dismissal of employees must be declared in writing to the Ministry of Labor within 15 days of the implementation day (Labor Law of 1997).</p>	<p>Upon dismissal of workers, there are rules set forth in the compared countries with a request of prior notice to the workers, and a system of dismissal allowance is also clearly stated. At the same time, in all countries in concern, there is a provision of cases where such dismissal allowance policy can be subject to denial due to dishonest act and the likes.</p>

Bangladesh Economic Zone		Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
			for dismissal notice shall be issued to the relevant employee. Employers shall be required to pay employees 15 days' pay for each completed year of continuous service as severance pay to ensure financial security after dismissal.			continuous service as severance pay and 1/2 of that shall be paid as a retirement benefit. Based on this, employers shall be required to pay the employee up to twice the amount for each case.	demoted due to an earlier breach. Absence for 5 working days in a month or 20 working days in a year without justifiable reasons are grounds for dismissal. If dismissals of employees occurred by reasons stated above, the employees shall not be entitled to severance pay.		
Any Other Permit Building Permit Operation Permit	In Economic Zone Operational Regulations, 2012, which was suspended, all construction or installation work, including any infrastructure on any Economic Zone lands or any modifications to pre-built units on any Economic Zone Lands is required to follow Economic Zone Construction and Building Guideline, which is supposed to be issued by the BEZA or delegated to the Economic Zone Developer / Operator in consultation with all Competent Agencies pursuant to the applicable MOU. In the private economic zones policy that took over the Regulation, procedures for construction licensing and operation licensing	The industrial tenant of EPZ can start construction of their factory or other buildings after obtaining design approval from the competent authority of BEPZA (BEPZA Building Code). The industrial unit will be permitted to start their business operations in the EPZ area after getting bond license from the Custom office in the EPZ gate/Bond Commissioner-ate of the respective EPZ (Customs (Export Processing Zones) Rules 1984).	In the state of Rajasthan, in order to obtain a Business Administration License such as operation approval, if the project costs more than Rs. 10, applying to BIP shall be required. Others apply through Industrial Dept. offices in each District. In regards to building a factory, a Site Plan and Building Plan must be approved by the authority or a private management company. For some private SEZs, if the size of factory is smaller than 10 acres, obtaining both plans through private management company shall only be necessary. If exceeding 10 acres, you must always obtain approval through the authority. The State of AP offers a one stop service which helps investors to file all the documentation to one place on behalf of other authorities	Tenant companies in Industrial Parks and SEZs must obtain Consent to Establish from the State Pollution Control Board to prior to building factories.	Companies who wish to operate projects in Industrial Parks must obtain permission from the Governor or a person designated by him in accordance with the rules prescribed by the Board (section 41). BOI investment incentives shall be awarded through committee (Prime Minister as a chairman of the committee for large projects, small committee shall be conducted for small projects). As for approval of tenant applications, unlike BOI, infrastructure demand for the Park, pollution level and measurement shall be emphasized. When it's BOI, approved project shall be issued by BOI a Promotion Certificate which explains benefits and conditions. On the other hand, when it's IEAT, tenant and IEAT shall enter into a	As for expansion of the manufacturing industry, it is not allowed to build factories outside Industrial Parks as a general principle since the Industrial Park rule that was formed in 2009 prescribes that having an address within Industrial Parks is necessary. Building Permit (IMB) must be obtained from prefecture or city's section at the Department of Public Works in order to receive public service (water, power, waste treatment, and telecommunications) in connection to build a building or a non-building (parking area, recreation facilities etc.). Also, Business Licenses (IU) must be obtained from the Investment Coordinating Board (BKPM) or State BKPM. Factory construction status	Investment Certificates shall be obtained through the IZ/EZ/EPZ/HTZ authorities. Tax Registration shall be required to apply through the local tax office and Labor Registration shall be required to apply through the Ministry of Labor.	According to the Cabinet Order No.86 in 1997, in relation to Construction Permits, construction of buildings shall be subject to construction permits to be obtained from the Land Management, Urban Planning and Construction. After submitting a long-term land lease contract along with basic design (ground plan, elevation and cross section) assessment shall be conducted.	Tenant companies often face difficulties in obtaining permission and approval from the different jurisdiction ministries and departments at each stage of project development like in plant design, civil engineering and building construction, and equipment installation. In Southeast Asia like in Thailand and Cambodia, an administrative outpost is available at even private industrial parks where government staff members are dispatched and stationed as full-time employees and process business administrations to carry out timely and efficient licensing for the benefit of investors. Whereas most of the factory construction licensing and operation licensing of tenants are often subject to the business

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
<p>becomes a matter which is defined by the separate rules and regulations, which are still underdeveloped, and Housing and Building Research Institute under the Ministry of Public Works, is preparing such Economic Zone Building and Construction Policy, based on the Bangladesh National Building Code.</p>		<p>within established time limits. Projects shall be reviewed by an organized group having the Chief Secretary as chairman and above that is the Chief Minister as director. For companies that are expanding into Industrial Parks, Escort officer shall direct and guide through anything the company needs, depending on the importance of the project.</p> <p>To build a factory, companies shall be required to obtain “Consent to establish” and “consent to operate” from the State Pollution Control Board to be able to operate in accordance with the Water Act and Air Act. Factories shall receive inspection and monitoring irregularly on the factory's wastewater and exhaust gas to see if they meet the standard.</p>		<p>contract which includes contents that mainly explain how the tenant needs to obey the rules.</p> <p>Tenant application process by IEAT for companies who wishes to become tenants in Industrial Parks are as follows: the industrial operator shall complete application (Kor Nor Aor 01/1) for land utilization for business operations in industrial estates and submit it at the One Stop Service Center located at IEAT head office or any Industrial Park's office nationwide. IEAT shall consider the correctness of the documents. If they conform to relevant laws, IEAT shall issue a notification requesting the industrial operator to sign a contract and obtain a license for land utilization and business operations in industrial estates (IEAT 01/2). Note that the license issuance fee is 10,000 Baht (excluding VAT).</p>	<p>must be reported to the BKPM head office or other BKPM offices nationwide.</p> <p>Industrial Business License (IUI) shall be required to obtain through prefectural or state governors depending on the scale of projects.</p>			<p>services of industrial zone developers and construction companies, and it is a commonly practiced assistance to the tenant companies. As for the Economic Zone in Bangladesh, the licensing procedure for zones' development projects was clearly defined in the suspended Regulations, 2012, thus the business of government staff was clearly defined. However, at present, there is no administrative procedure defined in the current institutional design and framework so far. Eventually, in cooperation with Economic Zone developers, it is believed that BEZA should practice legitimate OSS through tangible legal set-ups so that such systematic operation would lead to the satisfaction of unit investors.</p>

f. Services provided in Economic Zone (customs duties, human resource development, etc.)

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
Customs duties / procedure	<p>Pursuant to Section 10 of the BEZA Act as interpreted in conjunction with the Customs Act, 1969, the Government may establish in any Economic Zone any special arrangement, for the time being, to facilitate import and export operations of any Economic Zone organization operating in an Economic Zone, including any Economic Zone Enterprise, through Gazette Notification as required by Section 10 of the Act. The BEZA is supposed to coordinate with the national customs authorities through an MOU to implement in the Economic Zones on an expedited basis the applicable national customs rules, procedures, and formalities, as well as all customs-related provisions of the Act and these Regulations,</p> <p>For customs clearance, the National Board of Revenue defines its procedures in the Statutory Regulatory</p>	<p>The custom duty procedure for zones is well specified in the Customs (Export Processing Zones) Rules, 1984 (SRO 545-L/84/889/Cus.) and import goods to export processing zones, intermediate and finished goods from processing zones are all determined to be separately examined based on the related regulations. Customs is installed in the EPZ, and in comparison with the customs clearance in the DTA, timely import and export permit has been granted.</p>	<p>There are no customs offices in particular at industrial parks.</p>	<p>The role of the central government and the state government in regards to customs clearance in an SEZ, the Ministry of Commerce and Industry acts for Revenue Dept. and manages Customs Offices in each SEZ. The full time specified officers in each SEZ office who are designated by the Revenue Dept. are there to supervise. Thus, each Customs office reports to the Revenue Dept. through their specified officer.</p>	<p>Customs branches have been established at many industrial parks that have an export processing zone (EPZ).</p>	<p>They haven't put a tariff (customs duty) into practice in particular at industrial parks. However, their unique customs offices are able to clear goods at bonded areas such as FTZs.</p>	<p>Many industrial parks have established the customs clearance facilities. The system allows them to give clearances to import materials or export products there. A cargo arrives at the airport or the port is to be directly delivered to an industrial park and is to be cleared by a stationed customs staff smoothly.</p>	<p>An officer of the Customs and Tariff Bureau is stationed in the special economic zone to process customs procedures. (Special Economic Zones legislation, Article 2)</p>	<p>As for the customs clearance practices, different methods, in particular, are not observed so far between South and Southeast Asian countries, in Bangladesh, Statutory Regulatory Orders are prepared by the National Board of Revenue as to the customs business in the Economic Zone. But the customs offices are often established in a number of individual Industrial Parks like in Thailand, Vietnam and Cambodia, so that the efficiency of logistics by having customs offices at remote sites is taken into consideration. Establishment of customs offices is not specifically stipulated in the Bangladesh Economic Zone Act, yet it should be naturally interpreted that, once the volume of transaction increased, BEZA should coordinate with the Customs Office through a MoU for establishment of Customs Office at site with aiming for transparent and smooth service provision.</p>

	Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
	Order that is applicable to the business in Economic Zones								
Residential/Commercial establishment	As authorized Economic Zone activity, residential and commercial activities can be undertaken by an Economic Zone Enterprise or an Economic Zone Resident. In order to reside in an Economic Zone housing residential area as an Economic Zone Resident, Economic Zone Certificate of Residency must be issued. In accordance with Bangladesh Economic Zones Operational Regulations, 2012, banking service, subject to permit from Bangladesh Bank, can be also operated within the Economic Zone.	Officials of EPZs are granted residential accommodations in the EPZ areas. In some EPZs located in remote areas, a few plots were allotted to the foreign investors for constructing their accommodation facilities. Recently, BEPZA has taken steps to construct few dormitories for female workers. BEPZA from their limited space has given some areas for construction of shops and others. A number of banks, insurance companies, courier services, travel agents, IT firms have been given space on a rental basis to support EPZ units throughout the country.	Investment in Residential land, and commercial establishment, development projects by foreign enterprises is approved. However, purchase for the purpose of transfer or lease is not approved. They need infrastructure development as an industrial establishment and a business investment on the assumption of the sales or lease.	There is a regulation, asking for SEZ developers to try to develop the residential establishment for people who work there. (Special Economic Zones regulation, article 11 (10).) In the guideline about SEZ development, the developers are asked to establish the facilities, 5% of the whole if the zone is over 100ha, which can be used as low-cost residential establishments.	To have a convenient and comfortable life, industrial parks have various facilities. For example, international schools besides national and private schools for children of investors and workers of industrial parks to study. Sporting facilities, golf courses, hotels, international restaurants, leisure facilities etc. are maintained by private businesses for more comfort.	Regulation No.230/M/SK/10/1993 has been set as a technical standard for supporting facilities in industrial parks. Offices, banks, post offices, communication services, clinics, restaurants, boarding for workers, fences, securities, bus stops, and fitness facilities are included.	In 2006, at the beginning, the government didn't approve residential areas in industrial parks. However, in regards to creating the residential environment for the industrial park workers, the government according to the prime minister's decision (decision No. 66/2009/QD-TTg) has requested for the industrial park developers & maintenance companies provide residences for workers. The developer is required to pay their own money of 15% or more toward the investment amount for a residential area development project if it is less than 20 ha. If it is 20 ha or more, the developer must pay (Decree 153/2007/ND-CP (2007)) However, the number of the residential areas developed by the industrial park developers is currently very limited, but it is expected to be more in the future.	It is possible to have residential/commercial establishments in Special economic zones. (Special economic zone legislation, article 2)	Housing supply for industrial park workers is sometimes one of the encouraged policies in many countries. But in practice, whether it leads to residential and commercial development adjacent to industrial parks depends on the cultural patterns for housing and marketability at the individual project site or country. However, it is also a fact that residential and commercial facility development in Southeast Asia has become an important source of revenue for the industrial park developers. Township development, along with the associated implementation measures of public services and surrounding social infrastructure, has become a successful model by creating synergistic effects in Indonesia, Thailand, and Vietnam. Township development around the IP in Southeast Asia brings about a rich social life in terms of community infrastructure and urban development, which, in turn, offers additional business

Bangladesh Economic Zone	Bangladesh EPZ	India /DTA	India/ SEZ	Thailand	Indonesia	Vietnam	Cambodia	Implication
								opportunities as well as a better social life to the workers in the IP.
Human resource development	By Article 19(7) of Bangladesh Economic Zone Act 2010, the economic zone authority is responsible for promoting local and foreign investment including development of skilled labor force.	Although there is no comprehensive plan or strategy but as a part of human resource development programs of BEPZA, three (3) Training Centre cum Dormitory have been established in Dhaka, Chittagong, and Narshingdi EPZ where unskilled workers are trained and then supplied to the industrial units. Other than executive level trainings are organized time to time.	No industrial park provides a human resource development program in particular.	<p>The guidelines regarding the development of special economic zones request the establishment of a technical training facility by the developers in Non-Processing areas. Also, it requests to establish a night school facility on the company's request.</p> <p>To enhance the workers' skills, human resource development centers are established in IEAT industrial parks as mentioned below.</p> <ul style="list-style-type: none"> - Training centers of the Automobile Association and the Institute of Electrical and Electronics in Bangpoo industrial estate - Ayutthaya High-tech skill center in High-tech industrial park (Bangker industrial Estate) - Training center (Thai-German Institute) in Amata Nakorn Industrial Estate. - Swinburne School of Engineering in Laem Chabang industrial estate. This school has provided a special curriculum for workers in the industrial park. <p>Other than these, IEAT cooperate with NIDA (National Institute of Development Administration) is planning human resource development in environmental control at each industrial park and is set to establish a master's course in environmental engineering.</p>	<p>No industrial park provides a human resource development program in particular. However, there are some actions requesting the establishment of a vocational training school when developing any new industrial park.</p>	<p>A private industrial park called VSIP, established at the Vietnam/Singapore technical training school on the adjoining land to VSIP. As a joint business of both governments of Vietnam and Singapore, they have spent about US\$6, 000,000 and offer 4 courses, Electrical Equipment, Mechanical Maintenance, Electronic Engineering, and Mechanical Engineering since 1998 and they are training 178 people every year.</p> <p>This school is operated based on a technical training curriculum in Singapore and the duration of a course is 6 months. Although in Vietnam it has been a pending problem of securing excellent technicians for companies in the industrial parks, the graduates of this school have priority to work at companies in VSIP.</p>	<p>A private industrial park, Phnom Penh Special Economic Zone (PPSEZ) with the Ministry of Labor and Vocational Training (MLVT) is holding workshops periodically for vocational training.</p>	<p>In order to improve the productivity of workers in the IP, industrial parks have become a place of practical human resource development to encourage employees and local people involved in vocational training in each country. In Bangladesh, in order to increase the stability of the workforce in the region, a Tool Room in association with an Economic Zone developer should be considered to deliver a curriculum where hands-on training of the machine tool and production management can be provided, so to serve as measures to facilitate the competitive advantages of industries.</p>

Appendix 02 : Comparison sheet of the OSS system in other countries

Annex:02 Comparison sheet of the OSS system in other countries

	India						Thailand	Indonesia	Vietnam	Cambodia	Philippines	Myanmar	Bangladesh (BOI/BEPZA)	Bangladesh (Recommended)	Bangladesh (Being proposed)	Remarks
	Gujarat	Maharashtra	Tamil Nadu	Karnataka	Andhra Pradesh	SEZ										
Legislation / legal basis	Industries and Mines Department, Resolution No IND/102009/3799 48/1 (Investment Facilitation Mechanism)	Industrial Policy 2013, Maharashtra Right to Public Services Act, 2015	Tamil Nadu Business Facilitation Act, 2009	Karnataka Industrial Policy 2009-2014, Karnataka Industries (Facilitation) Act, 2002 and Karnataka Industries (Facilitation) (Amendment) Act, 2013.	Industrial single Window clearances act No. 17 of 2002	Special Economic Zones Act, 2005 and Special Economic Zones Rules, 2006 (stating that the State Government shall endeavor providing single point clearance system to the Developer and unit under the State Acts and rules.	Investment Promotion Act B.E. 2520 (1997), B.E. 2534, B.E. 2544, the Office of the Board of Investment Regulation No. 1/2547 (2004), 1/2549 (2006), Industrial Estate Authority of Thailand Act, B.E. 2522 (1979), and State Services Facilitating Act, 2015	President Regulation No. 97 of 2014 on Organization of Integrated One Stop Service, and BKPM Regulation No.12 of 2009 and No.5 of 2013 on Guidelines and Procedures for Licensing and Non-Licensing Matters in relation to Investment.	Law on Foreign Investment in Vietnam (1996), amended (2000) and Law on Investment 2014	Sub-Decree No.148 on the Establishment and Management of the Special Economic Zone, 2005	Rules and Regulations to Implement Republic Act No. 7916, 1995	Myanmar Special Economic Zone Law, 2014, Myanmar Special Economic Zone Rule, 2015, and Article 11 of the Myanmar Foreign Investment Law, 2015	Board of Investment Act, 1989, Bangladesh Export Processing Zones Authority Act, 1980	Statutory order to legitimate an authority of implementation agency for OSS, together with time-bound clauses are of use.	Bangladesh Economic Zones (One-Stop Services) Policy, 2016, and Bangladesh Economic Zones (One-Stop Services) Rules, 2016	Supreme legal status of implementing body over OSS is clearly stated in the Act in all countries compared.
Implementing body	District Investment Facilitation Committee (District Committee), State Level Investment Facilitation Committee (State Committee), High Level Investment Facilitation Committee (High Level Committee), and Industrial Extension Bureau: indEXTb as nodal agency	Maharashtra Industrial Development Corporation: MIDC and Maharashtra Industry, Trade and Investment Facilitation Cell: MAITRI (Investment project to the tune of INR10 crore and above)	State Level Authority, District Level Authority, and Tamil Nadu Industrial Guidance & Export Promotion Bureau (as 'Nodal Agent')	State High Level Clearance Committee, State Level Single Window Clearance Committee and District Level Single Window Clearance Committee, and Karnataka Udyog Mitra (KUM) as a 'Nodal Agency' at the State level and the 'District Industries Centres' as the 'District Nodal Agency' at the district level	Commissionerate of Industry, Industries, Commerce & Export Promotion	The Approval Committee at the Zone level	Investment Promotion Bureau as a part of the Board of Investment (BOI), and Total Solution Center (previously called One Stop Service Center) of Industrial Estates Authority of Thailand (IEAT)	Integrated one-stop service center (PTSP) at Indonesia Investment Coordinating Board (BKPM)	Ministry of Planning and Investment, and provincial People's Committees and provincial Boards of Management of Export Processing Zones, Industrial Zones, Hi-tech Park and Economic Zones	Special Economic Zone Administration located on the site	One Stop Shop Center managed by Philippine Economic Zone Authority (PEZA)	Management Committee for the case of SEZ, and Myanmar Directorate of Investment and Company Administration, as a secretary to the Myanmar Investment Commission (MIC), which is the responsible body for investment applications	Board of Investment (BOI) and Bangladesh Export Processing Zones Authority (BEPZA)	BEZA at both headquarter and on-site office level should be institutionalized as implementation bodies. Also the role of Private Zone Developers in terms of supplemental works for business administration (like filtering and correction of applications documents and the likes) must be considered.	Bangladesh Economic Zone Authority (BEZA)	There are two types in OSS implementation bodies; one for Industrial Estate/Parke/Zone, and the other for general investment promotion in the countries.
Administrative system	Application received at the Portal , which is maintained by indEXTb, will be processed and disposed by concerned department within the stipulated time limit. indEXTb shall also place the applications before the concerned committee for the decision on grant of in principle approval.	An application shall be sent to the Designated Officer (in case of MIDC, one full time officer of the concerned department stationed in MIDC) or through MAITRI. The Designated Officer shall, on receipt of an application, either directly provide or sanction the public service within the stipulated time limit or reject the application after recording the reasons in writing for such rejection. The function of MAITRI is to provide information, guidance, support & aid for investors.	Administrative function of the State/District Level Authority as well as Guidance Bureau is to receive a Combined Application Form and to forward it to the different competent authorities to get speedy clearance within the time limit specified. The government has set up the State Level Investment Promotion Board (SIPB) to monitor and speed up the progress of all the mega projects involving investment of US\$ 20.5 million. Also, Project Approvals Authority (PAA) has been set up to oversee the projects with investment less than US\$ 20.5 million	An application called Combined Application Forms (CAF) will be received and processed by KUM only after the confirmation of availability of land and opinion of line departments. The time frame for furnishing opinions by line departments will be prescribed and the scrutinized proposals with opinions of the line departments will be placed before SLSWCC (State Level Single Window Clearance Committees) / SHLCC (State High Level Clearance Committee) for discussion and decision.	Commissionerate of Industry shall receive applications for required clearance and licenses, then forward them to the competent department. The status of the applications are duly monitored on-line system. On-site One Stop Service office has not been opened at Each industrial park and SEZ. But for an important individual project, an advisor post called "Escort Officer" is to be assigned.	All the proposals for setting up of units in the SEZ are submitted to the Development Commissioner at the Zone level, and approved by the Approval Committee consisting of Development Commissioner, Customs Authorities and representatives of State Government, who are expected to deal with State related issues thereby ensuring single window clearance.	Investment Promotion Bureau has advisors present from major agencies to advice investors , namely the Ministry of Industry, the Ministry of Commerce, the Industrial Estates Authority of Thailand, the Revenue Department and the Department of Export Promotion. The One Stop Service Center of IEAT shall assist in submitting application forms, issuing permits and licenses for factory establishment or joint venture with IEAT to develop an industrial estate.	In the implementation of the One Stop Service, the head of BKPM received delegation of authority from Technical Ministers/Heads of Institution which have authority over the licenses and non-licenses which are part of the Central Government's affairs. The delegation of authority is the handover of tasks, rights, obligations, and responsibilities in the licensing and non-licensing fields , including the signing of documents on behalf of the officials delegating the authority. Technical Ministers/Heads of Institution can assign their official in BKPM to receive and sign licenses and non-licenses that become their authority and cannot be delegated	The provincial people's committees , where specialized bodies comprised of members from all key departments are uniformly organized in localities, shall receive an application for investment certificate of any investment projects within its provincial territory. The Board of Management will consider and grant investment certificates to investment projects made in an industrial zone, export processing zone and high-tech zone.	An application is processed by Special Economic Zone Administration, where members from each line ministry or institution are stationed permanently at each zone upon its operation. All relevant ministries or institutions are deemed to delegate to their representative sufficient power to make decisions on behalf of the ministry or institution in accordance with their respective authority in the zone.	Applications for registration, licensing and issuance of permits from Zone Enterprises shall be received by a one stop-shop center, which is established in the Zone, then processed by officials of each government agency involved. Each government agency assigns their respective representatives in the Zone for this purpose.	Applications for company registration and investment proposal shall be received at the directorate, where officials from all relevant ministries and departments will be stationed.	The OSS is comprised of BoI officials and representatives from nine departments. Each relevant parent departments are supposed to descend their staff member to BOI for provision of clearance and licenses, yet there are many cases observed that the persons in charge at BOI are absent and not equipped with the sufficient authority from the parent departments..	The delegation of authority should be embodied with statutory orders, though proper recruitment of staff member with their reasonable salary and welfare system.	Applications are supposed to be received at OSS Desk, and forwarded to the Nodal Officers, who are nominated to work in its office or nominate and depute to work in the OSS Desk.	Jurisdiction of the provision of clearances and licenses varies from country to country. The administrative system of India, Thailand, Cambodia, Philippines, Myanmar follows the institutional set-up where concerned competent authorities' officers are stationed, whereas Indonesia follows the delegation of power from competent agencies to the implementation body (BKPM), and Vietnam follows where related department appoints committee member who can process the applications.

	India						Thailand	Indonesia	Vietnam	Cambodia	Philippines	Myanmar	Bangladesh (BOI/BEPZA)	Bangladesh (Recommended)	Bangladesh (Proposed)	
	Gujarat	Maharashtra	Tamil Nadu	Karnataka	Andhra Pradesh	SEZ										
Legal measures for time-bound observance	N/A	Any applicants may file an appeal before the First Appellate Authority (who is superior in rank to the Designated Officer) and to Second Appellate Authority (who is superior in rank to the First Appellate Authority), as the case may be, within the period of specified days from the date of receipt of, order of rejection of the application or, the expiry of the stipulated time limit. If the First/Second Appellate Authority is of the opinion that the Designated Officer has failed to or made default in provide/providing public service without sufficient and reasonable cause, then he shall impose a penalty to the Designated Officer. Likewise cash incentive can be granted to all the Designated Officers, who performed no default and delivered public services within the stipulated time limit.	If the competent authority concerned has rejected the application or has not pass any orders within the time limit, State level Authority itself may process the application and pass orders within such period as prescribed. Also the Bureau shall issue an authorization letter called "Composite Approval (close to the NOC)" for the investment company after having a hearing from investing companies. Such approval grants a certain extent of factory construction. Subsequently, the progress of the official authorization from each competent authority is then monitored by the Bureau (State/District Level Authority) in accordance with the defined Time Bound for the period of assessment.	It is proposed to consider deemed consent (clearances shall be deemed to have been issued) if opinions of the concerned departments are not received in time.	For cases that applications are stuck in processing beyond the number of days specified in the time bound rules, a recommendation, called "Deemed Approval/Provisional" shall be issued for the time being, which can be interpreted that a belated application will be deemed to have been done within time. In the case of further delay, State Investment Promotion Committee chaired by Chief Secretary shall be organized with participation of directors of each department, then a breakthrough shall be sought. Ultimately there is a mechanism available called State Board, where the Chief Minister chairs and coordinates with ministers of each department to cast measures on any issues being raised.	N/A	Even though time bound is stipulated in the regulation for the consideration of applications and their notification, there is no legal statement to enhance counter-measure for such time-bound observance.	Even though time bound is stipulated in the regulation for the consideration of applications and their notification, there is no legal statement to enhance counter-measure for such time-bound observance.	Even though time bound is stipulated in the law for the consideration of applications and their notification, there is no legal statement to enhance counter-measure for such time-bound observance.	There is no statutory time-bound clearance in the legal documents in relation to the Special Economic Zone.	Even though deadline is stipulated in the rules and regulations for the submission of applications, there is neither legal statement on time-bound clearance nor enhancement counter-measure.	N/A	There is a statutory provision of time-bound business services based on Citizen Charter.	Enhancement/commitment of stringent time limit to be observed by the public officers for clearance/license provision/disposal should be made with legitimate power of surrogate authority providing substitutional orders, which accrued from the laws, rules and regulations.	The Government is supposed to prescribe the time limit for processing and disposal of applications by notification. If Competent Authority fails to provide its comments within the prescribed time, it will be deemed that the concerned Competent Authority has no objection or suggestion regarding the application for which comment was sought for by the Nodal Officer and in that case the Nodal Officer will dispose of the application and issue the clearances to the applicant.	In India, counter-measures to enforce the time-bound observance are prescribed, whereas ASEAN countries do not state any counter-measures on such time-bound clearance; just stipulation of the required days for each required clearance.
Mechanism to address administrative operation issues in accordance with demands from investors	N/A	In the Right to Public Services Act, it is stated that all Public Authorities may take time bound effective steps to reduce the demand from an eligible persons to submit various certificates, documents, affidavits, etc. for obtaining public services.	The Bureau organizes a committee meeting, which is comprised of Town & Country Planning Dept., Fire Safety Dept., Labor Safety Dept., Electric Safety Dep., Pollution Control Board, Boiler Safety Dept., Utility company (Power Supply), and SIPCOT (land & water). In the meeting, a hearing to address session questioning & answering for the particular investment projects shall be conducted.	Kaigarika Adalats (industries adalat) is held regularly involving KIADB (Public Zone Developer and Operator), Commercial Tax Department, Escoms and local bodies at various locations to sort out various issues pertaining to industries and trade on the spot.	Firstly Principal Secretary of the Dept. Industrial & Commerce shall address the issue being raised, and for the problem that goes beyond the authority (labor, environment, etc.), the committee, which is called "Conversion Committee", comprised of Principal Secretary of other ministries and agencies shall took up the issues. Further, in the case where strong decision is necessary for problem solving, the Chief Secretary, then the Chief Minister shall take measures until the problem solving can be attained as the upper hierarchy mechanism.	N/A	If the applicant or promoted company wants to appeal a decision of the OBOI (the Office of Board of Investment), of a subcommittee, or of the Board itself, a letter addressing to the Secretary General must be submitted to the BOI, giving full details and specifying the reasons for the appeal.	Integrated one-stop service center of BKPM shall provide complaint services in connection with the provision of investment services for investors.	In accordance with the Law of Foreign Investment, the Ministry of Planning and Investment is deemed to have a duty and power to act as a coordinating body to deal with problems arising during the formation, commencement and implementation of foreign investment projects.	Establishment of Trouble-Shooting Committee is stipulated in the sub-decree, which says that the Special Economic Zones Trouble Shooting Committee has the duty to promptly settle all issues occurring in the Special Economic Zones, whether pertaining to technical or legal aspects, or issues under the joint jurisdiction of ministries or institutions and beyond the competence of the Special Economic Zone Administration or the Cambodian Special Economic Zones Board.	Except for privately-owned, managed or operated zones, each zone is deem to create a zone advisory body which is comprised of the president of the association of investors, the president of an accredited labor union, the representative of the business sector in the periphery of the zone as well as the representative of the PEZA, so that the advisory body shall have a function to advice the zone management on matters pertaining to policy initiatives and etc.	N/A	Grievance Redress System is established at BOI.	Trouble-shooting committee, which is comprised of political leaders and high-ranking officers, should be organized for the particular purpose of addressing and solving the critical issued raised from the management and operation of the SEZ. The committee should have a hot-channel with Zone Developers and Unit Investors for monitoring and evaluation.	N/A	Trouble-shooting mechanism varies from country to country.

Delegation of authority for major licenses and permits		India					Thailand	Indonesia	Vietnam	Cambodia	Philippines	Myanmar	Bangladesh (BOI/BEPZA)	Bangladesh (Recommended)	Bangladesh (Proposed)	
		Gujarat	Maharashtra	Tamil Nadu	Karnataka	Andhra Pradesh	SEZ									
	Company establishment/Registration	C (Registrar of Companies (ROC)) 7 days	D (Registrar of Companies (ROC)) 7 days	D (Registrar of Companies (ROC)) 7 days	C (Registrar of Companies (ROC)) 7 days	D (Registrar of Companies (ROC)) 7 days	C (Registrar of Companies (ROC)) 7 days	C (Department of Business Development) 2 days	A 1 day	C 3 days	B n/a	B 20 days	B n/a	D 15-30 days	-	-
	Land allotment/Lease permit	C (GDC, District Collector) n/a	B (MIDC) 21 days C (MAITRI)	C (permission under the Tamil Nadu Land Reform) 60 days (change in land use classification and permission) 45 days	C (KIADB) 30 days	C (APIC) 7-21 days (depending of land size)	C n/a	A (IEAT) 2 weeks B (BOI) 15 days	A (land ownership certificate) 1 day	C 14-18 days (depending on permits)	B n/a	B 10 days	B n/a	A (BEPZA) 5 days	-	-
	Investment approval / Incentives provision	Automatic, otherwise C (DIC, Industrial Commissionerate, Reserve Bank of India, FIPB) 30 days	Automatic, otherwise C (DIC, Industrial Commissionerate, Reserve Bank of India, FIPB) 30 days	Automatic, otherwise C (DIC, Industrial Commissionerate, Reserve Bank of India, FIPB) 30 days	Automatic, otherwise C (DIC, Industrial Commissionerate, Reserve Bank of India, FIPB) 30 days	Automatic, otherwise C (DIC, Industrial Commissionerate, Reserve Bank of India, FIPB) 30 days	C n/a	A (IEAT) B (BOI) 40 days	A 3 days	C 15-25 days	B n/a	B 21 days	B n/a	A (BOI) 1-2 days A (BEPZA) 5 days	-	-
	Factory construction permits / Fire safety	D 30 days (plan passing) 30 days (plinth check) 30 days (building completion)	B (MIDC) 15 days (Provisional Fire Approval) 15 days C (MAITRI)	C (Approval of site plan and building plan) 30-45 days (NOC from the Director of Fire and Rescue Services) 30 days	C Building Plan approval (KIADB) 30 days Approval of Fire safety (Karnataka State Fire and Emergency Service) n/a	C (Competent authorities) 7 days (Fire Service Dept.) 15 days	C n/a	A (IEAT) 8 weeks B (BOI: operation startup) 45 days D (BOI: factory permits) 80 days	A (Building construction permit) 42 days D (final inspection from the Fire Dept.) 1 day	C 7 days (appraisal of fire presenting and fighting) 10 days (construction permit)	B n/a	B 15 days	B n/a	C (BOI: Factory Plan Approval) 15 days-2 months A (BEPZA) n/a	-	-
	Environment clearance	C Consent for Establishment (GPCB) n/a D (The listed 30 categories of industries - MoEF) 270 days	C Consent for Establishment (MPCB) n/a D (The listed 30 categories of industries - MoEF) 270 days	C Consent for Establishment (TNPCB) n/a D (The listed 30 categories of industries - MoEF) 270 days	C Consent for Establishment (KPCB) Green-30 days, Orange-40 days Red - 70-120 days D (The listed 30 categories of industries - MoEF) 270 days	C Consent for Establishment (APPCB) Green-7 days, Orange-21 days Red - 45 days D (The listed 30 categories of industries - MoEF) 270 days	C n/a	C (Ministry of Natural Resources and Environment (MoNRE)) 8 months	D 40-75 days	C 30 days	D n/a	B 10 days	B n/a	C (BOI/BEPZA) 1-5 month	-	-
	Utilities connection clearance	C 10-15 days (water supply and drainage)	B (MIDC) 7 days (Electricity Connection NOC) (Water Connection) 7 days C (MAITRI)	C (Approval under the Indian Electricity Rules) 30 days	C (ESCOMs - power) 45-180 days (KIADB - water) n/a	C 30 days (power/APTRANSCO - DISCOMS) 30 days (water/HMWS&SB)	C n/a	A (IEAT) 10 day (water connection)	D 30 days (water and sewerage connection)	D 14 days (water and sewerage services)	D n/a	A n/a	D n/a	C (BOI) 35-120 days (depending on utilities) A (BEPZA) n/a	-	-
	Export/Import permits	D (Director general of foreign trade) 7 days	D (Director general of foreign trade) 7 days	D (Director general of foreign trade) 7 days	D (Director general of foreign trade) 7 days	D (Director general of foreign trade) 7 days	B n/a	B 3 days	A 7 days	C 7 days	B n/a	B 37 minutes	B n/a	C (BOI) 1 day A (BEPZA) 1 day	-	-
	Labor permits/recommendations for VISA	D (Ministry of Home Affairs) 4-7 days	D (Ministry of Home Affairs) 4-7 days	D (Ministry of Home Affairs) 4-7 days	D (Ministry of Home Affairs) 4-7 days	D (Ministry of Home Affairs) 4-7 days	D (Ministry of Home Affairs) 4-7 days	B 5-20 days	A 3 days A 1 day (VISA)	C 5-15 days	B n/a	B 30 days	B n/a	C (BOI) 1month (work permit) 15 days (VISA) B (BEPZA: work permits) 7 days after committee meeting in every month A (BEPZA-VISA) 1 day	-	-

A: OSS with transferred authority B: OSS with in-house designated officers in the OSS Office, C: Receipt of applications and Provision of facilitation service, D: Not in OSS Coverage

Appendix 03: EZ Development Guide

**Bangladesh
Economic
Zones Develop-
ment Guide,
2016
(DRAFT)**



**Prime Minister's Office
Bangladesh Economic Zones Authority (BEZA)
Government of the People's Republic of Bangladesh
DHAKA**

**Ver.01
22 March 2016**

Contents

Foreword

How to use this Guide

Terminology

1	Economic Zone Concept	1
1.1	History of Economic Zones in Bangladesh	1
1.2	Application of the Concept	1
1.3	Economic Zone Definition	3
2	Institutional Framework.....	5
2.1	Legal basis	5
2.2	Formation of the Bangladesh Economic Zones Authority (BEZA)	8
2.3	Objectives of BEZA.....	8
2.4	Functions of BEZA.....	9
2.5	Organization of BEZA.....	10
2.6	Working Procedure of BEZA.....	10
2.7	BEZA Fund	10
3	The Economic Zone Development Process and Contractual Considerations	12
3.1	Linking Economic Zones to Local Development	12
3.2	The Roadmap for the Development of Economic Zones	13
3.2.1	Segregation of Private and PPP Economic Zone Projects	13
3.2.2	Identifying the Project	14
3.2.3	Preparation	15
3.2.4	Project Planning.....	16
3.2.5	Economic Zone Development.....	16
3.2.6	Economic Zone Implementation.....	17

3.3	Contractual and Commercial Considerations.....	17
4	Master Plans and Feasibility Studies of Economic Zone Projects.....	23
4.1	Codes and Standards applicable within Economic Zones	23
4.1	Residential/commercial establishment	23
4.1	Power supply	23
4.2	Water supply.....	24
4.3	Sewage/waste water treatment	24
4.4	Industrial waste disposal.....	25
4.5	Environmental Impact Assessment (EIA)	25
4.6	Human resource development	25
4.7	Sales policy	26
5	RFQ and/or RFP, and award process under PPP scheme ..	27
5.1	Invitation for a RFQ and/or RFP process.....	27
5.2	Applications and proposals evaluation process.....	29
5.3	Technical Considerations	29
5.4	Financial Consideration	29
5.5	Selection/Award as a Zone Developer	30
5.6	Suspension, cancellation of developer's license	30
5.7	Arbitration	30
5.8	Obligations of the Parties pending reference to the Adjudicator or during Arbitration.....	31
6	Starting a Project in an Economic Zone	32
6.1	Conditions for tenancy	32
6.2	Procedure to establish a company	32
6.3	Required permits and contract documents	32
6.4	Contractual and Commercial Considerations.....	34
6.5	Workflow for entry into Economic Zones.....	35
6.6	Foreign investment restriction.....	36
6.7	Land title.....	36
6.8	Customs procedure.....	36
6.9	Tax incentives	38
6.10	Lease /resale policy	38
6.11	Regulations and conditions regarding foreign exchange transaction / financing.....	38
6.12	Immigration and Employment of Foreigners.....	40
6.13	Labor and employment related matters	40
6.14	Labor dismissal policy	41
6.15	Environment clearance policy.....	41
6.16	Building Permit and Operation Permit.....	41
6.17	Electric Power Procurement Method.....	44
6.18	Industrial Water Securing Method	45
6.19	Industrial Wastewater treatment method	45
6.20	Industrial solid waste disposal	45
6.21	Economic Zone Residents	46
7	Tools for Economic Zone Projects	47
7.1	Facilitating investment through OSS in Economic Zone projects	47
7.2	Incentives for Unit Investors.....	50

This publication is not intended to be a complete review of all developments in the law and practice, or to cover all aspect of those referred to. Readers should take legal advice before applying the information contained in this publication to specific issues or the transactions.

Foreword

Need for Economic Zones Guide

Government legal documents and detailed administrative procedures exist to identify, process and approve an Economic Zone Project. However those acts, policies, rules and guidelines are fragmented from the viewpoint of Zone developers. A comprehensive document to provide summarized, streamlined, and simplified facets of Bangladesh Economic Zones Development is needed for attracting more Zone Investors, and subsequently Unit Investors into Economic Zones in Bangladesh.

The Government of the People's Republic of Bangladesh has adopted the policy of promoting the development of Economic Zone projects through the private sector. The Government of Bangladesh desires to promote further private participation in the projects, harness competition, ensure optimal use of land resources, and enhance value-addition in industrial activity linkages mediated by Economic Zones. This will result in the accelerated growth of the economy, being enhanced through the successful development and operation of Economic Zones.

An Economic Zone project may be carried out through a public private partnership (PPP) project or through as a private project. A PPP project is formulated through a RFQ and/or RFP process based usually on Government-procured land. Then the relevant Government authority grants the legal right to the private zone developer after the evaluation process of the process to carry out the functions of the development and operation of the Economic Zone's business. In a private sector commercial project, the development, engineering, financing, procurement, construction, and operation are carried out through a private sector entity.

Presently there is no handbook for Government officials to refer to and follow with respect to developing and facilitating the progress of these PPP and private Economic Zone projects on the same platform. Consequently, this Guide is formed as a toolkit to provide consistent procedures to identify, develop, and process these PPP and Private Economic Zone Projects in Bangladesh.

This document (the "Economic Zones Guide" or "Guide" in short) therefore aims to provide an orientation for government officials as well as for Zone developers and Unit Investors planning or running Economic Zones who are thinking of adopting industrial and business development strategies in the form of an Economic Zone in their property and regions. It is a guide to the process of Economic Zone development, outlining the elements and resources needed to start a well-organized arrangement towards successful Economic Zone development.

The guide describes the general steps in the process formalities but does not imply detailed implementation formality since this depends very much on the unique individual projects. Implementation of Economic Zone within an industrial system is usually defined by site-specific feasibility studies and project implementation structures between involved companies and stakeholders. For further investigation the guide points more detailed resources available through institutes and legal documents in print or on the internet.

Although, this guide is developed based on practical experience in developing Special Economic Zones and Industrial estates/parks/zones in other countries and adapted for application in those countries, it also incorporates Bangladesh experience and examples of relevant case studies, in particular from the Export Processing Zones of Bangladesh.

Consequently, the objectives of the Guide are:

1. to establish within the Government, clearly recognizable procedures to identify, process, and approve PPP and Private Economic Zone Projects;
2. to document a set of practical guidelines, for both the private sector Investors and Government, enabling the promotion and implementation of Economic Zone Projects; and,
3. to establish streamlined institutional arrangements to monitor and expedite the implementation of such projects at a national level.

How to use this Guide

This guide was developed to assist in the compliant preparation of planning, designing and implementing Economic Zone development and operation projects. As new acts, policies, rules, and regulations emerge, the Government of Bangladesh will evaluate the impact on their administrative service offerings, and will post updates to this guide. The readers are recommended to check the updated version of this guide routinely, as well as the BEZA website, to obtain current information that may affect the development and operation of Economic Zone projects.

This guide is divided into seven main parts:

- Part 1: The Economic Zone Concept** provides an overview of Economic Zone principles and the necessary preconditions.
- Part 2: The Institutional Framework** describes the role and function of the regulatory authority of Economic Zone projects.
- Part 3: The Economic Zone Process** describes the different stages in Economic Zone development, with necessary information and required procedures as well as contractual considerations given to Zone Developers.
- Part 4: A Master Plan and Feasibility Study** provides an overview of the elements to be included in an Economic Zone plan.
- Part 5: A RFQ and/or RFP, and award process under a PPP scheme**, describes the procedure for appointing an Economic Zone Developer under a PPP scheme
- Part 6: Starting a Project in an Economic Zone** highlights the norms for implementing a Project in an Economic Zone and residence in an Economic Zone
- Part 7: The Tools for Economic Zone Projects** provides the facilitation tools (One-Stop Service and Incentives) for Unit Investors

The Seven Sections are linked together and are meant to be cross-referenced as per the table below in order to ensure that the information provided is done so in the most effective manner.

	The point of view of Economic Zone supervisory authority	The point of view of Economic Zone development businesses	The point of view of Economic Zone tenants
Provision of law	<ul style="list-style-type: none"> What is an Economic Zone? System of law Legal basis and roles of organizations founded Objectives for development Internal rules Benefits Incentive <p>⇒ Part 1 ⇒ Part 2 ⇒ Part 7</p>	<ul style="list-style-type: none"> What rights are observed and obligations required How to participate in the Economic Zone development projects Qualifications required as economic Zone developers <p>⇒ Part 3 ⇒ Part 5</p>	<ul style="list-style-type: none"> Conditions for entry Incentives to be granted <p>⇒ Chapter 6 (Starting a Project in Economic Zone) ⇒ Part 7</p>
Development perspective	<ul style="list-style-type: none"> Promotion of synergy with other national projects Development methodologies of Private Economic Zones and PPP Economic Zones Development licensing and the cancellation process (Private Economic Zones) Bidding method and process (PPP Economic Zone) Rights and obligations of Regulatory bodies and Developers in relation to Economic Zone development projects <p>⇒ Part 3</p>	<ul style="list-style-type: none"> Development licensing and procedures Documents required for development licensing Requirements in Master Plan (zoning, infrastructure development plan, etc.) <p>⇒ Part 3 ⇒ Part 4</p>	<ul style="list-style-type: none"> Required licenses and permits Factory construction procedure One-stop service contents <p>⇒ Part 6 ⇒ Part 7</p>
Operational perspective	<ul style="list-style-type: none"> Monitoring technique One-stop service content Relevant ministries and agencies <p>⇒ Part 3 ⇒ Part 7</p>	<ul style="list-style-type: none"> Utility service pricing Sales method <p>⇒ Part 3 ⇒ Part 4</p>	<ul style="list-style-type: none"> Procedures to receive the incentives Procedures necessary for entry <p>⇒ Part 7</p>

Using the Guide in Practice

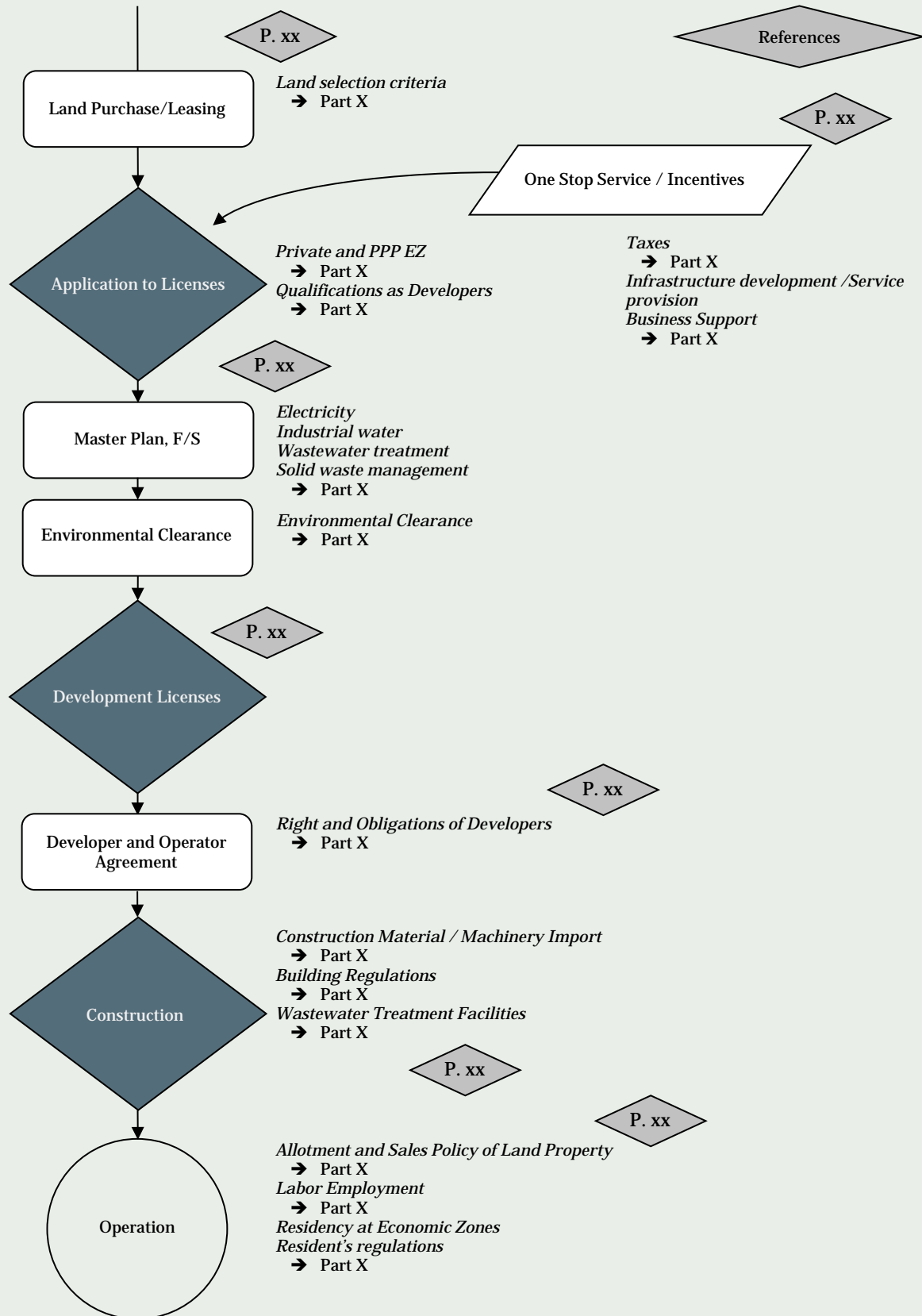
This Guide can be used to facilitate an appropriate approach to develop Economic Zones and increase awareness across the Zone developers and with other key government agencies. The content in this Guide, along with the Operation Manual, can help Zone Developers and Zone Units obtain key features about the policies, processes, formalities, and benefits of Economic Zones. The readers are also recommended to request advice of relevant authorities about needed information. Several of the referential materials will help Zone Developers and Zone Units understand Economic Zones and any specialty areas.

Other Helpful Tips

A few points to keep in mind about the Guide include: As a reference of all required activities on Economic Zone Development and Operation. The section may be accessed separately in accordance with the table below so that the content is easy to find. Feel free to access and read the sections that best meet your needs. Each specialty section provides a “quick course” on that specialty and its relation to Economic Zone Development and Operation. Each section is written for the person outside of the specialty. As a result, your own specialty section may seem simplistic. Furthermore, the OSS section and Incentive-related List provide additional resources and links of organizations relevant to all these formalities and procedures to help any reader put the information in this Guide into practice.

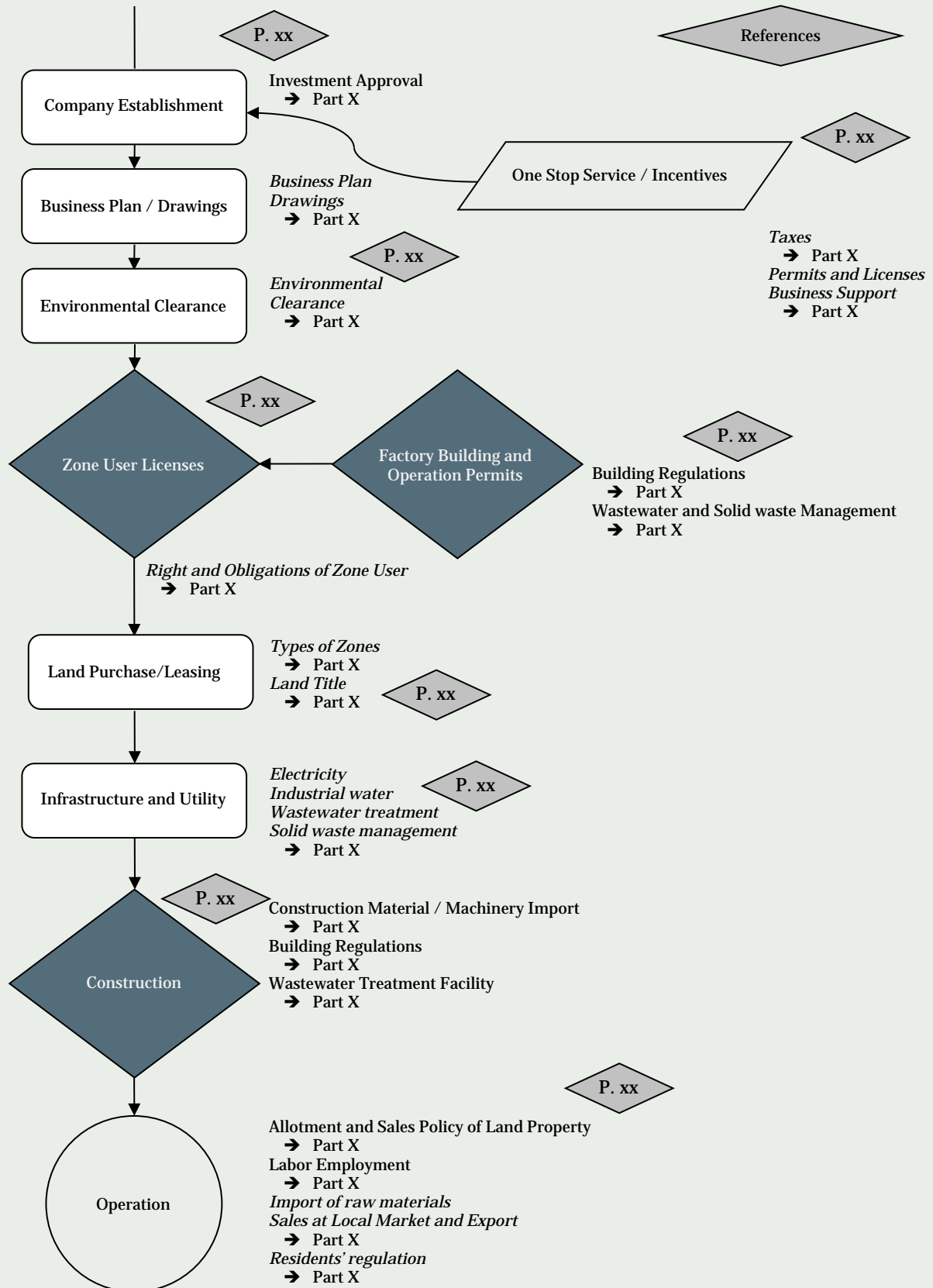
For Economic Zone Developers and Operators

Flow chart reference note for Economic Zone development and operation



For Economic Zone Units and Investors

Flow chart reference note for business registration and operation



Terminology

“Act” means the Bangladesh Economic Zones Act, 2010 (Act No. 42 of 2010);

“Authority” means Bangladesh Economic Zones Authority established under section 17 of the Act;

“Bangladesh Economic Zones Authority” or **“BEZA”** in short means the Bangladesh Economic Zones Authority established under the Bangladesh Economic Zones Act, 2010;

“Bangladesh Export Processing Zones Authority” or **“BEPZA”** in short means the Bangladesh Export Processing Zones Authority established under the Bangladesh Export Processing Zones Authority Act 1980;

“Developer Agreement” means the Economic Zone Developer Agreement executed between the Authority and the entities for development, operation, maintenance and promotion of Economic Zones after RFP and/or RFQ Procedure;

“Developer and Operator Agreement” means the Private Economic Zone Developer and Operator Agreement executed between the Authority and the Licensee for development, operation, maintenance, and promotion of a Private Economic Zone;

“Economic Zone” means any industrial zone declared by the Government through gazette notification;

“Economic Zone Developer” means an entity which the authority appoints for economic zone development;

“Economic Zone User/Unit/Unit Investor” means a private party (proprietorship firm, partnership firm, corporation/limited company, or any joint venture) who plans to invest in Economic Zone projects in Bangladesh, who has created a Project Company and has committed to invest in the Project Company to develop and/or operate a project in an Economic Zone;

“Export Processing Zone” means a specific type of industrial zone, set up by Bangladesh Export Processing Zones Authority to promote industrial and commercial exports;

“Government” means the Government of the People's Republic of Bangladesh;

“Infrastructure” or **“On-Site Infrastructure”** means basic facilities, establishments, and utilities situated inside the perimeters of an Economic Zone for promoting development and activities of the Economic Zones and includes, with related services, also the following, namely:

- (1) Buildings or other similar structures;
- (2) Systems for collection, treatment, disposal, and management of solid waste and industrial waste etc. ;
- (3) Generation, transmission, and distribution of electricity;
- (4) Supply and distribution of other energy including gas;
- (5) Facilities for collection, treatment and disposal of rain water;
- (6) Sewerage;
- (7) Transportation network including roads and bridges;
- (8) Telecommunications and information technology;
- (9) Supply and distribution of water;
- (10) Medical facilities;
- (11) Adoption of a training program for capacity building and development;
- (12) Central facilities center and testing facilities;
- (13) Worker's dormitory; and,
- (14) Skill development center.

“License” means a Private Economic Zone License granted under Sub-Article (3) of Article 7 of the Private Economic Zones Policy, 2015;

“Licensee” means an Enterprise in favor of which a Private Economic Zone License has been granted;

“Off-Site Infrastructure” means the Infrastructure situated outside the perimeters of an Economic Zone and it shall include the public utility, transport, and other structure connected to an Economic Zone;

“One Stop Service Office” means a business or office offering Economic Zone Developers and Users the convenience of having multiple needs met in one location;

“Policy” means the Private Economic Zones Policy, 2015;

“Permit” means the Private Economic Zone User Permit granted under Article 30 of the Private Economic Zones Policy, 2015;

“Pre-qualification” means a method by which Private Economic Zone Developers are invited to demonstrate their development and management plan prior to, and as a pre-condition for, being appointed as Economic Zone Developer;

“Public Private Partnership” means an Economic Zone infrastructure project developed by the private sector on the basis of a build-own-operate (BOO), build-operate-transfer (BOT), build-own-operate-transfer (BOOT), refurbish-operate-maintain (ROM), concession, license, franchise, lease, management, or capitalization arrangement or such other form of private sector participation arrangements, as described in Annexure E;

“Rules, 2014” means the Bangladesh Economic Zones (Appointment of Developer, etc.) Rules, 2014;

“Rules, 2016” means the Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016;

“Schedule” means any schedule of the Policy;

1 Economic Zone Concept

1.1 History of Economic Zones in Bangladesh

EPZ regime to EZ regime

After the independence, Bangladesh was desperately seeking capital investment from abroad, and technical transfer to facilitate the nation's industrialization process in order to achieve economic development. One of such efforts was embodied in the formation of the BEPZA Act 1980 which precipitated, eventually, the formation of Bangladesh Export Processing Zones Authority (BEPZA) - the government body responsible for the development and operation of Export Processing Zones (EPZ) in the country. Since then EPZs, in tune with the liberal industrial policy of the government along with an investment friendly legal & institutional framework like Foreign Private Investment (Promotion and Protection) Act, 1980, have made significant progress. The pioneer EPZ of the country - Chittagong EPZ - started functioning in the year 1983 in the Port city of Chittagong, and seeing its success the second EPZ came into being in 1991 in Dhaka. Presently there are as many as 8 operational EPZs in the country contributing to the overall economic development process of Bangladesh through the promotion of exports and FDI (Foreign Direct Investment), and generation of employment and technology transfer.

Bangladesh Export Processing Zones Authority Act, 1980

However, the magnitude having brought into being by EPZ is confined in the area of export-oriented industrial sectors, and development of forward and backward linked industries was not effectively established so that, for example, intermediate goods and materials are still being imported from outside the country. Moreover, although the Bangladesh economy was growing well at 6.3% in the previous 5 year period, it needs to be accelerated to have a GDP growth rate of 8% to 10% for reducing the poverty level from 40% now to 15% and targeting becoming a Middle Income Country by 2021. The Economic Zone program is, thus, envisaged and aiming for achieving the above goals by attracting more private investment (FDI & DI) in the nation, accelerating GDP growth and creating 10 million of new jobs by 2030.

In this line, the concept of Economic Zones was brought into discussion within the Bangladesh Government, being conceived since 2007 through technical cooperation from the World Bank Group and Japan International Corporation Agency (JICA); and, an inter-ministerial discussion was rigorously made to conclude that the nation must introduce a new regime of industrial/investment promotion instrument/mechanism rather than Export Processing Zones (EPZ), then as stipulated in the Bangladesh Economic Zones Act, 2010, the first Economic Zone was created with a fresh institutional setting managed by the Bangladesh Economic Zones Authority (BEZA) for attracting investments to the nation, industrializing the national economy, redressing the nation's intra-regional disparities and creating new employment opportunities for the nation.

Bangladesh Economic Zones Act, 2010

1.2 Application of the Concept

Economic Zone strategies

In the Act, Private Economic Zone development lead by local, non-resident Bangladeshis or foreign investors is encouraged. According to the Bangladesh Economic Zones (Appointment of Developer etc.) Rules, 2014, the Authority may appoint an Economic Zone Developer or a Special Economic Zone Developer on a Public Private Partnership (PPP) basis for developing Economic Zones, infrastructure development in Economic Zones, and administering, managing and monitoring/controlling activities in Economic Zones. Incentives for Private Economic Zone Developers are also set and approved by the Government.

Bangladesh Economic Zones (Appointment of Developer etc.) Rules, 2014

As for Economic Zone projects under a PPP scheme, in accordance with Section 5(1) of the Economic Zones Act 2010, the Government may, by notification in the official Gazette, declare any specific land area as an Economic Zone after scrutinizing its suitability as a project site. The government may acquire such land under the provisions of the Land Acquisition and Requisition of Immovable Property Ordinance, 1982 (Ordinance No. II of 1982) by the Section 6(1) of the Economic Zones Act, 2010. Otherwise, private entities can submit a proposal to register their land as a Private Economic Zone through an initiative of a private company.

In order to facilitate inter-industrial linkage in sourcing intermediate goods and material between Economic Zones, as well as to make the Economic Zone projects as anchor projects in the regions, brand new incentive/tariff benefits and One-Stop Service (OSS) systems for development projects of Economic Zone are presented, and Section 7(1) of Economic Zones Act, 2010 stipulates that the Economic Zones Authority may issue order for the formulation of a Master Plan by dividing an economic zone into four areas, namely, Export Processing Area, Domestic Processing Area, Commercial Area and Non-Processing Area. Such a Master Plan must be approved by the Economic Zones Authority according to Section 7(2) of the same Act. Consequently, the Economic Zones being approved are supposed to facilitate planned industrial development all over the country. And it is in principle envisaged that an Economic Zone is not supposed to be a stand-alone development strategy, but needs to be integrated into the local and regional economy.

Eligible sectors

In accordance with the Bangladesh Economic Zones Act, 2010, the BEZA may, from time to time, determine the category of industrial and commercial organizations to be established in an economic zone with a view to providing with benefits (Section 9). Industries to be established in an Economic Zone, at present are set sectors such as agricultural farms, service-oriented organizations etc. including small and cottage industries, except the sectors identified as reserved industries under the existing industrial policy of the Government (Section 15).

Section 9 and 15 of the Bangladesh Economic Zones Act, 2010

Under the current global Economic Zone norm, the manufacturing sector is not considered as a solo target industry. However, it is now common to allow more broad-scale industries and services such as IT & IT related industries, tourism, banking/insurance, agriculture/forestry, ship building and fisheries to operate in Economic Zones. Bangladesh has the potential to develop some of these industries in the country. Hence the above sectors are encouraged to be included as types of industries to be promoted in Economic Zones. Moreover, the backward linkages/production-chains with SMEs in and surrounding Economic Zones are also to be pursued.

Nature of Economic Zone projects

In Article 12 of the Private Economic Zones Policy, it is stated that a Foreign National or Foreign Enterprise may acquire 100% ownership of any Private Economic Zone. It also guarantees in Article 13, non-discriminatory treatment between foreign and local investment, in respect of acquisition, development, expansion, management, activities, operation, sale, shifting, or otherwise transfer.

Article 12 and 13 of Private Economic Zones Policy, 2015

Licensing

Bangladesh Economic Zones Act, 2010 has a provision that BEZA may appoint Private Economic Zone Developers in a prescribed manner for developing Economic Zone. As per the provisions in Article 4 in the Bangladesh Private Economic Zones Policy, 2015, the applicants for establishment and development of a Private Economic Zone, and operation, maintenance and promotion of such a Zone, is deemed to submit First stage and Second/Final stage applications in a series in order to obtain Private Economic Zone License. Then the Licensee is authorized to commence all approved activities including development, operation and maintenance of the Private Economic Zone. Once the license is issued under Sub-Article (3), Article 7 of the Policy, the Authority and the Licensee shall sign the Private Economic Zone Developer and Operator Agreement.

Article 4 and 7 of Bangladesh Private Economic Zones Policy, 2015

For entry to an Economic Zone for conducting authorized Economic Zone activities as an “Industrial User”, a private Enterprise needs to obtain an Economic Zone User Permit from either BEZA, the Economic Zone Operator or Economic Zone Developer / Operator.

Land for Economic Zone projects

As for the land parameters of an Economic Zone project, under a Public Private Partnership scheme, the Government selects a site for Economic Zone by notification in the official gazette. According to Article 3 of the Acquisition and Requisition of Immovable Property Ordinance, 1982, properties used by the public for the purpose of religious worship, graveyard and cremation ground are not supposed to be acquired. Moreover, by Section 5(3) of Economic Zones Act, any area within the City Corporations, Municipalities and Cantonment Board area shall not be declared as an Economic Zone.

Section 5(3) of Bangladesh Economic Zones Act, 2010

In developing an Economic Zone by a private sector developer, the private entity may develop land parcels and act as the anchor developer for proposed Economic Zones in Bangladesh or act as Co-developers/Tenants on the proposed Economic Zones or acquire land and apply to the Authority for issuance of a license for development and operation of Private Economic Zones in Bangladesh.

The Type of Public Private Partnership for Economic Zone Projects

In developing Economic Zones and Special Economic Zones through a PPP scheme, the Private sector entities may participate in the projects on Design, Build, Finance, Operate and Transfer (DBFOT) basis through Public-Private Partnership (PPP).

Rule 1 of the Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016.

1.3 Economic Zone Definition

“Economic Zone” is defined as any area declared by the Government under the Section 5 of the Bangladesh Economic Zones Act, 2010 with a view to establishing any industries including small and cottage industry, commercial and tourism establishment, except those identified as the reserved industrial areas in the existing industrial policy of the Government (Bangladesh Economic Zones (Appointment of Developers, etc.) Rules, 2014, 2. (a))


Section 5 of the Bangladesh Economic Zones Act, 2010

Rule 2(a) of Bangladesh Economic Zones (Appointment of Developers, etc.) Rules, 2014

Classification of Economic Zone Projects

The Government has planned to establish the following categories of Economic Zones:

- a) Economic Zones established through Public and Private Partnership by local or foreign individuals, bodies or organizations.
- b) Private Economic Zones established individually or jointly by local, non-resident Bangladesh or foreign investors, bodies, business organizations or groups.
- c) Government Economic Zones established and owned by the Government.
- d) 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.
- e) G2G Economic Zones established upon initiative by the government of a foreign country or the Government of Bangladesh and/or in partnership between Government of Bangladesh and Government of a foreign country; and

- 
- f) Economic Zones established in collaboration with and/or partnership between Government Authorities or Organizations.

2 Institutional Framework

2.1 Legal basis

Bangladesh Economic Zones Act, 2010

This Act was enacted in 2010 in order to substitute the functionality of Export Processing Zones (EPZ) as an industrial and investment promotion instrument with the new mechanism to be known as Economic Zones. Establishment scheme and system of Economic Zones are defined in this Act in that the government site selection procedure for Economic Zones would entail notification in the official gazette and the acquisition of authority approval for zoning plan (Master Plan) with EPA, DPA, Commercial Area and Non-processing Area stipulated therein. As for the appointment of Economic Zone Developers, this Act states that separate Rules shall be prepared for its administrative operation.

For the Units in Economic Zones, it states that industrial and commercial organizations shall be promoted as Unit Investors. Also kind of inviting/encouraged industries/services are cited to be determined by the Authority (Banking service is subject to the decision of the Bangladesh Central Bank). Fiscal and non-fiscal benefits are going to be applied for investors involved in Economic Zone development as well as for Unit Investors. In this sense, this Act stipulates that government provides at least an equal extent of tariff and financial benefits in conformity with the EPZ and the private EPZ for Economic Zones. Facilitation for both developers and industrial units is also cited in consideration of One-Stop Service.

The structure and role of BEZA (Executive and Governing Boards) are also defined in this Act in that the Authority may have branch offices; the branch office can acquire land, appoint developers by its own or PPP initiative, and can plan infrastructure development, develop infrastructure and own establishment. The branch office promotes investment and allots plot of its own. According to this Act, the Governing Board is comprised of members even from the private sector like FBCCI and two more members from the Chamber of Commerce and two women entrepreneurs are invited. The Governing Board has the power to approve the establishment of an Economic Zone. For the governing rule of the staff service term and conditions, the BEZA Regulation is to be formed and the way of spending the BEZA Fund is also going to be stipulated in the Regulation. Moreover, this Act states that BEZA Rules shall be prepared to prescribe the cancellation of Economic Zone license, appointment of Economic Zone Developers and accounting and auditing of BEZA. As to the BEZA Fund, the Act stipulates that the Fund is not required to return back to the Central Bank.

This Act also stipulates a relation with environment and labor affairs in that the international and national standard of the environment and labor affairs should be followed regardless of the applicable norms/system of Economic Zones. And it is clearly stated that BEZA can order a shut down or/and a dismissal of personnel leading labor unrest, strike, or lockout activities. In addition, removal of difficulties by the government is cited as a special right of BEZA for

the betterment of the systematic operation of Economic Zones.

Bangladesh Economic Zones (Amendment) Act, 2015

It describes the amendments of the Bangladesh Economic Zone Act, 2010 in that mainly the use of two additional methods was added as the development approach of the Economic Zones. Namely Economic Zone development by bilateral government agreements, and that in partnership with Bangladesh government authorities and organizations are added. As for the restriction set forth on the usage of the land within City Corporation Municipality and Cantonment Board, this amendment made it possible to develop Economic Zones for the ICT industry.

Bangladesh Private Economic Zones Policy, 2015

This Policy states the establishment scheme of Private Economic Zones, criteria on suitable land, application, requirements, procedure for Private Economic Zone licenses, and licenses required for sub-contract (Bangladesh enterprise) and other similar agreements. It is stipulated that the way of license issuance is performed by publication both formal and informal.

In this Policy, rights and obligations of a Licensee are described in that completion of the work of establishment, within a certain time schedule, in the license is one of the obligations of the Licensee. It also states that a foreign entity can own 100% of an Economic Zone (private), and enjoy the benefits of that ownership as any local owner.

As for the structure and functions of BEZA, it states that branch offices can approve User Permit, and the OSS office can be at head and branch office. Also it stipulates a One-Stop Service and a coordination manager shall be appointed by the Executive Chairman, and, it is stated that the duties and responsibilities of the BEZA staff shall be prescribed in Rules.

Whereas the appointment procedures of Private Economic Zone Developers and Operators are stipulated in this Policy, the rights and obligations of Developers and Operators are also cited in detail. For example, a developer can sub-lease land/asset subject to the approval of the Authority. A developer's obligations are noted in the construction of on-site infrastructure, a transportation network, quarters of workers, the preparation of a land use/zoning plan, social mitigation measures, submission of annual reports, and environment and labor-related reports. Operator's obligations/rights are described in issuing User Permits (which cannot be sold/transferred without approval of the Authority/Licensee, although land/assets can be transferred), formulating/issuing internal operating rules/procedures, and promoting Private Economic Zones in cooperation with the Authority.

This Policy also describes the process of issuing Private Economic Zone User Permits for Unit Investors as well as for Private Economic Zone Residents.

As for the procedures of construction permission, this Policy does not cover the features, and it states that different laws, act, rules and regulations shall be prepared for governing it. Environment clearance affairs are described in that Environmental Impact Assessment (air, water, soil, and waste) can be expedited with special rules and procedures in consultation with applicable laws/rules of MoEF. Also green technologies for energy saving and environment conservation are encouraged. Labor affairs is stated to be followed in conformity with the set of EPZ rules, which have been already applied in EPZ.

Bangladesh Economic Zones (Appointment of Developer, etc.) Rules, 2014

This Rule states the necessity of formulating the separate Guideline for appointment of developers of Economic Zone projects. Until formulation of such a Guideline, a Guideline for PPP (Policy and Strategy for PPP, 2010) is cited to be substituted. In accordance with this Rule the tenure of a developer is set to be 50years (extendable).

Policy and strategy for PPP, 2010

Qualification of Developers under a PPP scheme is also described in this Rule in that as eligible developers, 3-years experience in establishing and operating industrial estates and their

kind, and having experience in designing/financing Economic Zones within the previous 3-year period are all required. Also the entity must have earned a gross revenue of 10 million USD per year for the previous 3-year period for the operation of an Economic Zone and the entity's net worth (own capital/equity capital) is deemed to be over 25 million USD.

Developer's rights and obligations are also described in this Rule. As obligations of the Developers, the Rule requires provision of all type of utilities and other basic services as well as development of installation including on-site infrastructure and a transportation network. On the other hand, profit can be transferred outside Bangladesh with approval of the government. The procedures for suspension and cancellation of a developer's license as well as the procedure of selecting a substitute developer are stipulated. Remedy of developers is also cited in this Rule.

Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016

This Rule, 2016 at first describes the developer's qualification criteria as stipulated in Rule, 2014 shall be fundamentally adhered, and similarly rights, privileges and obligations of the developers is cited to be obliged to follow as per the Rules, 2014. It states that national, foreign, government-owned entity can form JV/Consortium to become a Developer, and lead firm is deemed to have at least 26% of the share. In the meantime, a foreign company/entity/JV/Consortium needs to register as a legal entity in Bangladesh. Anti-corruption measures are cited with their definition as well as the course of prohibited acts into rejection of the proposal and legal actions.

Overall process flow of appointment of the Developer is initiated with the issuance of a Request for Proposal (RFP) as a direct method and alternatively issuance of a Request for Quotation (RFQ) followed by RFP only to the parties shortlisted as the other method, then the latter follows by the two steps of evaluation. The common format of RFQ and RFP Documents are supposed to be prepared by the Authority in that all necessary particulars are described in those documents, together with special characteristics/features of the particular projects. A clarification procedure of an RFP/RFQ and a manner of operation as well as an amendment procedure of an RFP/RFQ and a manner of operation are describe.

The Rules, 2016 also cites Pre-application and Pre-proposal meetings, as well as the visit to the project site is organized so that project features and technical questions are addressed. It follows with a description of bid document preparation, a bid security treatment, the submission manner of an RFP/RFQ and deadline adherence, consequence of late submission of bids, as well as bid validity period and modification arrangements (allowed before deadline).

The Rules, 2016 also stipulates the formation of a committee for bid opening and bid evaluation. As for a bid evaluation committee, it is deemed to be comprised of 5 – 7 members, who can be from BEZA, representatives from other organizations and line ministries, although at least 2 members should be external members (from BEZA). BEZA appoints chairperson / member secretary, and it is stated that members can be replaced, in case there is a conflict of interest in a particular project. The Policy of the tenure of the evaluation committee is not defined, though it is interpreted that, although the standing committee members shall evaluate each and every different RFP / project, unique members may be involved in the functions. Appointment of a technical sub-committee is also cited possible if it is required.

A bid opening procedure and the manner of operation are prescribed in that in a bid evaluation, the evaluation committee shall perform the act as described in this Rules, 2016, by 7 criteria, although not restricted to these - design philosophy, drawings, project concept, marketing, implementation plan etc. The evaluation of 3 financial criteria is also prescribed, namely projected capital investment, operational cost and revenue; projected source of financing; and payments and returns to the Authority. In the process of evaluation, the Rule, 2016 stipulates that the evaluation committee should prepared a recommendation for BEZA to evaluate proposals, although such recommendation cannot be final but can be rejected by BEZA, so that Authority's right to accept or reject bids can be retained.

As the successful bidder was identified, the Letter of Award (LOA) shall be issued, and in a meantime, Developer Agreement is going to be drafted. The contents to be included in the

agreement are also stated in the Rules, 2016. In addition, the bidder is required to make the payment of a performance security, in accordance with the Rules, 2016.

After an issuance of LOA, in order to comply with requirements, the successful bidder is deemed to follow instructions as well as a time schedule set forth in the RFP document in that in addition to the plans and designs being submitted at the bidding stage, a comprehensive Master Plan submission is required. In the comprehensive Master Plan, the following documents are required:

- Land use planning / zoning
- Onsite infrastructure plan
- Phasing plan

Also an F/S as well as an Environment and Social Impact Assessment must be carried out taking into consideration the following items:

- Financial / economical / commercial viability
- Benefit the country; such as increased investment, job creation and diversification of exports that outweigh the costs incurred by the Government to facilitate the project.

This Rules, 2016 also stipulates signing procedures of a developer agreement, expiry of developer agreement (set in 50 years), a dispute resolution mechanism, and removal of difficulties with a principle of mutual consultation among the parties.

2.2 Formation of the Bangladesh Economic Zones Authority (BEZA)

Bangladesh Economic Zones Authority (BEZA) emerged out of the Bangladesh Economic Zones Act, 2010, and BEZA was officially instituted by the government on 9 November 2010.

Section 17 of Bangladesh Economic Zones Act, 2010

BEZA aims to establish Economic Zones in all potential areas 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.

2.3 Objectives of BEZA

Objectives

BEZA wants to establish 100 Economic Zones on 30,000 hectares of land over the next 15 years from 2015 with an employment generation target of 10 million jobs.

Core Values

BEZA will strive to instill the following core values to reach and realize its vision and mission:

- a) Customer satisfaction;
- b) Team work;
- c) Free flow of information;
- d) Participation and involvement;
- e) Ceaseless learning;
- f) Networking; and
- g) Effective Public Private Partnership;

BEZA's Vision

BEZA aspires to become a sustainable development driving force and a world class investment promoter and service provider to ensure an ever-improving quality of life for the people.

Mission

BEZA's mission is to persistently create value for the investors by establishing attractive investment facilities in the Economic Zones through One-Stop Service and competitive incentive packages.

2.4 Functions of BEZA

BEZA Services

BEZA is mandated to establish, license, operate, manage and control Economic Zones in Bangladesh.

Section 19 of Bangladesh
Economic Zones Act, 2010

General duties and functions of BEZA as per Bangladesh Economic Zones Act, 2010 (Section 19) are as below:

1. to identify and select sites for industrial or similar sectors on availability of local resources including infrastructure, roads and communications, travel and banking facilities and skilled man-power for ensuring efficient utilization of land in the light of clustering principles;
2. to acquire land for Economic Zones identified on their own initiative or public-private partnerships and take possession of the acquired land on behalf of the Government;
3. to appoint Economic Zone Developers on a competitive basis to develop and manage the acquired land and the different types of infrastructure thereof;
4. to prepare infrastructure development plans of Economic Zones for implementation and management of their own establishment and submit those to the Governing Board for approval;
5. to allot or lease land, building or site, on a competitive commercial basis and in a prescribed manner, to investors applied for establishing industrial units, businesses and service providers in Economic Zones for implementation and management of their establishment;
6. to ensure infrastructure development of Economic Zones within a specified period through the monitoring of activities of its own and of Economic Zone Developers;
7. to create opportunities for employment through establishing backward linked industries within or outside Economic Zones by promoting local and foreign investment including development of a skilled labor force;
8. to ensure an efficient use of land in the light of clustering principles by dividing the land based on infrastructure and on availability of local resources to provide a conducive environment and facilities within Economic Zones;
9. to encourage more efficient management and the monitoring of programs for implementing commitments on the environment and other matters;
10. to take steps to establish backward linked industries in Economic Zones to meet the requirements of the local economy;
11. to encourage business organizations to relocate polluting and unplanned industries from metropolitan cities through establishing separate Economic Zones for different industries;
12. to encourage public-private partnerships in the development and operation of Economic Zones;
13. to take the necessary steps to implement social and economic commitments;
14. to establish the due rights of workers, to ensure their welfare and to establish congenial relationships between owners and workers;
15. to take appropriate steps to implement poverty reduction programs;
16. to expedite implementation of the industrial policies of the country by promoting planned industrialization of the thrust manufacturing and service sectors; and,
17. to convert the areas declared as Economic Zones into economic centers by developing industrial cities, agro-based industrial zones, trade zones and tourism zones through investment of the banking sectors, and to facilitate the availability of skilled labor and efficient service provisions.

2.5 Organization of BEZA

BEZA is attached to the Prime Minister's Office (PMO) and is mandated to establish, license, operate, manage, and control Economic Zones in Bangladesh.

Section 20 and 21 of Bangladesh Economic Zones Act, 2010

BEZA is governed by a 2-level management structure:

- Governing Board
- Executive Board

The Governing Board is the highest body that undertakes overall policy decisions. It is headed by the Honorable Prime Minister with top-level representations from Ministries or Divisions of Industries, Commerce, Finance, Planning, Science and Information and Communication Technology, Power, Energy and Mineral Resources, Communications, Labor and Employment, Environment and Forests, Agriculture, Posts and Telecommunications, Foreign Affairs, Home, Shipping, and the Prime Minister's Office including the apex chambers and private sectors.

The Executive Board consisting of an Executive Chairman (as Chief Executive) and 3 Executive members to oversee day to day operations of BEZA. The Executive Board exercises all powers and performs all functions as may be exercised and performed by the Authority.

Under the Executive Board, the BEZA Office/Secretariat performs all day to day activities as guided by the Executive Board. BEZA has approved staff strength of 72 officers and staff.

The job description states the role and responsibility of each post in the Authority, and the rule for employment defines the qualifications of each post. Reformed organogram is prepared and the compensation package is included.

2.6 Working Procedure of BEZA

The Governing Board is the supreme policy maker of the activities of the Authority. Operational domain of the activities is managed by the Executive Board of the Authority, which is chaired by the Executive Chairman. The secretariat is the arm of the Authority to carry out all official administrative works.

Article 17, 18, 19, 20, 21 of Bangladesh Private Economic Zones Policy, 2015

The duties and responsibilities of the Head Office and Branch Office are defined in Article 17 of the Bangladesh Private Economic Zones Policy, 2015. In addition, the function of a One-Stop Service Office of the Authority and its role of coordination with component agencies is stated in the Articles 18 and 19 of the same Policy. Furthermore, in order to facilitate administrative services, the applications for required licenses, permits and clearances posted through electronic means to the Authority can be processed (Article 20 of the Bangladesh Private Economic Zones Policy, 2015). The Authority shall maintain website and updates relevant information necessary for applications and proceedings for Economic Zone projects.

2.7 BEZA Fund

The Authority holds its fund, to be called the Bangladesh Economic Zones Authority Fund, which can be credited with the following items:

Section 30 of Bangladesh Economic Zones Act, 2010

- a) Grants and loans received from the Government, including DPP;
- b) Loans from any other sources approved by the Government;
- c) Income received from land allotted for establishment of industries and business units in the Economic Zones;
- d) Rent from buildings leased for industries and commercial establishment in Economic Zones;
- e) Various fees and service charges for any service provided;
- f) Profits received through public-private partnerships;
- g) Fees and service charges received from private organizations; and,
- h) Money received from any other sources

The Authority is preparing a protocol/order to delegate the financial power remained in the Governing Board to the Executive Board so that the flexibility of the usage of the Fund shall be improved. The Bangladesh Economic Zones Authority Fund is not required to return back to the Central Bank.

3 The Economic Zone Development Process and Contractual Considerations

3.1 Linking Economic Zones to Local Development

Economic Zones Development Policy

The success of Economic Zones depends on the extent to which they create linkages with the local economy thereby generating employment and increasing transfer of technologies and know-how.

The policy framework in Bangladesh provides for equal treatment of foreign and domestic investors, increased linkages with the local economy and special arrangements in environment clearance, labor issues as well as in taxation and customs clearance, including national certificates of origin. Economic Zones in Bangladesh permit 100% foreign ownership. National certificates of origin are provided in Economic Zones. To increase linkages with the local economy in Bangladesh, all the finished products, which are to be used for the locally locating export-oriented enterprises, are exempt from any customs duties in the case of their selling to the Domestic Tariff Area; and exports and imports of the project to and from the country are exempt from any sales taxes or any other kinds of taxes or duties applied in the country. Bangladesh does not apply minimum export requirements in Economic Zones.

Entry of private zone developers and incentives

In the Bangladesh Economic Zones Act, 2010, Private Economic Zone development lead by local, non-resident Bangladeshis or foreign investors is encouraged. According to the Bangladesh Economic Zones (Appointment of Developer etc.) Rules, 2014, the Authority may appoint Private Economic Zone Developer or Special Economic Zone Developer on a Public Private Partnership basis as well for developing Economic Zones, infrastructure in Economic Zones, and administering, managing and monitoring/controlling activities in Economic Zones. Incentives for Private Economic Zone Developers is also set and approved by the Government.

Section 4(b) and (d) of Bangladesh Economic Zones Act, 2010

Article 3 of Private Economic Zones Policy, 2015

Foreign investment restriction

In Article 12 of the Private Economic Zones Policy, 2015, it is stated that a Foreign National or Foreign Enterprise may acquire 100% ownership of any Private Economic Zone. It also guarantees in Article 13 non-discriminatory treatment between foreign and local investment, in respect of acquisition, development, expansion, management, activities, operation, sale, shifting or otherwise transfer.

Article 12 and 13 of Private Economic Zones Policy, 2015

3.2 The Roadmap for the Development of Economic Zones

3.2.1 Segregation of Private / PPP Economic Zone Projects

The development of Economic Zone projects typically requires formal recognition from the Authority. Such recognition can be made either through private sector initiative via application for an Economic Zones License, or by a public sector initiative via request for proposal to a particular Economic Zone project, where the successful bidder can obtain the permit for development and operation of the given Economic Zone. The development of an Economic Zone thus may be segregated into two schemes as illustrated in the figure below.

In Stage O, in case of a Private Economic Zone scheme, the private sector investors may propose an Economic Zone project for development and operation through the private sector initiative. Project details are requested for its acknowledgement from the Authority. The Economic Zone project, initiated through the Authority, may call a RFQ and/or RFP process for the selection of developers and operators of such Economic Zone projects.

In Stage I, the private sector investor carries out the Master Plan and Feasibility Study with taking considerations of technical, financial and commercial issues to present to the Authority for its approval. For the PPP Economic Zone scheme, a request for proposal may be prepared by the Authority to address the issues of designing, building, operating and marketing the designated Economic Zone to the prospective developer and operator.

Stage II refers to preparing the contractual framework for the investments for both Private and PPP Economic Zone initiatives. For a PPP scheme, the risk allocation between the Government and the Developer and Operator shall be identified in this stage.

In Stage III, the presentation of project details shall be evaluated. The project proponents and successful bidders are Pre-Qualified regardless of being a Private or PPP scheme. This Stage ends with the identification of the successful Investor becoming the preferred Bidder.

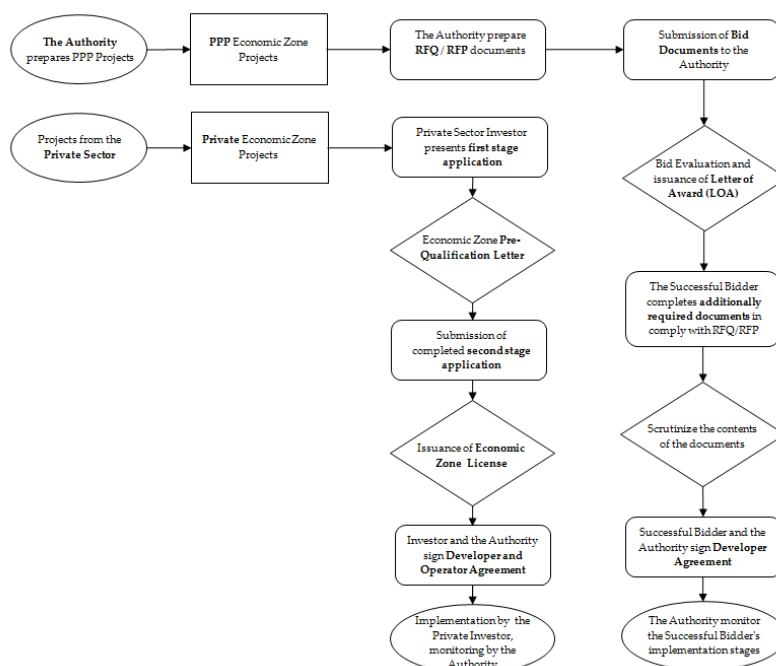
In Stage IV, the Authority negotiates the project with the successful bidder for a PPP scheme, and technical, commercial, financial and legal considerations are agreed between the Investor with the contract thereafter referred to as the Economic Zone Developer and Operator Agreement.

In Stage V, the Investor engages the construction contractor and physical construction may commence. At the end of the stage, the Economic Zone enters commercial operations.

Project Development Stage

	Stage O	Stage I	Stage II	Stage III	Stage IV	Stage V
Name of Stage	Project Identification	Master Plan and Feasibility Study	Commercial Framework	Evaluation	Negotiation	Construction
Stage Completion Milestone	Submission of Project Proposal	Preparation of RFP	Issuance of RFP	Issuance of Economic Zone License or Permit	Sign Agreement	Start of Commercial Operation
Process and Actions	<ul style="list-style-type: none"> Private sector initiative Select available private land with priority criteria Purchase land in common Prepare project operation report with master plan (EZ development) 	<ul style="list-style-type: none"> Submit two stage applications for EZ Pre-qualification Letter Prepare feasibility study Prepare project operation report with master plan Environmental Impact Assessment with an Environmental Management Plan Schedule of transactions work plan Receive Pre-qualification Letter 	<ul style="list-style-type: none"> Submit completed second phase application for EZ license 	<ul style="list-style-type: none"> Obtain EZ License 	<ul style="list-style-type: none"> Sign on the private EZ Developer and Operator Agreement 	<ul style="list-style-type: none"> Commence all approved activities including development Establish workers' community and control over the land
PPP Scheme	<ul style="list-style-type: none"> Identify and select EZ area pursuant to the criteria set forth Acquire and land for EZ identified for zones existing for PPP 	<ul style="list-style-type: none"> Prepare EFP document and set the Sub-areas to be developed 	<ul style="list-style-type: none"> Issuing Request for Quotation (RFQ) and/or Request for Proposal (RFP) Make and receive necessary request for clarification(s) on the RFQ/RFP Documents Organize Pre-application or pre-proposal meeting and Site visit 	<ul style="list-style-type: none"> Receive the Bid Documents Formulate the Bid Opening and Evaluation Characteristics Open the Bids Examine and evaluate the Technical and Financial proposals Decision made by the Authority if the bids are accepted, needed to commencement of a new bidding process Issue Letter of Award (LOA) to the Successful Bidder 	<ul style="list-style-type: none"> Prepare feasibility study report with master plan Environmental/Social Impact Assessment with an Environmental Management Plan Submit completed required documents to the Authority Scrutinize the contents of the documents Prepare Draft Form of Developer Agreement and Documents in compliance with the Ministry of Law Justice and Parliamentary Affairs 	<ul style="list-style-type: none"> Sign on the Developer Agreement Obtain the Appointment of Developer and the Administrative Guard of land permit Commence all approved activities including design, development and operation of the designated Economic Zone
Approx. Time required						
Private initiative	6 months to 1 year	3 months	3 months to 5 months	1 to 3 months	1 to 3 months	6 months
PPP scheme	6 months to 3 years	6 months to 1 year	1 to 3 months	1 to 3 months	1 to 3 months	2 to 6 months

Segregation of Private and PPP Economic Zone Projects in Stage Zero



3.2.2 Identifying the Project

Suitable site selection criteria

According to Article 3 of Acquisition and Requisition of Immovable Property Ordinance, 1982, no property used by the public for the purpose of religious worship, graveyard and cremation ground shall be acquired for the purpose of developing Economic Zones in Bangladesh. Moreover, by Section 5(3) of Bangladesh Economic Zones Act, any areas within the City Corporations, Municipalities and Cantonment Board area shall not be declared as an Economic Zone. According to Article 3 of the Private Economic Zones Policy, for selection of Private Economic Zone sites, priority will be given to less fertile land and less developed areas and any land carrying any ecological importance as identified under the Bangladesh Environment Protection Act, 1995 shall be kept out of the scope of such selection.

Site selection process

The land required for private Economic Zone projects may be obtained by purchase, monthly/yearly rent, long-term lease or acquisition. For acquisition, as per Article 14 and 15 of the Acquisition and Requisition of Immovable Property Ordinance, 1982 (Ordinance No. II of 1982), the Government will facilitate the acquisition of land for the private sector, in this case the requiring private sector entity needs to pay for all the costs related to such acquisition, e.g. cost to the owners, relocation of Project affected persons, mitigation of environmental impacts and normal administrative charges imposed by the Deputy Commissioner etc. as per the applicable laws, rules, ordinances or guidelines in Bangladesh. As per Article 17 of said Ordinance, in future the Acquired Property cannot be used for other than the purpose it was acquired, and if a requiring body of land could not use the acquired land purposefully as it was predetermined for long time, the Government can take back the land on a de-requisition basis and can use said land in the same manner for other purposes as suits.

Land acquisition / purchase

According to Section 5(1) of the Economic Zones Act 2010, the Government may, by notification in the official Gazette declare any specific land area as an Economic Zone after selection.

Article 3 of Acquisition and Requisition of Immovable Property Ordinance, 1982

Section 5(3) of Bangladesh Economic Zones Act, 2010

Article 3(2) of Private Economic Zones Policy, 2015

Bangladesh Environment Protection Act, 1995

Article 14, 15 and 17 of the Acquisition and Requisition of Immovable Property Ordinance, 1982 (Ordinance No. II of 1982)

Section 5(1) and 6(1) of Economic Zones Act 2010

The government may acquire such land under the provisions of the Land Acquisition and Requisition of Immovable Property Ordinance, 1982 (Ordinance No. II of 1982) by the Section 6(1) of the Economic Zones Act, 2010. Otherwise, private entities can submit a proposal to register their land as a Private Economic Zone through an initiative of a private sector entity.

Article 4, 5, 6, 7, 10 and 11
Land Acquisition and
Requisition of Immovable
Property Ordinance, 1982
(Ordinance No. II of 1982)

For the land acquisition process for an Economic Zone, the requiring body with the permission from its Governing Board would write to the concerned Deputy Commissioner (DC) of the district where the earmarked land is located to express the desire for the acquisition of land. The DC will instruct his/her Land Acquisition Office/ Land Acquisition Officer to start the process of acquisition. Part of the process will include; survey of the land, identification of the owners as per land records as available, valuation of land, structures, trees, and plantations as per land acquisition norms.

Subsequently, notices will be served to the land owners and other stakeholders about the intention and necessity of the land acquirement under Article 3 of the Ordinance which will be followed by Article 4 for filling Objection against acquisition by the land owner, Article 5 Final Decision of Acquisition by the DC, Article 6 for serving Notice to Persons Interested i.e., individual interest against ownership by other heirs/amount of compensation and all other stake holders, Article 7 for Award of Compensation by the Deputy Commissioner, Article 10 for Payment of Compensation and Article 11 for acquisition and possession.

As per Article 4 of the Ordinance, if the asking property is more than 50 bigha (16.33 acres) of land, the DC needs to move for getting Government approval before proceeding for acquisition. As per Article 8 of the Ordinance the Compensation of the land shall be determined on the basis of average price of other land in the vicinity of earmarked land with 50% compensation as TOP UP on the actual price. The price assessment of other structures, trees, and plantation shall have to be made on market price basis by the Department of Public Works (PWD) as per the requisition of DC. As per Article 7, the Requisitioning body shall have to deposit the assessed amount of compensation with the DC within 60 days of the assessment of compensation.

Location

The locations of Economic Zones in the nation are valued with regional connectivity, abundance of labor force, and backward linkage opportunities. Connectivity of industrial infrastructure and utility services (electric power, industrial water, effluent treatment plant, industrial solid waste treatment facilities, sea ports and natural gas pipelines etc) will be the keys for the ideal location.

Even though there is no written statement, the Authority shall fairly evaluate the proposed location of Economic Zone projects and suggest advice, although the Economic Zone is promoted in nation-wide locations.

3.2.3 Preparation

Development approval and Licensing

Bangladesh Economic Zones Act has a provision that BEZA may appoint Private Economic Zone Developers in a prescribed manner for developing Economic Zones either through a private project basis or a PPP scheme. As per the provisions in Article 4 in the Bangladesh Private Economic Zones Policy, 2015, the applicants for establishment and development of a Private Economic Zone and operation, maintenance and promotion of such a Zone is deemed to submit First stage applications, which is followed by the Second/Final stage applications in order to obtain a Private Economic Zone license. The Licensee shall be authorized to commence all approved activities including development, operation and maintenance of the Private Economic Zone after awarding of such an Economic Zone license. Once the license is issued under Sub-Article (3) in Article 7 of the Policy, the Authority and the Licensee shall sign the Private Economic Zone Developer and Operator Agreement. In addition, in accordance with the decision made in the Governing Board of the Authority, the minimum land requirement as the premise of Economic Zone, securing of over 50 acres of land is required.

Article 4 and 7(3) of Bangladesh Private Economic
Zone Policy, 2015

Linked (last mile) infrastructure/ utility development and adjustment

Although it is stated in Private Economic Zone Policy that construction of buildings including on-site infrastructure, a transportation network and quarters of the workers are legal obligations of Zone Developers, the Authority shall take charges of catering for assurance of developing and connecting inked (last mile) infrastructure/utilities between Economic Zone sites and off-site infrastructure.

3.2.4 Project Planning

Master Plan / Zoning Plan

According to Section 7(1) of Economic Zones Act, 2010, the Economic Zones Authority may issue orders for the formulation of a Master Plan by incorporating four areas into an Economic Zone, namely, an Export Processing Area, a Domestic Processing Area, a Commercial Area, and a Non Processing Area. Such a Master Plan must be approved by the Economic Zones Authority according to Section 7(2) of the same Act. The contents of Master Plan should include the land survey boundaries, site description, ownership, location, size, general description, existing conditions of the site (topography, qualitative conditions of soil, existing structures, landmarks, constraints, environmental and social issues), the land use planning and land zoning, on-site infrastructure plan and phasing plan. Also the proposed land area is deemed in close proximity to actual or proposed off-site Infrastructure. There is a general provision of guidance on the proportion of processing zone of industrial land and non-processing zone of like common infrastructure or green belts in that the Authority has a view that non-processing zone should be earmarked into 30 % to 40% of the total development area of an Economic Zone. Also the zoning policy of rigid demarcation of the Economic Zone into the four areas as stated above may not be applicable for certain projects, hence the Authority evaluates the zoning plan on a case-by-case basis.

Section 7(1) of Economic Zones Act, 2010

Article 6(1c) and (2) of Bangladesh Private Economic Zones Policy, 2015

Feasibility Study

The Private Economic Zone applicant is also required to submit a Feasibility Study to the Authority. The Authority shall scrutinize the study report from the point of the project's economic and financial viability and social suitability. The applicant is expected to demonstrate in the Feasibility Study that the project will be beneficial for Bangladesh, for example, instances of increased investment, creation of job opportunities, and diversification of exports, which, as a result, will be more beneficial than the costs incurred by the Government for implementation of the project.

Article 6(1c) and (2) of Bangladesh Private Economic Zones Policy, 2015

Environmental Impact Assessment (EIA)

In Article 6 (1)(d) of Bangladesh Private Economic Zones Policy, 2015, Environmental Impact Assessment (EIA) with Environment Management Plan is requested for issuance of an Economic Zone License at the Second/Final Approval stage. The Environmental and Social Impact Assessments should contain approved Environmental Management Plans by the Department of Environment (DoE) and sufficient health and safety schemes to mitigate negative impacts. In the Article 43 of the Bangladesh Private Economic Zones Policy, 2015 for Environmental Protection, expedited Environmental Impact Assessments is deemed to be enforced in coordination with the Department of Environment under all applicable law and governing memorandum to apply in each Economic Zone special rules and procedures set forth by the Department of Environment.

Article 6(1d), (2) and 43 of Bangladesh Private Economic Zones Policy, 2015,

3.2.5 Economic Zone Development

Although it is stated in Private Economic Zones Policy that the construction of buildings including on-site infrastructure, transportation network and quarters of the workers are legal obligations of Zone Developers, the Authority shall take charges of catering for assurance of the development of link infrastructure/utilities. On the other hand, in Article 41 of Bangla-

Article 41 of Bangladesh Economic Zones Policy, 2015

desh Economic Zones Policy, 2015, it is stated that all construction or installation work, including any infrastructure, on any Economic Zone lands or any modifications to pre-built units on any Economic Zone lands must be undertaken by an Economic Zone Enterprise or Economic Zone Resident in accordance with the applicable laws, the Act, rules, regulations or notifications made under the Act.

For the purposes of initiating, developing and managing operations of an Economic Zone, the Economic Zone Developer and Operator shall cause the following to be made available.

- a) the land acquired/purchased for the Economic Zone and buildings erected thereon for industrial and commercial purposes and the Economic Zone Developer and Operator may lease such land and buildings, to investors;
- b) the basic infrastructure approved by the Authority to supply utilities and infrastructure developed for the purposes of operations in the Economic Zone;
- c) streets and public places within the Economic Zone;
- d) the supply of water for human consumption and for business or industrial purposes;
- e) a system of sewerage, drainage and removal of refuse or waste for the benefit of the Economic Zone
- f) the supply of electricity and/or gas to the Economic Zone;
- g) an ambulance and fire brigade services in the Economic Zone;
- h) national and international programs for the appropriate business promotion for the investors in the Economic Zone;
- i) any other public utilities as maybe necessary for the betterment of operators and investors within the Economic Zone or consumers of products or services from the Economic Zone;
- j) personnel, training, security and surveillance, property and equipment maintenance, restaurants and food services as well as providing commercial information for the benefit of investors in the Economic Zone.

According to the provision in Rule 5(3) of Bangladesh Economic Zones (Appointment of Developer, etc.) Rules, 2014, the tenure period of Economic Zone project shall be 50 years from the date of signing the agreement, and which can be extended if it was deemed appropriate by the Authority.

Rule 5(3) of Bangladesh Economic Zones (Appointment of Developer, etc.) Rules, 2014

3.2.6 Economic Zone Implementation

Economic Zone Management

In Article 26 (c) of Bangladesh Private Economic Zones Policy, 2015, the Economic Zone Operators may be able to formulate and issue their own internal operating rules and procedures to run the day to day activities of the Private Economic Zone.

Article 26(c) of Bangladesh Private Economic Zones Policy, 2015

A quality management of an operation and maintenance of the infrastructure and quality services provided to investors shall be charged with appropriate prices of management fee.

Promoting the Economic Zone

In accordance with Article 27 (f) of Bangladesh Private Economic Zones Policy, 2015, the Economic Zone Operators is deemed to promote the Private Economic Zones, nationally and internationally, in coordination with the Authority.

Article 27(f) of Bangladesh Private Economic Zones Policy, 2015

3.3 Contractual and Commercial Considerations

Rights and Obligations of Zone Developers and Operators (Private)

The Private Economic Zones License shall set forth the rights and obligations of the Licensee in respect of development, operation, maintenance and promotion of the Private Economic Zone under the Private Economic Zone scheme and, in accordance with Article 24 and 26 of Bangladesh Private Economic Zones Policy, 2015, the Developers and Operators shall be entitled to the following rights and facilities, namely:

Article 24 and 26 of Bangladesh Private Economic Zones Policy, 2015

- a) exclusive ownership over the land of the Private Economic Zone and development, use and maintenance of other assets situated within that land;
- b) transfer of the land of Private Economic Zone or other assets situated within that land by sub-lease arrangements and receiving money payable for such transfer and collection of rental fees;
- c) to formulate and issue internal operating rules and procedures to run the day to day activities of the Private Economic Zone;
- d) to operate, maintain and promote the Private Economic Zone;
- e) to provide all utilities and other basic services inside or outside the Private Economic Zone and charge fees for providing such services keeping consistency with the requirements of Private Economic Zone Users and Private Economic Zone Residents and charge fees, subject to the provisions prescribing their obligations, for providing such services;
- f) to enter into contract with private third party and appoint any contractors for development, use and servicing of the on-site infrastructure and other assets of Private Economic Zones, which may include a logistics park and a rental factory;
- g) to employ Bangladeshi and foreign nationals to the services;
- h) any declared incentives;
- i) may submit application for modification or amendment to a Master Plan with detailed description of and reasons for such modification or amendment and the impact, with detailed market evaluation, of such modification or amendment technically, operationally and financially and may amend or modify it subject to approval of the Authority.
- j) any other facilities given by the Authority.

The Developers and Operators under the Private Economic Zone scheme are deemed to comply with the following obligations, namely:

Article 25 and 27 of Bangladesh Private Economic Zones Policy, 2015

- a) construction of buildings including on-site infrastructure, transportation network and quarters of the workers;
- b) preparation, either individually or in cooperation with other persons, of a detailed Master Plan of a Private Economic Zone including the land-use designations, social mitigation measures, and zoning plans;
- c) to develop the Private Economic Zone in a reasonable commercial fashion consistent with long-term sustainable economic development goals of Bangladesh;
- d) submission of an Annual Report to the Authority that furnishes the following information, namely:-
 - i) information in respect of Private Economic Zone Investments undertaken during the preceding calendar year and the possible investments projected for the forthcoming calendar year ;
 - ii) information in respect of an area of Private Economic Zone lands under development and the assets constructed thereon; and
 - iii) other relevant information asked by the Authority;
- e) completion of the works in accordance with the Schedule specified in the license and phased development schedule of the Private Economic Zone Developer Agreement and compliance with the financial development obligations required by the Authority, such as capital and amount and compliance with the time schedule of debt financing;
- f) to provide technical training to the employed Bangladeshi workers;
- g) compliance with the requirements relating to the environment and labor as prescribed by Section 33 and 34 of the Act, the Policy and other applicable laws;
- h) to pay all fees, taxes or other dues payable to the competent agencies;
- i) to maintain all company books, records, accounts and financial statements in conformity with the international financial reporting standards;
- j) compliance with other requirements.

Contract Documents (Private)

There are several steps to be pursued as a legal procedure to grant the Economic Zone license to the Private Economic Zone Developers and Operators. The following are the key milestone documents in the procedure that the Economic Zone Developers and Operators need to acquire.

Pre-qualification Letter

In accordance with the Article 5 of Bangladesh Private Economic Zones Policy, 2015, the Developer is required to submit a First Stage Application to obtain this Pre-Qualification Letter. This letter itself does not grant any permission for the Developers to commence any development activities on the designated land.

Article 5 of Bangladesh Private Economic Zones Policy, 2015

Economic Zone License

After the final approval from the Authority through the Second/Final Phase Application, this Economic Zone License shall be granted to the Zone Developers. The Authority shall issue a License to the applicant and publish, by notification in the official gazette, the particulars of the land designated as the Private Economic Zone along with the information regarding the approval of a license and the name, address, and necessary information of the Licensee.

Article 4, 6 and 7 of Bangladesh Private Economic Zones Policy, 2015

Economic Zone Developer and Operator Agreement

In subsequence to the issuance of Economic Zone License, the Licensee and the Authority is deemed to enter the Economic Zone Developer and Operator Agreement.

Article 7(5) of Bangladesh Private Economic Zones Policy, 2015

Rights and Obligations of Zone Developers and Operators (PPP)

An Economic Zone developer under a PPP scheme shall be entitled to the following rights and privileges according to Bangladesh the Economic Zones (Appointment of Developer, etc.) Rules, 2014, namely:

Rule 7 of Bangladesh Economic Zones (Appointment of Developer, etc.) Rules, 2014.

- a) to make contract with any third party, subject to prior permission of the Authority, for development, use and maintenance of an Economic Zone and its land, on-site infrastructure and other properties;
- b) to appoint Bangladeshi and foreign citizens;
- c) incentives given by the Authority;
- d) to transfer any part of earned profit out of Bangladesh with approval of the Government;
- e) other facilities stated in the agreement or given by the Authority.

Duties of developers under a PPP scheme are defined in the same rule, namely:

Rule 8 of Bangladesh Economic Zones (Appointment of Developer, etc.) Rules, 2014.

- a) to develop, use, and maintain Economic Zone land or other properties situated on such land;
- b) to provide all types of utility and other basic services keeping consistency with the requirements of the Economic Zone users and Economic Zone residents and collect charges according to the contracts made for providing such services;
- c) to identify the use of land, implement social and economic commitments, prepare, individually or with assistance of any other person, a detailed Master Plan of an Economic Zone, including steps taken for poverty reduction and a zoning plan, and obtain approval of the Authority;
- d) to build installations including infrastructure, on-site infrastructure and transport network on the land of an economic zone;
- e) to do commercially viable development of the Economic Zone keeping consistency with the aim of viable economic development;
- f) to prepare and submit to the Authority the annual reports regarding the Economic Zone with the following information, namely:
- g) information on investment made to the Economic Zone in the previous calendar year and likely to be made in the next calendar year;
- h) information regarding the area of the Economic Zone land under development and installations built on it;
- i) to complete the work as per the schedule determined for periodic development of the Economic Zone and to comply with the requirements of economic development as prescribed, time to time, by the Authority, such as, capital and the amount and time schedule of loan financing;

- j) to comply with the requirements relating to environment, fire protection and extinction and labor safeguard;
- k) to pay all taxes, fees levied by the national government or local government or any other dues;
- l) to preserve all files, records, accounts and financial statements, subject to audit, as per the standard of international financial reporting;
- m) to comply with other obligations.

Contract Documents (PPP)

Applications and/or Proposals

In accordance with the Rule 12 of the Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016, an entity or a consortium which is interested in participating in the Economic Zone projects through a PPP scheme is required to submit an application in response to the RFQ and/or a proposal in response to the RFP.

Rule 12 of Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016.

Letter of Award (LOA)

This Letter shall be issued to the Successful Bidder, who obtained the highest score in the evaluation process made by the Authority. Having this letter, the Successful Bidder needs to comply with further requirements set forth in the Rules, 2016, so that the details of the project shall be re-evaluated.

Rule 35 of Bangladesh Economic Zones (Appointment of Developer, etc.) Rules, 2014.

Developer Agreement

After satisfactory compliance of the requirements under Rule 36 of the Rules, 2016, the Authority and the Successful Bidder shall sign a Developer Agreement, with which the Bidder is authorized to perform designing, building, owning, operating and transferring to the Authority the designated Economic Zone.

Rule 36 and 38 of Bangladesh Economic Zones (Appointment of Developer, etc.) Rules, 2014.

Tariff (Customs Duty) procedure

Pursuant to Section 10 of the Bangladesh Economic Zones Act, as interpreted in conjunction with the Customs Act, 1969, the Government establishes in any Economic Zone any special arrangement. For the time being, Statutory Regulatory Order was issued to facilitate import and export operations of any Economic Zone organization operating in an Economic Zone, including any Economic Zone Enterprise, through Gazette Notification as required by Section 10 of the Act. Customs clearance at an outpost office within each Economic Zone shall be respectively arranged.

Section 10 of Bangladesh Economic Zones Act

Statutory Regulatory Order

Tax Incentives

There is a separate set of incentives and benefits for Economic Zone Developers as well as for Economic Zone User/Investors. Such incentives varies between Economic Zone Developers and Economic Zone User/Investors in that 12 years tax holiday may be approved for Economic Zone Developers, whereas Economic Zone User /Investors may be eligible to receive tax holiday of 100% exemption for the first 3 years followed by 7 more years in diminishing rate depending on the location of the industrial enterprise. (See detail in Chapter 7 of this Guide)

Lease / Resale Possibility

An Economic Zone license cannot be sold and/or transferred to any third party unless otherwise approved by the Authority (likewise, Economic Zone User Permit cannot be transferred to any third party, including through a sub-leasing arrangement, without written permission of the Authority, or concerned Licensee, or Operator or Developer and Operator (Article 33 of Bangladesh Private Economic Zones Policy, 2015). However, as a right of developers, developers can transfer Private Economic Zone land and other assets on a leasehold or freehold basis by sub-lease arrangement or by receiving money payable for such transfer or collection of rental fees (Article 24 (1) of Private Economic Zones Policy, 2015).

Article 24(1) and 33 of Bangladesh Private Economic Zones Policy, 2015

Financing on leased property

As per the current banking practice of the country, leased property can be mortgaged to Banks if the lease agreement allows for it. But even if the lease agreement allows for it in case of private property approval from the owner and in case of government property No Objection Certificate (NOC) from the concerned government body must be received.

Bangladesh Bank does not have any regulation regarding this issue on Economic Zone and there is no indication in the Economic Zone law, policy and rules on the revaluation of land (collateral/mortgage for a loan) in Economic Zones. However, in general, lease-hold property cannot be mortgaged as long as the Economic Zone allotment was made through a PPP scheme. If the lease agreement allows for it, the land leased from the government for the development of a Private Economic Zone and other industrial units can be mortgaged to Banks but for this the government must take prior approval from the respective competent government bodies. As per the current banking practice in Bangladesh, the transfer value¹ or forced sell value² of plot or land is considered for such mortgage which is usually much higher than the government rate but the Financial Institutions of Bangladesh are not much interested in such transactions if government property is involved.

Royalty

In accordance with the decision made by the Governing Board in February, 2015, the one-time payment of US\$15,000 is going to be charged to the Private Economic Zone Developers and Operators as the License fee of the projects. This fee shall be charged every 10 years from the year of initial license issuance, but the rate is not yet fixed. Whereas the profit sharing scheme of Economic Zone projects under a PPP scheme is going to be decided based on the proposal from the Bidders.

Termination of Licenses (Private) and Permits (PPP)

Private Economic Zone license may be revoked or suspended in part or as a whole in case violations of the availed provisions in laws were made breached or the following events were made by the Licensee:-

Article 9 of Bangladesh Private Economic Zones Policy, 2015

- a) the License was sold, transferred to any third parties or shifted to another place in the whole or any part of the License in contravention of the provisions of Sub-Article (5) of Article 8 of the Policy;
- b) the Licensee failed to adhere to the schedule mentioned in the License in performing the activities of development, operation, promotion and maintenance of the Private Economic Zone and receives notice in writing twice from the authority for such non-performance of obligations;
- c) declared bankruptcy;
- d) the Licensee failed to pay any fees, taxes, or any other dues owed to the Authority or any competent agency;
- e) the License was obtained upon furnishing false information, declaration or statement in the application;
- f) the Licensee was engaged in any prohibited, unlawful or illicit activity specified in the License or Schedule-1 of the Policy.

If any Economic Zone developers selected through a PPP scheme violate any provision of the Act, these rules, other existing laws, rules, regulations, legal documents, or any condition of the agreement, the Authority may, with approval of the Governing Board, issuing 30 (thirty) days' notice to the concerned developer to show cause and giving opportunity of being heard, suspend the permit of the developer, wholly or in part, for a specific period, subject to fulfilling the prescribed conditions, by Gazette notification. Furthermore, the following events shall be followed in the procedure of the suspension of the permit, namely:

Rule 9 of Bangladesh Economic Zones (Appointment of Developer, etc.) Rules, 2014.

¹ The Transfer Value refers to the purchase price of the property the last time it transferred ownership.

² Price at which an asset can be sold at an auction.

- a) If the developer fails to comply with the prescribed conditions within the time mentioned in Rule 9(1) of the Rules, 2014, the Authority may, with approval of the Governing Board, issuing a further 30 days notice to show cause to the concerned developer and giving the opportunity of being heard, finally cancel the permit of the developer.
- b) If it is decided to finally cancel the permit of the developer under Rule 9(2) of the Rules, 2014, it shall be published in the official Gazette and if no objection from the developer is received within 45 (forty-five) days of Gazette notification, the permit of the developer shall be deemed to have been cancelled finally and also the agreement made in this behalf shall be deemed to have been cancelled.
- c) If the permit of a developer is cancelled, the Authority may, if necessary, take legal action against the developer in accordance with existing laws.

4 Master Plans and Feasibility Studies of Economic Zone Projects

4.1 Codes and Standards applicable within Economic Zones

Building Codes

At present, the Authority is preparing Economic Zones Building and Construction Policy, which are supposed to address guidelines regarding roads, plot, drainage and utility services, and before its promulgation, Bangladesh National Building Code is going to be applied to any Economic Zones development. The Housing and Building Research Institute is preparing Building and Construction Policy applicable in particular for Economic Zones.

Bangladesh National Building Code, 2015

Economic Zones Building and Construction Policy

Treated water outlet standard

Discharge/outlet parameter from CSTP/CETP to be established in Economic Zones is not yet defined. Yet the National Standards of Waste Discharge Quality Standards for Industrial Units and Projects: Quality at the Discharge Point Parameter Unit shall be applied, until such guidelines for discharge/outlet parameters are formulated.

Schedule 10 of Environment Conservation Rules, 1997

4.1 Residential/commercial establishment

As authorized Economic Zone activities, residential and commercial activities can be undertaken by Economic Zone Enterprise or an Economic Zone Resident. In order to reside in an Economic Zone housing residential area as an Economic Zone Resident, an Economic Zone Residency Certificate must be issued. Zone Users/Investors permitted within the residential zone are required to obtain the Certificate in accordance with the provisions stipulated by the Bangladesh Economic Zones Act, 2010.

Section 7(d) and 14 of Bangladesh Economic Zones Act, 2010

In accordance with the Bangladesh Economic Zones Act, 2010, a banking service, subject to permit from Bangladesh Bank, can be also operated within Economic Zones.

A commercial zone is created for the purpose of generating employment, facilitating retail trades, retail services, tourism, and related dining/lodging and entertainment uses. The zone is encouraged to be an attractive and functionally integrated business center. And yet specific uses of the zone are limited to avoid unnecessary duplication of commercial businesses within the Economic Zone. All commercial operations shall be in compliance with relevant existing acts and regulations of Bangladesh, separated from the Bangladesh Economic Zones Act, rules, policies and guidelines.

4.1 Power supply

According to Article 8(1a) of the Bangladesh Private Economic Zones Policy, 2015, it is the

Article 8(1a) and 25(a) of

responsibility of the license holding entrepreneur company to establish, develop, conduct, encourage and maintain the Zone. Under the same Article, the liberty of engaging any other Enterprise for carrying out the development activities has been given to the Economic Zone Developer. In this case, according to Article 25(a) of the same policy, the developer will be responsible for developing power supply utilities as a part of on-site infrastructure in the zone. Establishment of a power sub-station with enough efficient distribution line and private sector power generation plant/Captive Power Station is permitted for industrial units. The industrial units are also allowed to install Captive Power Generators as a backup for their production process.

Bangladesh Private Economic Zones Policy, 2015

The Authority shall provide necessary assistance for the Private Economic Zone Developer and Operators to connect to a power supply, and taxation on the fuel sources of such a captive power generator can be exempted, as long as the electricity generated from the captive power generator would be used for the production of export goods and other items. The arrangement of surplus electricity from the Captive Power Station should be considered to be supplied to the National Grid under a Power Purchasing Agreement with the electricity distribution authority.

4.2 Water supply

The responsibility of sourcing industrial water and/or developing sources in an Economic Zone lies in the Developer. Even though the Authority shall facilitate obtaining water plumbing clearance, for Private Zone development, the Developers should consider establishment of Water Treatment Plants by themselves. Otherwise water supply from WASA (Water Supply & Sewerage Authority) in each region can be considered.

Article 43(2) of Bangladesh Private Economic Zones Policy, 2015

4.3 Sewage/waste water treatment

In accordance with an applicable Act, rules, policies and guidelines. Sewage and waste water (effluent) treatment plants must be established in each Economic Zones. All environmental issues related to industrialization in Bangladesh are dealt with under the Bangladesh Environment Conservation Act, 1995 following the rules mentioned in the Environment Conservation Rules, 1997. According to Section 33 of the Bangladesh Economic Zones Act 2010, however, the Authority, Economic Zone Developers, Economic Zone Unit Investors established in Economic Zones, as well as financial and business institutions shall be all bound to comply with international commitments recognized by the Government of Bangladesh including compliance to all existing laws on the environment and environmental protection.

Bangladesh Environment Conservation Act, 1995

Section 33 of Bangladesh Economic Zones Act 2010

Schedule 10 of Environment Conservation Rules, 1997

For an environmental clearance certificate (ECC), the industries/projects falling in the Orange–A Category shall be required to submit effluent discharge arrangements, and industries/projects of Orange–B Category shall be required to submit layout plan (showing the location of the Effluent Treatment Plant), design of the Effluent Treatment Plant, and information about the effectiveness of the ETP of the unit or project (applicable only for an existing industrial unit or project) and others. Red Category industries/projects shall submit design and information about the effectiveness of the Effluent Treatment Plan of the unit or project (applicable only for an existing industrial unit or project) and other information in addition to the documents required for other category. Such provision is applicable for all types of projects including private zones, hi-tech parks, and industrial units.

When discharging wastewater from an Economic Zone into a public water system outside the Zone, a common waste water treatment inside the Economic Zone shall be required so that the following 34 items, which are stipulated in the National Standards of Waste Discharge Quality Standards for Industrial Units and Projects, are satisfied. After the primary waste water treatment which may be required at each factory, the water treated at CSTP/CETP must be satisfied with the discharge standard set forth below; afterwards the treated wastewater shall be discharged to a public municipality water system through the sewerage system.

Schedule 10 of Environment Conservation Rules, 1997 of Bangladesh: National Standards – Waste Discharge Quality Standards for Industrial Units and Projects

Parameter	Unit	Location of Final Disposal		
		Inland Surface Water ¹	Public Sewer ¹	Irrigated Land ¹
Ammonia (free ammonia)	mg/L	5	5	15
Ammoniacal Nitrogen (as N)	mg/L	50	75	75
Arsenic (As)	mg/L	0.2	0.5	0.2
BOD ₅ 20°C	mg/L	50	250	100
Boron (B)	mg/L	2	2	2
Cadmium (Cd)	mg/L	0.05	0.5	0.5
Chloride (Cl ⁻)	mg/L	600	600	600
Chromium (hexavalent Cr)	mg/L	0.1	1	1
Chromium (total Cr)	mg/L	0.5	1	1
COD	mg/L	200	400	400
Copper (Cu)	mg/L	0.5	3	3
Cyanide (CN)	mg/L	0.1	2	0.2
Dissolved Oxygen (DO)	mg/L	4.5-8	4.5-8	4.5-8
Dissolved Phosphorus (P)	mg/L	8	8	10
Electrical Conductivity	μMho/cm	1200	1200	1200
Fluoride (F)	mg/L	7	15	10
Iron (Fe)	mg/L	2	2	2
Lead (Pb)	mg/L	0.1	0.1	0.1
Manganese (Mn)	mg/L	5	5	5
Mercury (Hg)	mg/L	0.01	0.01	0.01
Nickel (Ni)	mg/L	1	1	1
Nitrate (N molecule)	mg/L	10	Undetermined	10
Oil and Grease	mg/L	10	20	10
pH		6-9	6-9	6-9
Phenol Compounds (C ₆ H ₅ OH)	mg/L	1	5	1
Radioactive Materials	As determined by Bangladesh Atomic Energy Commission			
Selenium (Se)	mg/L	0.05	0.05	0.05
Sulfide (S)	mg/L	1	2	2
Temperature – Summer	°C	40	40	40
Temperature – Winter	°C	45	45	45
Total Dissolved Solids (TDS)	mg/L	2100	2100	2100
Total Kjeldahl Nitrogen (N)	mg/L	100	100	100
Total Suspended Solids (TSS)	mg/L	150	500	200
Zinc (Zn)	mg/L	5.0	10.0	10.0

Notes: (1) Land Surface Water refers to any pond, tank, water body, water hole, canal, river, spring or estuary. Public Sewer refers to any sewer connected with a fully combined processing plant including primary and secondary treatment. Irrigated Land refers to an appropriately irrigated plantation area of specified crops based on the quantity and quality of wastewater.

4.4 Industrial waste disposal

According to Article 43(2) of the Policy, the Authority will formulate necessary rules and procedures on issues as Environmental Impact Assessment, activities related to Environmental Clearance, effluent and industrial waste treatment and others in cooperation with Ministry of Environment and Forest of the Government of Bangladesh. Existing laws on environment and environmental protection related to the issue of industrial waste disposal needs be referred in establishing Economic Zone in Bangladesh, so that site or facility for treatment, storage and disposal of industrial wastes to be generated from the Zones is required to be identified at the stage of Master Planning.

4.5 Environmental Impact Assessment (EIA)

It is stated in Article 6 (1)(d) of the Bangladesh Private Economic Zones Policy, 2015 that an Environmental Impact Assessment is required for Economic Zone licensing and to obtain final approval. The environmental and social impact assessments should contain approved Environmental Management Plans and sufficient health and safety schemes to mitigate negative impacts.

Article 6(1d) and 43 of the Bangladesh Private Economic Zones Policy, 2015

4.6 Human resource development

By Section 19(7) of the Bangladesh Economic Zones Act 2010, the Economic Zones Authority

is responsible for promoting local and foreign investment including development of skilled labor force. And in accordance with the Article 25(j) and 27(j) of Bangladesh Private Economic Zones Policy, 2015, the provision of technical training for the employed Bangladeshi is deemed to be an obligation of Zone Developers and Operators.

Section 19(7) of Bangladesh Economic Zones Act 2010

Article 25(j) and 27(j) of Bangladesh Private Economic Zones Policy, 2015

4.7 Sales policy

By Section 15 of the Bangladesh Economic Zones Act, except those identified as protected industries under the existing policy of the government, all other industries including those of small and cottage industries and agriculture, farm structure, service-oriented organizations etc. can be placed in Economic Zones. For any individual industries/project granted the permission to establish units or make commercial establishments in any Economic Zones, the Authority, if the land was developed and operated by the Authority, shall allot, rent or lease land, building or space to those individuals under Section 16 of the same Act. Otherwise, for the case where the land was developed and operated by a Private Economic Zone Developer, in according with the provision in Article 24(1)(b) of the Bangladesh Private Economic Zones Policy, 2015, the land or other assets situated within that land may be transferred in accordance with sub-lease arrangements or sold by receiving money payable for such transfer and collection of rental fees.

Section 15 of Bangladesh Economic Zones Act

Article 24(1b) of Bangladesh Private Economic Zones Policy, 2015

5 RFQ and/or RFP, and award process under PPP scheme

5.1 Invitation for a RFQ and/or RFP process

Qualification as developer

While the Bangladesh Private Economic Zones Policy, 2015 prescribes the qualification of a Private Economic Zone Developer, there are different sets of qualifications criteria described in the Rules, 2014 for the Developers for Economic Zone under a PPP scheme. The following is the criteria stated in the policy for becoming Private Economic Zone Developers.

Article 23(1) of Bangladesh Private Economic Zones Policy, 2015

- a) Experience in respect of land development; and,
- b) Net worth minimum taka 50 (fifty) crore.

On the other hand, the qualifications to be eligible for appointments as a Developer of an Economic Zone under a PPP scheme are stated in the Rules, 2014 as follows:

Rule 6 of Bangladesh Economic Zones (Appointment of Developer, etc.) Rules, 2014

- a) the entity must have experience in establishing Economic Zones, SEZs, Industrial Parks and Free Port operations and development, or infrastructure construction / management and operation of large scale;
- b) the entity must have experience in designing/financing of Economic Zones, SEZs, Industrial Parks and Free Ports or any such large project;
- c) as a scale of the entity, gross revenue of 10 million USD per year within the last 3 years through operation of the above projects is required;
- d) the entity must have a net worth of at least 25 million USD.

In accordance with the Rules, 2016, as the appointed Developer, the entity that is either national, foreign or government-owned can form a JV/Consortium to become a Developer - all of which are suitable for registration as legal entities in Bangladesh.

Particulars of a RFQ and/or RFP procedure

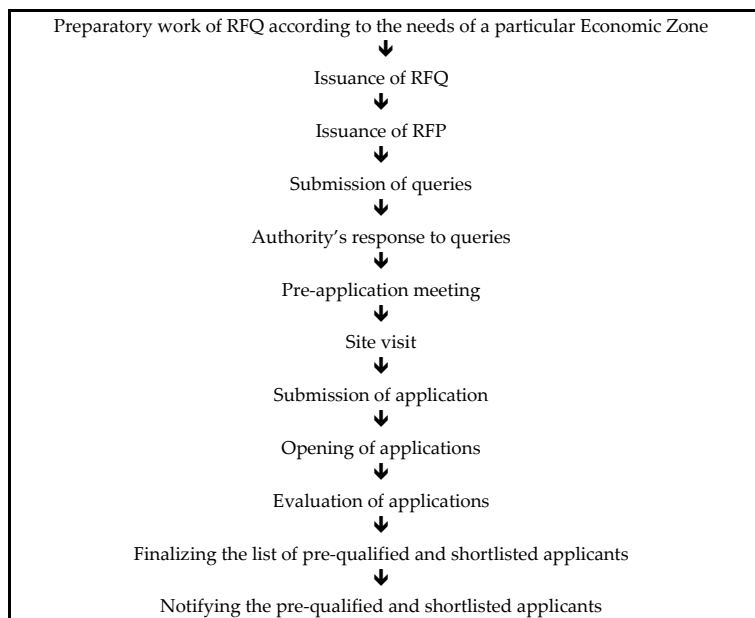
In order for the Authority to select any Economic Zone Developers under a PPP scheme, a single stage process for inviting the proposals by directly issuing the RFP, or if the Authority considers it necessary for any particular Economic Zone, it may follow a two stage process of RFQ and RFP. In case of a two-stage process, the RFP shall be issued to the applicants who have been pre-qualified and shortlisted at the RFQ stage - a process flow known as an RFQ and RFP procedure.

Rule 5 and 6 of Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016

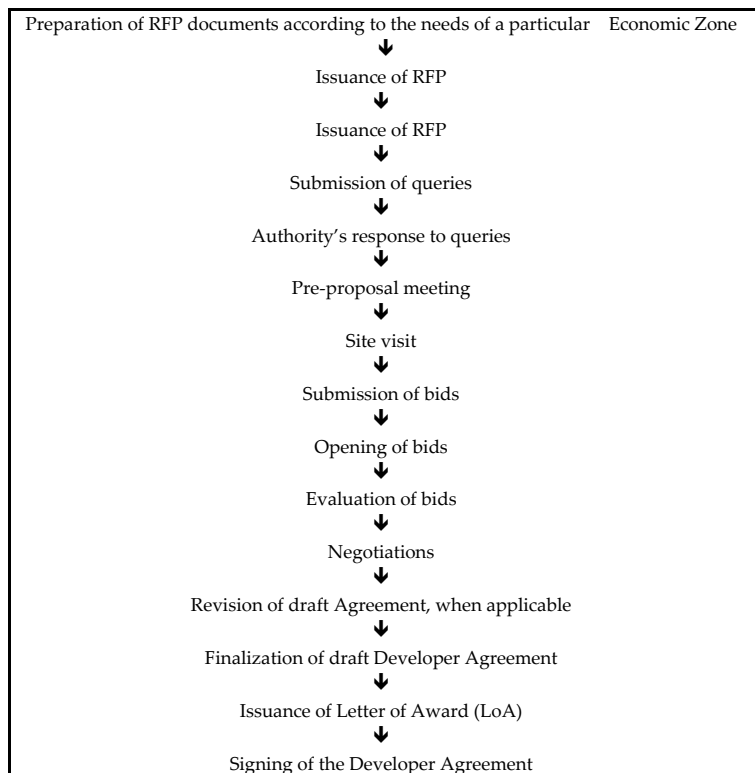
By following an RFQ and RFP procedure, in accordance with the Act, Rules, 2014, and Rules, 2016, the Authority prepares an RFP document, after scrutinizing the contents of an RFQ application in a fair, transparent, and competitive manner.

In the case of an RFQ and/or RFP procedure, the following process-flow shall be applied in general for appointing an Economic Zone Developer:

RFQ stage (applicable in case of a two-stage bidding process):



RFP stage (applicable in case of both a single stage bidding process as well as two-stage bidding process):



5.2 Applications and proposals evaluation process

In the RFQ and RFP documents, project description, the procedure for appointment of an Economic Zone Developer, and the criteria of evaluation are all described. Those Economic Zone Developers who applied for the Economic Zone development project of concern are supposed to submit application or proposal to the Authority, and then those applications or proposals are evaluated by a committee comprised of 5 to 7 members nominated by the Authority as well as other ministries.

Rule 12, 30, 32, 34, 35 and 36 of Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016

The committee prepares an evaluation report for the Authority, and after final evaluation by the Authority, the Economic Zone Developer obtained the highest score shall be given a short-listed and pre-qualification status in case of applications, and the right to negotiate for the Agreement in case of proposals.

Subsequently, negotiation shall be conducted to draft a Developer Agreement based on a standard format of a Developer Agreement, which may be modified by the Authority and the successful bidder on case to case basis to reflect the unique requirements for individual Economic Zone, and eventually a Letter of Award (LoA) shall be issued to the successful bidder after finalization of the draft Developer Agreement by incorporating all necessary terms and conditions including the outcome of the negotiation, if any.

However, this Letter of Award (LoA) alone does not grant the successful bidder the right to commence in any development activities. The first ranked successful bidder needs to submit a comprehensive Master Plan, a detailed Feasibility Study, and an EIA report, in addition to the documents having been submitted at the RFP stage. Having a set of completed documents, the successful bidder and the Authority shall enter into an Agreement, then the Economic Zone Developer can commence development work at the project site.

5.3 Technical Considerations

Basically, each RFQ and RFP shall describe the particular requirements to be incorporated in the application and/or proposal for the Bids. However, the general criteria indicated in the Rules, 2016 as to the Technical evaluation are:

Rule 28 of Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016

- a) Design Philosophy, Drawings, and Project Concept;
- b) Project Marketing Concept
- c) Implementation Plan;
- d) Environmental and Social Development Impact Assessment;
- e) Operation and Maintenance Program;
- f) Key Staff, Organization and Development Agreement Administration Plan; and,
- g) Economic Growth and Job Creation Plan

The above criteria are not intended to restrict the Authority's discretion to set out more criteria in the RFQ and RFP Documents. Moreover, the percentage of weight and passing score on an application and/or proposal shall be also mentioned in the RFQ and RFP Documents.

5.4 Financial Consideration

For those applicants who passed the prospectively validated score in the RFQ Document, their proposals shall be subsequently evaluated. The evaluation criteria of the application or proposal are stated in the Rules, 2016 as per the followings:

Rule 28 of Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016

- a) Soundness of assumptions and projections concerning capital, operating costs, and revenues;
- b) Bidder's financial capacity to commence, complete, develop and operate the concerned Economic Zone, which includes levels of debt, sources of finance and realistic projections; and,
- c) Returns to the Authority will be measured by calculating the Net Present Value (NPV) of the revenue stream(s) to the Authority over the life of the Developer Agreement. The revenue stream(s) will comprise the projected payments to the Authority, including but not limited to, fixed/variable lease payments and revenue sharing arrangements.

The above criteria are not intended to restrict the Authority's discretion to set out more criteria in the RFQ and RFP Documents. Moreover, the percentage of weight and passing score on the application and/or proposal shall be also mentioned in the RFQ and RFP Documents.

5.5 Selection/Award as a Zone Developer

To the Successful Bidder, who attained a highest combined score from the evaluation of applications and/or proposals, the Authority may award the Letter of Award (LoA), which is but a mere notice and not a privilege for the Bidder to create any right of being appointed as the Developer or any obligations on it except providing Performance Security.

Rule 36, 37, 38, and 39 of Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016

In order for the Successful Bidder to be appointed as the Zone Developer, the Authority demands the Bidder to complete the subsequent documentations to comply with the requirements set forth in the Rules, 2016. Such required documents are, subject to the RFQ and/or RFP Document, although it may not be restricted as below:-

- a) A comprehensive Master Plan that includes land use planning and zoning, on-site infrastructure plans and phasing plans;
- b) A Feasibility Study report of the designated Economic Zone land, which contains economical and financial viability and commercial sustainability demonstrations; and,
- c) An Environmental and Social Impact Assessment, which illustrate the approved Environmental Management Plans and appropriate health and safety schemes to mitigate negative impacts.

Having all those documents complying with the Authority's needs, together with the payment of Performance Security, signing of the Developer Agreement shall be proceed.

The Developer Agreement shall be treated to be the Appointment of Developer and the Administrative Grant of final permit to the Developer to design, build, own, operate, and transfer to the Authority the designated Economic Zone.

5.6 Suspension, cancellation of developer's license

If any dispute arises between the Authority and the Developer in connection with or arising out of any issue of the Developer Agreement including any question regarding the existence, validity or termination of the Developer Agreement and any matter related to the performance of the services and rights and obligations, the Parties shall seek to resolve any such dispute or difference by mutual consultation.

Rule 42 of Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016

If the Parties fail to resolve a dispute or difference by mutual consultation, the dispute shall be referred in writing, by either of the parties, to the Adjudicator with a copy to the other Party.

The Adjudicator shall give its decision in writing to both the Parties no later than 30 days after the referral of a dispute.

The Adjudicator's decision shall become final and binding upon the Authority and the Developer, if no notice of intention to commence arbitration has been given by either the Authority or the Developer within 30 days after the Adjudicator's decision on the dispute. Any decision of the Adjudicator that becomes final and binding shall be implemented by the Parties.

5.7 Arbitration

If the Adjudicator's decision was not acceptable between the Authority and the Developer, or the Adjudicator fails to give a decision within 30 days after a dispute being referred to it, either of the Parties may, within 60 days after such referral, give notice to the other party, with a copy to the Adjudicator, of its intention to commence arbitration on the particular issue(s) of dispute.

Rule 43 of Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016

Any dispute in respect of which a notice of intention to commence arbitration has been given, shall be finally settled by Arbitration in accordance with the laws in force in Bangladesh.

Dhaka, Bangladesh shall be the venue of arbitration.

5.8 Obligations of the Parties pending reference to the Adjudicator or during Arbitration

Notwithstanding any reference to the Adjudicator or arbitration, the Parties shall continue to perform their respective obligations under the Development Agreement until the matter in dispute is disposed of by the Adjudicator, or through Arbitration, or unless the parties otherwise agree.

Rule 44 of Bangladesh Economic Zones (the Procedure of Appointment of Developer) Rules, 2016

6 Starting a Project in an Economic Zone

6.1 Conditions for tenancy

As it is clearly stated in the Article 28 of the Bangladesh Private Economic Zones Policy, 2015, unless otherwise directed in the Industrial Policy of the Bangladesh Government and subject to the provisions of Section 15 of the Act as well as to the list of prohibited activities in the Private Economic Zone as per Schedule -1 of the Policy, 2015, no enterprise interested in operating any approved activities in the Economic Zone shall undertake any activities without a private Economic Zone User Permit. For obtaining a private Economic Zone User Permit, an Enterprise must submit a written application to the Authority or the concerned Licensee, or Operator or Developer and Operator, as the case may be. The broad features related to the operations of the Unit Investors in the Economic Zones is deemed to be described in the 'Principles and Procedures governing setting up of industries in Economic Zones', which is going to be issued by BEZA

Article 28 and Schedule-1 of Bangladesh Private Economic Zones Policy, 2015

Section 15 of Bangladesh Economic Zones Act, 2010

Principles and Procedures governing setting up of industries in Economic Zones

6.2 Procedure to establish a company

Any person wishing to carry on any business activities including service provision within the Economic Zone shall apply to be licensed by the Authority to issue an Economic Zone User Permit for that type of business activity. Notwithstanding any other written laws to the contrary, any permitted investor in an Economic Zone shall not be required to obtain any other permits issued by other authorities for the purposes of carrying on permitted activities in the Economic Zone.

6.3 Required permits and contract documents

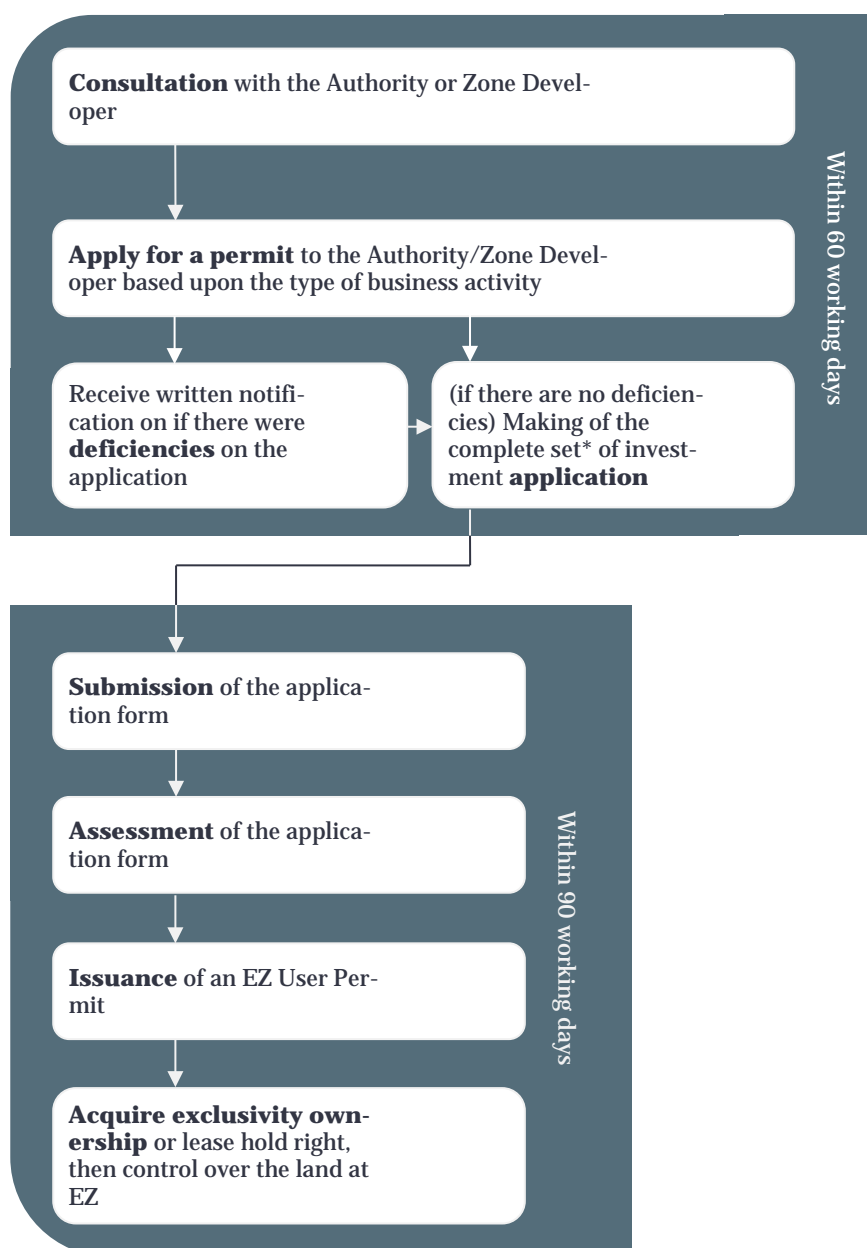
To be an Economic Zone User/Investor, submission of an application for an Economic Zone User Permit is required.

Article 28, 29, and 30 of Bangladesh Private Economic Zones Policy, 2015

Economic Zone User Permit

An enterprise who wishes to operate any approved activities in the Economic Zone is deemed to require this permit. For obtaining a private Economic Zone User Permit, an Enterprise shall submit a written application to the Authority or the concerned Licensee, or Operator or Developer and Operator. This Permit can be issued either by the Authority or the Private Zone Developers and Operators.

Procedure of an Economic Zone User Permit application



* Necessary document

- Investment license application (The format is offered by the Authority)
- Certificate of incorporation for the established company in Bangladesh
- Certified copy of register of parent company
- Financial statements of parent company (last 2 years)
- Proposed drawing of factory in Economic Zone
- The letter of attorney, if necessary
- Product pamphlet of the parent company

6.4 Contractual and Commercial Considerations

Rights and Privileges of Private Economic Zone Users

A private Economic Zone User/Investor, in accordance with the Bangladesh Private Economic Zones Policy, 2015, the Act, other applicable laws, rules, regulations, legal documents, and private Economic Zone User Permit, shall be entitled to the following rights and privileges, namely:

Article 31 of Bangladesh Private Economic Zones Policy, 2015

- a) to conduct any authorized activities;
- b) to acquire, on a freehold or leasehold basis, Economic Zone lands;
- c) to transfer the lands or any Asset of Economic Zone, according to all applicable laws and Article 33 of the Policy, subject to approval of the Authority;
- d) to employ Bangladeshi and foreign nationals to the service;
- e) the incentives as declared;
- f) to object to the fees charged by any Developer, Operator or Developer and Operator for utilities or other basic services provided in the Economic Zone by any Bangladeshi Enterprise, where such fees do not reflect competitive market conditions; and,
- g) to any other rights or privileges.

A private Economic Zone User/Investor shall comply with the following obligations, including adherence to the Act, the Policy, License, private Economic Zone User Permit and internal operating policy and rules applicable for Economic Zones, namely:

Article 32 of Bangladesh Private Economic Zones Policy, 2015

- a) to carry out the activities prescribed in the private Economic Zone User Permit, operate all activities of the Economic Zone including the production and construction in accordance with the schedule and maintain all facilities and on-site Infrastructure in operational condition;
- b) to provide technical training to the Bangladeshi workers ;
- c) to pay all fees, taxes, or any other dues owed to any Competent Agencies;
- d) to submit to the Licensee or Operator or Developer and Operator, as the case may be, the annual reports furnishing the following information, namely:
 - i) information in respect of investment received in the last calendar year and the contingent investment of the next calendar year;
 - ii) information in respect of activities undertaken, employment and investment;
 - iii) information in respect of area of land and the building on the Economic Zone ; and
 - iv) other information considered relevant by the Authority.
- e) to submit monthly reports, in respect the Economic Zone activities operated in each calendar month, to the Licensee or Operator or Developer and Operator, as the case may be, furnishing the following information, namely:
 - i) employment statistics, including the number of female workers;
 - ii) information relating to monetary value and volume of all exports from the Economic Zone;
 - iii) information relating to the volume and monetary value of all other sales in the Economic Zone including volume of sales in the same or different custom Bonded Area and Domestic Tariff Area;
 - iv) information relating to monetary value of total investment;
- f) to comply with the requirements relating to the environment and labor.
- g) to obtain a Construction Permit before starting construction of any infrastructure including building, privileges or facilities, or other structures in the Economic Zone in conformity with the applicable laws, the Act, Rules framed under the Act, regulations and notifications.

Termination of Permit

A private Economic Zone User Permit may be suspended or revoked due to the following cases, although a private Economic Zone User/Investor shall be given an opportunity to be heard:

Article 34 of Bangladesh Private Economic Zone Policy, 2015

- a) in the event of repeated violation of conditions set forth in the Permit;
- b) in the case of selling or transferring of the private Economic Zone Permit wholly or in part, to any third party without approval from the Authority (violation of the provisions of Sub-Article (4) of Article 30 and Article 33) or voluntary discontinuation³ of the activities under Article 35 of the Bangladesh Private Economic Zones Policy, 2015;
- c) in the case of failure to satisfy the performance requirements according to the Schedule referred to in clause (a) of Article 32 of the Policy and for such failure notice, by the Authority or the concerned Licensee or Operator or Developer and Operator, as the case may be, are served twice;
- d) in the case of declared bankruptcy;
- e) in the case of failure to pay any required fees, taxes, or other dues owed to any Competent Agencies;
- f) provides false information, declarations, or representations in the application for a private Economic Zone User Permit;
- g) engages in any prohibited, unlawful or illicit activities mentioned in the Permit or Schedule- 1 in the Policy;
- h) ceases its business operations for a continuous period of 45(forty five) calendar days, subject to any applicable law including any mortgage right of loan provider without the permission of the Authority or the concerned Licensee, or Operator, or Developer and Operator as the case may be.

An Enterprise shall cease to enjoy the status of a private Economic Zone User/Investor upon suspension or revocation of a private Economic Zone User Permit; and, steps for legal action shall be available under Applicable Law against such private Economic Zone User/Investor.

6.5 Workflow for entry into Economic Zones

As occupancy rules to Economic Zone, companies wishing to operate in the Economic Zone are required to obtain the Economic Zone User Permit as stipulated in the above Policy (Article 28). For the application to obtain the Permit, the following information is required to be filled in the specified form, and the form must be submitted to the Authority or Economic Zone license holding company (Economic Zone Developer and Operator).

Article 28, 29, and 30 of Bangladesh Private Economic Zones Policy, 2015

- a) receipt of payment of one-time non-refundable application fee
- b) valid business-registration certificate
- c) notarized written statement about applicant enterprise
- d) proposed activities along with the approved Master Plan
- e) estimated time schedule for the designing, construction and activation facility
- f) approximate number and nationality of the workers
- g) plan of environmental management
- h) proof of compliance with the rules-regulations in force relating to the environment, health, safety, and risk

A set of application form shall be evaluated by either the Authority or Economic Zone Developer/Operator, and then, in case there are clarifications required, such notice shall be given within 30 days. The applicant enterprise is deemed to respond to the request for clarification and re-submission of the application form within 45 days. In case there are no clarifications needed, Economic Zone User Permit shall be given in 60 days' time. In addition, according to the Policy, the company issued the Economic Zone User Permit is given 90 days, after issuance of the Economic Zone User Permit, to acquire or lease industrial plots in the Economic Zone (Article 30 (3)). The Economic Zone User Permit is defined not to be sold or transferred to third parties (Article 30 (4)), without approval from the Authority or the concerned Licensee, or Operator or Developer and Operator, as the case may be.

³ Enterprise needs to submit a 60 days' written prior notice to the authority or Operator or Developer and Operator before such discontinuation of activities.

6.6 Foreign investment restriction

There is no restriction in the nationality of the investors. Foreign-owned companies can establish factories in the Economic Zone without any discrimination from the Bangladesh national companies

Section 15 of Bangladesh Economic Zones Act, 2010

6.7 Land title

The land title over land property of Economic Zones shall be given to a person or a group of persons including non-citizens or, even in case of a body corporate, with the majority of its shareholders being non-citizens. Besides the foregoing, the right of land-use may be given in a lease contract for citizens and non-citizens if it is favorable for an investor. Land to be designated for investors shall be identified, formally notified in a gazette and allocated by the Authority or Zone Developers and Operators which shall also create derivative rights to investors.

Rule 5 (3) of the Rules, 2014

The relationship between the holder of a land tile and the right over land-use of the Economic Zone, and the Economic Zone Developer and Operator shall be governed by an agreement which shall define terms and conditions of such a relationship. The procedure for an application for a land title and the right of land-use shall be accompanied by a Permit granted by the Authority under the applicable Act and any other documentation which may be prescribed by the Act.

A granted right of land-use shall be:

- a) a period of 50 (fifty) years from the effective date of signing the Developer Agreement, and it can be extended subject to the conditions described in Rule 5 (3) of the Rules, 2014;
- b) for a term renewable for the purchased holder of the right which may be allowed to reset the original lease contract period up to 50 years but shall not exceed that period;
- c) based on the prevailing market price;
- d) subjected to any prescribed conditions;
- e) capable of being the subject of dispositions; and,
- f) liable, subjected to the provision of the Economic Zones Act, 2010, and other relevant laws for revocation

6.8 Customs procedure

The Authority shall ensure the implementation of special customs facilities in the Economic Zones and the special arrangements and incentives or exemption from customs duties and taxes according to the provisions of the Customs Act, 1969 (Act No. IV of 1969) for facilitating the operations of import and export activities of the Enterprises established within the Economic Zones. Such arrangement shall be made with a declaration of a notice in the official gazette by the Government in accordance with the provisions of Section 10 and 13 of the Act.

Section 10 and 13 of Bangladesh Economic Zone Act, 2010

Foreign Exchange Circular No. 04, 2016

Chapter 8 of the GFET 2009 (Vol-1) and related Foreign Exchange Circular/Circular Letters

Section V of Chapter 13 of the GFET 2009 (Vol-1)

Article 42 of Private Economic Zones Policy, 2015

Incentives & Benefits for Investors/EZ users (Approved in Governing Board's Meeting, February, 2015)

In accordance with Foreign Exchange Circular No. 04 (Foreign Exchange Regulations applicable for enterprise and developers operating in Economic Zones (EZs) in Bangladesh), for the exports from EPAs of Economic Zones, which include sales to Bangladesh DTA, even within the same Economic Zone, in other Economic Zones, in EPZs) are subject to the usual requirement of declaration of exports in 'EXP' Form and repatriation of export proceeds mentioned in Chapter 8 of the GFET 2009 (Vol-1) and related Foreign Exchange Circular/Circular Letters issued thereafter. For identification, EXP Forms for these exports should be rubber stamped or over printed with words "EXPORT FROM EZ" in bold letters. Proceeds from such exports by entities of different types shall be retained and used through foreign currency accounts as mentioned in Section V, Chapter 13, GFET (Vol.1). Exporters of such areas may maintain Taka accounts in the same manner as mentioned in Section V of Chapter 13.

Sales of Bangladesh goods or raw materials or nonphysical contents to units located in the EPAs of Economic Zones against payment in foreign currency shall be treated as export from Bangladesh in accordance with Foreign Exchange Regulation Act, 1947 (as amended upto

Sep 09, 2015). Therefore, normal foreign exchange regulations concerning declaration of exports on EXP Forms in case of export in physical form and repatriation of proceeds is applicable to these exports to the units of EPAs of Economic Zones.

For import by the units of EPAs of Economic Zones, Authorized Dealers⁴ (ADs) shall abide by the instructions as mentioned in Paragraph 20, Section-II, Chapter 16, GFET, 2009 (Vol-1). For reporting, usual IMP Form reporting procedures will, however, be applicable for imports (including admissible imports from Bangladesh or EPZs or other areas of Economic Zones) by Economic Zone Units (EPAs and other area) from abroad.

In case of import by the Unit Investors in Economic Zones who are 100% Bangladeshi entrepreneurs resident in Bangladesh, if foreign currency balance is not sufficient to cover the cost of machinery and equipment to be imported from abroad, the shortfall may be made up, with prior Bangladesh Bank approval, by conversion of Taka into foreign currency.

Scheduled time for an entry and an exit from the Economic Zone for the authorized persons, including the import-export of goods shall be determined by the internal rules agreed between the Zone Users/investors and the Economic Zone Developer and Operator.

Import/Export of goods to/from the Economic Zone shall be considered as Import/Export of goods to/from Bangladesh, which requires the owner of the goods to fulfill the formalities of import-export with the competent authority in the Economic Zone prior to its import-export.

The aforesaid competent agent shall prepare all forms which should be simplified, transparent and do not cause any difficulty for the control of those goods. And the goods shall be properly sealed by the customs officers before Import/Export.

Permitted projects investors shall have the right to do industrial, export and other additional activities including services within permitted limits, and yet the investors, although being the owner, shall not use Output Materials of Production produced in the Economic Zone without the permission of the Authority.

All necessary commodities and goods stored at customs warehouses, for the permitted project of Economic Zones, shall be treated as imported commodities into those Economic Zones.

All commodities, materials, machines and transport means imported to an Economic Zone and specified to be used at the Economic Zone shall be exempted from customs fees, other fees and import licenses.

Local commodities and products imported to the Economic Zone from all the other Bangladesh territories shall not be imposed to any prescribed procedures, taxes or fees.

All exported commodities and products manufactured at Economic Zone are not subjected to legally stated rules and procedures of exportation, export and other taxes. Goods which are subjected to an exemption from duties and taxes within the Economic Zone shall not be taken out of the zone except:

- a) as exports outside the custom territory;
- b) as exports into the customs territory subjected to:
 - (i) backward linkage with export oriented industries (EOI) for raw materials and accessories in Domestic Tariff Area (DTA);
 - (ii) necessary permits being obtained from the Authority;
 - (iii) payment of all applicable import duties, levies and other charges;
 - (iv) compliance with all customs procedures; and,
- c) 20% of the total sales of the Zone Users/Investors from the finished products can be sold to DTA from EPA.

Established assets transported from the Economic Zone and admitted into the Bangladesh customs market as if they were imported on the date of their clearing from the Economic

⁴ The authorized dealers ("AD") are the only entities are allowed to transact and hold foreign exchange both at home and abroad.

Zone shall pay all customs fees, taxes and government levies.

6.9 Tax incentives

There is a separate set of incentives and benefits for Economic Zone Users/Investors. For Economic Zone Users/Investors tax holiday of 100% exemption for only the first 3 years, which follows by 7 more years in diminishing rate can be granted, depending on the location of the industrial enterprise. The detail of the tax incentives can be referred in Chapter 7 of this Guide.

Section 11 of Bangladesh Economic Zones Act, 2010

6.10 Lease /resale policy

As a right of Developers, Developers can transfer Economic Zone land and other assets on a leasehold or freehold basis by sub-lease arrangement or by receiving money payable for such transfer or collection of rental fees (Article 24 (1)(b) of Private Economic Zones Policy, 2015). Accordingly to the Policy, 2015, Economic Zone User Permit cannot be transferred to any third party, but the land or asset situated in the Economic Zone can be transferred wholly or in part, through any sub-leasing arrangement or in other manner, if the Authority, or concerned License holding entities, or Operator, or Developer and Operator of the Economic Zone approved such transaction (Article 30(4) and 33 of Private Economic Zones Policy, 2015). However, in case such transaction was made in an Economic Zone developed through a PPP scheme with the land remaining in the ownership of the Authority, a certain 3 percent of the capital gain made through such a transaction shall be claimed by the Authority.

Article 24(1b), 30(4) and 33 of Private Economic Zones Policy, 2015

6.11 Regulations and conditions regarding foreign exchange transaction / financing

The collection of the foreign exchange from the Economic Zone and transfer of the following capital and funds within and outside Bangladesh are deemed to be treated in accordance with the decision of the government.

Article 15 (1) of Bangladesh Private Economic Zones Policy, 2015

- a) repatriation of paid up capital, initial and subsequent capital contributions and capitalization of retained earnings;
- b) distribution of company profits and dividends and any earnings derived from a Private Economic Zone investment;
- c) payments and transfer of profits under the prevailing Islamic Lending Principles;
- d) license fees or royalties, management fees, technical assistance fees;
- e) amounts derived from the remunerations, salaries and wages earned by the foreign employees of the Investors and Economic Zone Enterprises;
- f) capital gains derived from the Private Economic Zone;
- g) repatriation of net proceeds from the sale of all or any part and partial or complete liquidation of any investment in a Private Economic Zone;
- h) payments made under a foreign contract, payments of principal loan amount under foreign loan agreement, payments arising out of agreement of technology-transfer and payments made to suppliers for the purchase of any goods or services of foreign origin; and
- i) amount received by the Private Economic Zone Investor from the Government as compensation for expropriation of any private asset of an Investor or Enterprise of a Private Economic Zone or the amount derived from the proceeding relating to dispute resolution.

Foreign Exchange Circular No. 04, 2016

Guidelines for Foreign Exchange Transactions Vol.1 and 2

Section 4 and Chapter 15 of Foreign Exchange Regulations Act 1947

Sections 10 and 13 of Bangladesh Economic Zones Act, 2010

The transfers referred in above shall be made effective through any scheduled commercial bank or financial institution approved by the Bangladesh Bank to operate in the Economic Zone (Article 15 (2) of the Policy).

Although Section 4 of the Foreign Exchange Regulations Act 1947 (the "FER Act") prohibits Bangladesh residents from borrowing in foreign exchange without a general or special permission of the Bangladesh Bank, under Chapter 15 of the FER Guidelines, and all proposals for borrowing from abroad by private sector industrial enterprises in Bangladesh (including the supplier's credit, financial loans from institutions or individuals, and debt issues in capi-

tal markets abroad) shall require prior authorization from the Authority, as far as an Economic Zone is concerned, the exemption of prevailing applicable laws is stipulated in Sections 10 and 13 of the Act, and arrangements of the transfer of funds within and outside Bangladesh is affirmed in the Article 15 (1) of Bangladesh Private Economic Zones Policy, 2015.

Accordingly, Foreign Exchange Circular No. 04 stipulates that for the Units located in the EPAs of Economic Zones, equity from foreign shareholders and loan received in foreign currency from authorized sources may be credited in such foreign currency accounts of 100% foreign owned companies (which include those owned by Bangladesh nationals ordinarily resident abroad) and Joint Venture projects between foreign and Bangladesh entrepreneurs resident in Bangladesh situated in Economic Zones. However, foreign borrowing is allowed in principle only for investment (such as the import of capital goods for new projects, modernization/expansion of existing production units) in industrial sectors including small and medium enterprises (SME) as well as infrastructure and priority sectors as defined in Industrial Policy announced from time to time. But, utilization of a foreign loan proceeds is not permitted exclusively for working capital purposes and investment in capital market by corporations.

An enterprise established in EPAs of Economic Zones may, in relation to the operation of business, may obtain credit facilities from domestic banks and international financial institutions regardless of the amount of the foreign capital invested in the business enterprise. A Unit Investor who obtains credit is deemed to follow the instructions mentioned in Section-II, Chapter 16 of GFET, 2009 (Vol-1). However for obtaining medium and long term debt from abroad/Offshore Banking Unit (OBU), an Unit Investor shall have to submit borrowing approval applications to Bangladesh Bank through the Authority following the procedures as mentioned in Foreign Exchange Circular 32, dated August 31, 2014. In case of contribution of shareholders in Joint Venture Projects between foreign and national entrepreneurs, relevant instructions as mentioned in Paragraph 21, Section-II, Chapter 16, GFET, 2009 (Vol-1) shall be applied.

For repatriation of dividend/profit to non-resident shareholders of 100% foreign own unit investors and Joint Venture projects situated in EPA of Economic Zones as well as to the non-resident shareholders, enterprises may remit dividends through ADs or OBUs without prior permission of Bangladesh Bank following the procedures mentioned in Paragraph 31, Chapter 10, GFET (Vol-1). Besides, before effecting such remittances, instructions/regulations of the Authority (if any) are to be compiled on meticulously. As for the repatriation of investment/capital by non-resident shareholders, even though it is subject to adherence to the instructions of the Authority, Guidelines for effecting remittance of sales proceeds of non-residents' investment in Bangladesh is deemed applicable as mentioned in Paragraph 3, Chapter 9, GFET (Vol-1) and Foreign Exchange Circular 32, dated August 31, 2014.

On the other hand, for the Unit Investors situated outside EPAs of Economic Zones as well as the Zone Developers, regardless of locally owned/controlled or foreign owned/controlled, are deemed to follow foreign exchange regulations similarly applicable in DTA. However, the Authority shall make arrangement to facilitate the foreign owned/controlled Unit Investors and Zone Developers in respect of concerned issues which may include issuing permission for repatriation of capital and dividends, royalties, and technical fees, etc. Also the foreign owned/controlled Unit Investors and Zone Developers may borrow locally (in local currency) and from abroad in accordance with instructions mentioned in Chapter 16, GFET, 2009 (Vol-1) and Chapter 15, GFET, 2009 (Vol-1) respectively.

In each case where the supplier's credit/loan is approved by the Authority, a copy of the loan agreement should be forwarded by the concerned Authorized Dealers to the "External Debt and Grant Section," Foreign Policy Department, Bangladesh Bank. A Unit Investor and Zone Developer who obtains credit shall ensure that the proceeds of that credit are used solely for the purpose of carrying out the activities specified in his loan application, which may include the usage of foreign currency borrowing for the working capital of the enterprise.

For that purpose, the bank granting the loan may appoint its officer or agent to verify the due application of the credit obtained as above. A transaction or an act of keeping foreign cur-

currency inside the Economic Zone shall not be subjected to any restrictions. Any foreign currency may be admitted into the Economic Zone or any other destination in Bangladesh territories or vice versa. Furthermore, foreign owned/controlled Unit Investors and Zone Developers may access to interest free loans for working capital other than input procurements from parents companies/shareholders abroad for up to one year without any prior approval of Bangladesh Bank.

Under the conditions stipulated by respective private banks, foreign nationals working/residing in Bangladesh may open and maintain foreign currency accounts in Bangladesh with inward remittance received from abroad, and the banks and their branches at the Economic Zones may accept payment in any foreign currency from any ordinary person or body corporate. Balances of such accounts are freely remittable abroad (Chapter 13, GFET, 2009 (Vol-1)).

However, foreign nationals working in Economic Zones (with valid work permit issued by the Authority) are allowed to remit through an Authorized Dealers 75% of net salary, 100% of leave salary and actual savings and pension benefits without prior approval from Bangladesh Bank (Chapter 11 GFET, 2009 (Vol-1) and Foreign Exchange Circular No 06, 15/04/2013).

In any cases other than described above (like transfer of Bangladeshi shares and securities, opening Taka account, remittance of sales proceeds of non-residents' investment in Bangladesh), foreign exchange regulations availed shall be applicable, if not otherwise directed by Bangladesh Bank (the Central Bank of Bangladesh). The summary of these regulations are enumerated in Guidelines for Foreign Exchange Transactions (GFET) (Vol.- 1 and 2) published by Bangladesh Bank.

Investment in Economic Zones shall have to be reported to Bangladesh Bank as per instructions mentioned in Paragraph 2, Chapter 9, GFET (Vol-1) and paragraph 26, Chapter 2, GFET (Vol-2). Besides, all foreign exchange transactions of Economic Zone Unit Investors are to be reported through online foreign exchange transaction reporting platform of Foreign Exchange Operation Department, Bangladesh Bank. Such transaction are also to be reported in monthly returns to Bangladesh Bank in relevant statements and schedules, etc.

6.12 Immigration and Employment of Foreigners

Every business enterprise granted the Economic Zone User Permit under the power of the Authority, shall be entitled to relaxed restrictions on the issuance of work permits to project related foreign nationals and employees. At present the number of foreign employees is allowed up to 5 % of the number of the total number of employees.

Incentives & Benefits for Investors/EZ users (Approved in Governing Board's Meeting, February, 2015)

6.13 Labor and employment related matters

Economic Zone Users/Investors may be able to decide their own labor plans and composition of their staff, with guidance from the Authority provided, if needed. Incidentally, the plans and staff composition schedule shall be submitted to the Authority for the record.

Economic Zone Users/Investors should conclude contracts with workers and staff members for their employment. The labor contract should include terms on the following: employment, dismissal, resignation of the workers and staff members, contract duration, job responsibilities in production and other work, wages, rewards and penalties, working time and vacations, labor insurance and welfare, labor protection and discipline. The labor contracts must be reported to the Authority for the record. Economic Zone Users/Investors have the right of management over their own employees in accordance with the terms of the labor contracts.

The employees enjoy all the rights protected by the law and stipulated in the contracts. The structure and scale of wages, and the ways of reward and subsidy for the workers and staff members are determined by the Economic Zone Users/Investors themselves. Economic Zone Users/Investors must observe the principles of the labor protection and special protection for women workers, guarantee safe operations and health of the workers and staff members, over which the Authority has the right to examine and supervise.

The Authority shall make a recommendation to the Government with a view to exemption

from payment of a training levy, an investor who has trained local employees, the quantum of which shall be 50 percent of said training levy.

6.14 Labor dismissal policy

In accordance with the Act, 2010, the provisions of the existing laws on the EPZ Workers Welfare Association and industrial relations shall, with necessary modification, be applicable to the workers of the Economic Zones (Section 34).

Section 34 and 37 of Bangladesh Economic Zones Act, 2010

Economic Zone Users/Investors may dismiss its workers and staff members in line with its labor contracts, but it must inform the individual concerned, the enterprise trade union and the SEZ labor service company of the dismissal at one month in advance. No dismissal is allowed when a worker or a staff member is receiving medical care for injuries as a result of on-the-job accidents, occupational diseases, illness, non-accident injuries, and during a pregnancy of more than six months and a maternity leave for women workers. On the other hand, workers and staff members may resign according to the labor contract and they should notify the enterprise one month in advance.

Article of 44 of Bangladesh Private Economic Zones Policy 2015

Section 37 of the Act even stipulates that BEZA has the special right to order shut down or/and dismissal of persons who led to labor unrest, strikes or lockout.

6.15 Environment clearance policy

The Economic Zones Act 2010 has provisions regarding environmental law compliance. According to the provisions of the act, industrial units and other financial and business institutions established in the Economic Zone shall be bound to comply with the laws related to the protection of the environment and international commitments ratified by the Government of Bangladesh.

Section 33 of Economic Zones Act 2010

Article of 43 of Bangladesh Private Economic Zones Policy 2015

According to the Private Economic Zones Policy, 2015, a private entrepreneur or Entrepreneur Company will have the responsibility of conducting an EIA and private entrepreneur or Entrepreneur Company will be granted an Economic Zone license for Economic Zone development based on such an EIA. Thereafter, the Economic Zone enterprise interested in establishing industrial units in a Private Economic Zone shall apply to the Authority or Economic Zone Operator with the required application for an Economic Zone User Permit. As a part of the application form, an Environmental Management Plan and evidence that proposed business activities are deemed in compliance with all environmental laws and regulations need to be presented.

In addition, in the event that an overall EIA conducted by Economic Zone Developers gets clearance from the competent agency, the Economic Zone Unit Investors who are going to establish production facilities in such Economic Zone shall be exempted from a comprehensive EIA for the issuance of Economic Zone User Permit.

6.16 Building Permit and Operation Permit

In Article 41 of Private Economic Zones Policy, 2015, it is stipulated that all construction or installation work on any Economic Zone lands or any modifications to pre-built units on any Economic Zone lands shall be undertaken in accordance with the applicable laws, the Act, rules, regulations, or notifications made under the Act.

Article of 41 of Bangladesh Private Economic Zones Policy 2015

For the rules relating to buildings in the Economic Zone, a reference to a building plan approval, factory plan approval and a building completion certificate shall be construed by the Authority.

Construction Guideline

To build a factory in an Economic Zone, each enterprise is required to observe the Economic Zones Building and Construction Policy to be stipulated by the Authority, and Zone Developer and Operator may also develop their own internal building guidelines, as the case may be. Unit Investors are deemed to submit relevant drawings of the building to the Authority

and/or Zone Developer and Operator, as the case may be, in accordance with the building and construction guidelines to be promulgated.

Basic particulars of the prospective Building and Construction Policy are cited in the following table.

Economic Zones Building and Construction Policy

No.	Items	Details
1	Open space	<ul style="list-style-type: none"> 5% of the total land area shall be reserved as amenity open space. The minimum such open space shall be 600m². When the area of open space exceeds 1,000m², the area can be used for the construction of buildings such as banks, clinics, welfare centers, restaurants and other common facilities. A minimum of 10% of the total area but not exceeding 0.25 ha of every industrial plot (in case of 1 ha or more) shall be reserved for community open space.
2	Lot size	<ul style="list-style-type: none"> Minimum 4,000m² per lot. Lot size cannot be subdivided.
3	Site access	<ul style="list-style-type: none"> The development should be designed to enable vehicles to exit the site in a forward direction.
4	Fire appliance access	<ul style="list-style-type: none"> Each plot needs to have vehicular access roads in conformity to BNBC. If a central median is provided, the minimum width of the dual carriageway should be 7.3 m wide for one-way traffic. If limited provision of a central median, the minimum width of a carriageway without a central divider should be 13.5m for two-lane two-way traffic.
5	Landscaping	<ul style="list-style-type: none"> A landscaping plan is required to be submitted to the Authority in accordance with BNBC. A 2.5m landscaping strip must be provided to any primary frontage. A 1.5m landscape strip must be provided to any secondary frontage. Plant species shall be selected from those listed in BNBC. Low flow trickle dripper systems or coarse sprays are required within the plot for water reticulation purpose.
6	Architectural & Drainage Drawings	<ul style="list-style-type: none"> Site plans & section drawings with ground level shall be required Draining system drawings including its flow direction, and treatment etc. shall be required.
7	Parking area	<ul style="list-style-type: none"> Parking spaces inside premises shall be adequate to insure loading and unloading. When plots are located near residential area, the parking area for loading and services area should be sited to the rear or side of the premise and away from residents. The number of car parking bays required will be in accordance with the local BEZA Scheme or minimum for industrial building for every 800m² per car and for every 2,000m² per truck. A container vehicle loading/unloading bay with turning circle of 11.6m outer radius should be provided for a site over 2,000m². Car parking can be placed between the landscape setback and the building line. Bay size, driveway widths and turning circles are to suit these as per BNBC and other functional requirements.
8	Roadways and parking within a plot	<ul style="list-style-type: none"> Separation of service/haulage vehicles from visitor and staff parking areas Siting of parking areas adjacent to areas of buildings that are commonly accessed. Provide suitable species of shade trees at a ratio of 1 per 4 cars bays, evenly throughout parking areas Provide clear paths for pedestrian movement separate from area of frequent vehicular movement.

9	Ground floor level	<ul style="list-style-type: none"> Ground floor level shall be determined by the Authority and/or Zone Developer and Operator, as the case may be (The same with side walk level).
10	Building area ratio	<ul style="list-style-type: none"> 50% is the maximum building area ratio against the total plot area for the build form structure like factory, power house, storage, covered parking, ETP, overhead STP and etc. Additional 30% can be covered by the drive way, open parking, 50m² guard room, cycle stand, internal roads, underground water tank and septic tank. Rest of 20% must be open sky sock able area. Instead of green or naked earth sock able soft pave can be used.
11	Building floor ratio	<ul style="list-style-type: none"> Building floor ratio shall not exceed 600%. Only internal roads, open to sky drive way and parking area, tanks, STP, ETP are excluding from Building floor ratio. In principle, after leasing of owning the land parcel within 2 years, a client shall have to build up a building with the minimum floor ratio of 30%.
12	Building set back	<ul style="list-style-type: none"> A set back from a boundary fence or a boundary line shall not be less than 3.5m. A set back from a main road shall not be less than 12m, and from a minor road it shall not be less than 4.5m. A set back from a dike and a drainage shall not be less than 4m from the edge of ditch.
13	External service and storage area	<ul style="list-style-type: none"> Service, storage and bin areas must be screened behind the front building line and from the street. Landscaping, fencing and gates can be utilized to screen these areas.
14	Fence	<ul style="list-style-type: none"> All fences shall be airy. At smaller plot, fences higher than 1.5m should not be generally constructed across the entire frontage, unless there is a requirement for site security. Where high fences are used to enclose an industrial plot, it is preferable that a section of the front of the premise be open to the street.
15	Regulation for any access to public area.	<ul style="list-style-type: none"> Any road construction in a public area shall not be allowed without permission from the Authority and/or Zone Developer and Operator, as the case may be. Road crossing open channel or other pipe system installation shall be determined by the Authority and/or Zone Developer and Operator, as the case may be.
16	Gate installation	<ul style="list-style-type: none"> In the case of one gate, the gate width shall not be less than 6m. In the case of separation of an entrance and an exit, the gate width shall not be less than 3.5m. A land parcel located on an intersection or a road corner shall have its gate installed not less than 20m from the corner to the center of the gate.
17	Water harvesting system	<ul style="list-style-type: none"> All plots within the Economic Zone are to incorporate a rainwater harvesting system designed to capture roof run-off from a minimum of 200m² (or 50% of the available roof catchment area for roof area less than 400m²) during regular rainfall events. The collected rainwater is to be plumbed to supply a seasonally-independent water use (e.g. toilet flushing).
18	Drainage system	<ul style="list-style-type: none"> Waste water drainage and rain water drainage system shall be designed separately according to the Authority and/or Zone Developer and Operator, as the case may be. A drainage system from a building to a public area shall have its slope not be less than 1/200.
19	WC	<ul style="list-style-type: none"> Numbers of WCs shall be required according to the BNBC
20	Stair	<ul style="list-style-type: none"> For public buildings, industrial factories, and enterprise buildings, the width shall not be less than 1.5m,

		and its height shall not exceed 4.0m. In case of more than 4.0m, stair landing installation shall be required.
		• Vertical step shall not exceed 19cm.
		• Horizontal step shall not less than 24cm.
21	Emergency ladder	• Buildings covered more than 3 floors shall be required to have an emergency ladder installed.
22	Building openings	• Openings shall be required for 1/10 of a floor area.
23	Modification construction	• In case of a modification to existing buildings, both the existing and modified drawings shall be required.

In addition, most of the time foreign investors interested in constructing factory buildings in the Economic Zones do not pose the general rates of construction materials in Bangladesh. As a consequence, investors may be misguided by the local contractors or a person who is not concerned about the construction work and therefore adverse reactions may be created among the investors. To help investors in constructing their own factory building with reasonable rates, investors are advised to take acknowledgment from the Authority for appointment of contractor in specified form before starting the work. Without a building plan approval, factory plan approval and a building completion certificate from the Authority and/or Zone Developer and Operator, as the case may be, no work shall commence.

Bangladesh National Ambient Air Quality standards

National ambient air quality standards (NAAQS) are mentioned in the Environment Conservation Rules 1997 (ECR) as follows.

Updated (2005) Bangladesh National Ambient Air Quality Standards (NAAQS)

Pollutant	Objective	Averaging
Carbon Monoxide (CO)	10 mg/m ³ (9 ppm)	8 hour
	40 mg/m ³ (35 ppm)	1 hour
Nitrogen Dioxide (NO ₂)	100 µg/m ³ (0.053 ppm)	Annual
Ozone (O ₃)	157 µg/m ³ (0.08 ppm)	8 hour
	235 µg/m ³ (0.12 ppm)	1 hour
Sulfur Dioxide (SO ₂)	80 µg/m ³ (0.03 ppm)	Annual
	365 µg/m ³ (0.14 ppm)	24 hour
PM ₁₀	50 µg/m ³	Annual
	150 µg/m ³	24 hour
PM _{2.5}	15 µg/m ³	Annual
	65 µg/m ³	24 hour
Lead (Pb)	0.5 µg/m ³	Annual

Maximum Permitted Noise Level

The Ambient Air Quality Standard in respect of Noise for different areas declared in the Noise Pollution (Control) Rules 2006, are as follows.

The Noise Pollution (Control) Rules 2006.

Description of area	Noise level dB (A)	
	Day time (6.00 a.m. to 9.00 p.m.)	Night time (9.00 p.m. to 6.00 a.m.)
i) A sensitive area where quietness is of primary importance such as schools hospitals, mosques etc.	50	40
ii) Residential area	55	45
iii) Mixed area, which are, used as residential areas as well as for commercial and industrial purposes	60	50
iv) Commercial areas	70	60
v) Industrial areas	75	70

6.17 Electric Power Procurement Method

Entrepreneurs may apply either directly to the Authority and/or Zone Developer and Operator, as the case may be, for obtaining electricity supply services. In the Economic Zones, although the power and gas distribution lines are developed by the Developers, assignment of utility lines connection can be given to the sub-contract company or an entrepreneurial enterprise.

All consumers in Economic Zone shall be consumers at 11 KV. Also, all meters required for measuring the power consumption in the factory shall have to be procured and installed by the consumer at his own cost. Such meters, however, should be placed in a safe position, preferable in street box with locking arrangement, should be sealed and should always be available to the representative of the Authority and/or Zone Developer and Operator, as the case may be, for the purpose of checking and billing. No meter should be installed before it is tested to the satisfaction of the Authority and/or Zone Developer and Operator, as the case may be.

6.18 Industrial Water Securing Method

The application in the prescribed form shall have to be submitted to the Authority and/or Zone Developer and Operator, as the case may be, before the date of actual requirement of industrial water.

The applicant has to construct his own underground/overhead reservoir, install pump, float valve, etc. at his own cost before applying for a connection. Furthermore, the necessary water meter, as approved by the Authority, has to be arranged by the applicant at his own cost. The water meter shall be kept sealed and it shall always be available to the representative of the Authority and/or Zone Developer and Operator, as the case may be, for checking and billing purposes. Without any meter, water connection can be given only when the consumer agrees to pay at flat rates, as decided by the Authority and/or Zone Developer and Operator, as the case may be, for consumption.

For a new connection, non-refundable connection fee, as decided by the Authority and/or Zone Developer and Operator, shall have to be paid. No connecting above 51 mm size shall be allowed.

6.19 Industrial Wastewater treatment method

As inferred in Section 33 of the Bangladesh Economic Zones Act 2010, like the industrial units in DTA, Economic Zone activities are bound to comply with international commitments recognized by the Government of Bangladesh. Hence an Economic Zone Unit Investor needs to follow all existing laws on the environment and environmental protection.

Section 33 of Bangladesh Economic Zones Act 2010

Environment Conservation Rules, 1997

To build a factory in an Economic Zone, each enterprise is required to obey the standards of Primary Wastewater Treatment from a factory to a Common Sewage and/or Effluent Treatment System agreed with the Authority or Zone Developer and Operator, as the case may be.

As mentioned in the Environment Conservation Rules, 1997, ECC industry/projects categorized in Orange-B and Red Category are deemed to submit layout plan, whereas, as indicated in the Guide for Assessment of Effluent Treatment Plants in EMP/EIA Reports for Textile Industries, National Standards of Waste Discharge Quality Standards for Industrial Units and Projects: Quality at Discharge Point may be applied to the factory operations in Economic Zone.

6.20 Industrial solid waste disposal

Proper measures for disposal of industrial solid wastes are deemed to be the responsibility to be taken by the Zone Users/Investors, although the Authority and the Zone Developer and Operator, as the case may be, reserves the right to issue instructions on this issue periodically.

To build a factory in an Economic Zone, each enterprise is required to submit a plan as to

how industrial solid waste can be treated, stored and disposed or even recycled in environmentally sound manner, and such standards of solid waste management should be agreed between the Zone Developer and Operator, and primary treatment of particular solid wastes from a factory may be required to meet such standards.

6.21 Economic Zone Residents

A person who may wish to reside in the residential area of the Economic Zone needs to obtain a Certificate in according with the provisions of the Article 36 and Article 37 of the Policy.

Article 36 and 37 of Private Economic Zones Policy, 2015

Economic Zone Residency Certificate

For acquiring land of the Economic Zone and the real estate situated on that land for the purpose of residing in the residential area of Economic Zones, a person shall apply to the Authority in an Application for Economic Zone Residency Certificate. In acquiring the status of the resident in the Economic Zone, the Certificate holder shall be provided a Residential Identity Card in favor of the person. Also the Authority shall issue Certificate of Residence to those concerned persons or workers who are lawfully employed by any Economic Zone Enterprise.

Rights and Obligations of Economic Zone Residents

The Economic Zone Residents with Economic Zone Residency Certificate shall be entitled to the following rights and privileges namely:-

Article 38 of Private Economic Zones Policy, 2015

- a) to reside in the residential area of an Economic Zone; and
- b) to transfer any Economic Zone land and real estate situated in the residential area of the Economic Zone.

Legal Obligations of Economic Zone Residents are prescribed in the Policy as:

Article 39 of Private Economic Zones Policy, 2015

- a) to pay customs charges, internal customs duties, tax, levies and other customs charges for import of any foreign goods in any residential area of Economic Zone located inside the Domestic Tariff Area;
- b) to pay Income Tax and other taxes; and
- c) to refrain from taking part in any activity subversive of the state.

Termination of Certificate

Economic Zone Residency Certificate may be revoked due to repeated violations of the legal provisions in place. The Authority may revoke an Economic Zone Residency Certificate upon serving 120 (one hundred and twenty) days' written notice in advance and giving opportunity of hearing to the Economic Zone Resident and, if necessary, the Authority or any other competent agency may take legal steps against such person in accordance with the applicable laws.

Article 40 of Private Economic Zone Policy, 2015

Also, a person or worker and , in applicable cases, his dependent shall cease to enjoy the status of an Economic Zone resident, in the event of revocation of Economic Zone Residency Certificate or cancellation of the Residential Identity Card of such persons or workers.

7 Tools for Economic Zone Projects

7.1 Facilitating investment through OSS in Economic Zone projects

According to Section 12 of the Economic Zone Act, 2010, the authority shall make arrangements to facilitate the Economic Zone Developers and Economic Zone Unit Investors in respect of legal documents which include permission for Economic Zone site selection, declaration of Economic Zones, clearances, certificates, certificate of origin, permits for repatriation of capital and dividends, resident and non-resident visas, work permits, construction permits, etc. through a One-Stop Service (OSS); and make arrangements to allot or lease plots suitable for setting up industries on complete commercial basis.

Section 12 of Bangladesh Economic Zones Act 2010

Article 19(1) and 20(1) of the Bangladesh Private Economic Zones Policy, 2015

Moreover, as stipulated in the Article 20 (1) of the Bangladesh Private Economic Zones Policy, 2015, any One-Stop Service Office of the Authority, with the approval of the Governing Board, shall receive the applications for an Economic Zone License, Private Economic Zone User Permit, Private Economic Zone Construction Permit and Environmental Permit and Clearance and for any other approval and set up a process for approval of such applications.

For an instrument of the above, the Authority shall maintain and publish the Electronic Application and the up to date Instruction in respect of submission of Application Form.

For the provisions of all those administrative services, the One-Stop Service Offices of the Authority is deemed to be a focal point of contact for applications, processing for approval and enquiries, and Article 19 (1) of the Policy, 2015 states that for ensuring maintenance of respective regulatory jurisdiction of the Competent Agencies over Private Economic Zones and for maintaining control over Private Economic Zones, the Authority shall coordinate with the Competent Agencies through the One-Stop Service Offices.

Hence the mandate of the One-Stop Service Offices remains in facilitation of the development, operation, maintenance, administration, and regulation of the Private Economic Zones, and the Authority shall set up the arrangements, through One-Stop Service Offices to resolve the disputes relating to providing streamlined intermediation services to Private Economic Zone Developers and Unit Investors including Private Economic Zone Residents, on jurisdictional conflicts with any Competent Authority and any impediment, delay or any other difficulties with regard to Investments of any investor in the Economic Zone.

The following list indicates the required licenses and permits before factory operation and services to be rendered through One-Stop Service Offices.

	Sl No	Required Document/ License for Foreign Investors	DCCI Guidelines (2014)/BOI Timelines/ Remarks	Competent Agencies	BEZA OSS Coverage / Remarks	
					Developer	Unit
Registration/Incorporation of the Company	1	Name Clearance Certificate	1 working day	RJSC (Office of the Register of Joint Stock Companies and Firms)	X	
	2	Certificate of Incorporation	2-3 working days (normally 15-30 working day)	RJSC / BOI (in case for Foreign Company)	Role of BOI can be substituted by BEZA	
	3	Tax Identification number (TIN) Certificate	15-20 minutes (Automated Web based)	NBR (National Board of Revenue)	X	
	4	Trade License	3-4 working days for Commercial Firms 10-15 working days for Manufacturing Firms	City Corporation / Municipality	To be exempted	○
	5	Open Bank Account	1-5 working days	Bank (International or Local Banks)	Necessary advices to be provided	
	6	VAT Registration	2 working days	NBR	○	
	7	Approval of Central Bank	-	Central Bank	Not required in case for Economic Zone	
	8	Registration with BOI	1-2 days	BOI	Not required in case for Economic Zone	
Pre-Construction Clearance	9	Project Clearance / Land Related Clearance	6 months to 1 year (From RAJUK)/ Local elected representative (Union Parishad Chairman/ Councilors of City Corporation or Municipality)	City Corporation / Municipality	○	Developer's Clearance followed by BEZA
	10	Environment Clearance	1 month (most of the cases maximum 5 months)	DoE (Department of Environment, MoEF)	One-stop entry and facilitation service	Expedited process applicable under the circumstance where units are in-line with EZ Master Plan with E/C.
	11	Building Plan Approval	1 month	City Development Authority	○	BEZA or Zone Developer
	12	Factory Plan Approval / Factory Registration	2 months (from Ministry of Labor and Employment: MOLE) in some cases only 15 days	DIFE (Department of Inspection for Factories and Establishments, Ministry of Labor and Empowerment)	-	○
		Required Document/	DCCI Guidelines (2014)/BOI	Competent Agencies	BEZA OSS Coverage / Remarks	

	Sl No	License for Foreign Investors	Timelines/ Remarks		Developer	Unit
Pre-Construction Clearance	13	Water Plumbing Clearance	No official time limit Approximate 3 months	Water department / DWASA	One-stop entry and facilitation service	Developer's responsibility
	14	Electricity Wiring Approval	35 working days (up to 49 KW Load)	Electricity distribution department / DESCO	One-stop entry and facilitation service	Developer's responsibility
	15	Provisional Fire Safety Clearance	90 days	Bangladesh Fire Services & Civil Defense	One-stop entry and facilitation service	
Post construction but before use of the building	16	Fire Clearance / License	90 working days	Bangladesh Fire Services & Civil Defense	One-stop entry and facilitation service	
	17	Building Completion Certificate		City Corporation / Municipality	-	BEZA or Zone Developer
	18	Telecommunication line connection	2 - 3 months	Bangladesh Telecommunication Company Ltd., Board: BTCL	One-stop entry and facilitation Service	Developer's responsibility
	19	Gas connection	60 days for Commercial 120 days for Industrial Use	Titas Gas Transmission & Distribution Company Limited: TGTDC	Facilitation Service	Developer's facilitation
Post construction	20	Work Permit	15 working days (Regulatory unit: BOI under issuing office: PMO office)	Ministry of Home Affairs	One-stop entry and facilitation service	
	21	Registration to Chamber of Commerce	1 month	Chamber of Commerce	-	
	22	Import Registration Certificate (IRC) / Export Registration Certificate (ERC)	2 hours/ 1 working day	CCI&E (Office of the Chief Controller of Imports & Exports), the Ministry of Commerce	-	
	23	Custom Clearance	-	the Commissioner of Customs	Local sales Permit, Local Purchase Permit and Sub-contract Permit: ○ Every import and export requires permit from the Custom officials	
	24	Boiler Registration	30-40 days	Office of the Chief Inspector of Boilers, Ministry of Industries	-	○
	25	VISA recommendation	E type Visa for employee and PI type visa for Investors Renewal for visa 15 working days	-	○	
	Sl No	Required Document/ License for Foreign Investors	DCCI Guidelines (2014)/BOI Timelines/ Remarks	Competent Agencies	BEZA OSS Coverage / Remarks	Developer Unit

Post construction	26	Captive Power Plant (Gas- Site Clearance)	Gas: 120 days Industrial & 60 days Commercial	Gas Authority (Electricity Regulatory Commission) and DoE	One-stop entry and facilitation service (whereas gas clearance needs to be obtained separately)	
	27	No Objection certificate for loan/ Approval of Foreign Borrowing Agreement	Depends on the Security Committee Meeting	BOI (Deputy Director): Bangladesh Bank Desk, at BOI	○	
	28	Bond License	-	BOI and NBR (Customs Bond Commissionerate)	X	
	29	Certification Mark License	1 month approximately	Bangladesh Standard Testing Institute (BSTI), Ministry of Industries	X	
	30	Certificate of Origin	-	Bangladesh Export Promotion Bureau / Chamber of Commerce and Industry	-	○

7.2 Incentives for Unit Investors

Incentives & Benefits for Developers, as of 30th November, 2015

Incentive		Proposal for Governing Board Approval
1	Tax Holiday	Income tax exemption on income derived from the business development of EZ for the first 10 years. After expiry of 10th year tax exemption will be 70% in 11th year and 30% in 12th year.
2	VAT on Electricity	Exemption of VAT on electricity or taxes on sale, of self-generated or purchased electric power for use of processing area of EZ (for 10 years).
3	VAT on Local Purchase	All purchase excluding petroleum product from Domestic Tariff Area (DTA) shall be exempted from VAT, sales tax etc.
4	Custom Duty	Exemption from custom/excise duties for development of EZs, except for import of easily available construction materials, such as MS rod/bar, cement, pre-fabricated building, iron/steel sheet, and exemption benefit shall not applicable for imports of goods which are not directly related to development and construction of Economic zone, such as:- office equipment, air conditioner, refrigerator, passenger- bus, articles for household use and other similar goods.
5	Stamp Duty	Exemption of stamp duty and registration fees for registration of EZ land but limited to first transaction only.
6	Stamp Duty	Exemption of stamp duty for registration of loan/credit document.
7	Income Tax-Others	Exemption from dividend tax.
8	Income Tax-Others	Exemption of income tax on service charges

S.R.O No. 168-Law/ 2015/735 – VAT

S.R.O No. 208-Law/ 2015/46/ Customs

S.R.O No. 209-Law/ 2015/46/ Customs

S.R.O No. 299- Law/ Income-tax/2015

S.R.O No. 227- Law/ Income-tax/2015

Incentives & Benefits for Investors/EZ users, as of 30th November, 2015

Incentive		Proposal for Governing Board Approval
1	Tax Holiday	For all Economic Zones Income Tax Holiday (ITH)-

S.R.O No. 210-Law/ 2015/47/ Customs

		– 1st, 2nd and 3rd year 100%, 4th year 80%, 5th 70%, 6th 60%, 7th 50%, 8th 40%, 9th 30% and 10th year 20%.
2	Custom Duty	Duty free import of raw materials, construction materials, capital machineries, finished goods.
3	Income Tax-Others	Exemption from dividend tax (After tax holiday over)
4	Repatriation	Full repatriation of capital and dividend.
5	Free Flow FDI	No ceiling of FDI.
6	Backward Linkage	100% backward linkage raw-materials and accessories to sell for export oriented industries (EOI) in Domestic Tariff Area (DTA).
7	Local Sale	20% sale of finished product to DTA (From Export Processing Area – EPA).
8	Sub-Contracting	Sub-contracting with DTA allowed.
9	Stamp Duty	50% exemption of stamp duty and registration fees for registration of leasehold land/ factory space.
10	VAT	80% exemption of VAT on all utility services consumed inside the zone.
11	Custom Duty	Duty exemption on Export.
12	Custom Duty on Vehicle	Exemption of CD for import of 2 vehicles within 1st 5 years for foreign investors (for one time).
13	Double Taxation	Exemption of double taxation subject to Double taxation agreement.
14	IT Individual	50% Rebate of income tax on salary income of expatriates for 5 years
15	Custom Bond	Consider EZ as custom bonded area.
16	Foreign Exchange	FC loan availability (To ease business activity).
17	Foreign Exchange	FC Account for Non-Resident.
18	Foreign Exchange	FC Account for both local and joint venture industry.
19	Joint Venture	Joint venture allowed
20	Royalties	Royalty, technical fees will be exempted from income tax.
21	Capital Gains	Tax exemption on capital gain.
	Incentive	Proposal for Governing Board Approval
22	Share Transfer	Share transfer allowed.
23	Work Permits	Work permits – No restrictions on issuance of work permits on project related foreign nationals and employees but limited up to 5% of total employees.
24	Re-Investment	Re-investment of remittable dividend to be treated as new foreign investment.
25	Resident	Resident visa for investment of US\$ 75,000 or more.
26	Citizenship	Citizenship for investment of US\$ 500,000 or more

S.R.O No. 298- Law/ Income-tax/2015

S.R.O No. 226- Law/ Income-tax/2015

Appendix 04: Enterprise Survey on the potential investment to the Upcoming EZs in Bangladesh

Enterprise Survey Report on Potential Investment to the Upcoming Economic Zones (EZs) in Bangladesh

Submitted to:



We create new business world

World Business Associates Co., Ltd. (WBA)

*2-12-304, Kanda-Ogawamachi, Chiyoda-ku
Tokyo, 101-0052, Japan*

Submitted by:



Young Consultants

*House B-114 (3rd Floor), Lane 07, New DOHS, Mohakhali, Dhaka, Bangladesh
Web: www.youngconsultants-bd.org*

August 30, 2015

Table of Contents

	Particulars	Page
Section A	Survey Technical Information	1
Section B	Introduction and Background	2-4
	<i>1.0 Introduction</i>	2
	<i>2.0 Objectives of the Survey</i>	2
	<i>3.0 Survey Methodology Applied</i>	2-3
	<i>4.0 Challenges Faced during the Survey</i>	4
Section C	Findings of Enterprise Survey	5-14
	<i>1.0 Profile of Respondent Enterprises</i>	5-7
	<i>2.0 Status of Prospective Investment Decision</i>	7-10
	<i>3.0 Influential Factors to Investment Decision</i>	10-12
	<i>3.4 Required Utility and Infrastructure Services</i>	12-14
Section D	Key Informant Interviews (KIIs): Summary of Discussions	15-17
	<i>1.0 Profile of Key Informants Interviewed</i>	15
	<i>2.0 Innovative Sectors having Investment Potential</i>	15-16
	<i>3.0 Potential Sectors of Industry and Critical Factors for Upcoming EZs</i>	16-17
Section E	Summary of Key Findings and Conclusion	18-20
	<i>1.0 Key Findings of the Study</i>	18-19
	<i>2.0 Concluding Remarks</i>	20

ABBREVIATIONS AND ACRONYMS

BAPI	:	Bangladesh Association of Pharmaceutical Industries
BDS	:	Business Development Services
BDT	:	Bangladeshi Taka
BEZA	:	Bangladesh Economic Zone Authority
BGMEA	:	Bangladesh Garment Manufacturers and Exporters Association
CFS	:	Container Freight Station
DCCI	:	Dhaka Chamber of Commerce & Industry
EPZ	:	Export Processing Zone
ETP	:	Effluent Treatment Plant
EZ	:	Economic Zone
FDI	:	Foreign Direct Investment
FI	:	Field Investigator
GoB	:	Government of Bangladesh
ICT	:	Inland Container Terminal
ICT	:	Information and Communication Technology
JBCCI	:	Japan-Bangladesh Chamber of Commerce and Industry
JDI	:	Japan Development Institution
JICA	:	Japan International Cooperation Agency
KII	:	Key Informants Interview
LDC	:	Least Developed Country
LFMEAB	:	Leathergoods & Footwear Manufacturers & Exporters Association of Bangladesh
NGO	:	Non-Government Organization
OCC	:	Oriental Consultants Co., Ltd.
RECS	:	RECS International Inc.
RMG	:	Ready-made Garments
WBA	:	World Business Associates Co., Ltd.
YC	:	Young Consultants

Section A Survey Technical Information

Project Name	:	Project for Development of Economic Zones and Capacity Enhancement of Bangladesh Economic Zones Authority (BEZA)
Themes	:	Enterprise Survey on Potential Investment to the Upcoming Economic Zones (EZs) in Bangladesh
Country	:	Bangladesh
Location	:	Industrial Area of Dhaka and its outskirts
Duration of Field Survey	:	June 2-27, 2015
Target Population	:	Bangladeshi Enterprises
Respondents	:	Top and Senior Management (Chairmen, MDs, Proprietors, Managers)
Nature of Business	:	Manufacturing (27) & Trading (3) ¹
Number of Target Business Sector	:	Fifteen (15)
Selected Business Sector (category-wise)	:	<div> A. High Priority Sectors² <ul style="list-style-type: none"> • Agriculture/food processing industry • Plastic and Rubber Products • Ready Made Garments/Apparels • Wooden Products / Furniture • Knitting and Textile, Yarn, Spinning • Jute and Jute Goods Materials • Pharmaceutical and Healthcare Goods • Footwear and Leather Goods • Bi-cycle </div> <div> B. Priority Sectors² <ul style="list-style-type: none"> • Automobile /Motor cycle parts • Electrical and Electronics • Light engineering industry </div> <div> C. Other Sectors <ul style="list-style-type: none"> • Garment Accessories • Medical Equipment and Devices • Cables, wire harness </div>
Sample Size	:	30 (Medium-9 & Large- 21) ³
Survey language(s)	:	English and Bangla (local language)
Sampling Technique	:	Stratified Random Sampling
Data-collection method	:	Face-to-Face interview
Survey Conducted by	:	The Survey and Research Team of Young Consultants (YC) conducted the survey. The survey was implemented by four (4) Research Executives, Abdul Gaffar, Shibu Deb Nath, Ali Imam, Asifuzzaman, under the direct supervision of Mr. M. Zakir Hossain.

¹ Among the fifteen sectors, some sectors like medical device and equipment sector it was difficult to find manufacturing units and as such, trading units were interviewed but these may be mainly assembling units

² National Industrial Policy 2015, Ministry of Industry, Government of Bangladesh

³ Due to lack of access to official financial information, the study team assumed the number of workers as the basis for determining the size of enterprises, but eventually, this criterion did not work when the study team went to the field as many of them are large in size. Moreover, even there are companies, but they do not have plan to invest in the upcoming EZs and as such, they were not considered for survey

Section B Introduction and Background

1.0 Introduction

Bangladesh has been promoting industrial development to achieve Vision 2021. As Bangladesh is a capital-poor country, one way to expedite the rapid industrialization process within the country is to attract increased Foreign Direct Investment (FDI). Beginning with the establishment of EPZs in 1980, the Government of Bangladesh (GoB) has been undertaking policy initiatives introducing FDI as a potent weapon of developing Bangladesh economy and achieving the country’s socio-economic objectives including poverty reduction goals.

To materialize the vision drawn under the policies and plans, namely, Vision 2021, long term perspective plan, sixth five-year plan and others, the GoB enacted Bangladesh Economic Zone Act in 2010 allowing strengthening ties between domestic and export industries and/or private finance initiatives. According to Bangladesh Economic Zone Authority (BEZA), the government has already approved proposals for setting up 17 Economic Zones (EZs) in the country, including one in Narsingdi and two in Munshiganj. Moreover, the government is also planning to set-up about 100 EZs over the next 15 years⁴.

The establishment of EZs can emerge as a significant vehicle to build up physical capital, create employment opportunities, develop productive capacity, enhance skills of local labor through transfer of technology and managerial know-how, and help integrate the domestic economy with the global economy. Moreover, effective use and functional improvement of Economic Zones (EZs) is one of the components for enhancement of business environment in Bangladesh.

Japan International Cooperation Agency (JICA), like other development partners, also came forward and undertook a series of interventions towards developing economic zones in Bangladesh. Recently, JICA launched the project titled “Project for Development of Economic Zones and Capacity Enhancement of BEZA”, as part of JICA technical assistance support extended to the GoB. The consortium of -WBA-OCC-JDI-RECS was assigned to conduct the feasibility study on the potential sites for developing it as economic zones where both Japanese and local enterprises can make their investment. The Enterprise Survey has been an important part of the project under which, the study team attempted to assess investment potential assessment in the upcoming EZs.

2.0 Objectives of the Survey

This Survey was carried out to collect and analyze the current business situation and future intention of the enterprises as well as to identify the target fields of future investment and requirements of support services for the development of EZs and their surrounding infrastructure. The specific objectives of this survey are given below:

- To understand the nature of enterprises who are interested to invest in the upcoming EZs
- To identify the target fields of investment as well as prospective investment decisions
- To determine the factors influencing investment decisions of the enterprises
- To identify the requirements for utility and infrastructure services as well as business support services (BDS)

3.0 Survey Methodology Applied

The consultants applied a well-defined survey methodology in conducting the enterprise survey in Dhaka and its outskirts outside EPZs and the nature of enterprises include large and medium scale

⁴ “Can budget attract investment without reform?” The Financial Express, August 08, 2015

companies and leading trading houses in some sectors. This enterprise survey was a firm-level survey of a representative sample of the private sector. The survey covered a broad range of business environment topics including current business trends, membership of business associations, intention to investment in the upcoming economic zones, target sector of industry, future business plans, required size of industrial plots, required infrastructural facilities, utilities, business development support services, etc.

3.1 *Structure of the Survey*

The Enterprise Survey Team used a Standard Questionnaire as survey instrument for this survey. The topics of the Enterprise Survey included the following:

Basic data of the enterprise: characteristics of enterprises, number of employment, annual sales figures, type of industry, product details, primary markets, client type and membership of trade bodies etc.

Possibility of investment in upcoming EZs: level of possibility, target area of economic zone, outline of the plan like size of required land, required factory space, employment, investment timing, etc.

Terms and conditions: Required business environment, preferred place and location of economic zone, access to economic zones, quick, transparent and fair procedure for license and approval, required business environment, business-government relations and performance measures etc.

About 80% of the survey questions were used to assess investment needs in the upcoming Economic Zones (EZs) in Bangladesh. Remaining of the questions was used to assess the current business conditions and characteristics of the target respondents. The mode of data collection is face-to-face interviews.

3.2 *Who conducted interview of the Survey?*

A 7 (seven) member study team was engaged by YC (Young Consultants), a private consulting firm in Bangladesh, led by an Experienced Survey Manager, 1 (one) Field Coordinator, 1 (one) Data Processing Operator and 4 (four) Field Investigators worked over the period of the field survey to accomplish the task.

The four experienced Field Investigators (FIs) having post-graduation degree were trained on the research objective, data collection procedures, ethical issues of research method and also the reliability and validity of the research procedure. Comprehensive interactive session was held with each of the FIs individually and in a group using prescribed questionnaire.

3.3 *Who were surveyed?*

The consultants selected a total of 30 enterprises which are positive or interested in investment in industrial plots within the Economic Zones. Business owners and top managers of the targeted enterprises were interviewed at their offices and factories according to their convenience, and the time of interviews was fixed by the business owners and top managers of the enterprises. Sometimes the survey respondents called on company accountants and human resource managers into the interview to answer questions in the sales and labor sections of the survey. In order to fix-up the interview with the company's Directors or Business Owners, prior request was made through phone calls and emails using letter issued in BEZA letterhead. A total of 21 interviews were conducted with the larger companies and nine (9) interviews were conducted with the medium-sized companies. The survey covered different types of enterprises, out of 30 enterprises, 27 manufacturing and 3 trading related enterprises.

Also, in order to capture some data on the upcoming innovative industries, the study team also interviewed eminent personalities (who are professionals in their respective fields) about the most prospective industries that may be emerged in the near future due to their demand and needs for the

society. These sectors of industries may not be known to the business communities but having dire needs, currently, these may be imported at very high costs. Their valuable opinions are inserted here.

3.4 *Sampling Technique*

The sampling methodology for Enterprise Survey was stratified random sampling. In a simple random sample, all members of the population have the same probability of being selected and no weighting of the observations is necessary. In a stratified random sample, all population units were grouped within homogeneous groups and simple random samples are selected within each group (business sectors like Automobile, Agro products, garments sector etc.). Each of the groups will be considered as a stratum for this enterprise survey. From each group (strata), two (2) enterprises (large & medium-sized) have selected using simple random sampling. Firm size levels are 100-250 (medium), and 250+ employees (large-sized firms). Ideally the survey sample frame is derived from the universe of eligible firms obtained from list of Bangladeshi enterprises who are the member of different trade bodies like, JBCCI, DCCI, LFMEAB, BAPI, BGMEA, etc.

Besides 30 entrepreneurs, the study team also interviewed at least 6 prominent professional persons that include 1 senior Environmental-cum Bio-technologist, 1 Medical Practitioner, 1 Engineer and 3 Scientists and they were selected depending on their availability and willingness for an interview.

3.5 *Data Collection Method*

Data collection method in this survey was face-to-face Interview with selected enterprises. The face-to-face interview, also called an in-person interview, is reported to be more effective technique than interview through electronic mails.

4.0 *Challenges Faced during the Survey*

Although the official date of commencement of the survey works was scheduled for a period of one-month in June 2015, the local survey team undertook their desk works much earlier to manage the reduced working hours during the month of Holy Ramadan. However, a number of challenges were during the implementation of the study as mentioned below:

- Challenges were faced in getting in touch with the top management of enterprises for setting interviews and in accessing necessary data as they remained busy with pre-occupations before EID festival
- The study team also faced difficulties in setting appointments with medium enterprises due to two major reasons:
 - Firstly, the medium enterprises were not willing to take part in this survey due to their limited capacity in making new investment in EZs in recent times even though they are interested
 - Secondly, enterprises belong to some of the listed sectors like Ready-made Garments/Apparels, Agro Product and Beverage generally requires large number of employees. Although the study attempted to classify them in terms of size of capital, the medium enterprises were reluctant to provide such information
- Due to the month of Ramadan and excessive traffic congestion frequent movement of experts and field investigators was hindered and the number of meetings scheduled per day was fewer than expected
- During the survey the top management of the respondent enterprises were reluctant to provide information related to their utility consumption pattern

Section-C

Findings of Enterprise Survey

1.0 Profile of Respondent Enterprises

a) Characteristics of the Enterprises

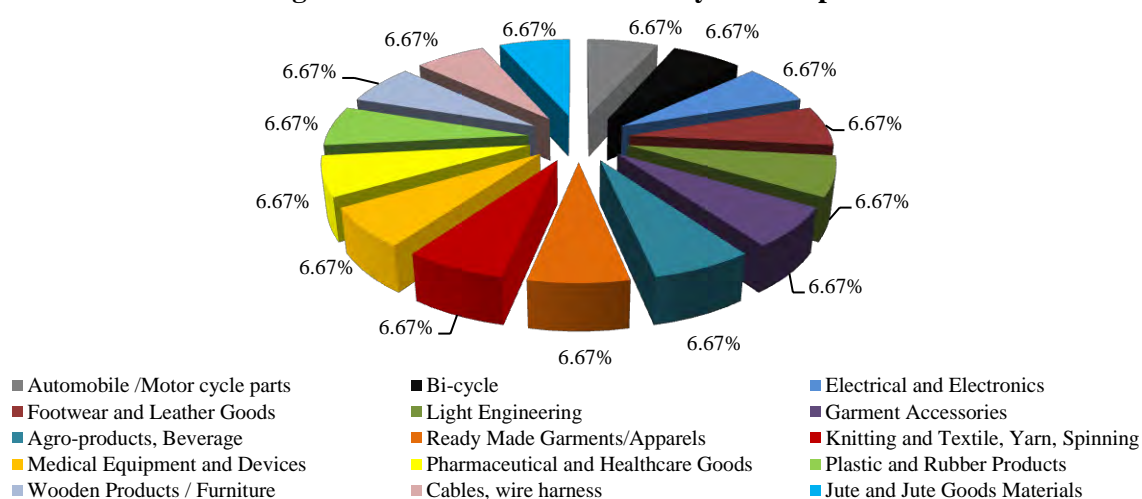
The enterprise survey was conducted on the top management officials with decision making authority of 30 enterprises. For the survey, information was collected through face-to-face interview with detailed structured questionnaire. Only prospective investors of EZs that is enterprises with the positive intention to make future investment in the upcoming EZs were interviewed. The survey covered fifteen (15) high priority and priority manufacturing sectors of Bangladesh as per the draft National Industrial Policy 2015. The proportion of large and medium enterprises selected the survey was conducted on is presented in the table:

Table-1: Proportion of Enterprises Selected for the Survey

Size	Number of respondents	% of the respondents
Large ⁵	21	70%
Medium ⁵	9	30%
Total	30	100%

To accomplish the study objectives, the study team conducted this survey on the enterprises located distinct industrial locations within Dhaka and its outskirt. About 90 percent of the interviewed enterprises are from manufacturing sector and the remaining is involved in trading business. Figure-1 presented below furnishes the 15 sectors considered for the survey and the proportion of enterprises selected from different business sectors.

Figure 1: Business Sector of Surveyed Enterprises



⁵ According to National Industrial Policy 2010 of Bangladesh, Large and Medium enterprises are defined as:

Type of Industry		The amount of investment (Replacement cost and value of fixed assets, excluding land and factory buildings)	Number of employed workers
Medium Industry	Manufacturing	BDT 100 million to 300 million	100 to 250
	Service	BDT 10 million to 150 million	50 to 100
Large Industry	Manufacturing	More than BDT 300 million	More than 250
	Service	More than BDT 150 million	More than 100

b) Legal Status of the Enterprises Surveyed

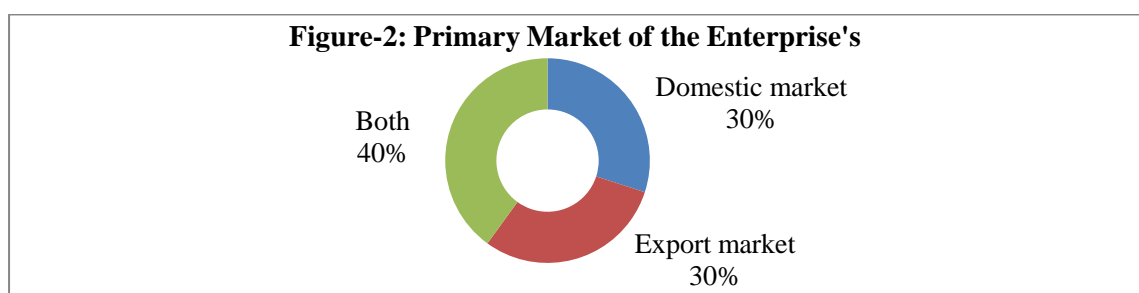
The enterprises surveyed belong to the business sector of the country only and most of them are private limited companies. However, 16.7% of the enterprises are sole proprietorship and only one instance has been found where the enterprise was established as partnership concern. But, two instances were found where the enterprises were initially established as a Sole Proprietorship but later on converted into limited companies. The table presented below shows the legal status of the enterprise.

Table-2: Legal Status of the Enterprises Surveyed

Legal Status	Number of Respondents	% of Respondents
Sole Proprietorship ⁶	5	16.7
Partnership ⁷	1	3.3
Limited Company ⁸	24	80
Total	30	100

c) Primary Market of the Existing Enterprises Survey

The findings of the survey shows that the primary target market of the existing surveyed enterprises are not solely domestic or export market centered rather significant proportions of the enterprises target both domestic and foreign market. Figure-2 depicts that out of 30 enterprises, the primary market of 9 (30%) enterprises are domestic market and equal proportion of enterprises target export market as their primary market. However, 12 (40%) enterprises are currently operating to meet the demand in both domestic and export market.



The Table presented below provides a more specific understanding on the primary market of the enterprises where primary market of the enterprises corresponding to each sector has been delineated more specifically:

Table-3: Sector and Enterprise wise Primary Market

Business Sector	Primary market			Total
	Domestic market	Export market	Both domestic and export	
Automobile/ Motor cycle parts	2	0	0	2
Bi-cycle ⁹	0	1	1	2
Electrical and Electronics	0	0	2	2
Footwear and Leather Goods	0	1	1	2
Light Engineering ¹⁰	2	0	0	2
Agro-products, beverage	0	0	2	2

⁶ An unincorporated business with one owner

⁷ A business organization managed and operated by two or more owners who are equally and personally liable for debts from the business

⁸ A form of incorporation that limits the amount of liability undertaken by the company's shareholders

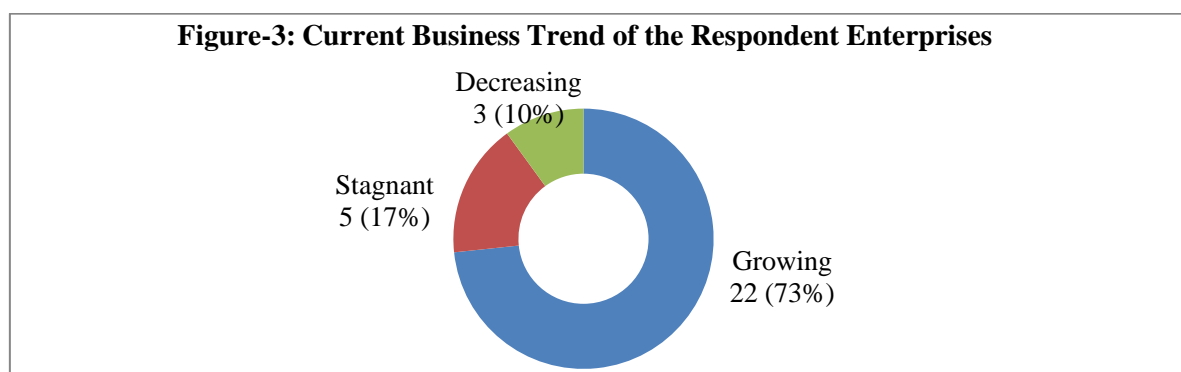
⁹ The products manufactured by the Bi-cycle sector of Bangladesh includes BMX, Trekking Bike, Mountain Bike, Road Bike, Folding Bike, Fat Bike and others

¹⁰ The Light Engineering sector of Bangladesh is in the manufacturing of wide range of spare parts, castings, moulds and dices, oil and gas pipeline fittings and light machinery, as well as repairing those alongside electrical goods like switch, socket, light shed, channel, cables and electrical fans, generator etc.

Ready Made Garments/ Apparels	0	2	0	2
Knitting and Textile, yarn, Spinning	0	2	0	2
Garment Accessories	0	2	0	2
Medical Equipment and Devices	2	0	0	2
Pharmaceutical and Healthcare Goods	0	0	2	2
Plastic and Rubber Products	0	0	2	2
Wooden Products/ Furniture	0	0	2	2
Cables, wire harness	2	0	0	2
Jute and Jute Goods Materials	1	1	0	2
Total	9	9	12	30

d) Current Business Trend of the Enterprises Surveyed

While analyzing the current business trend of the enterprises in terms of their sales performance in consecutive years, the study team found the currently 73% of the enterprises are experiencing growing business trend whereas the business performance by 17% enterprises is in a stagnant (not growing or declining) stage. The remaining enterprises are, however, experiencing a declining trend in their respective businesses. Figure-3 summaries the current business trend of the enterprises.



e) Main Clients of the Selected Enterprises

Table-4 presents the proportional distribution of the main clients of the respondent enterprises. Out of 30 enterprises, about 73% enterprises' main target clients are wholesalers/retailers, 67% individual customers, 37% manufacturers, 37% NGOs, 30 governments organizations and remaining 23% is affiliated enterprises.

Table-4: Distribution of Major Clients of the Respondent Enterprises (multiple reply)

Trend	Number of respondents	% of respondents
Individual Consumers	20	67%
Wholesaler/ Retailers	22	73%
Manufacturers	11	37%
Affiliated Company/Enterprise	7	23%
Government	9	30%
Non-government organizations (NGOs)	11	37%

2.0 Status of Prospective Investment Decision

a) Level of Intention

Though only the enterprise interested in making investment in upcoming EZs were considered eligible respondent for the survey, but this does not necessarily means that the willingness of the enterprises to invest in EZs is equal. To understand their level of intension, the study categorized the enterprises in two broad segments as shown in Table-5. Enterprises those were able to provide detailed information regarding the required plot size, factory building and others were categorized as enterprises with

concrete business plan and enterprises that could not answer similar questions were categorized as the enterprises with no concrete business plan. Based on the survey findings as shown in Table-6, it is evident that out of 30 enterprises, about only 17% (5) enterprises have strong intention for new investment in upcoming EZ as they have already developed concrete plan whereas 83% (25) enterprises although willing to invest but yet to develop any concrete plan for prospective investment. Generally, these enterprises can be considered as relatively less interested than the prior ones with concrete plans. As the study found, these enterprises are willing to invest but the procrastination in the development process of EZs is discouraging them to formulate any concrete plan yet.

Table-5: Level of Intention

Intension Level	Number of respondents	% of respondents
Has Concrete Plan	5	17%
Willing but No Concrete Plan	25	83%
Total	30	100%

The respondents (5) those have concrete plan for prospective investment in the upcoming EZs belong to four distinct sectors as mentioned in the Table-6:

Table-6: List of Enterprises with Concrete Investment Plan and Respective Sectors

Enterprises	Sector
Global Shoes Ltd	Footwear and Leather Goods
Macro Cable Ltd	Cables, wire harness
BBS Cables Ltd	
Energypac Power Generation Ltd	Light Engineering
IFAD Autos Ltd.	Automobile /Motor cycle parts

b) Purpose of the Future Investment in EZ

The respondents opted that the primary objective of their investment in the upcoming EZs would be either to expand their production unit or the establishment of new production unit to make business exposure to new sectors or fields. As depicted in table presented below, most of the enterprises (87%) intend to invest in the upcoming EZs with a view to expand their existing production unit and the remaining 13% enterprises plans to invest to establish new production units in the upcoming EZs.

Table-7: Purpose of the Future Investment in EZ

Purpose of Investment	Number of respondents	% of respondents
Expanding the existing production unit	22	73.33%
Establishing new production unit	4	13.33%
Both	4	13.33%
Total	30	100%

That is, there are eight (8) enterprises those are interested in expanding new production unit. These eight enterprises belongs to seven (7) of the fifteen (15) surveyed sectors. The preferred sectors of the enterprises are mentioned specifically in Table-9 presented below.

c) Timing for Investment

The survey result indicates that most of the enterprises are willing to make new investment within a very short time of 1 to 3 years implying high eagerness from the industrial investors to invest in the upcoming EZs. Out of 30 enterprises, about 27 (90%) enterprises said that they will invest within 1 to 3 years after the EZs are established and the remaining 10% enterprises responded that they are interested to invest within 3 to 5 years of establishment as depicted in Table-8.

Table-8: Probable Timing of Investment

Timing for Investment	Number of respondents	% of respondents
Within 1 to 3 years	27	90%
Within 3 to 5 years	3	10%
Total	30	100%

d) Target Business Sector

The survey also attempted to identify the preferred business sector the enterprises in case of future investments in the EZs. Almost all the enterprises are willing to expand their business in the sectors they are currently operating but there are instances where in case of new investment in the EZs they would like to expanding business in new business sectors also. The figure presented below indicates that 8 enterprises (27%) would like to make business exposure to new sectors through new investment in EZs.

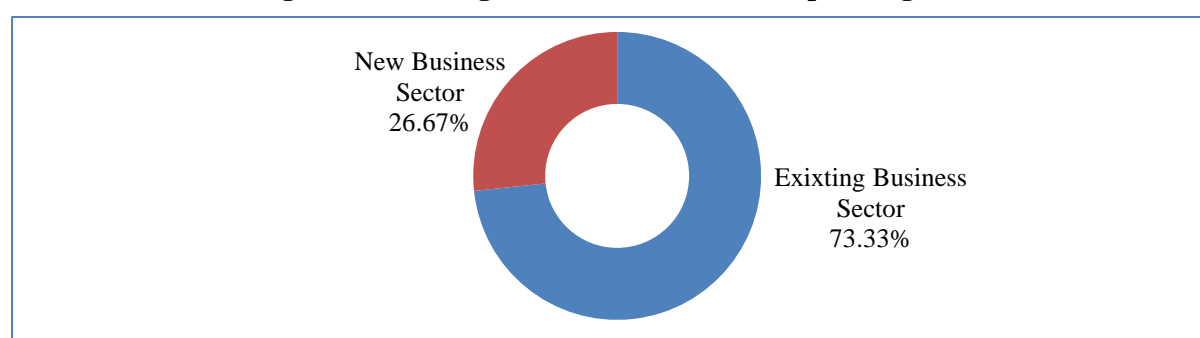
Figure-4: Planning for New Investment in Upcoming EZs

Table-9 presented below summarizes the sectors to which the 8 enterprises would like move to from their existing business sectors if they make future investment in the EZs:

Table-9: Preferred Business Sector for Future Investment in EZs (multiple reply)

Existing Business Sector	Preferred Business Sector
Automobile/ Motor cycle parts	Electrical and Electronics
Bi-cycle	Agro-products & beverage
Bi-cycle	Automobile/ Motor cycle parts
Light Engineering	Electrical and Electronics
Knitting and Textile, yarn, Spinning	Bi-cycle
Garment Accessories	Knitting and Textile, yarn, Spinning
Medical Equipment and Devices	Agro-products, beverage
Plastic and Rubber Products	Agro-products, beverage

e) Target Market of the Enterprises

As the EZs extends an opportunity to the enterprise to target both domestic and export market, therefore most of the enterprises plans to target both market while making new investments in the EZs. Out of 30 enterprises, about 70% enterprises plan to establish both domestic and export market oriented industry whereas currently only 40% of the surveyed enterprises are operating targeting both domestic and foreign market as stipulated in Figure-2. The remaining 30% enterprises intend to establish solely export market oriented industry but no enterprises are interested in establishing only domestic market oriented industry whereas only 30% of the surveyed enterprises target domestic market also and another 30% targets export market only. Table-10 furnishes relevant findings on the target market of the respondent enterprises.

Table-10: Target Market of the Respondent Enterprises

Target Market	Number of respondents	% of respondents
Export market oriented industry	9	30%
Both domestic and export market oriented industry	21	70%
Total	30	100%

3.0 Influential Factors to Investment Decision

a) Preferred Location of EZ

When the question of the preferred location of the EZs was raised, most of the enterprises (53%) replied that if the zones were established within Dhaka city and its outskirts¹¹, it would have been more convenient and preferable for investment. About 17% enterprises are prepared to move to anywhere in Bangladesh whereas the remaining 30% enterprises have no specific choice on locations if required utilities are available as shown in the Figure presented below:

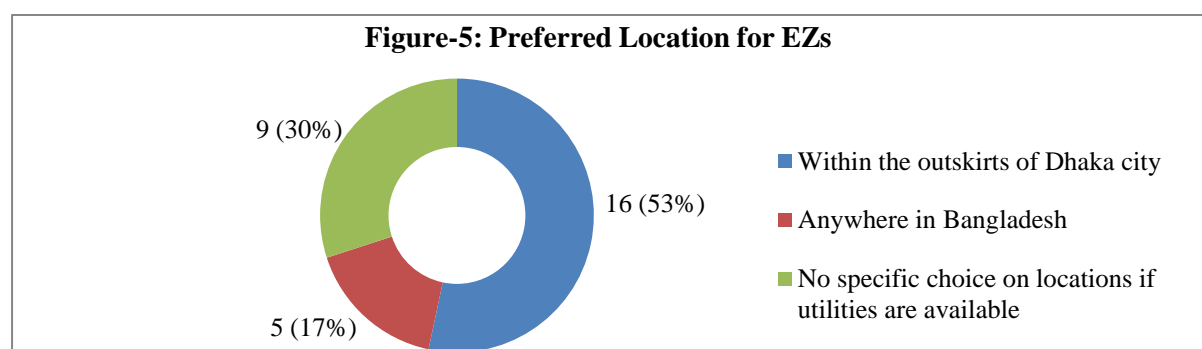


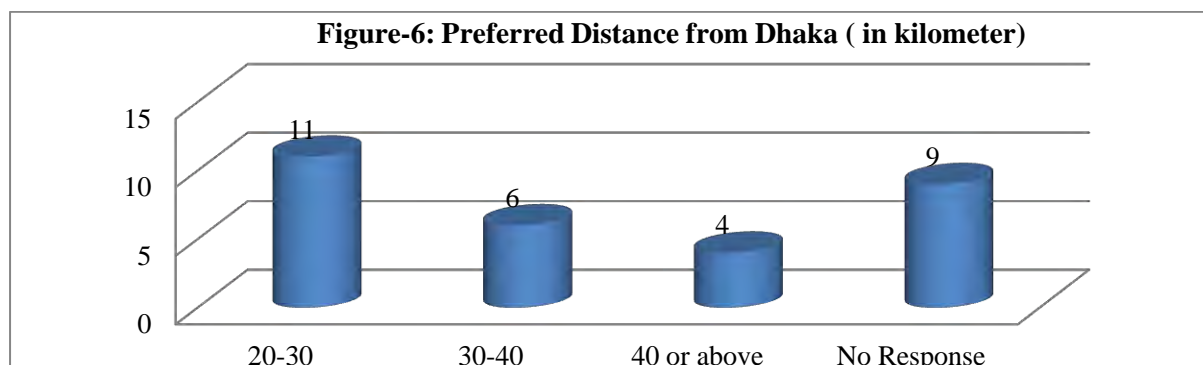
Table-10 furnished below presents the preferred locations for EZs by the sector:

Business Sector	Preferred Location			Total
	Within the outskirts of Dhaka city	Anywhere in Bangladesh	No specific choice for locations if utilities are available	
Automobile/ Motor cycle parts	1	1	0	2
Bi-cycle	0	1	1	2
Electrical and Electronics	1	0	1	2
Footwear and Leather Goods	1	0	1	2
Light Engineering	2	0	0	2
Agro-products, beverage	0	1	1	2
Ready Made Garments/ Apparels	1	0	1	2
Knitting and Textile, yarn, Spinning	1	0	1	2
Garment Accessories	1	0	1	2
Medical Equipment and Devices	2	0	0	2
Pharmaceutical and Healthcare Goods	2	0	0	2
Plastic and Rubber Products	0	1	1	2
Wooden Products/ Furniture	2	0	0	2
Cables, wire harness	1	0	1	2
Jute and Jute Goods Materials	1	1	0	2
Total	16	5	9	30

However, 11 respondents (36.67%) stated that a distance of 20-30 km from Dhaka is preferable whereas a distance of 30-40 km from Dhaka was reckoned manageable by 6 respondents (20.00%). A

¹¹Outlying or bordering areas, districts etc. of Dhaka city

distance of 40 km or above is preferable to only 4 respondents (13.33%) and the remaining respondents do not have preference over the distance of the zone from Dhaka.



b) *Project Site Selection Criteria*

In this study, an attempt has been made to outline the criteria based on which an investor makes his decisions or chooses a particular project site or zone for future investment. The following table shows that existence of sufficient infrastructures is the most critical factor in the investment decision in a zone whereas the existence of industrial clusters nearby the zone has been identified as the least important factor.

Table-11: Project Site Selection Criteria (multiple reply)

Criteria for Project Site Selection	Number of Respondents	
	High Priority Sector	Priority Sector
Existence of Sufficient Infrastructure	27	4
Efficient Management of Zone Developer	23	2
Proper Zone Development Plan	22	2
Availability of Adequate Human Resources	17	8
Markets for Products	15	4
Scope of linking with Value Chain	13	6
Availability of Raw Materials	12	5
Industrial cluster nearby	5	6

c) *Availability of Facilities*

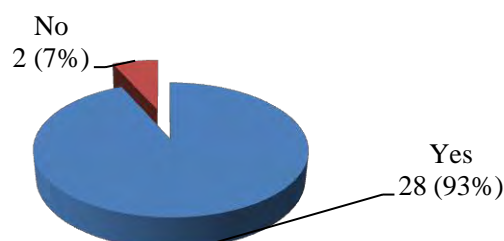
To attract industrial investors, it is imperative that required infrastructural, logistics and utility services are made available. However, the availability of some of the facilities/amenities in a zone was emphasized by the enterprises compared to others. Therefore, the study team attempted to rank the facilities or amenities the investors demand through this study. As the table presented below indicates, the availability of combined effluent treatment plant was identified as the most demanded facility in a zone consecutively followed by security & protection measures, nearby inland container terminal, common water treatment plant, availability of urban amenities and shared warehouse & logistics center.

Table-12: Facilities/Amenities Required by Respondent Enterprises (multiple reply)

Required Facilities/Amenities	# of respondents	(%)
Existence of combined Effluent Treatment Plant	26	86.67%
Security and Protection Measures	24	80.00%
EZ locates nearest to the Inland Container Terminal (ICT)	23	76.67%
Common Water Treatment Plant	21	70.00%
Presence of Urban Amenities	21	70.00%
Shared Warehouse and Logistics Center	16	53.33%

d) Awareness on Incentives and Benefits Package

An important factor that influences the investment decisions of the enterprises in the EZs is there awareness on the incentive and benefit packages offered to the enterprises operating in those zones. However, as the study team found 93% enterprises are aware about the incentives and benefit packages those will be offered the enterprises in the EZs.

Figure-7: Awareness of Enterprises on the Incentive and Benefits Packages**4.0 Required Utility and Infrastructure Services****a) Utilities**

As mentioned previously, one of the major challenges the study team faced in conducting the survey was the unavailability of required information regarding the current utility consumption by the enterprises. Of the 30 enterprises surveyed, only 21 enterprises of different sectors provided information on their current electricity consumption rate on monthly basis whereas only 11 enterprises shared information on gas consumption. Similarly, only 9 enterprises of different sectors disseminated information on their current water consumption to the study team.

Table-13: Current Utility Consumption by Enterprises/Month

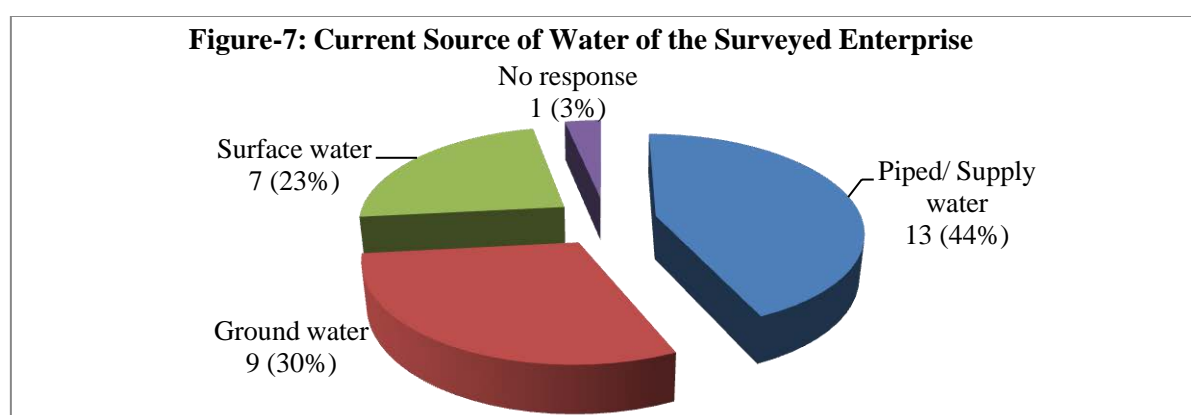
Sector	Type of Enterprise	Nature of Business	Electricity (kwh)	Gas (m ³)	Water (L ³)
Automobile /Motor cycle parts	Large	Manufacturing	445,633	26,408	N/A
Electrical and Electronics	Large	Manufacturing	222,816	36,092	N/A
Footwear and Leather Goods	Medium	Manufacturing	17,825	1,760	522,193
	Large	Manufacturing	255,000	135,000	5,000
	Large	Manufacturing	14,260	528.169	N/A
Light Engineering	Medium	Manufacturing	2,000	N/A	N/A
Agro-products, Beverage	Large	Manufacturing	71,301	N/A	N/A
	Large	Manufacturing	74,000	N/A	29,140,000
Ready Made Garments/Apparels	Large	Manufacturing	143,296	173,706	51,150,895
	Large	Manufacturing	53,476	N/A	1,305,483
Knitting and Textile, Yarn, Spinning	Large	Manufacturing	N/A	2,112,676	N/A
Garment Accessories	Medium	Manufacturing	53,476	N/A	2,088,773
	Large	Manufacturing	35,651	105,634	N/A
Medical Equipment and Devices	Medium	Trading	3,565	176.1	52,219
	Medium	Manufacturing	2,495	N/A	N/A
Plastic and Rubber Products	Large	Manufacturing	606,061	N/A	17,240,000
	Large	Manufacturing	52,600	N/A	N/A
Wooden Products /	Medium	Manufacturing	133,690	7,042	1,305,483

Furniture	Large	Manufacturing	392,157	N/A	N/A
Cables, wire harness	Medium	Manufacturing	25,000	N/A	30,000
	Large	Manufacturing	106,465	3,004	N/A
Jute and Jute Goods Materials	Large	Manufacturing	106,951	N/A	N/A

However, no enterprises were able to answer the questions related to their possible demand for utilities as most of the enterprises do not yet have any concrete business plan for investing in the upcoming economic zones.

b) Water

Of the 30 enterprises surveyed, about 44% enterprise collects water from piped/supply water, 30% enterprise collect ground water, only 23% enterprise uses surface water and the remaining 1% enterprises were reluctant to provide such information.



c) Land and Factory Building

Only three enterprises could inform the study team on the land size and factory building size as presented in the below table:

Table-14: Expected Land Size and Factory Building by Enterprises

Sector	Type of Enterprise	Nature of Business	Plot Size (m ²)	Factory Building (m ²)
Footwear and Leather Goods	Large	Manufacturing	13,935	9,209
Cables, wire harness	Medium	Manufacturing	12,138	9,104
	Large	Manufacturing	14,182	8,500
Light Engineering	Large	Manufacturing	27,380	-
Automobile /Motor cycle parts	Large	Manufacturing	40,469	-

However, the large enterprise of the Footwear and Leather Goods sector also expressed that the expected monthly rental on land lease and factory building is BDT 696,750 and BDT 464,500 respectively.

d) Business Development Services (BDS)

As table-18 presented below reflects, the prospective investors in EZs necessitates the availability of 11 separate types BDS in the EZs. Of the all BDS the extensions of regulatory supports by the EZ authority has been given the highest importance by the prospective industrial investors followed by many other logistics and business support services.

Table-15: Required BDS Services (multiple reply)

No.	Business Development Services	High Priority Sector	Priority Sector
1	Regulatory support	25	2
2	Logistics Support including C&F services	21	3
3	Market access and market promotion	21	1
4	Business information support	21	-
5	Training and skill development	16	6
6	Legal and documentation	14	6
7	Printing and packaging	9	7
8	Operation and Maintenance	11	3
9	Recruitment and payroll management	9	3
10	Taxation services	9	2
11	Accounting and Auditing	4	7

Section D

Key Informant Interviews (KIIs): Summary of Discussions

1.0 Profile of Key Informants Interviewed

In addition to the enterprise survey, the study team also conducted key informant interviews (KIIs) with 5 professionals such as Engineer, Scientist (Food & Nutrition), Healthcare Specialist and Doctor and Environmental cum Bio-technology Specialist in order to identify innovative potential investment sectors that may emerge to the upcoming economic zones (EZs) in Bangladesh. Table below shows the list of these key informants by category of profession:

Table-16: List of Key Informants Interviewed

SN	Sector	Profile of Key Informant
1.	Scientist (Food & Nutrition)	1. Dr. Md. Zahurul Haque, Director Institute of Food Science and Technology (IFST), BCSIR 2. Dr. Barun Kanti Saha , Principal Scientific Officer Institute of Food Science and Technology (IFST), BCSIR 3. Md. Rezaul Karim, Senior Scientific Officer Institute of Food Science and Technology (IFST), Bangladesh Council of Scientific & Industrial research (BCSIR) 4. Abu Tareq Mohammad Abdullah, Senior Scientific Officer Institute of Food Science and Technology (IFST), BCSIR 5. Mohammad Shah Jamal, Senior Scientific Officer Institute of Fuel Research & Development (IFRD), BCSIR
2.	Engineer	Md. Monir Hossain Patwary, Executive Engineer BCSIR, Ministry of Science and Technology, Dhaka
3.	Medical and Healthcare	Dr. Sharmin Ahmed, Preventive & Family Medicine Specialist Certified Diabetologist , BCSIR, Dhaka
4.	Environmental Specialist	Dr. Mustafa M. Kamal, Vice Chancellor Civil and Environmental Engineering, America Bangladesh University

2.0 Innovative Sectors having Investment Potential

Through the Key Informant Interviews (KIIs) the study team attempted to identify potential investment sectors for the upcoming EZs some of the may be innovative. After fruitful discussions with these Key Informants, the study team outlined the following sectors as the innovative and potential ones with future investment prospects in the upcoming EZs in Bangladesh:

Sl	Potential Sectors	Product Specification	Rational
1.	Electronics	-Semi-Conductor -Home appliances -Assembling Cell Phone	-Recent exponential growth trend in manufacturing industry -Rapidly growing urban population is expected to increase the demand for home appliances -Targeting the ever growing cell-phone market in Bangladesh new cell phone assembling industries can be established
2.	Auto Mills ¹²	-Rice Auto Mills -Bricks Auto Mills	With the introduction of environment friendly technology these sectors are proving to be prospective business sectors in Bangladesh

¹² Mills or factories operated with automatic machine or machine tool for processing of agro products and others

3.	Information and Communication Technology (ICT)	-Data Processing -Software Development	Introduction of “Digital Bangladesh” concept has given momentum to the growth of the ICT sector
4.	Life Science	-Pharmaceuticals -Medical Equipment & Healthcare devices	Pharmaceutical sector in Bangladesh has proven business prospects in Bangladesh due to the availability of low cost raw materials and certain liberty that Bangladesh receives in terms of Patent as a LDC country.
5.	Ceramics	Tableware, Sanitary ware, Insulator	Availability of skilled but cheap labor force
6.	Natural Gas based Industries	Fertilizer, Petro-chemicals and chemical	Ever increasing demand in the domestic market
7.	Rice Bran Oil Industry	Rice Bran Oil	Availability of raw materials and increasing demand in the domestic market
8.	Shipbreaking/ Shipbuilding Industry	Ship breaking and Smaller ocean-faring ships	- Ample supply of skilled labor at low cost - Advantageous geographical location
9.	Genetically Modified Food /Agro-based Industry	Canned Juice / Fruit, Dairy and Poultry	- Availability of raw materials - Cultivable plane land - Favorable environment for agro activities
10.	Frozen Foods	Hatcheries, Sustainable aqua-culture technology, Feed meals plants, Processing unit for value-added products	- Significant prospect as an export oriented industry - Introduction of modern technology and equipment - Favorable geographical environment etc.
11.	Animal-Breeding & fattening Industry	Breeding, Fattening	Ever increasing demand in the domestic market
12.	Leather and Leather Goods	Finished Leather, Leather Goods	Availability of raw materials and low cost labor
13.	Light Engineering	Machinery Parts, Consumer Items, Toys	Recent increase in the number of affluent middle class rising the demand for durable consumer goods
14.	Textiles Industry	Fabric, Yarn	Availability manpower and low cost labor

3.0 Potential Sectors of Industry and Critical Success Factors for the Upcoming EZs

A. Development of Infrastructure:

- One factor that was identified as a critical success factor during the KII was the availability of off-site infrastructure in the EZs. The key informants highlighted the fact that if the EZs are going to be established all around the country especially outside Dhaka and Chittagong then developing customized EZ focused connectivity should be ensured in attracting FDI.
- It was also referred that in case of the construction of on-site infrastructure the developers cannot be held sole responsible. Proactive involvement of donor agencies and GoB in developing the EZs will expedite the establishment of EZs.
- The key informants also indicated that customized connectivity or communication infrastructure may be the construction of by-pass road, tunnel, development of water communication system, development of rail communication system etc.

B. Economically Influential Factors:

- d) In case of establishing EZs, it was recommended that developing EZs with specific focus on industrial clusters may prove crucial for the success of EZs.
- e) Moreover, it was identified that, in attracting FDI in the EZs, Bangladesh would have to compete with many other developing countries like Vietnam, Cambodia and Myanmar those has already established EZs successfully and has open lands for establishing many others.
- f) Finally, the key informants highlighted an interesting factor as the largest challenge for the success of the upcoming EZs. It was emphasized that if Bangladesh becomes a middle income country by 2021 then she would no longer be eligible for the benefits an LDC country receives which will hinder the inflow of FDI in Bangladesh.

Section-E Summary of Key Findings and Conclusion

1.0 Key Findings of the Study

A. Level of Intention for Investment:

- a) About 17% (5) enterprises have strong intention for new investment in upcoming EZ as they have already developed concrete plan whereas 83% (25) enterprises although willing to invest but yet to develop any concrete plan for prospective investment. The five enterprises with concrete business plan are Energypac Power Generation Ltd, Macro Cable Ltd, Global Shoes Ltd, BBS Cables ltd, IFAD Autos Ltd.
- b) Most of the enterprises (73%) intend to invest in the upcoming EZs with a view to expand their existing production unit and the remaining 13% enterprises plans to invest to establish new production units in the upcoming EZs whereas 13% enterprises has willing to do both.

B. Probable Timing and Purpose of Investment:

- c) About 90% (27) enterprises said that they will invest within 1 to 3 years and the remaining 10% (3) enterprises responded that they are interested to invest within 3 to 5 years.
- d) Only 27% (8) enterprises would like to make business exposure to new sectors through new investment in EZs. For example, an enterprise currently operating in the Automobile/ Motor cycle parts would like make business exposure to the Electrical and Electronics sector.
- e) About 70% enterprises want to establish both domestic and export market oriented industry whereas 30% targets export market only.

C. Preferred Location for EZ:

- f) About 53% replied that if the zones were established within Dhaka city and its outskirts, it would have been more convenient and preferable for investment. About 17% enterprises are prepared to establish anywhere in Bangladesh whereas the remaining 30% enterprises have no specific choice on locations if utilities are available.
- g) Only 37% respondents stated that a distance of 20-30 km from Dhaka is preferable whereas 30-40 km distance from Dhaka manageable from the point of view of 6 respondents (20%).
- h) The location preferences of the enterprises are different as they are concerned about the availability of forward and backward linkage industries in or around the EZs. Hence, the availability of forward and backward industries in or around EZs may prove to be an crucial factor in attracting investors.

D. Required Infrastructure Facilities and Other Benefits:

- i) Existence of sufficient infrastructures is the most critical factor while making an investment decision followed by other factors like efficient management of zone developer, proper zone development plan, availability of adequate human resources, markets for products, scope of linking with value chain and availability of raw materials. Existence of industrial clusters nearby the zone has been identified as the least important factor.
- j) About 93% enterprises are aware about the incentives and benefit packages those will be offered to the enterprises in the EZs.

E. Environmental Compliance Issues:

- k) As per the Environment Conservation Rules, 1997 based on impact on environment the surveyed industries falls in the following categories:

List of Industries	Category
✓ Automobile/ Motor cycle parts	Green
✓ Medical Equipment and Devices	
✓ Bi-cycle	
✓ Footwear and Leather Goods	Orange A
✓ Agro-products and Beverage	
✓ Wooden Products/ Furniture	
✓ Plastic and Rubber Products	
✓ Ready Made Garments / Apparels	Orange B
✓ Cables, wire harness	
✓ Garment Accessories	
✓ Knitting and Textile, Yarn, Spinning	
✓ Jute and Jute Goods Materials	
✓ Light Engineering	Red
✓ Pharmaceutical and Healthcare Goods	
✓ Electrical and Electronics	

According to this rule, industries falling in Orange A, Orange B and Red categories must make effluent discharge arrangement and submit Layout Plan of Effluent Treatment Plant (ETP) for Environmental Clearance Certificate for both solid and liquid industrial wastes and therefore in establishing EZ this issue must be consider with significance. Therefore, the availability of combined effluent treatment plant was identified as the most demanded facility in a zone consecutively followed by security & protection measures, nearby inland container terminal, common water treatment plant, availability of urban amenities and shared warehouse & logistics center.

F. Required Utility Facilities:

- l) Only 21 enterprises of different sectors provided information on their current electricity consumption whereas only 11 and 9 enterprises shared information on gas consumption and water consumption respectively
- m) No enterprise could provide information related to the possible future demand for utilities as most of them do not yet have any concrete business plan for investment in the upcoming EZs.

G. Required Land and Factory Space:

- n) Only five (5) enterprises could provide information on the expected land size in EZs. Four (4) large enterprises replied that they would require a plot of 13,935 m², 14,182 m², 27,380 m² and 40,469 m². On the other hand, a medium enterprise replied that it would require a plot of 12,138 m² for making new investment in the EZ.
- o) On the other hand, only three (3) enterprises shared information on the required size of factory building in the upcoming EZs. Two (2) large enterprises replied that they would require 9,209 m² and 8,500 m² of factory building in the EZs whereas the medium enterprise would require 9,104 m² of factory building.

h. Required Business Development Services (BDS):

- p) Opportunity for the extension of 11 separate types of business development services (regulatory support, logistics support including C&F services, market access and market promotion, business information support, training and skill development, legal and documentation, printing and packaging, operation and maintenance, recruitment and payroll management, taxation services, accounting and auditing) required by the industrial has been identified.

2.0 Concluding Remarks

The enterprises surveyed has shown positive attitude towards making future investment in the EZs. All the enterprises have plans to invest in the EZs although either short or medium term meaning the EZ should be in place to capture these investors. The enterprises are yet to come up with comprehensive business plans for future investment in EZs and therefore, unable to provide information or indication on all the facilities and services required by them. Moreover, the enterprises are not yet fully confident on the success of the EZs initiative in Bangladesh as the implementation is progressing much slowly than expected. However, if the EZ establishment process receives momentum, it is expected the industrial units will be encouraged to invest in the upcoming EZs.

Besides required infrastructure and utility facilities the development of any EZ should also ensure specific support services including BDS. Factors like existence of sufficient infrastructure, efficient management of zone developer and proper zone development plan seem to be higher priority to the prospective tenants compared to other factors. Likewise, provision of regulatory support, logistics support including Container Freight Station (CFS) service, market access and market promotion support and business information support are more important than other services for the prospective investors. Some sophisticated and faster communication infrastructure should be in place to improve movement of commercial and industrial vehicles.

This survey is for the potential needs for Economic Zones Development in general. Although the expected location area is Dhaka and outskirts, the preference and requirement for EZ location may vary from investor to investor and subject to the basic plan of EZ development.

Finally, issue of training and human resources development also gets importance while locating the enterprises in the EZs. Therefore, when JICA implements any EZ project in Bangladesh adequate care should be ensured on both hard and soft infrastructure facilities besides various government incentive and benefits.

Last but not the least, the Government of Bangladesh should not be complacent about its abundant and cheap human resources that may attract FDI, rather it should focus on expeditious implementation of EZs and its required off-infrastructure, improved governance situation and social security and higher degree of enforcement of laws and orders and access to energy (gas). Without ensuring these issues, the foreign investors may not be attracted to invest in the upcoming EZs in Bangladesh.

Brief Profile of Young Consultants

Organization Name	<i>Young Consultants (YC)</i>
Vision	Building Capacity to Enhance Growth and Competitiveness
History of Establishment	<p>YC started its journey as a pioneer in business development services in the country established in 1998 specializes in providing business advisory services to small, medium and large enterprises in the areas like finance, marketing, entrepreneurship development and training. Services ranging from project feasibility, institutional capacity building and up-to to project management and implementation.</p> <p>YC with the initiative of its founder and Chief Executive, M Zakir Hossain, whose work for several leading business support and financial organizations in the country, exposed him to the status of SME operations and convinced him of the urgent need that SMEs have for professional management assistance and institutional capacity building. He brings to the enterprises his extensive experience gained both locally and internationally in countries of Asia and European Union.</p> <p>From a modest operation of two consultants assisting individual SMEs, YC has since its inception in January 1998, grown to a mature consulting business house rendering professional services to a broad clientele that includes international donor agencies like the World Bank, JICA, Asian Development Bank, European Commission, USAID, ITC/UNCTAD-WTO and DANIDA and multinationals. Its range of services has also expanded from conducting simple project feasibility studies through business planning, project/program evaluation, project management & implementation, training, re-structuring and institutional capacity building, trade policy analysis to event and media management. In the provision of its services, YC draws upon the knowledge and multidisciplinary skills of its many capable resource persons who are highly experienced professionals in their fields.</p> <p>Now, YC's mission is to provide effective and professional consultation to small, medium and large enterprises in a creative manner both in the country and internationally across the region that will promote sound and profitable business practices among these enterprises and foster their growth</p> <p>Finally, YC has formed strong professional linkages with many international consulting partners and trade promotion institutions in Asia, Europe, North and Latin America who support and contribute to its efforts towards the development of SMEs particularly for the export oriented enterprises.</p>
Name of Contact Person	M. Zakir Hossain, Chief Executive Phone: 88-02-8834046, 01819-162727 Email: youngconsultants@gmail.com
Corporate Office and branch networks	House B-114 (3F) Lane 7 New DOHS, Mohakhali, Dhaka Permanent Branch Network: Chittagong and Rangpur

Trade License Number	0618488 under Dhaka North City Corporation, Dhaka
URL	www.youngconsultants-bd.org
Professional / Trade Membership	<ul style="list-style-type: none"> ▪ Corporate Member, Institute of Management Consultants Bangladesh ▪ Member, Dutch-Bangla Chamber of Commerce and Industry (DBCCI) ▪ Member, Intellectual Property Association of Bangladesh (IPAB) ▪ Member, Bangladesh Society for Total Quality Management (BSTQM) <p>It may be mentioned here that the Chief Executive of YC, M. Zakir Hossain is currently the President of IMCB. IMCB is the apex body of Management Consultants in Bangladesh registered under the Ministry of Commerce, Government of Bangladesh. Also, he is the Secretary General of Dutch-Bangla Chamber of Commerce and Industry and Joint Secretary, Finance Alumni Association, Dhaka University, Bangladesh.</p>
Manpower Strengths	Professional: 15, Support staff: 6, Consultants: 50 plus (enlisted) Field Staff: 50 (enlisted).
Core services	<ul style="list-style-type: none"> • Project Appraisal & Industrial Feasibility Study • Baseline Survey, Research and Study • HR Consulting Services • Business Planning • Institutional Capacity Building • Training & HR Development • Business Process Re-engineering • Project/Program Evaluation • Market Research & Strategy Formulation • Project Management & Implementation • Export Development Planning • Joint Venture Search & Fund Placement • Quality Management System Development • Business Information Services • Business Support Services
Office Space	Around 2,500 sft, at the heart of the Dhaka city easily accessible
Information Cell for research support	Mini Library and Information Cell for research information supports
Computer and other equipment strength	Desktop: 10 numbers, Laptop: 5 numbers, Printer: 5 numbers Scanner: 2 numbers, GPS device : 1, etc.
Transport Facilities	Car: 1 number, Micro bus: 2 numbers (rental), 1 Motor bike
Secretarial Support	3 well-equipped and dedicated staffs
Communication Support	Land phone: 2 numbers, Fax: 1 number , Mobile: available Internet: broad band collection, wireless connection, zooms, etc.
Software & Data Analysis Tools	MS Access, SPSS, SAS, STATA, MS Project, Minitab, MS Visio, etc.
Audio-Visual Equipment and Others	Multi-media Projector (remote control), Digital Camera, Television, DVD Player, Video Camera, etc.
Financial Strength	Solvent and capable to take-up consulting projects and having overdraft facility with local commercial banks.

Young Consultants (YC) is a leading multidisciplinary consulting firm in Bangladesh operating since January 1998. YC extends various capacity building and business consulting services in the area of feasibility study, training and HR development, baseline survey, research, study, evaluation, institutional capacity building, industrial investment, social and environment management system, trade and investment policy research and analysis, entrepreneurship development, market and export development, and project management and implementation.

Since inception, YC has been operating with global network in an environment of multi-sector and multi-parties involvement like private, public, civil society, non-government organizations, think tanks, training and research institutes, etc. Its broad-based clientele include Ministries of Government of Bangladesh, Export Promotion Bureau, Board of Investment, Bangladesh Export Processing Zones Authority (BEPZA), local chambers of commerce, sector associations, trade and business associations, development programs and projects specialized in the private sector and enterprise development and institutional capacity building of SMEs of different bilateral and multilateral development partners (JICA, JICA-RI, ADB, WB, IFC, European Commission, DANIDA, USAID, SNV, GIZ, DEG, KFW, WTO-ITC, etc.), banks and financial institutions, private corporate and enterprises, NGOs, joint venture industries, business individuals including women entrepreneurs, etc.

For the last 17 years Young Consultants undertook many surveys for various international and national clients. Clients include The World Bank, IFC, JICA, JICA Research Institute, UNCTAD-WTO (ITC), European Commission, SNV, IDCOL, KFW, Always On Network Bangladesh Limited (AONB), Orascom Telecom Holdings Bangladesh and other multinational companies. YC has a pool of experts to conduct baseline survey, socio-economic analysis, Disaster Risk Reduction (DRR) analysis, review of Land laws, Database management, Environmental analysis, financial analysis and so on.

It is worthwhile to mention that Young Consultants conducted baseline study for JICA in “**Fact finding Survey on Agricultural Finance and Agricultural Technical Assistance in Bangladesh**” in 2013 in two phases. During the project, YC study team conducted survey, FGD and KII with the 1400 small, medium and large scale farmers, NGOs and agriculture extensions from 14 districts in Bangladesh, conducted study in the northern side of Bangladesh. The main objective of the study was to reduce the outrage of the middleman in selling products and easy access to market to get proper benefits on their products for the farmers and also to provide technical assistance to the farmer, agriculture extensions and the NGOs in agriculture finance of Bangladesh. Also, YC has conducted “**Job Preference Survey**” on 2,600 youth from NGOs and Universities in divisions of Bangladesh funded by JICA Research Institute.

Attachment 2

Final Enterprise Survey Questionnaire

JICA Study on FDI promotion and investment needs assessment in the upcoming Economic Zones (EZ) in Bangladesh

(From May to July 2015)

Questionnaire for Enterprise Survey

A. Basic Information of the Enterprise

1. Name of Enterprise :	
2. Name of Representative :	
3. Designation:	
4. E-mail and Mobile No.	
5. Office Address :	
6. Phone No./Fax No.:	
7. Year of Establishment::	
8. Legal Status:	<input type="checkbox"/> 1. Sole Proprietorship <input type="checkbox"/> 2. Partnership <input type="checkbox"/> 3. Limited Company (Private /Public Limited) <input type="checkbox"/> 4. Others (Please specify _____)
9. Nature of Business :	<input type="checkbox"/> 1. Manufacturing <input type="checkbox"/> 2. Trading <input type="checkbox"/> 3. Others (Please specify _____)
10. Number of Employees:	_____persons a) Localb) Foreign:..... a) Male:..... b) Female:
11. Size of Enterprise:	<input type="checkbox"/> 1. Medium (number of employee: 20-99) <input type="checkbox"/> 2. Large (number of employee:100+))
12. Membership with Trade Bodies :	a)..... b)..... c).....
13. Nature of Ownership :	<input type="checkbox"/> 1. 100% Local <input type="checkbox"/> 2. Joint Venture <input type="checkbox"/> 3. 100% foreign
14. Products:	Products 1: _____ Products 2: _____ Products 3: _____
15. Classification of Sector as par draft National Industrial Policy 2015:	<input type="checkbox"/> 1. Highly priority sector <input type="checkbox"/> 2. Priority sector <input type="checkbox"/> 3. Not in the priority sector

16. Primary market of your products :	<input type="checkbox"/> 1. Domestic market <input type="checkbox"/> 2. Export market <input type="checkbox"/> 3. Both domestic and export
17. Raw Materials of products:	Products 1: _____ Products 2: _____ Products 3: _____
18. Raw materials importing countries:	Country 1: _____ Country 2: _____ Country 3: _____
19. Clients of your enterprise:	<input type="checkbox"/> 1. Individual Consumers <input type="checkbox"/> 2. Wholesaler/ Retailers <input type="checkbox"/> 3. Manufacturers <input type="checkbox"/> 4. Affiliated Company/Enterprise <input type="checkbox"/> 5. Government <input type="checkbox"/> 6. Non-government organizations (NGOs) <input type="checkbox"/> 7. Others, please specify
20. Annual Sales / Turnover (in million BDT) :	Year 2014 (BDT.....) Year 2013 (BDT.....) Year 2012 (BDT.....)

21. Business sector to which your enterprise belongs:

No.	Sector	No.	Sector
1	Automobile /Motor cycle parts	9	Garment Accessories
2	Bi-cycle	10	Medical Equipment and Devices
3	Electrical and Electronics	11	Pharmaceutical and Healthcare Goods
4	Footwear and Leather Goods	12	Plastic and Rubber Products
5	Light Engineering (Refer to below notes)	13	Wooden Products / Furniture
6	Agro-products, Beverage	14	Cables, wire harness
7	Ready Made Garments/Apparels	15	Jute and Jute Goods Materials
8	Knitting and Textile, Yarn, Spinning		

Note: Light Engineering includes machinery parts, metal processing, metallic abrasive, metallic mold, casting, cutting work, welding, plate, heat treatment, coating, thermal spray etc.

B. Intention/ Plan for Investment in the Plot within any Economic Zones

1.0 Are you aware about the Government's initiative of developing Economic Zones in Bangladesh?

No.	Opinion
1	Yes

2	No
---	----

2.0 Would you please share your knowledge on the on-going initiative of the Government to develop EZs in Bangladesh?

3.0 Do you want to invest or set-up industries within the upcoming Economic Zones in Bangladesh?

No.	Opinion
1	Yes
2	No

4.0 What is the purpose of your investment in the upcoming EZs in Bangladesh?

No. Reason(s) of Investment

1	Expanding the existing production unit
2	Establishing new production unit
3	Relocating the existing production units from other countries
4	Setting-up Operation and Maintenance (O&M) Unit
5	Others, if any please mention

5.0 If the respondent is a foreign entrepreneur/enterprise operating in Bangladesh, what is main reason(s) of investing in Bangladesh? (Multiple answers are allowed)

No.	Reasons/ Rationale	No.	Reasons/ Rationale
1	To take advantage of market access	7	Domestic market potential
2	To avoid legal barriers	8	Improvement of productivity
3	Environmental protection	9	Improvement of quality of products
4	Linking with global supply chain (Backward and Forward)	10	Cost reduction
5	Availability of labor force	11	Research & Development (R&D)
6	Scope of Regional markets	12	Others, please specify

6.0 What type of industry would you like to establish in the upcoming EZs in Bangladesh?

No.	Type of Industry (Target Market)
1	Domestic market oriented industry
2	Export market oriented industry
3	Both domestic and export market oriented industry

7.0 What particular sector you are planning for new investment in the upcoming EZ?

No.	Sector	No.	Sector
1	Automobile /Motor cycle parts	9	Garment Accessories
2	Bi-cycle	10	Medical Equipment and Devices
3	Electrical and Electronics	11	Pharmaceutical and Healthcare Goods
4	Footwear and Leather Goods	12	Plastic and Rubber Products
5	Light Engineering (Refer to below notes)	13	Wooden Products / Furniture
6	Agro-products, Beverage	14	Cables, wire harness
7	Ready Made Garments/Apparels	15	Jute and Jute Goods Materials
8	Knitting and Textile, Yarn, Spinning		

8.0 What is your preferred location for Economic Zones in Bangladesh?

No.	Location
1	Within the outskirts of Dhaka city
2	Within the outskirts of Chittagong city
3	Anywhere in Bangladesh
4	No specific choice for locations if utilities are available

9.0 According to your opinion, what should be the distance (km/drive hours) between Economic Zone and Dhaka?

.....km,

10.0 What is your preferred size of land or factory building within the EZs?

No.	Particulars	Size (Square meter)
1	Expected Size of Land for lease	
2	Expected Size of Factory Building	
3	No specific size in mind yet	

11.0 What is your desired amount of rentals and security deposits against land lease or factory building within the EZs?

No.	Particulars	Amount per Square Meter (BDT)
1	Expected Rental for Land lease	
2	Expected Rental for Factory Building	
3	No specific idea in mind yet	
4	Expected Amount /Percentage of Security Deposit	

12.0 What is your expected mode of payments of rental lease of land or factory building?

No.	Particulars	Monthly/Quarterly/Half-yearly/Annually
1	Payment of rental against land lease	
2	Payment of rental against factory building	

13.0 What are the other issues that influence investment decision in a particular EZ?

No.	Other factors influencing investment decision in EZ
1	Existence of combined Effluent Treatment Plant
2	EZ locates nearest to the Inland Container Terminal
3	Shared Warehouse and Logistics Center
4	Common Water Treatment Plant
5	Security and Protection Measures
6	Presence of Urban Amenities (Housing, hospital, education, shopping centers, etc.)
7	Others, please specify if any.....

14.0 When is the tentative timing of your new capital Investment within the upcoming EZs?

No.	Timing for Investment
1	Within 1 year
2	Within 1 to 3 years
3	Within 3 to 5 years
4	Not foreseeable future

C. Support Services Available

1.0 What are the key criteria for site that your company intends to select? (Multiple answers allowed)

No.	Criteria for Project Site Selection	High Priority Sector	Priority Sector
1	Markets for Products		

2	Scope of linking with Value Chain
3	Proper Zone Development Plan
4	Existence of Sufficient Infrastructure
5	Availability of Raw Materials
6	Availability of Adequate Human Resources
7	Efficient Management of Zone Developer
8	Industrial cluster nearby
9	Others, please specify

- 2.0 Are you aware about the following “**Incentives and Benefits Package**” available for the prospective investors in the upcoming EZs? Yes/ No. If you have any suggestions or proposals, please mention other than

Existing Incentive and Benefits in EZs	Proposed /Suggested
1) Tax Holiday: For all Economic Zones Income Tax Holiday (ITH)—1 st and 2 nd year 100%, 3 rd year 80%, 4 th 70%, 5 th 60%, 6 th 50%, 7 th 40%, 8 th 30%, 9 th 20% and 10 th year 10%.	
2) Custom Duty: Duty free import of raw materials, construction materials, capital machineries, finished goods.	
3) Income Tax-others: Exemption from dividend tax (After tax holiday over)	
4) Repatriation: Full repatriation of capital and dividend.	
5) Free Flow FDI: No ceiling of FDI.	
6) Backward Linkage: 100% backward linkage raw-materials and accessories to sell for export oriented industries (EOI) in Domestic Tariff Area (DTA).	
7) Local Sale: 20% sale of finished product to DTA (From Export Processing Area –EPA).	
8) Sub-Contracting: Sub-contracting with DTA allowed.	
9) Stamp Duty: 50% exemption of stamp duty and registration fees for registration of leasehold land/ factory space	
10) VAT: 80% exemption of VAT on all utility services consumed inside the zone.	
11) Custom Duty: Duty exemption on Export.	
12) CD on Vehicle: Exemption of CD for import of 2 vehicles within 1st 5 years for foreign investors (for one time).	
13) Double Taxation: Exemption of double taxation subject to Double taxation agreement.	
14) IT Individual: 50% Rebate of income tax on salary income of expatriates for 5 years	
15) Custom Bond: Consider EZ as custom bonded area.	
16) Foreign Exchange: FC loan availability (To ease business activity).	

17) Foreign Exchange: FC Account for Non-Resident.	
18) Foreign Exchange: FC Account for both local and joint venture industry.	
19) Joint Venture: Joint venture allowed	
20) Royalties: Royalty, technical fees will be exempted from income tax.	
21) Capital Gains: Tax exemption on capital gain.	
22) Share Transfer: Share transfer allowed.	
23) Work Permits: Work permits – No restrictions on issuance of work permits on project related foreign nationals and employees but limited up to 5% of total employees.	
24) Re-Investment: Re-investment of remittable dividend to be treated as new foreign investment.	
25) Resident: Resident visa for investment of US\$ 75000 or more.	
26) Citizenship: Citizenship for investment of US\$ 500000 or more	

3.0 What are the business development services (BDS) you expect form the EZ Developer?

No.	Business Development Services	High Priority Sector	Priority Sector
1	Regulatory support		
2	Business information support		
3	Legal and documentation		
4	Accounting and Auditing		
5	Logistics Support including C&F services		
5	Training and skill development		
6	Recruitment and payroll management		
7	Market access and market promotion		
8	Taxation services		
9	Printing and packaging		
10	Operation and Maintenance		
11	Others, please specify		

D. Utilities Support Facilities

1.0 What is the current consumption pattern of utility facilities for your existing factory?

No.	Element of required utility facilities	Current Monthly Consumption (Unit)
1	Electricity	
2	Gas	
3	Water	
4	Others, please specify	

2.0 What is the current source of water that you are using for your industries?

No.	Source of water
1	Piped / Supply water
2	Ground water
3	Surface Water
4	Others, please specify.....

3.0 Are you satisfied with the current supply of utility facilities? Yes/No. If no, what kind of problems you are facing?

No.	Problems/ difficulties
1	Frequent Fluctuation in supply (low voltage/ minimum flow)
2	Load shedding / power failure
3	Iron in water / inappropriate water for factory production
4	Others, please specify

4.0 What are the elements of utility facilities that you will need to set-up and run your factory at what quantity or volume?

No.	Element of required utility facilities	Required Quantity (Unit) / Per Month
1	Electricity	
2	Gas	
3	Water	
4	Telecommunication	
5	Others, please specify	

5.0 How much you are paying now as charges for utility consumption and how much you want to pay in future within EZ?

No.	Element of utility	Existing Unit Rate (in BDT)/Month	Expected Unit Rate (in BDT)/Month
1	Electricity		
2	Gas		
3	Water		
4	Telecommunication		
5	Others, please specify		

Should you have any enquiry on the questionnaire, please feel free to contact to the following person in charge:

The person in charge:

Mail address:Telephone:.....

Thank you so much for your kind cooperation to this survey

Respondent's Contact Information

Name

Designation

Cell Phone No.

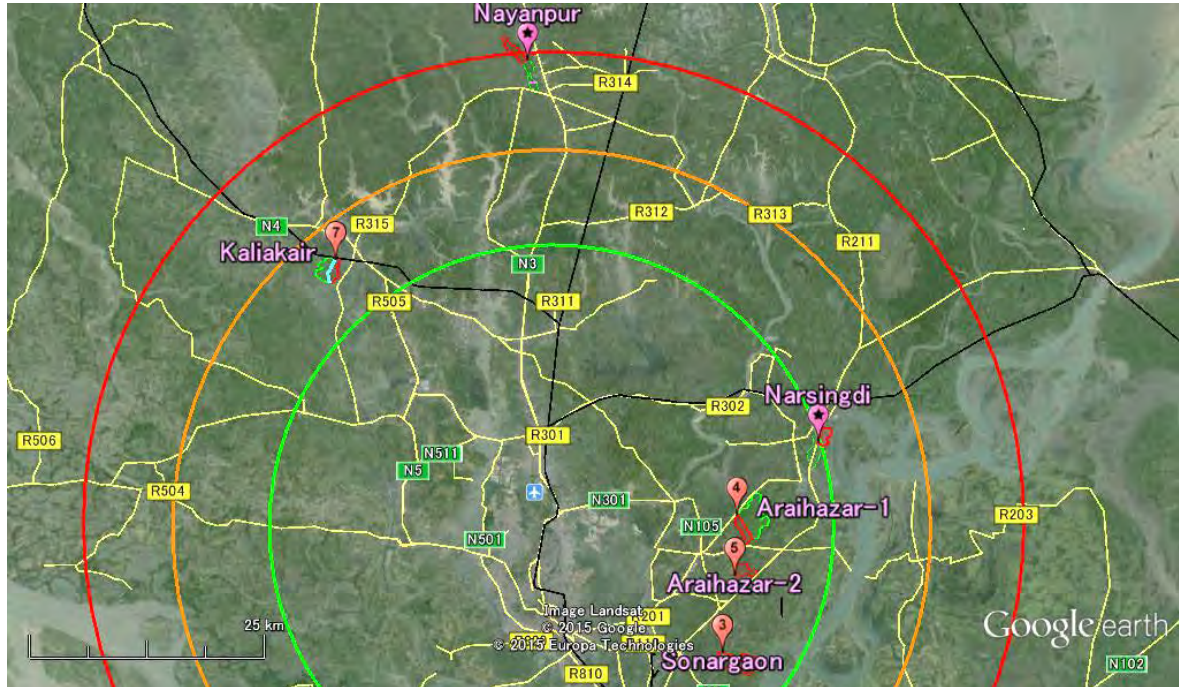
E-mail address

The End

Appendix 05 :Outline of Candidate Sites for Short-term EZ Development

APPENDIX-05 Outline of Candidate Sites for Short-term EZ Development

The locations of six (6) candidate sites which have passed the qualitative and quantitative evaluation are shown in Figure 1. Details of each site are presented below.



Note) ○ : 30km distance, ○ : 40km distance, ○ : 50km distance

Figure 1 Location Map of 6 EZ Candidate Sites for Basic Plan

1) Site-4 : Araihaazar-1

The location of Site-4 of Araihaazar-1 at the 1st rank (87 points) is shown in Figure -2 and its terrain information by satellite is shown in Figure 3. Description of site conditions follows.

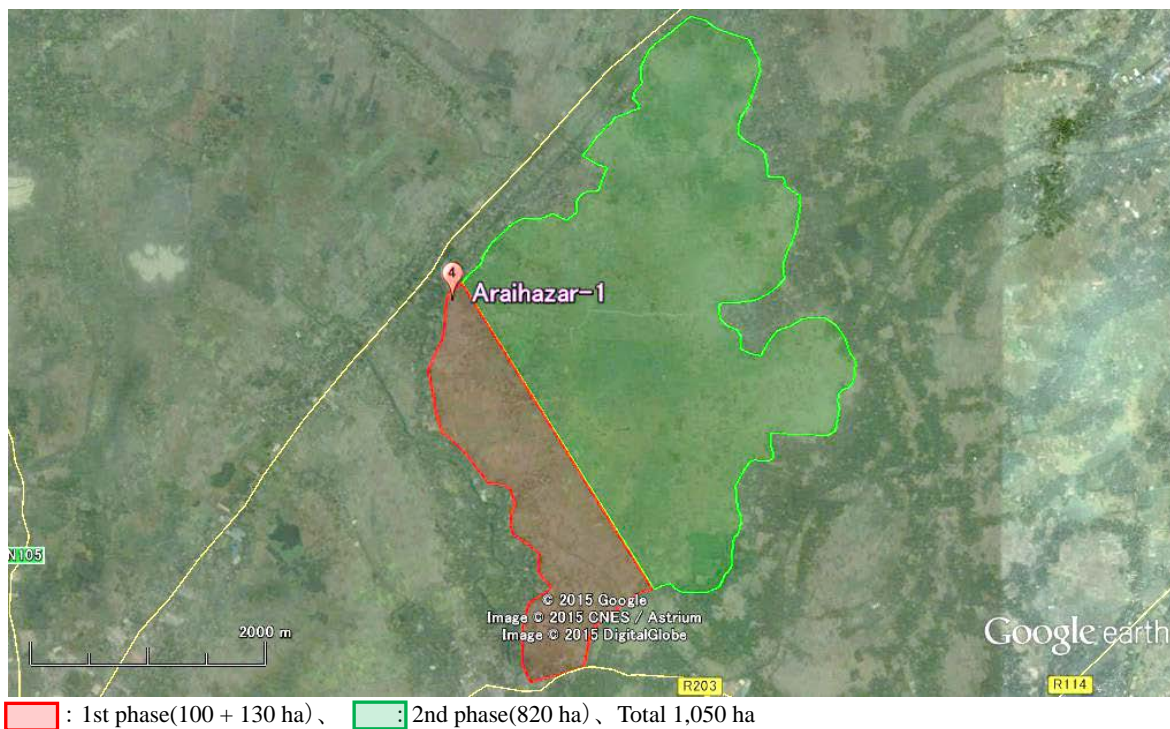
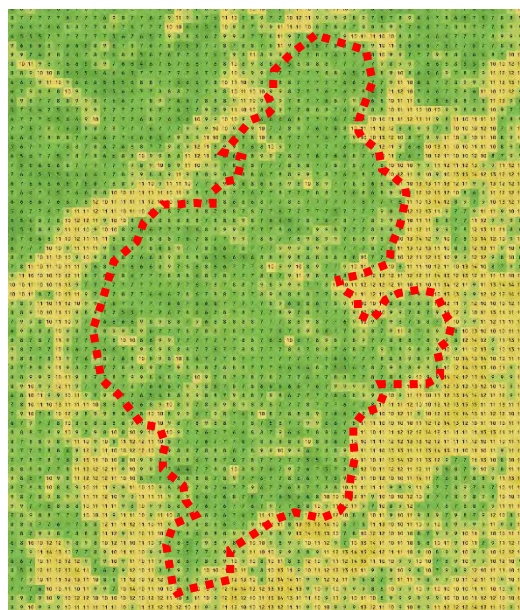


Figure 2 Araihaazar-1 Site



(Source: Satellite SRTM Elevation Data, for reference only)

Figure 3 Terrain Situation¹ of Araihaazar-1

¹ These altitudes are used for reference only, because of accuracy 10m by SRTM (Shuttle Rader Topography Mission) satellite data.

[Outline of Araihaazar-1 site]

1. Location	20 km distance from Dhaka. Located in Araihaazar Upazila, Narayanganj District.
2. Size	1st phase: 230 ha, 2nd phase: 820 ha, Total: 1,050 ha
3. Access	Road distance from Dhaka: 26.0 km, Travelling time: 37 minutes Along the Dhaka – Sylhet Highway.
4. Infrastructure	2.5 km to 132kV/33kV sub-station
5. Land use	Agricultural land (One crop per year)
6. Land development ²	0.6 – 2.6 m land filling required (Average height: 1.6 m) - Altitude of low ground: EL. 6 – 8 m - 100-year flood level: EL. 7.52 m in Shitalakshya river or Meghna river - Average filling level: EL. 8.6 m
7. Social environment	No squatter. No resettlement required.

Advantage

- The site is located near Dhaka and along the national highway.
- The site is located near the Purbachal new town, where an international school is located. If living in the town, within commuting distance of less than 30 minutes.
- Large and easy development land available.
- Low flood risk.
- Not so high filling.
- No resettlement required.

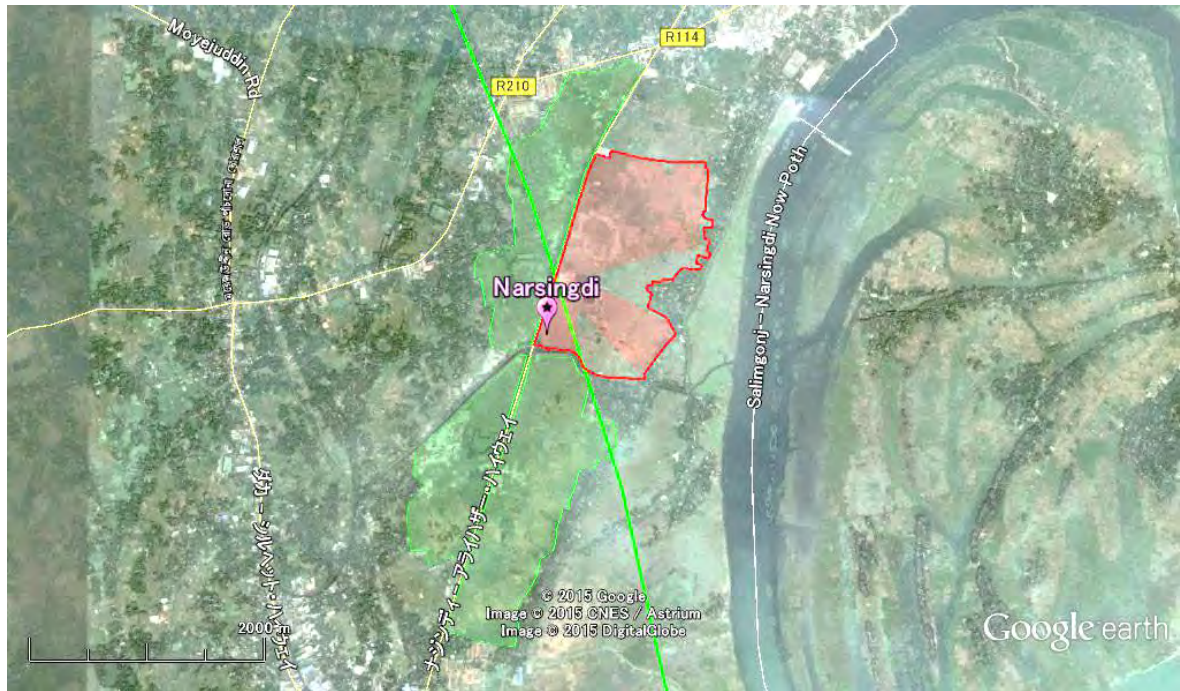
Disadvantage

- A little bit expensive land acquisition cost of 16\$/m². (If the government will concern the land acquisition, this issue will be solved.)

2) RD-3 : Narsingdi

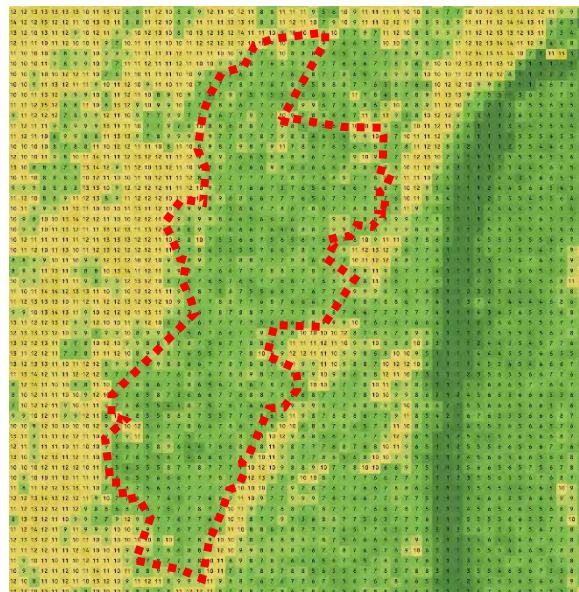
The location of RD-3 of Narsingdi at the 2nd rank (74 points) is shown in Figure 4 and its terrain information by satellite is shown in Figure 5. Description of site conditions follows.

² Regarding Land Development, i) existing ground altitude is set up referring to SRTM satellite data, ii) 100-year flood level is estimated by the Study Team based on the existing data and information, and iii) average filling level is estimated with +0.5m freeboard and +0.5m average filling height required for the storm water drainage gradient.



: 1st phase (100 + 85 ha),
 : 2nd phase (373 ha), Total: 558 ha

Figure-4 Narsingdi Site



(Source: Satellite SRTM Elevation Data, for reference only)

Figure-5 Terrain Situation³ of Narsingdi

[Outline of Narsingdi site]

1. Location	30 km distance from Dhaka. Located in Narsingdi Sadar Upazila, Narsingdi District.
2. Size	1st phase: 185 ha, 2nd phase: 373 ha, Total: 558 ha
3. Access	Road distance from Dhaka: 39.7 km, Travelling time: 1 h 04 minutes 2.5 km access road from the Dhaka – Sylhet Highway required.
4. Infrastructure	3 - 4 km to 132kV/33kV sub-station in Narsingdi. Gas pipeline along the Dhaka – Sylhet Highway.
5. Land use	Agricultural land (One cropping pattern)
6. Land development ⁴	1.7 – 3.7 m land filling required (Average height: 2.7 m) - Altitude of low ground: EL. 5 – 7 m - 100-year flood level: EL. 7.64 m in Meghna river - Average filling level: EL. 8.7 m Sand deposit available at 1–2 km distance from the site in Meghna river.
7. Social environment	No squatter. No resettlement required.

Advantage

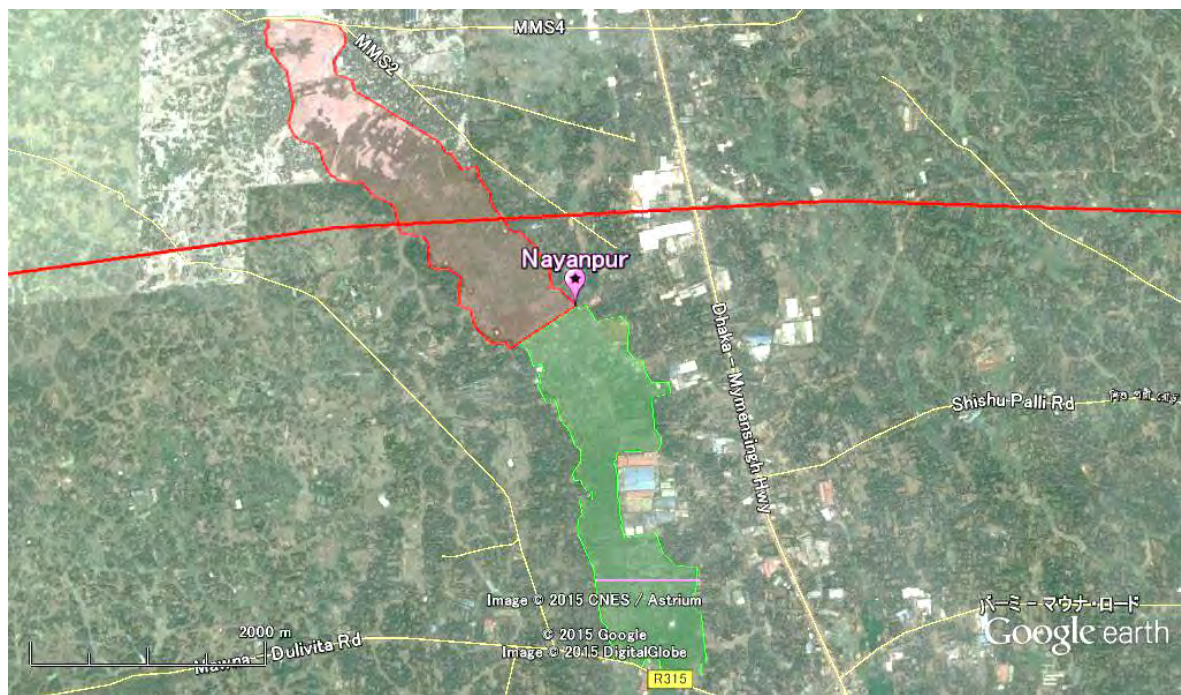
- The site is located near Dhaka and within commuting distance of less than 1 hour in near future.
- The site is located near the Purbachal new town, where an international school is located. If living in the town, within commuting distance of about 40 minutes.
- Large land available.
- Good surrounding infrastructure.
- Good industrial cluster.
- No resettlement required.

Disadvantage

- The site is located near the river, so countermeasures for flood is required. Certain amount of land filling is also required.
- The entire land is delimited with roads and rivers, so it is necessary to devise the design of drainage system, water supply and waste water treatment.

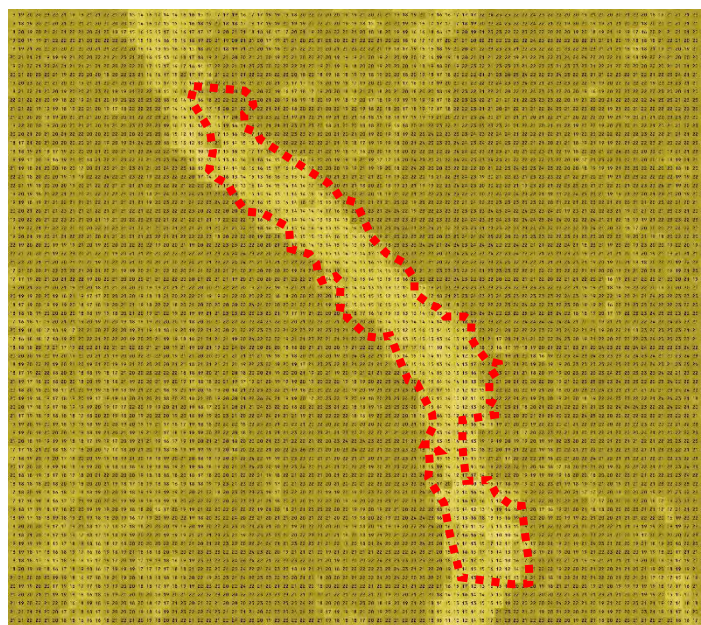
3) RD-1/2 : Nayanpur

The location of RD-1/2 of Nayanpur with the 3rd rank (73 points) is shown in Figure 6 and its terrain information by satellite in Figure 7. Description of the site follows.



: 1st phase (100 + 133 ha), : 2nd phase (208 ha), Total: 441 ha

Figure -6 Nayanpur Site



(Source: Satellite SRTM Elevation Data, for reference only)

Figure -7 Terrain Situation³ of Nayanpur

[Outline of Nayanpur site]

1. Location	50 km distance from Dhaka. Located in Sreepur Upazila, Gazipur District.
2. Size	1st phase: 233 ha, 2nd phase: 208 ha, Total: 441 ha
3. Access	Road distance form Dhaka: 60.8 km, Travelling time: 1 h 51 minutes 1.2 km access road from the Dhaka – Mymensingh Highway required.
4. Infrastructure	3.4 km to 132kV/33kV Sub-station (Sreepur SS No.1). 1.5 km to gas pipeline along the Dhaka – Maymensingh Highway.
5. Land use	Agricultural land (Two cropping patterns)
6. Land development ⁴	0.5 – 2.5 m land filling required (Average height: 1.5 m) - Altitude of low ground: EL. 14 – 16 m - No flood influence from Padma and Meghna rivers. (100-year flood level: EL. 10.72 m in Shitalakshya river) - Average filling level: EL. 16.5 m (Since the minimum filling level shall be more than EL. 16.0 m judging from surrounding altitude, Average filling level is estimated as EL. 16.5 m considering storm water drainage gradient.) Sand deposit available at 17 km distance from the site in Barmi Bazar.
7. Social environment	No squatter. No resettlement required. Small river has crossed in the site for northwest-southeastward.

Advantage

- The site is located at high level of altitude, so flood risk is very low.
- The site is located along the development corridor of Dhaka – Mymensingh (National Highway No. 3).
- Dhaka – Mymensingh Highway is under upgrading to four lanes.
- No resettlement required.

Disadvantage

- Available container terminal which is Tongi railway terminal is far with about 47 km south from the site.
- There is no river for material of filling around the site, so transport distance (truck transport or 17 km pipe pumping) of sand for filling become longer with higher land development cost.
- When filling material is transported by truck, environmental measures are required.

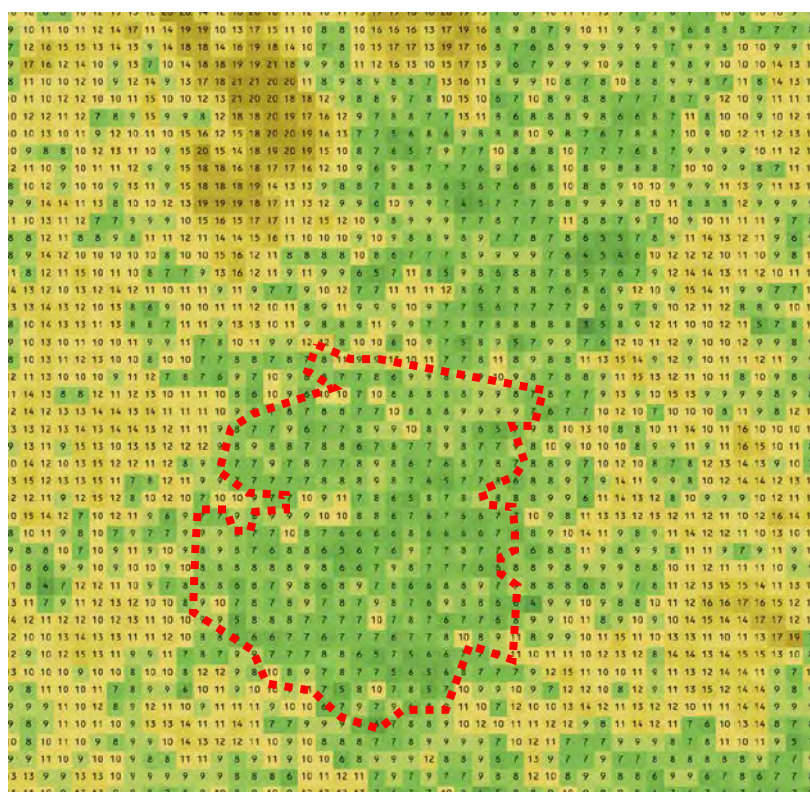
4) Site-7 : Kaliakair

The Site-7 of Kalialair with the co-3rd rank (73 points) is shown in Figure -8 and its terrain information by satellite in Figure -9. Description of the site follows.



: 1st phase (190 ha),
 : 2nd phase (295 ha), Total: 485 ha ,
 : River

Figure-8 Kaliakair Site



(Source: Satellite SRTM Elevation Data, for reference only)

Figure -9 Terrain Situation³ of Kaliakair

[Outline of Kaliakair site]

1. Location	36 km distance from Dhaka. Located in Kaliakair Upazila, Gazipur District.
2. Size	1st phase: 190 ha, 2nd phase: 295 ha, Total: 485 ha
3. Access	Road distance from Dhaka: 54.5 km, Travelling time: 1 h 47 minutes About 3 km access road from the Dhaka – Aricha Highway required.
4. Infrastructure	7 km to 132kV/33kV sub-station. (A new SS with 3 km distance to the site is planned within three years.)
5. Land use	Agricultural and swampy land (less than one cropping pattern)
6. Land development ⁴	3.6 – 5.6 m land filling required (Average height: 4.6 m) - Altitude of low ground: EL. 6 – 8 m - 100-year flood level: EL. 10.56 m in Dhaleshwari river - Average filling level: EL. 11.6 m
7. Social environment	No squatter. No resettlement required. Swampy area.

Advantage

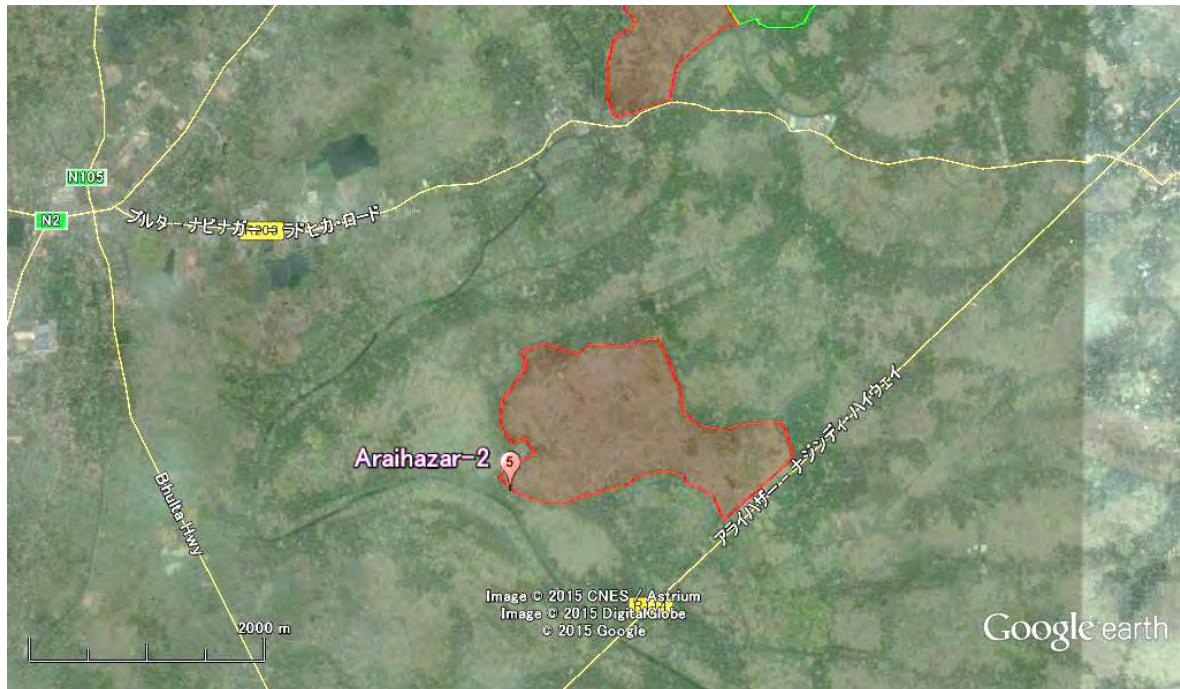
- The site is located near the Dhaka – Aricha Highway (National highway No.4) where industries are clustered along the highway.
- Labor force potential is high.
- Large land available.

Disadvantage

- In the site, there are swamp area and river stream so enough river cross section is required for flood and storm water control.
- Soil improvement in swamp area and high filling are required.

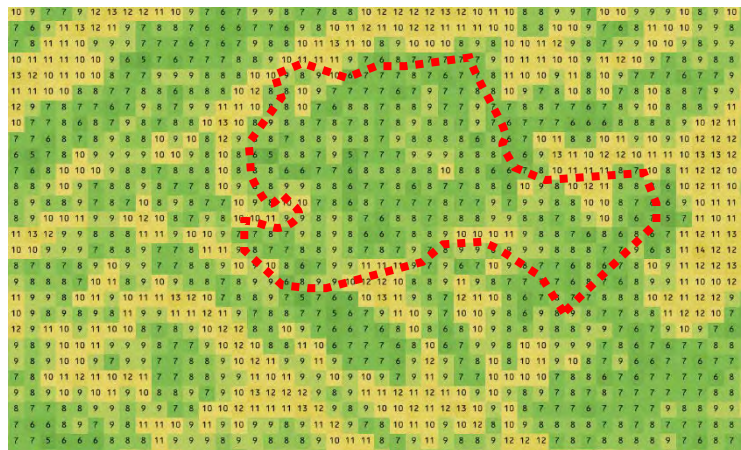
5) Site-5 : Araihasar-2

The Site-5 of Araihasar-2 with the 5th rank (72 points) is shown in Figure- 10 and its terrain information by satellite in Figure -11. Description of site conditions follows.



: Total: 223 ha (100 ha of 1st phase included)

Figure -10 Araihaazar-2 Site



(Source: Satellite SRTM Elevation Data, for reference only)

Figure 11 Terrain Situation³ of Araihaazar-2

[Outline of Araihaazar-2 site]

1. Location	20 km distance from Dhaka. Located in Araihaazar Upazila, Narayanganj District.
2. Size	1st phase: 100 ha, 2nd phase: 123 ha, Total: 223 ha
3. Access	Road distance from Dhaka: 28.6 km, Travelling time: 51 minutes About 4 km access road from the Dhaka – Sylhet Highway.
4. Infrastructure	5 km to 132kV/33kV sub-station.
5. Land use	Agricultural land (One cropping pattern)
6. Land development ⁴	0.4 – 1.4 m land filling required (Average height: 0.9 m) - Altitude of low ground: EL. 7 – 8 m - 100-year flood level: EL. 7.36 m in Shitalakshya river or Meghna river - Average filling level: EL. 8.4 m
7. Social environment	No squatter. A little resettlement required.

Advantage

- The site is located near Dhaka and near the national highway.
- The site is located near the Purbachal new town, where an international school is located. If living in the town, within commuting distance of about 40 minutes.
- The development plan is under preparation by the local government.
- Low flood risk.
- Not so high filling.

Disadvantage

- Expandability of the land is smaller than others.
- There needs a little resettlement to keep efficient development.

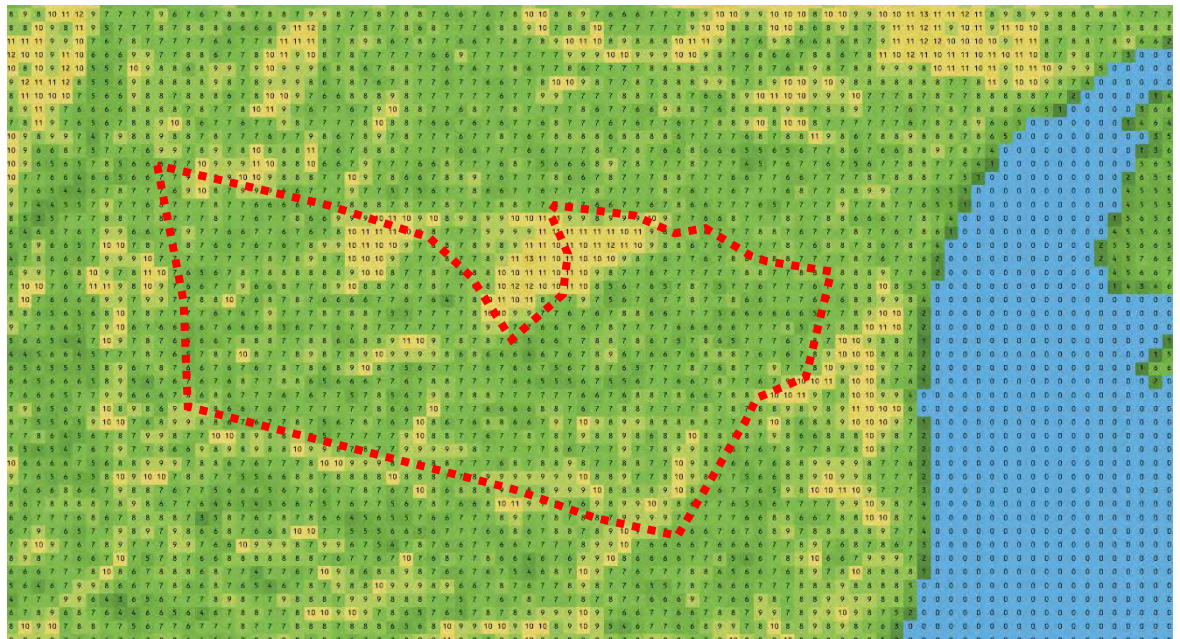
6) Site-3 : Sonargaon

The Site-3 of Sonargaon with the 6th rank (71 points) is shown in Figure-12 and its terrain information by satellite in Figure 13. Description of site conditions follows.



: Total: 652 ha (185 ha of 1st phase included)

Figure -12 Sonargaon Site



(Source: Satellite SRTM Elevation Data, for reference only)

Figure -13 Terrain Situation³ of Sonargaon

[Outline of Sonargaon site]

1. Location	22 km distance from Dhaka. Located in Sonargaon Upazila, Narayanganj District.
2. Size	1st phase: 185 ha (Northeastern side), 2nd phase: 467 ha (Southern and western sides), Total: 652 ha
3. Access	Road distance from Dhaka: 35.8 km, Travelling time: 1 h 04 minutes 2.5 km access road from the Dhaka – Chittagong Highway (National Highway No.1).
4. Infrastructure	9 km to 132kV/33kV sub-station. Gas pipeline along the Dhaka – Chittagong Highway.
5. Land use	Agricultural land (One cropping pattern)
6. Land development ⁴	1.2 – 2.2 m land filling required (Average height: 1.7 m) - Altitude of low ground: EL. 6 – 7 m - 100-year flood level: EL. 7.19 m in Meghna river - Average filling level: EL. 8.2 m Sand deposit available at 1 km distance from the site in Meghna river.
7. Social environment	No squatter. A little resettlement required.

Advantage

- The site is located near Dhaka within one hour and near the National Highway No. 1.
- Expandable large land.
- River side road plays the role of the embankment.

Disadvantage

- Measurement for flood control is required due to proximity to the river.

Appendix 06 :Profiles on Environmental and Social Considerations in Bangladesh

Profile on Environmental and Social Considerations in Bangladesh

Supplement

December 2015

**Japan International Cooperation Agency
Bangladesh Profile on Environmental and Social Considerations**

Reviewed and Revised in December 2015 by JICA Study Team

List of Tables

TABLE No.	TABLE TITLE	PAGE
TABLE G-1	Gaps between Relevant Regulations in Bangladesh, JICA Guidelines, ADB Guidelines and The World Bank Safeguard Policies –Environmental Impact Assessment (EIA)	01
TABLE G-2	Gaps between Relevant Regulations in Bangladesh, JICA Guidelines, ADB Guidelines and The World Bank Safeguard Policies – Involuntary Resettlement	16
TABLE G-3	Gaps between Relevant Regulations in Bangladesh, JICA Guidelines, ADB Guidelines and The World Bank Safeguard Policies – Indigenous Peoples	31

TABLE G-1

Gaps between Relevant Regulations in Bangladesh, JICA Guidelines, ADB Safeguard Policy Statement (2009), and the World Bank Safeguard Policies – Environmental Impact Assessment (EIA)

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
Objectives	To ensure transparency, predictability, and accountability in its support for an examination of environmental and social considerations.	To ensure that they are environmentally sound and sustainable, and thus to improve decision making.	The objectives are to ensure the environmental soundness and sustainability of projects, and to support the integration of environmental considerations into the project decision-making process.	To make decisions in respect to the following: i) Whether site clearance could be given to the project, given the residual significant project impacts on the various environmental components (physical, biological, and socio-economic); and, ii) Which conditions may be prescribed for compliance by the project proponents during design, construction, and operation of the project.	The governmental laws pay less attention to transparency, predictability, and accountability. Because the EIA is conducted within the framework of the Environmental Clearance Certificate (ECC), the EIA tends to be accepted due to its consistency with the ECC.	When policies in Bangladesh do not meet the requirements of the financial institutions, a harmonized framework should be prepared, following the financial institutions' guidelines.
Procedure of EA	JICA supports and examines appropriate environmental and social considerations undertaken by project proponents etc. to avoid or minimize development projects'	EA evaluates a project's potential environmental risks and impacts for preventive measures over migratory or compensatory measures, whenever	Depending on the significance of project impacts and risks, the assessment may comprise a full-scale environmental impact assessment (EIA) for category A projects,	An EIA is conducted within the framework of the Environmental Clearance Certificate (ECC). The project proponent's application of ECC initiates the EA process	Although over classification used to screen the development projects exist, the procedure of EA is relatively vague because it is	For the Padma project, as an example that shows mechanisms to bridge the gaps, a harmonized policy was

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	impacts on the environment and local communities, and to prevent the occurrence of unacceptable adverse impacts.(1.4)	feasible.	an initial environmental examination (IEE) or equivalent process for category B projects, or a desk review.		conducted within the framework of ECC issuance.	created to ensure that the project was designed and carried out in compliance with environmental laws and regulations of the country where the operation is being implemented, including national obligations established under ratified Multilateral Environmental Agreements (MEAs).
Criteria of EA	“Environmental and social considerations” means considering environmental impacts including air, water, soil, ecosystem, flora, and fauna, as well as social impacts including	EA takes into account the natural environment (air, water, and land); human health and safety; social aspects (involuntary resettlement,	The Environmental Assessment process will be based on current information, including an accurate project description, and appropriate environmental and	i) Are the beneficial and adverse impacts properly explained? ii) What are the risks (probability of occurrence and magnitude of consequences) of	Less focus is placed on social consideration.	To bridge the gap, project proponents should include social considerations in the assessment. As an example,

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	involuntary resettlement, respect for the human rights of indigenous people, and so on.(1.3.1) JICA confirms that projects comply with the laws or standards related to the environment and local communities in the central and local governments of host countries; it also confirms that projects conform to those governments' policies and plans on the environment and local communities. (2.6.2). JICA confirms that projects do not deviate significantly from the World Bank's Safeguard Policies, and refers as a benchmark to the standards of international financial organizations; to internationally recognized standards, or international standards, treaties, and declarations, etc.; and to	indigenous peoples, and physical cultural resources); and trans-boundary and global environmental aspects. EA considers natural and social aspects in an integrated way. It also takes into account environmental action plans; the country's overall policy framework, national legislation, and institutional capabilities related to the environment and social aspects; and obligations of the country, pertaining to project activities, under relevant international environmental treaties and agreements.	social baseline data. The environmental assessment will consider all potential impacts and risks of the project on physical, biological, Socioeconomic (occupational health and safety, community health and safety, vulnerable groups and gender issues, and impacts on livelihoods through environmental media and physical cultural resources in an integrated way. The project's potential environmental Impacts and risks will be reviewed against the requirements presented in this document and applicable laws and regulations of the jurisdictions in which the project operates that pertain to environmental	adverse impacts; are they properly evaluated? iii) What impacts would the project have on environmentally sensitive areas, endangered species and their habitats, and recreational as well as aesthetic areas? iv) Is the "No Project" scenario acceptable? v) Are any of the alternative sites that are suggested in the report considered suitable from an environmental angle, though it may increase the cost of the project? vi) Did similar projects implemented earlier cause significant adverse impacts and, if so, have the present proposals incorporated adequate measures to minimize adverse impacts at the proposed site? vii) Which are the		the Padma Multipurpose project prepared a full assessment that met both the environmental and social requirements of all financial institutions.

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	the good practices etc. of developed nations including Japan, when appropriate. (2.6.3)		matters, including host country obligations under international law. The assessment will identify potential trans boundary effects, such as air pollution, Increased use or contamination of international waterways, as well as global impacts.	unavoidable adverse impacts? viii) Are the concerns expressed by likely affected people genuine, and has the EIA/Initial Environmental Examination (IEE) project addressed these concerns adequately? ix) Are the mitigation measures, as proposed, reasonably feasible, and are they likely to be implemented (particularly those which have to be implemented during the operational phase)? x) What are the parameters that need to be monitored during project construction and operation so that the state of the environment can be studied throughout the project life?		
EA Instruments	JICA conducts an environmental review in accordance	A range of instruments can be environmental impact assessment	The ADB project conducted depending on the significance of	The required documents include: feasibility report, IEE	No significant gaps were identified between JICA	As an example, for the Padma project, a

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	with the project category, and refers to the corresponding environmental checklists for each sector when conducting that review as appropriate.	(EIA), regional or sectorial EA, environmental audit, hazard or risk assessment, and environmental management plan (EMP).	project impacts and risks, the assessment may comprise a full-scale environmental impact assessment (EIA) for category A projects, an initial environmental examination (IEE) or equivalent process for category B projects, or a desk review.	report, EIA report, Environmental Management Plan (EMP), No Objection Certificates (NOC), emergency plan, and relocation/rehabilitation plan.	Guidelines and governmental laws.	Management Plan was prepared that included the following: -identifying responses to potentially adverse impacts; - determining requirements for ensuring that those responses are made effectively and in a timely manner; and – describing the means for meeting those requirements.
Environmental Screening	Category A: Project proponents etc. must submit EIA reports. JICA publishes the status of host countries' submission of major documents on environmental and social considerations on its website. Prior to its environmental review, JICA also discloses the	Category A: A proposed project is classified as Category A if it is likely to have significant adverse environmental impacts that are sensitive, diverse, or unprecedented. For a Category A project, the borrower is responsible for preparing a report, normally an EIA (or	Category A: Projects with potential for significant adverse environmental impacts. An environmental impact assessment (EIA) is required to address significant impacts. Category B: Projects judged to have some adverse	Industrial projects have been divided into four categories: Green, Orange-A, Orange-B, and Red, according to the environmental significance and the location of proposed development. Green projects do not require either an IEE or an EIA. At the other extreme	The category equivalent to the JICA's FI Category does not exist in governmental legislation.	To bridge the gaps between the JICA Guidelines and GoB policies, for the Padma Project, donors used both category A, in line with donor's policies, and Category Red, in

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	<p>following: (1) EIA reports and environmental permit certifications, (2) RAPs for projects that will result in large-scale involuntary resettlement, and (3) IPPs for projects that address issues of indigenous people. Specifically, JICA discloses EIA reports 120 days prior to concluding agreement documents. JICA undertakes its environmental reviews based on the EIA and other documents submitted by project proponents etc. Category B: The scope of environmental reviews for Category B projects may vary from project to project, but it is narrower than that of Category A projects. JICA discloses the following: (1) EIA reports and environmental permit certifications, (2) RAPs for projects, and</p>	<p>suitably comprehensive regional or sectorial EA). Category B: A proposed project is classified as Category B if its potential adverse environmental impacts on human populations or environmentally important areas – including wetlands, forests, grasslands, and other national habitats – are less adverse than those of Category A projects. The findings and results of Category B EA are described in the project documentation (Project Appraisal Document and Project Information Document). Category C: A proposed project is classified as Category C if it is likely to have minimal or no adverse environmental impacts. Beyond screening, no further</p>	<p>environmental impacts, but of lesser degree and/or significance than those for category A projects. An initial environmental examination (IEE) is required to determine whether or not significant environmental impacts warranting an EIA are likely. If an EIA is not needed, the IEE is regarded as the final environmental assessment report. Category C: Projects unlikely to have adverse environmental impacts. No EIA or IEE is required, although environmental implications are still reviewed. Category FI: Projects are classified as category FI if they involve a credit line</p>	<p>are the Red category projects, for which both IEE and EIA are necessary.</p>		<p>order to get the ECC according to the requirements of the Government of Bangladesh: - examination of financially and technically feasible alternatives to the project location, design, technology and components, their potential environmental and social impacts; and - documentation of the rationale for selecting a particular alternative(s) proposed, where relevant. For the Padma project, alternatives should be examined for alignment, bridge design,</p>

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	(3) IPPs for projects that will require measures for indigenous people, when these documents are submitted by project proponents etc. Category C: For projects in this category, environmental review will not proceed after categorization. Category FI: JICA examines the related financial intermediary or executing agency to see whether appropriate environmental and social considerations as stated in the guidelines are ensured for projects in this category.	EA action is required for a Category C project. Category FI: A proposed is classified as Category FI if it involves investment of Bank funds through a financial intermediary, in subprojects that may result in adverse environmental impacts.	through a financial intermediary or an equity investment in a financial intermediary. The financial intermediary must apply an environmental management system, unless all subprojects will result in insignificant impacts.			construction methods, river training works, etc.
EA for Special Project Types	Category FI projects JICA examines the related financial intermediary or executing agency to see whether appropriate environmental and social considerations as stated in the guidelines are ensured for projects in this category. JICA also examines institutional	<i>Sector Investment Lending (SIL)</i> During the preparation of each proposed subproject, the project coordinating entity or implementing institution carries out appropriate EA according to	The determination of the environment category is to be based on the most environmentally sensitive component of the project. This means that if one part of the project is with potential for significant adverse	No specification.	No specification is identified under Bangladeshi law.	When policies in Bangladesh do not meet the requirements of the financial institutions, a harmonized framework should be prepared following the

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	capacity in order to confirm environmental and social considerations of the financial intermediary or executing agency, and, if necessary, requires that adequate measures be taken to strengthen capacity. The financial intermediary or executing agency examines the potential positive and negative environmental impacts of sub-projects and takes the necessary measures to avoid, minimize, mitigate, or compensate for potential negative impacts, as well as measures to promote positive impacts if any such measures are available. (3.2.1(4)) Measures Taken in an Emergency In an emergency—which means a case that must be dealt with immediately, such as restoration after natural	country requirements and the requirements of this policy. The Bank’s judging criteria are as follows: (a) screen subprojects (b) obtain the necessary expertise to carry out EA (c) review all findings and results of EA for individual subprojects (d) ensure implementation of mitigation measures (including, where applicable, an EMP) (e) monitor environmental conditions that (a) the extent to which the emergency was precipitated or exacerbated by inappropriate environmental practices be determined as part of the preparation of such projects (b) any necessary corrective measures be	environmental impacts, then project is to be classified as Category A regardless of the potential environmental impact of other aspects of the project. Similarly, if the most sensitive component is classified B, then the project is to be classified B. Of course only those aspects of the project with potential for significant adverse environmental impacts need to be assessed in detail. The scoping for the environmental assessment and the terms of reference (TOR) for the environmental assessment report should focus on the significant environmental issues.			financial institutions’ guidelines and in accordance with those of Bangladesh. As of production of the subject document, no specific mechanism to bridge the gap has been identified in EA for the special project type.

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	disasters or post-conflict restoration—when it is clear that there is no time to follow the procedures of environmental and social considerations mentioned in the guidelines, JICA reports at an early stage to the Advisory Committee for Environmental and Social Considerations on categorization, judgment of emergency, and procedures to follow, and discloses a result. JICA asks advice from the Advisory Committee when it is necessary.	built into either the emergency operation or a future lending				
Institutional Capacity	JICA provides support for and examinations of the environmental and social considerations that project proponents etc. implement in accordance with Sections 2 and 3 of the guidelines, depending on the nature of cooperation projects.	When the borrower has inadequate legal or technical capacity to carry out key EA related functions (such as review of EA, environmental monitoring, inspections, or management of migratory measures) for a proposed project,	The borrower/client will use qualified and experienced experts to prepare the environmental assessment and the EMP. For highly complex and sensitive projects, independent advisory panels of experts not affiliated with the project will	Department of Environment (DOE) has the responsibility of conducting EA within the frame of an ECC issuance.	No indication of request for external resources has been noted in the Governmental Laws.	When Bangladeshi legal provisions do not meet the requirements of the financial institutions, a project-specific framework should be prepared based on the financial

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
		the project includes components to strengthen that capacity.	be used during project preparation and implementation.			institutions' guidelines. In addition, use of external resources is crucial when determined necessary, given the limited resources in the governmental sector.
Public Consultation	Project proponents etc. consult with local stakeholders through means that induce broad public participation to a reasonable extent, in order to take into consideration the environmental and social factors in a way that is most suitable to local situations, and in order to reach an appropriate consensus. JICA encourages project proponents etc. to publicize in advance that they plan to consult with local stakeholders, with	For all Category A and B projects proposed for IBRD or IDA financing, during the EA process, the borrower consults project-affected groups and local nongovernmental organizations (NGOs) about the project's environmental aspects and takes their views into account. The borrower initiates such consultations as early as possible. For Category A projects, the borrower consults these groups at least	The borrower/client will carry out meaningful consultation with affected people and other concerned stakeholders, including civil society, and facilitate their informed participation. Consultation will be carried out in a manner commensurate with the impacts on affected communities. The consultation process and its results are to be documented	Although providing information to local residents, community consultation, and public involvement has been recognized as important in major documents, specific legislation to implement such processes is yet to be enacted.	Significant gaps are found.	In line with their policy, project proponents will consult with local stakeholders through means that induce broad public participation. As an example, the Padma project's harmonized policy provides for community engagement free of external manipulation, interference,

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	<p>particular attention to directly affected people, in order to have meaningful meetings. In the case of Category A projects, JICA encourages project proponents etc. to consult with local stakeholders about their understanding of development needs, the likely adverse impacts on the environment and society, and the analysis of alternatives at an early stage of the project, and assists project proponents as needed. (2.4) Consultations with relevant stakeholders, such as local residents, should take place if necessary throughout the preparation and implementation stages of a project. Holding consultations is highly desirable, especially when the items to be considered in the EIA are being selected, and when</p>	<p>twice: (a) shortly after environmental screening and before the terms of reference for the EA are finalized; and (b) once a draft EA report is prepared. In addition, the borrower consults with such groups throughout project implementation as necessary to address EA-related issues that affect them.</p>	<p>and reflected in the environmental assessment report.</p>			<p>coercion, or intimidation, and is conducted on the basis of timely, relevant, understandable, and accessible information. For the Padma Project, stakeholder (expert) consultation, focus group discussion, and two-stage formal public consultations have been adopted.</p>

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	the draft report is being prepared. (Appendix 2) In the case of Category B projects, JICA encourages project proponents etc. to consult with local stakeholders when necessary. (2.4)					
Disclosure	Information about the environmental and social considerations of their projects. JICA encourages project proponents etc. to disclose and present information about environmental and social considerations to local stakeholders. Project proponents etc. disclose information well in advance when they have meetings with local stakeholders in cooperation with JICA. On these occasions, JICA supports project proponents etc. in the preparation of documents in an official or widely used language and in a form understandable by local	For meaningful consultations between the borrower and project-affected groups and local NGOs on all Category A and B projects proposed for IBRD or IDA financing, the borrower provides relevant material in a timely manner prior to consultation and in a form and language that are understandable and accessible to the groups being consulted. For a Category A project, the borrower provides for the initial consultation a summary of the proposed project's objectives, description,	Environmental assessment reports are accessible to interested parties and the general public. The SIEE and SEIA reports are required to be circulated worldwide, through the depository library system and on the ADB web site. The full EIA or IEE reports are also made available to interested parties on request. ADB's "120 day rule" requires that the SEIA, or in the case of Category B projects that are deemed environmentally sensitive, the SIEE, is available to the	No overt requirements of information disclosure let alone public hearings or comments. GoB passed the Environment Court Act, 2000 (Act No. 11 of 2000) to allow appeals to be made by the public on non-compliance with the ECA (1995) and ECR (1977).	No legal requirements on disclosure of information are present in government laws, while others set clear recommendations/ requirements for information disclosure; significant gaps are identified.	The borrower should support the documentation of monitoring results, including the development and implementation of corrective actions for disclosure through periodic progress reports. The bridge mechanism for the Padma Multipurpose Project included disclosure in local languages with

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	<p>people. (2.1/1, 6,7)</p> <p>For Category A project, JICA publishes the status of host countries' submission of major documents on environmental and social considerations on its website. Prior to its environmental review, JICA also discloses EIA reports and environmental permit certifications 120 days prior to concluding agreement documents. JICA discloses a translated version of EIA reports, subject to approval by project proponents etc.</p> <p>For Category B project, JICA discloses EIA reports and environmental permit certifications, when these documents are submitted by project proponents etc. (Sec.3/3.2/3.2.1/(1), (2))</p>	<p>and potential impacts. In addition, for a Category A project, the borrower makes the draft EA report available at a public place accessible to project-affected groups and local NGOs. Any separate Category B report for a project proposed for IDA financing is made available to project-affected groups and local NGOs.</p>	<p>general public at least 120 days before ADB's Board of Directors considers the loan, or in relevant cases, before approval of significant changes in project scope or subprojects. The 120-day rule applies to all public and private sector category A projects and to those categories B projects deemed to be environmentally sensitive. To facilitate the required consultations with project-affected groups and local nongovernment organizations, the Borrower will provide information on the project's environmental issues in a form and language(s) accessible to those being consulted.</p>			<p>understandable content during public consultation.</p>

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
Monitoring Implementation	JICA confirms with project proponents etc. the results of monitoring the items that have significant environmental impacts. This is done in order to confirm that project proponents etc. are undertaking environmental and social considerations for projects that fall under Categories A, B, and FI. The information necessary for monitoring confirmation by JICA must be supplied by project proponents etc. by appropriate means, including in writing. When necessary, JICA may also conduct its own investigations. JICA discloses the results of monitoring conducted by projectproponents etc. on its website to the extent that they are made public in project proponents etc. (3.2.2/1,2, 7)	The borrower reports on (a) compliance with measures agreed with the Bank on the basis of the findings and results of the EA, including implementation of any EMP (b) the status of migratory measures (c) Findings of monitoring programs The Bank bases measures set out in the legal agreements, any EMP, and other project documents.	The borrower/client will monitor and measure the progress of implementation of the EMP. The extent of monitoring activities will be commensurate with the project's risks and impacts. For projects likely to have significant adverse environmental impacts, the Borrower/client will retain qualified and experienced external experts or qualified NGOs to verify its monitoring information. The borrower/client will prepare periodic monitoring reports that describe progress with Implementation of the EMP and compliance issues and corrective actions, if any.	There is a process of ECC renewal that requires monitoring and assessment. DOE has the responsibility of following up and monitoring ECC conditions. DOE makes the proponent compliance reports available to the public on its website. There are no formal provisions to obtain independent assessment of EIA reports if found necessary. There is also no formal mechanism or programme at DOE that conducts an independent audit of approved projects. Third-party monitoring is recommended through approved laboratories.	No legal requirements on monitoring are present in government laws, while others define monitoring as a part of their assessment activities.	Compliance with measures agreed upon with the Bank on the basis of the findings and results of the EA, including implementation of any EMP, as set out in the project documents; Status of migratory measures and endings of monitoring programs. Monitoring the effectiveness of the Environmental Management Program implementation.

Aspect	JICA Guidelines for Environmental and Social Considerations (April 2010)	World Bank OP 4.01	ADB Guideline	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
Source: JICA. 2010. Japan International Cooperation Agency (JICA) Guidelines for Environmental and Social Considerations; World Bank. 2012. Operational Policies; BBA. 2010. BAN: Padma Multipurpose Bridge Project (Environment Assessment Report).						

TABLE G-2

Gaps between Relevant Regulations in Bangladesh, JICA Guidelines, the World Bank Safeguard Policies (OP 4.12 Involuntary Resettlement, Revised (April 2013)) and ADB Safeguard Policy Statement (2009) – Involuntary Resettlement

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
Avoid involuntary resettlement	Involuntary resettlement and loss of means of livelihood are to be avoided when feasible by exploring all viable alternatives.	Involuntary resettlement should be avoided where feasible.	Involuntary resettlement proposes the alternatives considered to avoid or minimize resettlement.	The 1982 Ordinance (with its focus on mitigation rather than avoidance) does not specifically address resettlement	Gaps in regard to use of alternative options to avoid resettlement impacts.	Case example: Padma Bridge project The Resettlement Framework (RF) adheres to the harmonized policy. Avoid involuntary resettlement and adverse impacts on people and communities, wherever feasible.
Minimize involuntary resettlement	When, after such an examination, avoidance is proved unfeasible, effective measures to minimize impact and to compensate for losses must be agreed upon with the people who will be affected.	Minimize involuntary resettlement by exploring all viable alternative project designs	To avoid involuntary resettlement wherever possible; minimize involuntary resettlement by exploring project and design alternatives; enhance, or at least restore, the livelihoods of all displaced persons	The 1982 Ordinance implicitly discourages unnecessary and excess land acquisition; excess land remains idle and unused, and lands acquired for one purpose cannot be used for a different purpose. Land that remains unused should be returned to	The 1982 Ordinance requires notification only; no consultation is required while other guidelines are generally implemented based on consultation.	Case example: Padma Bridge project <ul style="list-style-type: none"> • Minimize displacement of people as much as possible by exploring all viable design alternatives. • If unavoidable, provide for prompt payment of Just compensation, replacement costs (for lost assets and income) and rehabilitation and livelihood assistance toward improved conditions (as compared to conditions before relocation) for all displaced households regardless of (land) tenure. • Return unused land to the original owners through reacquisition.

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
				the original owner(s).		
Mitigate adverse social impacts	People who must be resettled involuntarily and people whose means of livelihood will be hindered or lost must be sufficiently compensated and supported by project proponents etc. in a timely manner.	Where it is not feasible to avoid resettlement, resettlement activities should be conceived and Executed as sustainable development programs, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits.	Resettlement is considered involuntary when displaced individuals or communities do not have the right to refuse land acquisition that result in displacement.	Mitigation measures involve cash-only compensation for lost assets. The Ordinance does not address complexities of resettlement.	Only cash-based compensation for acquired assets without consideration of impacts of loss of land, houses and the need for resettlement.	<p>Case example: Padma Bridge project: The harmonized policy prepared for the project was: Where IR is unavoidable, effective measures to mitigate adverse social and economic impacts on affected persons by:</p> <ul style="list-style-type: none"> (a) providing compensation for loss of assets at replacement cost; (b) ensuring that resettlement activities are implemented with appropriate disclosure of information, consultation, and the informed participation of those affected (c) Improve or at least restore the livelihoods and standards of living of displaced persons, and (d) Improve living conditions among displaced persons through provision of adequate housing with security of tenure at resettlement sites. <p>According to the above policy, the project plans to:</p> <ul style="list-style-type: none"> • Provide replacement value for assets lost (i.e. land, structures, trees etc.) at replacement cost. • Resettlement in project-sponsored sites with civic

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
						<p>amenities.</p> <ul style="list-style-type: none"> • Apply separate Livelihood and Income Restoration Plans (RP). • Disclose RPs to the community and make available in Bangla. The “good practices” are derived from the resettlement “model” of the Jamuna Bridge project.
Screening	JICA classifies projects into four categories according to the extent of environmental and social impacts, taking into account an outline of project, scale, site condition, etc. JICA requests that Project proponents etc. fill in the screening form found in Appendix 4; the information in this form will be a reference for the categorization of proposed projects.	Undertakes environmental screening of each proposed project to determine the appropriate extent and type of Environmental Assessment (EA). The Bank classifies the proposed project into one of four categories, depending on the type, location, sensitivity, and scale of the project and the nature and magnitude of its potential environmental impacts.	Screen the project early on to identify past, present, and future involuntary Resettlement impacts and risks. Determine the scope of resettlement planning through a survey and/or census of displaced persons, including a gender Analysis, specifically related to resettlement impacts and risks.	The Bangladesh environmental impact assessment (EIA) System has four project categories: Red, Orange A, Orange B and Green.	No significant gaps identified between JICA guidelines and Government laws.	Case example: Padma Bridge project The harmonized policy was: Every development intervention will be screened, as early as possible in the project cycle, to identify the people who may be beneficially and adversely affected, and to determine the scope of a social assessment to assess those affects and impacts.

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
Categorization	Projects that are likely to have a significant adverse impact on the environment and society are categorized as "Category A" even if they are not included in the sectors, characteristic, or areas on the list. Sensitive Characteristics Large-scale involuntary resettlement	Project displaces fewer than 200 people & entails Minor Resettlement impacts namely – a) all the DPs lose less than 10% of their land, regardless of the number of APs b) the remainder of their land is economically viable; c) they have no need for physical relocation Project that displace more than 200 people and entail major impacts	Categorization is undertaken using Rapid Environmental Assessment (REA) Checklists consist of questions relating to (i) the Sensitivity and vulnerability of environmental resources in project area, and (ii) the potential for the project to cause significant adverse environmental impacts.	The content of the Project determines its category.	No significant gaps were identified between JICA guidelines and government laws.	Case example: Padma Bridge project The harmonized policy was: Categorize impacts by "significance" and define the scale of impacts – both direct and indirect – with particular attention to economic and livelihood impacts Plan mitigations for all types of losses in the RP.
Resettlement Plan (supervision)	For projects that will result in large-scale involuntary resettlement, resettlement action plans must be prepared and made available to the public. In preparing a resettlement action	To cover the direct social and economic impacts that are caused by the involuntary taking of land and/or the involuntary restriction of access to legally	A resettlement plan will be based on the social impact assessment and through meaningful consultation with the affected persons. A	No provision in the 1982 Ordinance.	No law or directives on the supervision of land-acquisition process by Deputy Commissioner	Case example: Padma Bridge project The harmonized policy was: For all interventions that involve resettlement or physical or economic displacement, a resettlement plan will be prepared which will establish the entitlements of all categories of affected persons (including host

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	plan, consultations must be held with the affected people and their communities based on sufficient information made available to them in advance.	designated parks and protected areas, the borrower will prepare a Resettlement plan or resettlement policy framework. The RP or framework will include measures to ensure that the displaced persons are provided assistance during relocation; provided with residential housing, or housing sites, or as required agricultural sites; offered transitional support; provided with development assistance in addition to compensation.	resettlement plan will include measures to ensure that the displaced persons are (i) informed about their options and entitlements pertaining to compensation, relocation, and rehabilitation; (ii) consulted on resettlement options and choices; and (iii) provided with resettlement alternatives.			communities), with particular attention paid to the needs of the poor and the vulnerable. The RP will lay down appropriate time-bound actions and budgets, and the full costs of resettlement, compensation, and rehabilitation will be included in the presentation of the costs and benefits of the development intervention. According to the above policy, the resettlement supervision in the Padma was planned to follow the Jamuna model, including: 1) periodic co-financier “milestone” meeting, 2) supervision by CSC safeguard specialist, 3) mid-term review of resettlement performance and 4) regular supervision of resettlement operations by the BBA Resettlement Unit.
Alternatives	Involuntary resettlement and loss of means of	Assess all viable alternative project designs to avoid,	ADB will explore to the maximum extent possible	Feasibility studies including social,	No specific laws for considering project design to avoid or	Padma RF considers feasible alternative project design to avoid or at least minimize physical or

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	livelihood are to be avoided when feasible by exploring all viable alternatives	where feasible, or minimize involuntary resettlement.	alternative project designs to avoid physical relocation of Indigenous Peoples that will result in adverse impacts on their identity, culture, and customary livelihoods	political, cultural and EIAs and detailed engineering surveys as basis for acquisition of private property or rights.	minimize involuntary resettlement. Feasibility study considers cost-benefits from technical rather than socio-cultural considerations.	economic displacement, while balancing environmental, social, technical and financial costs and benefits.
Social assessment	The impacts to be assessed with regard to environmental and social considerations. These also include social impacts, including migration of population and involuntary resettlement, local economy such as employment and livelihood, utilization of land and local resources, social institutions such as social capital and local decision-making institutions, existing social	Through census and socio-economic surveys of the affected population, identify, assess, and address the potential economic and social impacts of the project that are caused by involuntary taking of land (e.g. relocation or loss of shelter, loss of assets or access to assets, loss of income sources	ADB will conduct socioeconomic survey(s) and a census, with appropriate socioeconomic baseline data to identify all persons who will be displaced by the project and to assess the project's socioeconomic impacts on them. For this purpose, normally a cut-off date will be established by the host government procedures.	1982 Ordinance requires preparation of a plan covering land acquisition and compensation purposes (LAP). However, government of Bangladesh (GoB) environmental rules/guidelines (1997) synchronize various applicable laws and policy frameworks of the country for	Impact assessments are typically done in the case of externally funded projects; otherwise, a land-acquisition plan (LAP) is prepared for acquisition purposes. IEE/EIA reports discuss project impacts on properties, livelihoods and employment, health and environment but do not provide enough information to determine losses	Case example: Padma Bridge project The harmonized policy was: Assess at an early stage of the project cycle the potential social and economic impacts caused by involuntary taking of land (e.g. relocation or loss of shelter, loss of assets or access to assets, loss of income sources or means of livelihood, whether or not the affected person must move to another location) or involuntary restriction of access to legally designated parks and protected areas and to determine who will be eligible for compensation and assistance. According to the above policy, • RF requires identification of impacts caused by displacement

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	infrastructures and services, vulnerable social groups such as poor and indigenous peoples, equality of benefits and losses and equality in the development process, gender, children's rights, cultural heritage, local conflicts of interest, infectious diseases such as HIV/AIDS, and working conditions including occupational safety.	or means of livelihood, whether or not the affected person must move to another location) or involuntary restriction of access to legally designated parks and protected areas.		early identification of impact on and mitigation of Biophysical, socioeconomic and cultural environment of a project. Requires the assessment of technical alternatives, including a no-action alternative to minimise adverse Environmental impacts, including human health and safety. The EIA system identifies measures to minimize the problems and recommends ways to improve project sustainability.	and basis for Compensation. Existing laws do not provide for identification of indigenous people to recognize their particular problems and inconveniences due to a project.	whether or not through land acquisition (maintaining the principle that lack of formal title to land should not be a bar to compensation and resettlement assistance), including number of affected persons (APs). • Framework also addresses both direct and indirect impacts.
Involvement	Appropriate	Consult project-	Information	The 1982	No provision in the	Case example: Padma Bridge

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
of stakeholders	participation by affected people and their communities must be promoted in the planning, implementation, and monitoring of resettlement action plans and measures to prevent the loss of their means of livelihood.	affected persons, host communities and local nongovernmental organizations, as appropriate. Provide them opportunities to participate in the planning, implementation, and monitoring of the resettlement program, especially in the process of developing and implementing the procedures for determining eligibility for compensation benefits and development assistance (as documented in a resettlement plan), and for establishing appropriate and accessible	Disclosure, Consultation, and Participation: (i) identifies project stakeholders, especially primary stakeholders; (ii) describes the consultation and participation mechanisms to be used during the different stages of the project cycle; (iii) describes the activities undertaken to disseminate project and resettlement information during project design and preparation for engaging stakeholders; (iv) summarizes the results of consultations with affected persons (including host communities), and	Ordinance makes provisions (Sections 3 and 3/2) to notify the owners of property to be acquired. Any party having objections can appear to DC for a hearing with 15 days of notification.	law for consulting the stakeholders but the land allocation committees at district, division and central government level. People have limited scope to negotiate with the government on the price of land, but have no right to refuse acquisition.	project The harmonized policy was: Consult project-affected persons, host communities and local nongovernmental organisations, as appropriate. Provide them opportunities to participate in the planning, implementation, and monitoring of the resettlement program, especially in the process of developing and implementing the procedures for determining eligibility for compensation benefits and development assistance (as documented in a resettlement plan), and for establishing appropriate and accessible grievance mechanisms. Pay particular attention to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, Indigenous Peoples, ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation. According to the above policy, the project provides for community consultation and public disclosure of impacts as well as mitigation

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
		grievance mechanisms. Pay particular attention to the needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, the elderly, women and children, Indigenous Peoples, ethnic minorities, or other displaced persons who may not be protected through national land compensation legislation.	discusses how concerns raised and recommendations made were addressed in the resettlement plan; (v) confirms disclosure of the draft resettlement plan to affected persons and includes arrangements to disclose any subsequent plans; and (vi) describes the planned information disclosure measures (including the type of information to be disseminated and the method of dissemination) and the process for consultation with affected persons during project			measures, including disclosure of RP. Further, it establishes grievance-redress procedures involving a cross-section of people, including representatives of APs, address accountability and democratisation of development process.

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
			implementation.			
Existing social and cultural institutions	The impacts to be assessed with regard to environmental and social considerations. These also include social impacts, including social institutions such as social capital and local decision-making institutions, existing social infrastructures and services	To the extent possible, the existing social and cultural institutions of resettlers and any host communities are preserved and resettlers' preferences with respect to relocating in pre-existing communities and groups are honoured.	Existing social and cultural institutions of resettlers and their hosts should be supported and used to the greatest extent possible, and resettlers should be integrated economically and socially into host communities. (ADB 1998)	No specification under Bangladesh national laws.	No provision in any existing laws.	Ensure that the existing social and cultural institutions of the resettlers and any host communities are supported and used to the extent possible, including legal, policy and institutional framework of the country to the extent that the intent and spirit of the IR policy is maintained. Projects must be adequately coordinated so that they are accepted in manner that is socially appropriate to the country and locality in which the Project is planned. The Jamuna resettlement project established this as a "good practice" in its resettlement operation. Affected households received options for relocation in accordance with their choices and support available from existing social networks. Providing civic amenities and infrastructure services to the host villages enhanced host-resettler relations. Padma RF has similar provisions to enhance carrying capacity of the host villages during post-relocation period.
Definition of	People who must be	1) those who have	Displaced persons	No specification	Not applicable	When Bangladesh national laws do

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
displaced persons	resettled involuntarily and people whose means of livelihood will be hindered or lost must be sufficiently compensated and supported by project proponents etc. in a timely manner.	formal legal rights to land (including customary and traditional rights recognized under the laws of the country); 2) those who do not have formal legal rights to land at the time the census begins but have a claim to such land or assets—provided that such claims are recognized under the laws of the country or become recognized through a process identified in the resettlement plan 3) those who have no recognizable legal right or claim to the land they are occupying.	are those who are physically displaced (relocation, loss of residential land, or loss of shelter) and/or economically displaced (loss of land, assets, access to assets, income sources.	under Bangladesh national laws.		not meet the requirements of the financial institutions' safeguard policies, the project framework should meet the financial institutions' guidelines.
Vulnerable group	Appropriate consideration must	Particular attention must be	Vulnerable groups, especially	No specification Under	Not applicable	When Bangladesh national laws do not meet the requirements of the

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	be given to vulnerable social groups, such as women, children, the elderly, the poor and ethnic minorities, all members of which are susceptible to environmental and social impacts and may have little access to decision-making processes within society.	paid to the needs of the vulnerable groups among those displaced, especially those below the poverty line, landless, elderly, women and children, ethnic minorities etc.	those below the poverty line, the landless, the elderly, women and children, and Indigenous Peoples, and those without legal title to land.	Bangladesh national laws.		financial institutions' safeguard policies, the project framework should meet the financial institutions' guidelines.
Replacement cost	Prior compensation, at full replacement cost, must be provided as much as possible.	The methodology to be used in valuing losses to determine their replacement cost	The client will provide adequate and appropriate replacement land and structures or cash compensation at full replacement cost for lost land and structures, adequate compensation for partially damaged structures, and relocation assistance.	No specification under Bangladesh national laws.	Not applicable	Project proponent should follow the institutional guidelines.
Capacity	JICA makes efforts to	Financing of	The ADB funded	No specification	Not applicable	Case example: Padma Bridge

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
building	enhance the comprehensive capacity of organizations and operations in order for project proponents etc., to have consideration for environmental and social factors, appropriately and effectively, at all times	technical assistance to strengthen the capacities of agencies responsible for resettlement, or of affected people to participate more effectively in resettlement operations.	Resettlement Project would ensure institutional capacity building program, including technical assistance, if required.	under Bangladesh national laws.		project The harmonized policy was: Assist in building capacity of DMCs on best practice on involuntary resettlement planning and implementation Financing of technical assistance to strengthen the capacities of agencies responsible for resettlement, or of affected people to participate more effectively in resettlement operations.
Grievance procedures	Appropriate and accessible grievance mechanisms must be established for the affected people	A grievance redress mechanisms for simplicity, accessibility, affordability, and accountability	A grievance mechanism will establish to receive and facilitate the resolution of affected persons' concerns and grievances about physical and economic displacement and other project impacts, paying particular attention to the impacts on vulnerable groups.	No specification under Bangladesh national laws.	Not applicable	To bridge the gap, establish a grievance mechanism to receive and facilitate resolution of affected communities' concerns and grievances about the borrower's environmental performance.

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
Information disclosure	For projects that will result in large-scale involuntary resettlement, resettlement action plans must be prepared and made available to the public. In preparing a resettlement action plan, consultations must be held with the affected people and their communities based on sufficient information made available to them in advance.	Disclose draft resettlement plans, including documentation of the consultation process, in a timely manner, before appraisal formally begin, in an accessible place and in a form and language that are understandable to key stakeholders.	ADB will disclose draft resettlement plans, the resettlement monitoring reports etc., which provide relevant resettlement information, including information in a timely manner, in an accessible place and in a form and language(s) understandable to affected persons and other stakeholders. For illiterate people, suitable other communication methods will be used.	The 1982 Ordinance requires displaying a notice at convenient places on or near the property in a prescribed form and manner stating that the property is proposed to be acquired (u/section 3).	Disclosure takes place in case of donor-funded projects.	Padma RF requires disclosure of draft RPs to the affected communities in a form or language(s) understandable to key stakeholders, civil society, particularly affected groups and the general public in a national workshop. Further, updated RPs will be disclosed based on material changes as a result of the concerns of affected families.
Monitoring	After projects begin, project proponents etc. monitor whether any unforeseeable situations occur and whether the performance and effectiveness of	The borrower is responsible for adequate monitoring & evaluation of the activities set forth in the resettlement	The ADB will monitor and measure the progress of implementation of the resettlement plan. The extent of monitoring	The 1982 Ordinance II provides that the DC will monitor and submit a statement to the government	Existing laws have no provision for rehabilitation of project-affected persons, and, therefore, no monitoring is done.	Case example: Padma Bridge project The harmonized policy was: The borrower is responsible for adequate monitoring & evaluation of the activities set forth in the resettlement instrument. It is desirable that the project

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Involuntary Resettlement	ADB	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	mitigation measures are consistent with the assessment's prediction. They then take appropriate measures based on the results of such monitoring.	instrument.	activities will be commensurate with the project's risks and impacts. In addition to recording the progress in compensation payment and other resettlement activities, the borrower/client will prepare monitoring reports to ensure that the implementation of the resettlement plan has produced the desired outcomes.	annually about 1) properties acquired for different requiring bodies and 2) mode of land use.		proponents monitor: (i) whether any situations that were unforeseeable before the project began have arisen; (ii) the implementation situation and the effectiveness of the mitigation measures prepared in advance, and that they then take appropriate measures based on the results of such monitoring (iii) involve independent external experts for resettlement monitoring (iv) monitoring reports must be made public and additional steps to be taken, if required. According to the above policy, the Padma RF provides for internal and external monitoring, plus periodic monitoring by independent POE to be hired by co-financiers' fund. Monitoring results will be shared and findings used for enhancement if needed.
Source: JICA. 2010. Japan International Cooperation Agency (JICA) Guidelines for Environmental and Social Considerations; World Bank. 2012. Operational Policies; BBA. 2010. BAN: Padma Multipurpose Bridge Project (Environment Assessment Report); BBA. 2011. Padma Bridge Project: Updated RAP III (River Training Works).						

TABLE G-3

Gaps between Relevant Regulations in Bangladesh, JICA Guidelines, World Bank Safeguard Policies (OP 4.10 Indigenous People, Revised 2013) and ADB Safeguard Policy Statement (2009)

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
Term	No relevant statements were identified	Indigenous Peoples may be referred to in different countries by such terms as 'indigenous ethnic minorities', 'aboriginals', 'hill tribes', 'minority nationalities', 'scheduled tribes', 'tribal groups.' 'Indigenous People' is used in a generic sense to refer to a distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees: (a) self-identification as members of a distinct indigenous cultural group and recognition of this	Indigenous Peoples may be referred to in different countries by such terms as indigenous ethnic minorities, indigenous cultural communities, aboriginals, hill tribes, minority nationalities, scheduled tribes, or tribal groups. For operational purposes, the term Indigenous Peoples is used in a generic sense to refer to a distinct, vulnerable, social and cultural group possessing the following characteristics in varying degrees: (i) self-identification as members of a	Bangladesh national laws define only minority 'ethnic groups'	Not applicable	Not applicable

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
		<p>identity by others</p> <p>(b) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories:</p> <p>(c) customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and</p> <p>(d) an indigenous language, often different from the official language of the country or region</p>	<p>distinct indigenous cultural group and recognition of this identity by others;</p> <p>(ii) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;</p> <p>(iii) customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and</p> <p>(iv) a distinct language, often different from the official language of the country or region.</p>			

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
Objective	Any adverse impacts that a project may have on indigenous people are to be avoided when feasible by exploring all viable alternatives. When, after such an examination, avoidance is provide unfeasible, effective measures must be taken to minimize impacts and to compensate	To include measures to (a) avoid potential adverse effects on the Indigenous Peoples' communities; or (b) when avoidance is not feasible, minimize, or compensate for such effects.	The objective is to design and implement projects in a way that fosters full respect for Indigenous Peoples' identity, dignity, human rights, livelihood systems, and cultural uniqueness as defined by the Indigenous Peoples themselves so that they (i) receive culturally appropriate social and economic benefits, (ii) do not suffer adverse impacts as a result of projects, and (iii) can participate actively in projects that affect them.	No Specification under Bangladesh National Laws	Not applicable	Not applicable

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
Screening	JICA respects International Convention on Human Rights, and gives special attention to the human rights of vulnerable social groups including IPs. JICA integrates local human rights situations into decision - making processes that relate to environmental and social considerations	Early in project preparation, the Bank undertakes a screening to determine whether Indigenous Peoples are present in, or have collective attachment to, the project area. The Bank may follow the borrower's framework for identification of Indigenous Peoples during project screening, when that framework is consistent with this policy.	Screen early on to determine (i) whether Indigenous Peoples are present in, or have collective attachment to, the project area; and (ii) whether project impacts on Indigenous Peoples are likely.	No specification under Bangladesh National Laws	Not applicable	When Bangladesh policies do not meet requirements of the financial institutions (JICA, World Bank, ADB etc.) a harmonized framework should be prepared following the financial institution's guidelines and in accordance with the GoB. As an example, ADB's Second Chittagong Hill Tracts Rural Development Project prepared and IPP in which screening helped determining the presence of indigenous groups and/or any collective attachment to the area. The IPP followed ADB guidelines.
Categorization	Projects that are likely to have a significant adverse	No categorization system	Proposed projects are screened according to type,	No specification under Bangladesh national Laws	Not applicable	When Bangladesh policies do not meet requirements of the

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	<p>impact on the environment and society are categorized as 'Category A' even if they are not included in the sectors, characteristic, or areas on the list. Sensitive Areas b) Areas inhabited by ethnic minorities, indigenous peoples, or nomadic peoples with traditional ways of life, and other areas with special social value. Projects are classified as Category B if their potential adverse impacts on the environment and society are less adverse than those of Category A projects. Generally, they are site-specific; few if any are irreversible; and</p>		<p>location, scale, and sensitivity and the magnitude of their potential environmental impacts, including direct, indirect, induced, and cumulative impacts. categories:</p> <p>Category A. A proposed project is likely to have significant adverse environmental impacts that are irreversible, diverse, or unprecedented. These impacts may affect an area larger than the sites or facilities subject to physical works. An environmental impact assessment (EIA), including an environmental management plan (EMP), is required.</p>			<p>financial institutions (JICA, World Bank, ADB etc.) a harmonized framework should be prepared following the financial institution's guidelines and in accordance with the GoB. As an example, ADB's Second Chittagong Hill Tracts Rural Development Project prepared and IPP in which screening helped determining the presence of indigenous groups and/or any collective attachment to the area. The IPP followed ADB guidelines.</p>

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	in most cases, normal mitigation measures can be designed more readily		<p>Category B. The proposed project's potential adverse environmental impacts are site-specific, few if any of them are irreversible, and in most cases mitigation measures can be designed more readily than for category A projects. An initial environmental examination (IEE), including an EMP, is required.</p> <p>Category C. A proposed project is likely to have minimal or no adverse environmental impacts. An EIA or IEE is not required, although environmental implications need to</p>			

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
			<p>be reviewed.</p> <p>Category FI. A proposed project involves the investment of ADB funds to or through a financial intermediary. The financial intermediary must apply and maintain an environmental and social management system, unless all of the financial intermediary's business activities have minimal or no environmental impacts or risks.</p>			

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
Indigenous Peoples' Plan (IPP)	For some Category A projects that will require the measures for indigenous people, an IPP must be submitted. It is desirable that the IPP include the elements laid out in the World Bank Safeguard Policy, OP4.10, Annex B. JICA's funding of projects is provided to a financial intermediary or executing agency; the selection and appraisal of the sub-projects is substantially undertaken by such an institution only after JICA's approval of the funding. In such cases, JICA examines the related financial intermediary to see whether appropriate environmental and	The borrower prepares an Indigenous Peoples Plan (IPP) that sets out the measures through which the borrower will ensure (a) Indigenous Peoples affected by the project receive culturally appropriate social and economic benefits; and (b) where potential adverse effects on Indigenous Peoples are identified, those adverse effects are avoided, minimized, mitigated, or compensated for. Some projects involve the preparation and implementation of annual investment programs for multiple subprojects. In such cases, the borrower prepares	Indigenous Peoples plan (IPP) that is based on the social impact assessment with the assistance of qualified and experienced experts and that draw on indigenous knowledge and participation by the affected Indigenous Peoples communities. The IPP includes a framework for continued consultation with the affected Indigenous Peoples communities during project implementation; specifies measures to ensure that Indigenous Peoples receive culturally appropriate benefits; identifies measures to avoid, minimize, mitigate, or compensate for any	No specification	No specification	To bridge the gap, project proponents prepare an IPP according to 1) the financial institutions' safeguard policies for projects that require it, 2) an Indigenous Peoples' Planning Framework that details screening and 3) a review of all subprojects in a manner consistent with this policy

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	social considerations as stated in the guidelines are ensured for projects in this category. JICA also examines institutional capacity in order to confirm environmental and social considerations of the financial intermediary.	an Indigenous Peoples Planning Framework (IPPF). The IPPF provides for the screening and review of these programs or Sub projects in a manner consistent with this policy.	adverse project impacts; and includes culturally appropriate grievance procedures, monitoring and evaluation arrangements, and a budget and time-bound actions for implementing the planned measures.			
Social assessment	When projects may have adverse impacts on indigenous peoples, all of their rights in relation to land and resources must be respected in accordance with the spirit of relevant international declarations and treaties, including the United Nations Declaration on the Rights of Indigenous Peoples. Efforts must be made to obtain the consent of	The borrower undertakes a social assessment to evaluate the project's potential positive and adverse effect on the Indigenous Peoples, and to examine project alternatives where adverse effects may be significant. To carry out the social assessment and prepare the IPP/IPPF, the borrower pays particular attention	Socioeconomic assessment would be undertake to identify the potential impacts through (i) socioeconomic surveys, censuses, inventories of losses, and assessments of land losses; (ii) explains the methods for valuing affected assets; and (iii) describes the methods for determining replacement costs of acquired assets.	No specification under Bangladesh national laws.	Not applicable	The resettlement Framework requires identification of impacts caused by displacement whether or not through land acquisition (maintaining the principle that lack of formal title to land should not be a bar to compensation and resettlement assistance), including number of APs. The Framework also addresses both direct and indirect

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	indigenous peoples in a process of free, prior, and informed consultation. Measures for the affected indigenous peoples must be prepared as an indigenous peoples plan (which may constitute a part of other documents for environmental and social consideration). It is desirable that the indigenous peoples plan include the elements laid out in the World Bank Safeguard Policy, OP4.10, Annex B	to: (a) the customary rights of the Indigenous Peoples, both individual and collective; (b) the need to protect such lands and resources against illegal intrusion or encroachment; (c) the cultural and spiritual values; and (d) Indigenous Peoples' natural resources management practices and the long-term sustainability if such practices.				impacts and applies to indigenous peoples.
Free, prior, and informed consultation	When the projects may have adverse impacts on indigenous peoples, efforts must be made to obtain the consent of indigenous peoples in a process of free, prior, and informed	Where the project affects Indigenous People, the borrower engages in free, prior, and informed consultation with them. To ensure such consultation, the borrower:(a) establishes an	The borrower/client will undertake meaningful consultation with affected Indigenous Peoples to ensure their informed participation in every steps of the project life cycle. To	No specification under Bangladesh national laws.	Not applicable	To bridge the gap between local policies and those of the financial institution, an Indigenous Peoples' Planning Framework is created when a development project involves indigenous

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	consultation.	appropriate gender and intergenerational Inclusive framework; (b) uses consultation methods appropriate to the social and cultural values of the affected Indigenous Peoples' communities and their local conditions; and (c) Provides the affected Indigenous Peoples' communities with all relevant information about the project in a culturally appropriate manner at each stage of project preparation and implementation. Where the affected Indigenous Peoples' communities provide their broad support to the project, the borrower prepares a	carry out meaningful consultation with affected Indigenous Peoples, the borrower/client will establish a context-specific strategy for inclusive and participatory consultation, including approaches of identifying appropriate Indigenous Peoples representatives, and consultation methods appropriate to the social and cultural values of the affected Indigenous Peoples communities			groups. The ADB's Second Chittagong Hill Tracts Rural Development Project established consultation and communication with all stakeholders during the preparation stage of the subprojects. The Indigenous Peoples' Planning Framework was disclosed to the affected community in Bangla in workshops in each of the three districts to obtain the views of APs and other stakeholders on the compensation and resettlement provisions as per government laws and ADB guidelines.

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
		detailed report.				
Preparation of program and subproject IPPs	In principle, JICA undertakes environmental reviews for the sub-projects prior to their implementation in a same manner as specified for Category A projects, if those sub-projects are likely to be under the cooperation projects.	Some projects involve the preparation and implementation of annual investment programs or multiple subprojects. When the Bank's screening indicates that Indigenous Peoples are likely to be present in, or have collective attachment to, the project area, but their presence or collective attachment cannot be determined until the programs or subprojects are identified, the borrower prepares an Indigenous Peoples Planning Framework (IPPF) to guide subproject selection, screening	The borrower ensures that, before the individual program or Sub project is implemented, a social assessment is carried out and IPP is prepared in accordance with the requirement of this policy.	No specification under Bangladesh national laws.	Not applicable	When GoB policies do not meet the requirements of the financial institutions (JICA, World Bank, ADB etc.) prepare a harmonized framework following the financial institutions' guidelines and in accordance with the GoB. In projects such as ADB's in Chittagong, an IPP was prepared with ADB safeguard policies as guidelines for all subprojects.

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
		and categorization , social impact assessment				
Disclosure	Prior to its environmental review, JICA disclose IPPs for projects that address issues of indigenous people. Measures for the affected indigenous peoples must be prepared as an IPP and must be made public in compliance with the relevant laws and ordinances of the host country.	The borrower makes the social assessment report and draft IPP/IPPF available to the affected Indigenous Peoples' communities in an appropriate form, manner, and language.	The borrower/client will submit to ADB the following documents to disclose on ADB's website: (i) a draft IPP and/or Indigenous Peoples planning framework, including the social impact assessment, endorsed by the borrower/client, before appraisal; (ii) the final IPP upon completion; (iii) a new or updated IPP and a corrective action plan prepared during implementation, if	No specification under Bangladesh national laws.	Not applicable	Disclose information to the public according to the financial institutions' safeguard policies. Further, make available the IPP at HDC offices, and on the project (in English and Bangla) and ADB (in English) websites. As appropriate, the contribution of APs and beneficiary groups will be included in the subproject/district IPPs.

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
			any; and (iv) monitoring report disclose. The borrower/client will provide relevant information, including information from the above documents in a timely manner, in an accessible place and in a form and language(s) understandable to the affected Indigenous Peoples and other stakeholders. If the Indigenous Peoples are illiterate, other appropriate communication methods will be used.			
Monitoring	After projects begin, project proponents etc. monitor whether any unforeseeable situations occur and whether the performance and effectiveness of	Free, prior, and informed consultation with and participation by Indigenous Peoples' communities during monitoring is recommended.	The borrower/client will monitor and measure the progress of implementation of the IPP. The extent of monitoring activities will be	No specification under Bangladesh national laws.	Not applicable	To bridge the gap between local policies and those of the financial institution, an Indigenous Peoples' Planning Framework is created when a

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	mitigation measures are consistent with the assessment's prediction. They then take appropriate measures based on the results of such monitoring.		commensurate with the project's risks and impacts. The borrower/client will prepare periodic and submit semi-annual monitoring reports on the progress of IPP implementation, highlighting compliance issues and corrective actions.			development project involves indigenous groups. The ADB's Second Chittagong Hill Tracts Rural Development Project established consultation and communication with all stakeholders during the preparation stage of the subprojects. The Indigenous Peoples' Planning Framework was disclosed to the affected community in Bangla in workshops in each of the three districts to obtain the views of APs and other stakeholders on the compensation and resettlement provisions as per government laws and ADB guidelines.
Commercial development of natural and cultural resources	When projects may have adverse impacts on indigenous	If the project involves the commercial development of	If the project involves the commercial development of	No specification under Bangladesh national laws.	Not applicable	Not applicable

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	peoples, all of their rights in relation to land and resources must be respected in accordance with the spirit of relevant international declarations and treaties, including the United Nations Declaration on the Rights of Indigenous Peoples. Efforts must be made to obtain the consent of indigenous peoples in a process of free, prior, and informed consultation. language that are understandable to the people concerned.	natural resources, the borrower includes in the IPP arrangements to enable the Indigenous Peoples to share equitably in the benefits to be derived from such commercial development. The project of the commercial development of Indigenous Peoples' cultural resources and knowledge is conditional upon their prior agreement to such development.	natural resources (such as minerals, hydrocarbons, forests, water, or hunting or fishing grounds) within customary lands under use by Indigenous Peoples, the borrower/client will ensure that the affected communities are informed of (i) their rights to such resources under statutory and customary law; (ii) the scope and nature of the proposed commercial development and the parties interested or involved in such development; and (iii) the potential effects of such development on the Indigenous Peoples' livelihoods, environment, and use of such			

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
			resources. The borrower/client will include in the IPP arrangements to enable the Indigenous Peoples to receive in a culturally appropriate manner an equitable share of the benefits to be derived from such commercial development that is at least equal to or higher than that of any other affected landowners.			
Physical relocation of indigenous peoples	Involuntary resettlement and loss of means of livelihood are to be avoided when feasible by exploring all viable alternatives. When, after such an examination, avoidance is proved unfeasible, affected people must be sufficiently	When it is not feasible to avoid relocation, the borrower prepares a resettlement plan in accordance with the requirement of OP 4.12, Involuntary Resettlement. Involuntary restrictions on Indigenous Peoples' access to legally	The borrower/client will explore to the maximum extent possible alternative project designs to avoid physical displacement of Indigenous Peoples that will result in adverse impacts on their identity, culture, and customary livelihoods. In	No specification under Bangladesh national laws.	Not applicable	When policies in Bangladesh do not meet the requirements of the financial institutions, prepare a specific project framework using the financial institutions' guidelines. The project proponent should avoid restrictions on indigenous peoples'

Aspect	JICA Guidelines for Environmental and Social Consideration (April 2010)	World Bank OP 4.10 - Indigenous Peoples	ADB Safeguard Policy Statement (2009)	Government Laws	Gaps between JICA Guidelines and Government Laws	Mechanisms to Bridge Gaps
	compensated and supported by project proponents etc. in a timely manner. Prior compensation, at full replacement cost, must be provided as much as possible.	designated parks and protected areas, in particular access to their sacred sites, should be avoided. Where it is not feasible to avoid restricting access, the borrower prepares a process framework in accordance with the provisions of OP 4.12.	exceptional circumstances, when avoidance is impossible, the borrower/client will prepare an IPP that could be combined with a resettlement plan.			access to legally designated parks and protected areas, in particular access to sacred sites.
Indigenous peoples and development	JICA makes efforts to enhance the comprehensive capacity of organizations and operations in order for project proponents etc., to have consideration for environmental and social factors, appropriately and effectively, at all times.	In furtherance if the project of this policy, the Bank may, at a member country's request, support the country in its development planning and poverty reduction strategies by providing financial assistance for a variety of initiatives.	In furtherance of the objectives to benefit Indigenous Peoples, developing member countries can ask ADB to support them in their development planning and poverty reduction strategies by providing financial assistance for a variety of initiatives.	No specification under Bangladesh national laws.	Not applicable	Project borrowers should follow their policy to ensure the full implementation of actions for indigenous peoples and development.
Source: JICA. 2010. Japan International Cooperation Agency (JICA) Guidelines for Environmental and Social Considerations; World Bank. 2012. Operational Policies.						

**Appendix 07: Collection of Environmental and Social Consideration
Data and Information for Short-term EZ Candidate Site**

**Project for Development of Economic Zones and Capacity Enhancement of Bangladesh
Economic Zones Authority**



**Report
On
Collection of Environmental and Social Data and Information for
Economic Zones (EZ) Candidate Sites**

Submitted to:

**JICA Study Team
World Business Association
& Oriental Consultants Co., Ltd.**

Prepared by:



Site Assessment Team
YOUNG CONSULTANTS

**Environmental and Social Data and Information
For JICA EZ Survey Team, 2015**

**Table of Contents
Items of Environmental and Social Data and Information**

Item No	Description	Remarks
1. Latest Applicable Legal, Regulatory and Policy Frameworks in Bangladesh		
1.1	Environmental laws, rules and regulations	State them briefly and applicable laws and rules and regulation shall be listed.
1.2	Environmental norms and criteria	
1.2.1	Ambient air	State them briefly on tables, etc. If not available in Bangladesh, state applicable ones applied by the World Bank or other international authorities.
1.2.2	Waters – Rivers, lakes, seas, groundwater, etc.	
1.2.3	Soils	
1.2.4	Noise and vibration	
1.3	Emission and discharge norms and criteria	
1.3.1	Exhausted gases	
1.3.2	Waste water	
1.3.3	Solid wastes	
1.4	Health and safety systems	
1.5	SEA, IEE and EIA systems	The process and procedure shall be illustrated comprehensively, stating competent authorities, applicants, estimated durations for each process, etc.. TOR(or S/W) requested for SEA, IEE and EIA studies especially for projects such as EZ (Economic Zone), IE (industrial Estates), etc..(or Table of contents for SEA, IEE and EIA study reports).
1.6	CDM system including JI, JCM, etc.	Who are competent authorities? What are their roles? International treaties participated by Bangladesh and bilateral agreement between Bangladesh and Japan. Policies, rules and regulation on CO ₂ emission in Bangladesh
1.7	Official information disclosure and community participations	State briefly about their laws rules and regulations in Bangladesh
1.8	Land acquisition and resettlement	Who are competent authorities? What are their roles? What are the stakeholders' obligations and responsibilities?
1.9	Material dredging from rivers and sea	Licenses, pollution controls, avoidance of riverside & coastal changes, competent authorities, sand discharge pipenetworks, etc. In Bangladesh
1.10	Updating of Profile on Environmental and Social Considerations	
1.10.1	Updating of "Profile on Environmental and Social Considerations in Bangladesh, July 2012, JICA" and its Supplement	Review and renewal of the following documents: a. Profile on Environmental and Social Considerations in Bangladesh, July 2012, JICA; and b. Profile on Environmental and Social Considerations in Bangladesh, Supplement, July 2012, JICA
1.10.2	Gaps among JICA, WB and Bangladesh environmental laws, rules and regulations	Review and renewal of Tables-G1, G2 and G3 on Profile on "Environmental and Social Considerations in Bangladesh, Supplement, July 2012, JICA"

Item No	Description	Remarks			
2. Existing and Present Natures and Social Environments at Project Sites					
2.1	Physical Environment Baseline Conditions				
2.1.1	Ambient Air	Polluted conditions and pollutants including odor in/near each project site			
2.1.2	Meteorology and Climate	Ambient air temperature, humidity, rain, wind, thunder, etc. in each project site. Design rainfall and wind speed in Bangladesh.			
2.1.3	Extreme Weather Events such as heavy rain, flood, storm surge, etc.	100-years storms in each project site Previous large storm and frequency in each site			
2.1.4	Seismicity	Design seismic factors,previous large earthquake, frequency, seismic intensity, magnitude, damages, etc. in each project site			
2.1.5	Topography and land use	Description of topographies and land use maps for each project site			
2.1.6	Geology and Soils	Polluted conditions and pollutants in each project site			
2.1.7	Hydrology and Water Resources – Surface water/Groundwater	Polluted conditions and pollutants in each projects site; Groundwater well spacing and water development regulations in Bangladesh; Land subsidence due to pumping groundwater			
2.2	Biological Environmental Baseline Conditions				
2.2.1	Vegetation and Flora	Brief descriptions and distribution maps			
2.2.2	Protected Areas such tidal flats, primitive forests, bird sanctuaries, game reserves, national parks, historic sites & ruins, etc.	Protected area and species distribution maps. Are the project sites inside or adjacent to areas established/protected by fishery rights and piscaries?			
2.2.3	Fauna	Brief descriptions and distribution maps			
2.3	Socio-Economic Environment Baseline Conditions				
2.3.1	Population and Demography	Divisions, districts and upazula which each project site belong to.			
2.3.2	Aboriginal/indigenous peoples	Populations and maps showing areas which such peoples are living.			
2.3.3	Livelihood and Poverty	Brief description of inhabitants living in/around each project site			
2.3.4	Noise	Noise in each project site			
2.4	Existing (and planned) infrastructures				
2.4.1	Roads	Road maps around each project site			
2.4.2	Railway	Railway maps and nearest stations around each project site			
2.4.3	Ports and harbors	Port and harbor maps and nearest export and inland port and harbors each project site			
2.4.4	Water supply system	Water sources and water treatment and supply systems. Nearest connection points of existing water systems, available water rate, etc.			
2.4.5	Natural gas pipeline	Gas pipeline route maps: Pipe diameters, design pressures of pipelines, booster compressor stations, etc. in Bangladesh including planned energy infrastructures such as LNG import terminals (Land-based. etc.).			

Item No	Description	Remarks
		pipelines, etc.)
2.4.6	Power plants and power transmission lines	Existing/planned electricity grid maps near each EZ site and tie-in/connection points of 33 kV for supplying to each EZ project site.
2.4.7	Industrial and industrial parks	Maps showing industries and industrial parks in Bangladesh
2.4.8	Waste treatment plants and facilities	Available industrial waste treatment plants and facilities such as oily wastes, medical and toxic, hazardous & radioactive materials near each project sites including nearest cement plants
2.5	Houses and people to be resettled including involuntarily resettlement	Estimated nos. of houses and people to be resettled by each EZ project. Any other compensation assets except lands.

1. Latest Applicable Legal, Regulatory and Policy Frameworks in Bangladesh

1.1 Environmental laws, rules and regulations

Table 1.1 (a) Laws, Rules & Regulation Related to the Environment

Statute	Outline
National Environmental Policy, 1992	The policy sets out the basic framework for environmental action together with a set of broad sectoral guidelines for action. Maintaining ecological balance of the country biodiversity and environment for sustainable development. Ensure sustainable and environmentally sound measurement of natural resources.
EIA Guidelines for Water Resources, 1992	
The National Forest Policy, 1994	The National Forestry Policy of 1994 is the revised version of the National Forest Policy of 1977 in the light of the National Forestry Master Plan. The major targets of the Policy are to conserve the existing forest areas; bring about 20% of the country's land area under the forestation program, and increase the reserve forest land by 10% by the year 2015 through coordinated efforts of GO-NGOs and active participation of the people. The need for amendments of the existing forestry sector related laws and adopt new laws for sector activities has been recognized as important condition for achieving the policy goals and objectives. The Forest Policy also recognizes the importance of fulfilling the responsibilities and commitments under international multilateral environmental agreements.
Environmental Conservation Act, 1995	Conservation of environment, improvement of environmental standards and control, mitigate environmental pollution. This Act authorizes the Department of Environment (DoE) as the regulatory body and enforcement agency of all environmental related activities. The act addresses the issues like declaration of Ecologically Critical Areas, Procedure for obtaining Environmental Clearance Certificates, Environmental regulations for development activities, Standards for quality of air, water, noise, and soils for different areas and for different Purposes, Acceptable limits for discharging and emitting waste, Formulation of environmental guidelines to control and mitigate environmental pollution, conservation and improvement of environment.
National Environmental Management Action Plan, 1995	NEMAP was developed to identify of key environmental issues affecting Bangladesh and actions requires halting or reducing the rate of environmental degradation. Besides, NEMAP also developed to identify the natural environment and conservation of habitats and bio-diversity. Overall, the improvement of the quality of life of the people could be achieved.
Environmental Conservation Rules (ECR), 1997	The Environment Conservation Rules provides rules under the Environment Conservation Act, 1995. The ECR prescribes guidelines for development project categorization based on anticipated impacts or pollution load, processes and requirements for obtaining environmental clearance, through an Environmental Clearance Certificate (ECC), Initial Environmental Examination (IEE) and Environmental Impact Assessment (EIA), as well as formulating an Environmental Management Plan (EMP), Environmental quality standards for air, surface water, groundwater, drinking water, industrial effluents, emissions,

Statute	Outline
	noise and vehicular exhausts.
EIA Guidelines for Industries, 1997	This guideline has been prepared by DoE on the basis of the work done by various types of Industry projects as well as on the requirements of the Environment Conservation Rules (1997). On ground of this, the EIA Guidelines specifically covers industry projects and shows how the EIA for Industry projects in Bangladesh should be implemented. The EIA guidelines comprises contents like: introduction to EIA in Bangladesh, criteria for locating industrial plants, steps involved in conducting IEE, steps involved in conducting EIA, review of an EIA report.
The National Water Policy, 1999	The National Water Policy of 1999 was adopted to ensure efficient and equitable management of water resources, proper harnessing and development of surface and ground water, availability of water to all concerned and institutional capacity building for water resources management. It has also addressed issues like river basin management, water rights and allocation, public and private investment, water supply and sanitation and water needs for agriculture, industry, fisheries, wildlife, navigation, recreation, environment, preservation of wetlands, etc.
Environmental Court Act, 2000	Establishes environmental courts and procedure to make rules for the protection of environmental pollution. Environmental Courts are set up at district level constitute by one judge and upon consultation with supreme court. However, the Government may establish courts outside the districts. The Court has the power to penalize under section 5A of this Act for offenses relating to pollution.

Table 1.1 (b): Other Relevant Legislations

Act/ Law/ Audience	Brief description	Responsible agency
Environment Court Act, 2000 and subsequent amendments in 2002	Describes environment related legal proceedings	Ministry of Environment and Forest (MOEF)
The Vehicle Act, 1927 The Motor Vehicles Ordinance, 1983	Provides rules for exhaust emission, air and noise pollution and road and traffic safety	Bangladesh Road Transport Authority (BRTA)
The Removal of Wrecks and Obstructions in inland Navigable Water Ways Rules 1973	Rules for removal for wrecks and obstructions	Bangladesh Water Transport Authority
Water Supply and Sanitation Act, 1996	Regulate the management and control of water supply and sanitation in urban areas	Ministry of Local Government, Rural Development and Cooperatives
The Ground Water Management Ordinance 1985	Describe the management of ground water resources and licensing of tube wells	Upazilla Parishad
The Forest Act, 1927 and subsequent amendments in 1982 and 1989	Regulates the protection of forests reserves, protected forests and village forests	Ministry of Environment and Forest
The Private Forests Ordinance Act, 1959	Deals with the conservation of private forests and afforestation of wastelands.	Ministry of Environment and Forest
Bangladesh Wild Life (Preser-	Describes the preservation of wildlife	Ministry of Environ-

vation) Act, 1974	sanctuaries, parks, reserves	ment and Forest
The Protection and Conservation of Fish Act 1950 subsequent amendments in 1982	Deals with the protection/ conservation of fishes in Government owned water bodies	Department of Fish-ery
The Embankment and Drainage Act 1952	Describes the protection of embankments and drainage facilities	Ministry of Water Resources
The Antiquities Act 1968	Describes the preservation of cultural heritage, historic monuments and protected sites.	Department of Archaeology.
The Land Acquisition Act, 1894 and The Acquisition and Requisition of Immovable Property Ordinance 1982 and subsequent amendments in 1994, 1995 and 2004	Describes procedures and provides guidelines to acquisition and requisition of land	Ministry of Land
Bangladesh Labour Law, 2006	Deals with the occupational rights and safety of factory workers; provision of comfortable work environment and reasonable working conditions	Ministry of Labor

Table 1.1 (c): Relevant Occupational Health and Safety Laws and Rules

Title	Overview
Bangladesh Labor Act, 2006	Provides for safety of work force during construction period. The Act provides guidance of employer's extent of responsibility and the workmen's right to compensation in case of injury caused by accident while working.
Water Supply and Sewerage Authority Act, 1996	The Act calls for ensuring water supply and sewerage system to the public, preservation of system, and other related health and environmental facilities for the community.
Labor Relations under Labor Laws, 1996 (Revisions to scattered Acts and Ordinances to formulate a unified code.)	General concerns during the Project implementation that the project manager must recognize labor unions.
Public Health (Emergency Provisions) Ordinance, 1994	Calls for special provisions with regard to public health. In case of emergency, it is necessary to make special provisions for preventing the spread of disease, safeguarding the public health, and providing adequate medical service, and other services essential to the health of respective communities and workers during the construction related work.
Bangladesh Factory Act, 1979	Workplaces provisions, this Act and Labor Laws require medical facilities, first aid, and accident and emergency arrangements, and childcare services to be provided to the workers at workplace.
The Employees State Insurance Act, 1948	Health, injury and sickness benefit should be paid.
The Employer's Liability Act, 1938	Covers accidents, risks and damages with respect to employment injuries.
Maternity Benefit Act, 1950	Framed rules for female employees entitled to various benefits for maternity

Source: Bangladesh Government Rules and Regulation book

Table 1.1 (d): Compliance under national law

Wildlife (protection and	The Wildlife (protection and safety) Act 2012, passed in Parliament on
---------------------------------	--

<i>safety) Act 2012</i>	8th July, 2012. Under this act, the hunting, trapping, killing of wildlife are strictly prohibited. After the establishment of this Act, a board will be formed with the concerned members recommended by the Government. There are certain provisions kept in this Act, e.g. entrance, management, rules and regulation of the protected area etc. If any person without license performs any kind of trade, he will be jailed for at least a year. The details of the Act shall be further discussed in the EIA report.
<i>The Forest Act, 1927 and Amendment Act 2000</i>	<p>The Forest Act of 1927 provides for reserving forests over which the government has an acquired property right. This act has made many types of unauthorized uses or destruction of forest produce punishable. The Government may assign any village community its right to or over any land, which has constituted a reserved forest.</p> <p>According to the Act the government may prohibit certain activities in the declared reserved forest area such as any intervention kindles, keeps or carries any fire; trespasses or pastures cattle, or permits cattle to trespass; causes any damage by negligence in felling any tree or cutting or dragging any timber; etc.</p> <p>The Supplementary Rules of 1959 empowered the concerned governmental bodies to restrict totally and for a specified period, the shooting, hunting or catching of various birds, animals and reptiles in the controlled and vested forests. The Private Forest Ordinance of 1959 provides for the conservation of private forests and for the forestation, in certain cases, of wastelands in Bangladesh.</p>
<i>The Penal Code, 1860</i>	The Penal Code of 1860 has some valid provisions related to pollution management, environment protection and protection of health and safety. Some of these are: Section 277: Falling Water or Public Spring or Reservoir; Section 278: Making Atmosphere Noxious to Health; Section 284: Negligent Conduct with Respect to Poisonous Substance; Section 285: Negligent Conduct with Respect to Fire or Combustible Matter; and Section 286: Negligent Conduct with Respect to Explosive Substance. (Chapter XIV of offences affective Public health, safety, convenience, decency and morals).
<i>The Acquisition and Requisition of Immovable Property Ordinance (1982)</i>	<p>This Ordinance has replaced the Land Acquisition Act of 1894 and the East Bengal (Emergency) Requisition of Property Act of 1948. The Ordinance governs acquisition and requisition by the government of immovable property for any public purpose or in the public interest. It may be noted that contrary to the previous Acts (i.e. Act XIII of 1948), this Ordinance deals only with immovable property.</p> <p>The Ordinance has well-defined procedures regarding payment of compensation for an acquired piece of land. If, for example, the land is used for rice growing, then an amount equivalent to approximately 1.5 times the market value of a given variety of rice (e.g., paddy) that is currently being (or could be) produced annually is fixed as a yearly lease value. In case of outright purchase (carried out on a 99-year lease), the compensation-value of acquired land varies widely according to the locality, soil fertility, and access to transportation and related infrastructure factors. The current compensation and resettlement provisions are however inadequate both in terms of timing of payments and quantum. The procedures involved are cumbersome and time consuming and often causes hindrance to the smooth execution of the project. Legal provisions covering adequate compensation to the project affected persons, particularly disadvantaged groups such as women and squatters and such other vulnerable groups are yet to be framed.</p>

The Protection and Conservation of Fish Rules, 1985	These are a set of rules in line with the overall objectives of the Fish Act. Section 5 of the Rules requires that “No person shall destroy or make any attempt to destroy any fish by explosives, gun, bow and arrow in inland waters or within coastal waters”. Section 6 of the Rules states:-“No person shall destroy or make any attempt to destroy any fish by poisoning of water or the depletion of fisheries by pollution, by trade effluents or otherwise in inland waters”. Therefore, the new bridge construction will need to be carried in such a manner that the activities do not cause damage to the inland waters or within coastal waters fisheries.
--	---

1.2 Environmental Norms and Criteria

1.2.1 Ambient Air

Air Quality

Following table shows the air quality standard in Bangladesh as well as the IFC/ EHS (2007) Air quality standard.

Table 1.2.1 (a): Ambient Air Quality Standards

Parameter	IFC/WB guidelines ($\mu\text{g} / \text{m}^3$)	Bangladesh guidelines ² ($\mu\text{g} / \text{m}^3$)
SPM	-	200 (8 hr average)
PM10	150 (24 hours average)	50 (Annual average) 150 (24 hours average)
PM25	75 (24 hours average)	15 (Annual average) 65 (24 hours average)
SO ₂	125 (24 hours average)	365 (24 hours average) 80 (Annual average)
NO ₂	200 (1 hour average)	100 (Annual average)
Pb	-	0.5 (Annual average)
O ₃		235 (1 hour average) 157 (8 hours average)

Note:

1New version of the World Bank Group EHS Guidelines for General Environmental Guidelines, April 2007

2Ministry of Environment and Forest, Notification related Environment Conservation Rules, 1997, Schedule 2, 16th July 2005

Table 1.2.1 (a): DoE Standards for Ambient air quality

Pollutants	Objective	Average
CO	10 mg/m ³ (9 ppm)	8 hours(a)
	40 mg/m ³ (35 ppm)	1 hour(a)
Pb	0.5 $\mu\text{g}/\text{m}^3$	Annual
NO _x	100 $\mu\text{g}/\text{m}^3$ (0.053 ppm)	Annual
PM10	50 $\mu\text{g}/\text{m}^3$	Annual (b)
	150 $\mu\text{g}/\text{m}^3$	24 hours (c)
PM2.5	15 $\mu\text{g}/\text{m}^3$	Annual
	65 $\mu\text{g}/\text{m}^3$	24 hours

O3	235 µg/m ³ (0.12 ppm)	1 hour (d)
	157 µg/m ³ (0.08 ppm)	8 hours
SO ₂	80 µg/m ³ (0.03 ppm)	Annual
	365 µg/m ³ (0.14 ppm)	24 hours (a)

(Source: http://case.doe.gov.bd/file_zone/reports_publications/monthly_reports/Monthly_Report_August_15.pdf)

Air Quality Standard

In accordance with standards specified Schedule-2 (Environmental Conservation rule- 1997) the Air Quality Standards for Bangladesh describes on the below table:

Table 1.2.1 (c): Area Wise Standards for Air

(Density unit: µg / m³)

Categories of Area	Suspended Particulate Matters (SPM)	Sulphur dioxide (SO ₂)	Carbon Monoxide (CO)	Oxides Nitrogen
Industrial and mixed	500	120	5000	100
Commercial and mixed	400	100	5000	100
Residential and rural	200	80	2000	80
Sensitive	100	30	1000	30

Notes:

(1) At national level, sensitive area includes monuments, health centre, hospital, archaeological site, educational institution, and government designated areas.

(2) Industrial units located in areas not designated as industrial areas shall not discharge pollutants which may contribute to exceeding the standard for air surrounding the areas specified at residential and sensitive categories.

1.2.2 Water Quality Standard

Table: 1.2.2 (a): Standards for inland surface water

Best Practice based classification	Parameter			
	pH	BOD mg/l	DO mg/l	Total Coliform number/100
a. Source of drinking water for supply only after disinfecting:	6.5-8.0	5 or less	6 or above	50 or less
b. Water usable for recreational activity :	6.5 – 8.5	3 or less	5 or more	200 or less
c. Source of drinking water for supply after conventional treatment :	6.5 – 8.5	6 or less	6 or more	5000 or less
d. Water usable by fisheries:	6.5 – 8.5	6 or less	5 or more	---
e. Water usable by various process and cooling industries :	6.5 – 8.5	10 or less	5 or more	5000 or less
f. Water usable for irrigation:	6.5 – 8.5	10 or less	5 or more	1000 or less

(Source: ECR, 97)

Table 1.2.2 (b): Water quality standard (EHS)

Pollutant	General EHS guideline of IFC (Indicative Values for Treated Sanitary Sewage Discharges) (mg/l)
pH	6-9
BOD	30
COD	125
SS	150
n-hexane (mineral oil)	-
n-hexane (animal and vegetable fats)	10
Residual chlorine	-
Phenols	-
Copper	-
Zinc	-
Dissolved iron	-
Dissolved manganese	-
Chromium	-
Cadmium	-
Total cyanogen	-
Total coliform bacteria	-
Nitrogen	10 MPN6/100ml
Phosphorus	2 MPN6/100ml

(Source: ECR, 97)

1.2.3 Soils

There is no standard published in ECR like other environmental elements. However this can be referred to Physiographic map of Bangladesh showing soil characteristics (Fig. 2.16 a).

1.2.4 Noise Standards

The standards for Noise in Bangladesh shall be determined in accordance with standards specified in Schedule-4 (Environmental Conservation Rule-1997) which is revised by GOB in 2006 and published as gazette form.

Table 1.2.4 (a): Noise Standards

Sl. No.	Category of areas	Standards determined at dBase unit	
		Day (from 6 am to 9 pm)	Night (from 9 pm to 6 am)
	Silent zone	50	40
	Residential area	55	45
	Mixed area (mainly residential area, and also simultaneously used for commercial and industrial purpose)	60	50
	Commercial area	70	60
	Industrial area	75	70

1. Area up to a radius of 100 m around hospitals or educational institutions or special institutions/ establishments identified / to be identified by the Government is designated as Silent Zones where use of horns of vehicles or other audio signals, and loudspeakers are prohibited.
2. The standards shown in the table are based on revised data published by GoB in September 2006 as a gazette (Regd. No. DA-1)

Table 1.2.4 (b): Noise quality standard (EHS guideline)

Receptor	One hour Laeq (dB)	
	Daytime (007.00-22.00)	Nighttime (22.00-07.00)
Residential, institutional and educational	55	45
Industrial and commercial	70	70

Source: IFC.2007.Environmental, Health, and Safety (EHS) Guidelines GENERAL EHS GUIDELINE

1.3 Emission and Discharge Criteria

1.3.1 Exhausted Gasses

Standards for Gaseous Emission from Industries or Projects

Sl.No.	Parameters	Standard present in a unit of mg/Nm ³
	1. Particulate	
(a)	Power plant with capacity of 200 Megawatt or above.	150
(b)	Power plant with capacity less than 200 Megawatt.	350
2.	Chlorine	150
3.	Hydrochloric acid vapor and mist	350
4.	Total Fluoride F	25
5.	Sulfuric acid mist	50
6.	Lead particulate	10
7.	Mercury particulate	0.2
8.	Sulfur dioxide	kg/ton acid
(a)	Sulfuric acid production (DCDA* process)	4
(b)	Sulfuric acid production (SCSA* process)	10

(* DCDA: Double Conversion, Double Absorption; SCSA: Single Conversion, Single Absorption.)

Lowest height of stack for dispersion of sulfuric acid (in meter).

(a)	Coal based power plant	
(1)	500 Megawatt or above	275
(2)	200 to 500 Megawatt	220
(3)	Less than 200 Megawatt	14(Q) ^{0.3}
(b)	Boiler	
(1)	Steam per hour up to 15 tons	11
(2)	Steam per hour more than 15 tons	14(Q) ^{0.3}

[Q = Emission of Sulfur dioxide (kg/hour)].

Sl.No.	Parameters	Standard present in a unit of mg/Nm ³
1	2	3
1.	Particulate	
	(a) Power plant with capacity of 200 Megawatt or above.	150
	(b) Power plant with capacity less than 200 Megawatt.	350
2.	Chlorine	150
3.	Hydrochloric acid vapor and mist	350
4.	Total Fluoride F	25
5.	Sulfuric acid mist	50
6.	Lead particulate	10
7.	Mercury particulate	0.2
8.	Sulfur dioxide	kg/ton acid
	(a) Sulfuric acid production (DCDA* process)	4
	(b) Sulfuric acid production (SCSA* process)	10
(* DCDA: Double Conversion, Double Absorption; SCSA: Single Conversion, Single Absorption.)		
Lowest height of stack for dispersion of sulfuric acid (in meter).		
(b)	Coal based power plant	
	(1) 500 Megawatt or above	275
	(2) 200 to 500 Megawatt	220
	(3) Less than 200 Megawatt	$14(Q)^{0.3}$
(c)	Boiler	
	(1) Steam per hour up to 15 tons	11
	(2) Steam per hour more than 15 tons	$14(Q)^{0.3}$
[Q = Emission of Sulfur dioxide (kg/hour)].		

1.3.2 Waste Water

Table 1.3.2 (a): Standards for Sewage Discharge

Parameter	Unit	Standard Limit
BOD	miligram/l	40
Nitrate	“	250
Phosphate	“	35
Suspended Solids (SS)	“	100
Temperature	Degree Centigrade	30
Coliform	number per 100 ml	1000

(Source: ECR, 97)

Notes:

- (1) This limit shall be applicable to discharges into surface and inland waters bodies.
- (2) Sewage shall be chlorinated before final discharge.

Table 1.3.2 (b): Standards for Waste from Industrial Units or Projects Waste

Sl. No.	Parameter	Unit	Places for determination of		
			Inland Surface Water	Standards Public Sewerage system connected to treatment at second stage	Irrigated Land
1	2	3	4	5	6
1	Ammonical Nitrogen (as elementary N)	mg/l	50	75	75
2	Ammonia (as free ammonia)	„	5	5	15
3	Arsenic (as)	„	0.2	0.05	0.2
4	BOD ₅ at 20°C	„	50	250	100
5	Boron	„	2	2	2
1	2	3	4	5	6
6	Cadmium (as CD)	„	0.50	0.05	0.05
7	Chloride	„	600	600	600
8	Chromium (as total Cr)	„	0.5	1.0	1.0
9	COD	„	200	400	400
10	Chromium (as hexavalent Cr)	„	0.1	1.0	1.0
11	Copper (as Cu)	„	0.5	3.0	3.0
12	Dissolved Oxygen (DO)	„	4.5 – 8	4.5 – 8	4.5 – 8
13	Electro-conductivity (EC)	micro mho/cm	1200	1200	1200
14	Total Dissolved Solids	„	2,100	2,100	2,100
15	Fluoride (as F)	„	2	15	10
16	Sulfide (as S)	„	1	2	2
17	Iron (as Fe)	„	2	2	2
18	Total Kjeldahl Nitrogen	„	100	100	100
19	Lead (as Pb)	„	0.1	1.0	0.1
20	Manganese (as Mn)	„	5	5	5
21	Mercury (as Hg)	„	0.01	0.01	0.01

22	Nickel (as Ni)	„	1.0	2.0	1.0
23	Nitrate (as elementary N)	mg/l	10.0	Not yet Fixed	10
24	Oil and Grease	„	10	20	10
25	Phenolic Compounds	„	1.0	5	1
	(as C ₆ H ₅ OH)				
26	Dissolved Phosphorus (as P)	„	8	8	15
27	Radioactive substance To be specified by Bangladesh Atomic Energy Commission				
28	pH		6 – 9	6 – 9	6 – 9
29	Selenium (as Se)	mg/l	0.05	0.05	0.05
30	Zinc (as Zn)	Degree	5	10	10
31	Total Dissolved Solids	„	2,100	2,100	2,100
32	Temperature	Centigrade	40-45	40-45	40- Summer 45- Winter
33	Suspended Solids (SS)	mg/l	150	500	200
34	Cyanide (as Cn)	„	0.1	2.0	0.2

(Source: ECR, 97)

Notes:

- (1) These standards shall be applicable to all industries or projects other than those specified under the heading “Standards for sector-wise industrial effluent or emission.”
- (2) Compliance with these standards shall be ensured from the moment an industrial unit starts trial production, and in other cases, from the moment a project starts operation.
- (3) These standards shall be inviolable even in case of any sample collected instantly at any point of time. These standards may be enforced in a more stringent manner if considered necessary in view of the environmental conditions of a particular situation.
- (4) Inland Surface Water means drains/ponds/tanks/water bodies/ ditches, canals, rivers, springs and estuaries.
- (5) Public sewerage system means treatment facilities of the first and second stage and also the combined and complete treatment facilities.
- (6) Irrigable land means such land area which is sufficiently irrigated by waste water taking into consideration the quantity and quality of such water for cultivation of selected crops on that land.
- (7) Inland Surface Water Standards shall apply to any discharge to a public sewerage system or to land if the discharge does not meet the requirements of the definitions in notes 5 and 6 above.

1.3.3 Solid Waste

It is estimated that approximately 13,332 tons of waste is produced per day in the urban areas of Bangladesh, which is over 4.86 million tons annually. It is projected that this amount will grow up to 47,000 tons/day and close to 17.2 million tons per year by 2025, due to growth both in population and the increase in per capita waste generation. Waste collection rate ranges from 44.30% to 76.47% in major cities. Based on the present total urban population, per capita waste generation rate is found at 0.41 kg/capita/day in urban area. (Source: National 3R Strategy of Bangladesh, 2010)

Table 1.3.3: Waste Scenarios of Bangladesh – at a Glance

Category	Statistics	Data Source
TOTAL VOLUME OF WASTES (tons/year)		
Total volume of municipal solid wastes	4,866,505 (2005) = 13,332.89tons/day x 365 3,000 tons/day in Dhaka (2005)	Waste Concern (2005) JICA (2005)
Agricultural Waste	65 million metric ton per year	Waste Concern and Swiss
Industrial waste (hazardous) from seven	109.47 million/cubic meter/year (waste water) 0.113 million ton/year (sludge) and 26, 884 tons/year (Waste Concern and ADB (2008)
Hazardous Medical Waste	12,271 metric ton per year (2007)	Waste Concern and ADB
WASTE PER CAPITA (kg/per/day)		
	Urban: 0.41 (2005) Dhaka City: 0.56 (2005) Agricultural:1.68 (based on 2008 rural	Waste Concern (2008) JICA (2005)
FUTURE WASTE PROJECTIONS (Total Waste Generation)		
By 2025 (solid waste)	17,155,000 tons/year = 47,000tons/day x 365 0.60 kg/per/day in Urban Areas	UMP (1999), as cited by Waste Concern (2008)
2012 (hazardous waste)	2472.07 million/cubic meter/year (waste water), 2.81 million metric ton/year (sludge) and 52,874 tons/year (hazardous waste)	Waste Concern and ADB (2008)
SOLID WASTE MANAGEMENT		
Collection of waste (% of waste generated)	44.30% - 76.47% in major urban cities 43.5% for Dhaka City	Waste Concern (2005) JICA (2005)
Solid waste disposal facilities	Mainly uncontrolled land-filling (except for the sanitary landfill at Matuail site in Dhaka, supported by JICA). No site or facility for	JICA (2005)
E-WASTES		
Use of electronic goods in year 2006	Mobile phones: 22,000,000 Personal computers: 600,000 Televisions: 1,252,000	Waste Concern (2008)
RECYCLE		
Informal Sector	120,000 urban poor from the informal sector are involved in the recycling trade chain of Dhaka City.15% of the total generated waste in Dhaka	Waste Concern (2005)

(Source: National 3R Strategy of Bangladesh, 2010) *These are textile, hospital clinics, tannery, pesticides, fertilizer, oil refinery and paper and pulp)

1.4 Health and Safety System

☒ Existing Act, Rules and Regulation

The legal basis of the Medical waste management is the Bangladesh Environmental Conservation Act 1995 and Environmental Conservation Rules 1997 under which the Medical Waste (Management and Processing) Rules 2008 has been framed. In the Health Policy 2011, the hospital waste management has been given importance along with the infection control programme of healthcare facilities. A guideline has been prepared by Department of Environment in 2011 for issuing and renewal of Environmental Clearance Certificate for the healthcare facilities where some checklists are fixed both for in-house and out-house medical waste management.

☑ Key features of the Medical Waste (Management and Processing) Rules 2008

- (a) The Rules categorize medical waste into 11 types and recommend specific treatment for each type. Six color coding are recommended for storage and disposal of different types of medical waste. It also describes the standards of incineration, emission, autoclaving, effluent, microwaving, and deep burial of medical waste and disposal of radioactive materials.
- (b) The Rules give detailed instruction on segregation, packaging, transport and storage and treatment of medical waste.
- (c) Waste generator will train their staff to safely handle medical waste and inform them about the hazardous nature of these materials.
- (d) Waste generator shall be liable financially and legally to ensure proper handling and treatment of medical waste.
- (e) Rules give formats for application of license, approval of license, accident reporting, annual reporting, and appeal against the authority's decision.
- (f) Rules provide that in all six divisions of the country, an authority comprised of representatives nominated by the directorate of health services, divisional commissioner and DoE shall approve, renew or cancel license to agencies engaged in medical waste management.
- (g) Approved agencies shall ensure that all the steps in managing medical wastes do not harm public health or the environment.
- (h) The Rules provide penalties for violating the Rules including imprisonment and fines.
- (i) Rules recommend the formation of an advisory committee at the national level composed of representatives of the Ministry of Forest and Environment, the Ministry of Health and Family Welfare, specialists on healthcare, environmental management, and municipal governance, and private sector organizations to review policies and other aspects of medical waste management, and advise the government.

1.5 SEA, IEE and EIA System

Strategic Environmental Assessment (SEA) is undertaken much earlier in the decision -making process than EIA -it is therefore seen as a key tool for sustainable development. Strategic Environmental Assessment aims to incorporate environmental and sustainability considerations into strategic decision making processes, such as the formulation of policies, plans and programs."

The SEA Directive sets out the information to be included in the environmental report of the Strategic Environmental Assessment, namely:

- An outline of the contents, main objectives of the plan or programme and relationship with other relevant plans and programs.
- The relevant aspects of the current state of the environment and the likely evolution thereof without implementation of the plan or programme.
- The environmental characteristics of areas likely to be significantly affected.
- Any existing environmental problems which are relevant to the plan or programme including, in particular, those relating to any areas of a particular environmental importance, such as areas designated pursuant to Directives 79/409/EEC and 92/43/EEC (the Birds and Habitats Directives).

- The environmental protection objectives, established at international, Community or Member State level, which are relevant to the plan or programme and the way those objectives and any environmental considerations have been taken into account during its preparation.
- The likely significant effects on the environment, including issues such as biodiversity, population, human health, fauna, flora, soil, water, air, climatic factors, material assets, cultural heritage including architectural and archaeological heritage, landscape and the inter-relationship between the above factors.
- The measures envisaged to prevent, reduce and, as fully as possible, offset any significant adverse effects on the environment of implementing the plan or programme.
- An outline of the reasons for selecting the alternatives dealt with and a description of how the assessment was undertaken, including any difficulties (such as technical deficiencies or lack of know-how) encountered in compiling the required information. A description of the measures envisaged concerning monitoring.

A typical EIA report contain the following

Introduction

This chapter contains the general outline of the project including

- Project Background:
- Project related information
- Objectives
- Methodology
- Study Areas with Location and Map
- Scope of Work
- The EIA Team:
- Limitations
- Acknowledgement

Policy and legal consideration

In a complete EIA report, relevant national and international laws, policies and guidelines need to be addressed.

Description of the project

This chapter mainly contained the detailed of the project including

- Types of project
- Project proponent
- Project location with layout of the project
- Operational procedure
- Site description
- Project activity
- Types of material used and the tentative outcome

Baseline Information

This chapter discussed the detailed of the project site including site assessment, present environmental condition such as Air, water, soil, and their pollution status, Status of biodiversity both flora and fauna, list of endangered species, list of historical and archeological sites in and around the project area etc. The Environmental Impact Assessment report must present relevant baseline information pertaining to the geo-physical, biological, socio-economic and cultural situation of the area under study, including any changes anticipated prior to project implementation.

The types of baseline data to be presented must be correlated to the environmental and social issues that have been identified during Scoping as being significant. For example, if the project affected area

is mainly farmland and grazing land then presenting the results of an intensive bird census might make little sense. On the other hand, if the project affected area consists of relatively undisturbed natural habitats then a bird census might be the most effective tool for evaluating the conservation value of those habitats. Similarly, if certain cultural or religious artifacts or historical sites have been identified in Scoping, then a cultural inventory is a useful tool.

Different levels of detail for certain types of baseline data will be project specific. For example, for a small run-of-the-river project on a small river a simple species list of the fishes might be sufficient for impact evaluation. On the other hand, a large-scale storage project might require a detailed study of fisheries and fish migrations, as well as the socio-economic impacts of change of lifestyle among Persons dependent on fishing.

The section on baseline data should describe the methodologies and tools used for information collection. It should differentiate between secondary and primary source of information, and it should state clearly where there were data gaps and any other limitations.

In an EIA report following items are discussed

- General Consideration
- Study Area
- Map of the study area
- Physico-Chemical Environment
- Biological Environment
- Socio-economic Condition

Environmental Impacts and Mitigation Measure

This chapter discussed the possible impacts that could be raised from the project activity in the construction and operation phase and their mitigation measure. It also includes the scoping of Impact and Impact Checklist. Based upon the issues identified in the Scoping document, the probable mitigation measures should be summarized, and their budgetary requirements should be estimated. The roles and responsibilities of concerned agencies at the central and local levels of administration in the implementation of mitigation measures proposed must also be included.

Environmental Management Plan (EMP)

A completed EMP is Essential for Taking Environmental Clearance Certificate (ECC). Detailed Environmental Mitigation Plan and Monitoring Plan also incorporate with the Environmental Management Plan.

- **Auditing Plan**

It should also be pointed out that in EPR54 Schedule -4 there is no mention of auditing. However, in EPR54 Schedule -6 it is mentioned that the EIA report should contain an auditing plan. Therefore, this should also be included in the TOR document.

- **Monitoring Plan**

This section of the TOR must outline how the monitoring plan of project construction and operation will be elaborated. Using the results from Scoping, the list of indicators for each of the potential parameters to be monitored, together with the probable roles and responsibilities of the concerned agencies, should be listed. This information can be presented in a chart. A monitoring schedule should also be included. The cost required for conducting monitoring activities should also be indicated.

- **Costs and Benefits**

This section must summarize the basic development issues or the problems that will address by the proposed activities. If possible, it should characterize the issues or the problems in a broader national context. The way in which the proposed project is expected to address and resolve issues, or solve or

alleviate problems, should be explained, with emphasis on sustainability. The critical requirements for the proposed activity to be successful in the long term should be described, with emphasis on the major risks and benefits involved.

Emergency Response and Disaster Management Plan

This chapter incorporated with the possible accidental events caused by both natural and human origin and the necessary initiatives that need to be taken to combat with these events. Disaster management plan including pre disaster, disaster and post disaster should also discuss. The necessary safety measure, safety instruments, training module, worker safety and safe working practices are also enlisted.

- Emergency Response
- Six Steps in Emergency Response
- Reporting Incidents and Accidents
- Approaches to Emergency Response
- Disaster Management Plan
- Environment, Health and Safety (EHS)

Alternative Analysis

Alternate analysis of a project need to be done to compared the project with traditional one. This chapter discussed the following items.

- The “no build” scenarios
- Consideration of alternatives
- Site alternative

Stakeholder Consultation and Disclosure

This chapter discussed the following topics

- Objectives of Stakeholders Consultation
- Consultation Process
- Stakeholder Consultation Technique
- Stakeholders Consulted
- Stakeholder Concerns and Recommendations including Community Concerns and Local Government Representatives
- Disclosure

Grievance Redress Mechanism

A grievance redress mechanism and procedures is setup to provide opportunity for project affected persons to settle their complaints and grievances amicably. The established grievances redress procedures and mechanism ensures that project affected persons are provided with the appropriate compensations and that all administrative measures are in line with the law. It also allows project affected persons not to lose time and resources from going through lengthy administrative and legal procedures. Grievances are first preferred to be settled amicably.

Conclusion and Recommendation

Conclusion and Recommendation are conducted based on project findings.

Appendix

The following should be included in appendices

- Maps related to the study;
- Aerial photographs if possible;
- Sample questionnaires, checklists, matrices, charts and photographs;
- Information on the hydrology, meteorology and geology of the project area;

- Information on vegetation, forest and fauna of the project area;
- Location and brief description of sensitive sites;
- Information on water quality, noise intensity and air quality of the project area;
- Audio-visual records of the area if any;
- Information pertaining to agriculture, livestock, soil and use of fertilizers in the area;
- Information on socio-economic and cultural impacts;

Annexes

1.6 CDM System Including JI, JCM etc.

Since 2000, the CDM has allowed crediting of project-based emission reductions in developing countries. By 1 January 2005, projects submitted to the CDM amounted to less than 100 MtCO₂e of projected savings by 2012. The EU ETS started in January 2005, and the following month saw the Kyoto Protocol enter into force. The EU ETS allowed firms to comply with their commitments by buying offset credits, and thus created a perceived value to projects. The Kyoto Protocol set the CDM on a firm legal footing.

By the end of 2008, over 4,000 CDM projects had been submitted for validation, and of those, over 1,000 were registered by the CDM Executive Board, and were therefore entitled to be issued CERs (Carbon Trust, 2009, p. 19). In 2010, the World Bank estimated that in 2012, the largest potential for production of CERs would be from China (52% of total CERs) and India (16%). CERs produced in Latin America and the Caribbean would make up 15% of the potential total, with Brazil as the largest producer in the region (7%).

By 14 September 2012, 4626 projects had been registered by the CDM Executive Board as CDM projects. These projects are expected to result in the issue of 648,232,798 certified emissions reductions. By 14 September 2012, the CDM Board had issued 1 billion CERs, 60% of which originated from projects in China. India, the Republic of Korea, and Brazil were issued with 15%, 9% and 7% of the total CERs.

The Himachal Pradesh Reforestation Project is claimed to be the world's largest CDM.

☒ **Competent Authorities for Implementing CDM and Their Roles**

Usually in Bangladesh, the government is responsible for the implementing the CDM. Government formed Designated National Authority (DNA) that comprises of National CDM Committee and National CDM board.

a. National CDM Committee: The total member of this committee was 22 where the Secretary of Ministry of Environment and Forest (MoEF) was President and DG of Department of Environment (DoE) was the Member Secretary. The Responsibility of that Committee was

1. Compiles the National CDM Strategy
2. Implement the Decision taken on CDM Board
3. Compiles Sustainable Development Standard
4. Compiles CDM Project Evaluation Guidelines
5. Give proper guideline and monitoring to CDM Secretariat
6. Give guideline for selecting CDM related project
7. Preliminary sanction of all projects developed by CDM secretariat for getting financial assistance from CDM fund and sent to the National CDM board.
8. Committee sitting on meeting in every two months but the president have right to call a meeting at any time he want.

b. National CDM Board: The national CDM Board was form with 5 members where principal secretary of govt. as a secretary and DG of DoE as Member secretary. The responsibility of that

committee was

1. Coordinate and giving force of all national phase CDM activities that taken under Kyoto Protocol.
2. Give proper guideline and monitoring to National CDM Committee
3. Approval of CDM projects after final checking that are approved by National CDM Committee
4. Ensure coordination between CDB project development and related Implementing Ministries/ organizations.
5. Committee sitting on meeting in every 3 months but the president have right to call a meeting at any time he want.

☒ **Approval Process of CDM Projects**

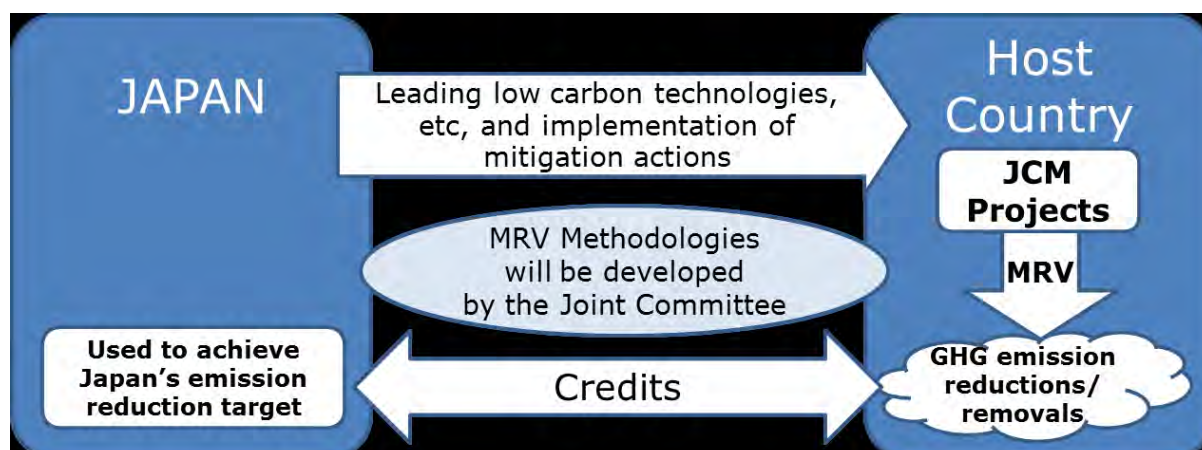
- Entrepreneurs submit Project Idea Note (PIN)/Project Design Document (PDD) to Department of Environment (DoE) or Ministry of Environment (MoEF)
- DoE evaluates the project; Check location and Environmental Clearance, Seek clarification (if needed)
- Prepare a summary and place it before the National CDM Committee
- Invite the Project proponent to depend their project before the National CDM Committee
- If the PDD is recommended by the National CDM Committee, then it is placed before National CDM Board for approval.
- Host Country approval letter is provided to the local entrepreneurs (by Dept. of Environment) after the approval by board.
- Entrepreneurs take initiative for validation and registration at CDM Executive Board under UNFCCC.
- No fee is charged to the Project proponents.

☒ **Joint Crediting Mechanism (JCM)**

The Joint Crediting Mechanism (JCM) is one of the various approaches based on Decision 1/CP.18, developed and implemented by Japan and partner countries. Japan is willing to share its experience gained through the implementation of the JCM and to make further contributions to the elaboration of the FVA under the work programme conducted by the Subsidiary Body for Scientific and Technological Advice.

The JCM aims at facilitating diffusion of leading low carbon technologies, products, systems, services, and infrastructure as well as implementation of mitigation actions, and contributing to sustainable development of developing countries. The JCM also aims at appropriately evaluating contributions made by Japan to GHG emission reductions or removals in a quantitative manner, by applying robust measurement, reporting and verification (MRV) methodologies. Japan will use the emission reductions or removals achieved through the JCM to meet part of its emission reduction target.

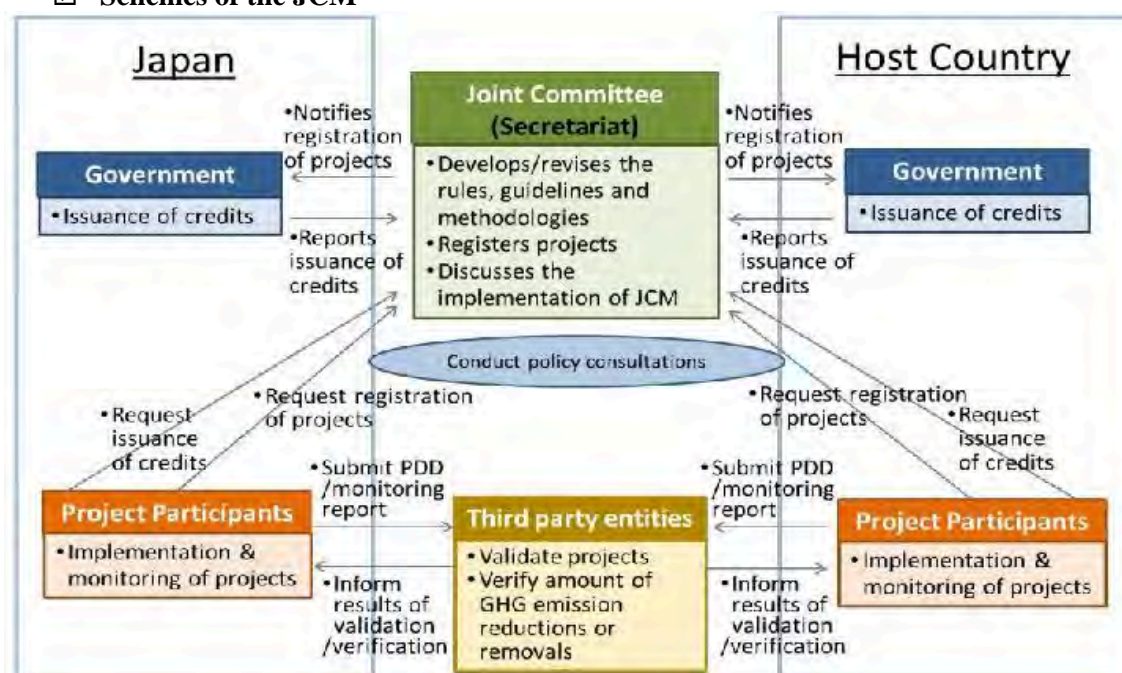
☒ **Basic Concept of JCM**



Source:

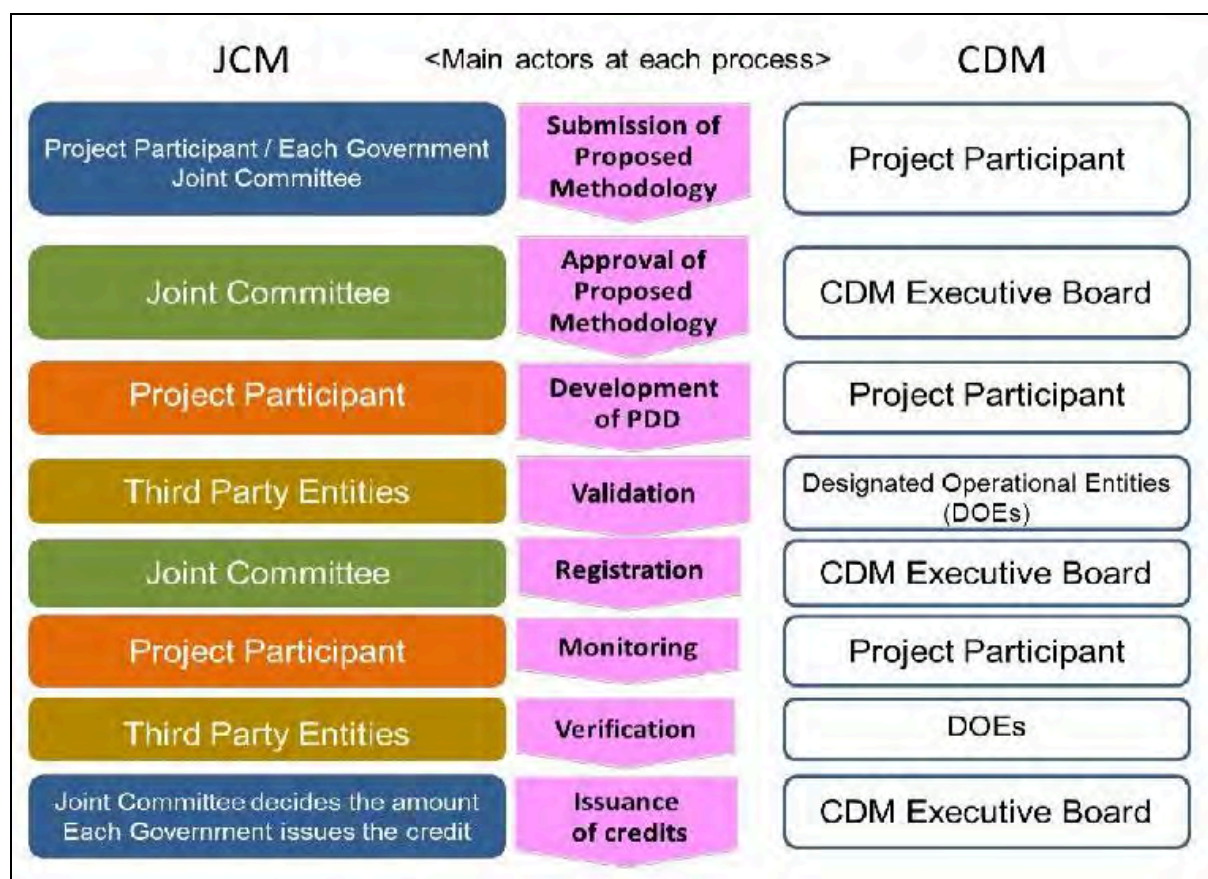
http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/53_87_130571694875317894-FVA_Japan.pdf

☑ Schemes of the JCM



Source: http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/53_87_130571694875317894-FVA_Japan.pdf

☑ Project Cycle of the JCM and the CDM



Source: http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/53_87_130571694875317894-FVA_Japan.pdf

☒ Joint Implementation (JI)

According to the Kyoto Protocol Article-VI, one Annex- B country can collect Emission Reduction Unit (ERU) from another Annex- B country under the CDM project. For achieve targeted emission reduction, the mutual trading of ERU between two Annex- B countries are known as Joint Implementation (JI).

Table 1.6 (a): Relevant International Treaties, Conventions and Protocols Signed by Bangladesh

Treaty or Convention	Date	Brief Description	Responsible Agency
On Protection of birds, Paris	1950	Protection of birds in wild state	Department of Environment/ Department of Fisheries
International Plant Protection Convention (Rome)	1951	Protection and Conservation of Plant	Department of Environment/ Ministry of Environment and Forest
Convention on oil pollution damage (Brussels)	1969	Civil liability on oil pollution damage from ships	Department of Environment/ Ministry of Shipping
Ramsar Convention	1971	Protection of wetlands	Department of Environment/ Department of Fisheries
World Cultural and Natural Heritage (Paris)	1972	Protection of major cultural and natural monuments	Department of Archaeology
CITES Convention (Washington)	1973	Ban and restrictions on international trade in endangered	Department of Environment/ Department of Fisheries

species of wild fauna and flora			
Bonn Convention	1979	Conservation of migratory species of wild animals	Department of Environment/ Department of Fisheries
Prevention and Control of Occupational hazards (Geneva)	1974	Protect workers against occupational exposure to carcinogenic substances and agents	Ministry of Health and Family Welfare
Occupational hazards due to air pollution, noise & vibration (Geneva)	1977	Protect workers against occupational hazards in the working environment	Ministry of Health and Family Welfare
Occupational safety and health in working environment (Geneva)	1981	Prevent accidents and injury to health by minimizing hazards in the working environment	Ministry of Health and Family Welfare
Occupational Health Services (Geneva)	1985	To promote a safe and healthy working environment	Ministry of Health and Family Welfare
Vienna convention	1985	Protection of ozone layer	Department of Environment/ Ministry of Environment and Forest
Civil liability on transport of dangerous goods (Geneva)	1989	Safe methods for transport of dangerous goods by road, railway and inland vessels	Ministry of Communication
Convention on oil pollution (London)	1990	Legal framework and preparedness for control of oil pollution	Department of Environment/ Ministry of Shipping
London Protocol	1990	Control of global emissions that deplete ozone layer	Department of Environment/ Ministry of Environment and Forest
UN framework convention On climate change (Rio de Janeiro)	1992	Regulation of greenhouse gases emissions	Department of Environment/ Ministry of Environment and Forest
Convention on Biological Diversity (Rio de Janeiro)	1992	Conservation of bio-diversity, sustainable use of its components and access to genetic resources	Department of Environment/ Ministry of Environment and Forest
International Convention on Climate Changes (Kyoto Protocol)	1997	International treaty on climate change and emission of greenhouse gases	Department of Environment/ Ministry of Environment and Forest
Protocol on biological Safety (Cartagena protocol)	2000	Biological safety in transport and use of	Department of Environment/ Ministry of Environment and Forest

☒ **Agreements/MoUs between Bangladesh and Japan:**

Over the years, Bangladesh and Japan has signed a number of agreements to strengthen and institutionalize cooperation between them. The important documents signed between the two countries are mentioned below:

- 1973: Exchange of Notes on the Dispatch of Japan Overseas Cooperation Volunteers

- 1978: Agreement for the Exchange of International Money Orders
- 1980: Agreement for Air Services
- 1980: Agreement on Air Services
- 1982: Cultural Agreement
- 1991: Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income
- 1999: Agreement concerning the Promotion and Protection of Investment
- 2002: Agreement on Technical Cooperation
- 2004: Exchange of Notes on Debt Relief Measure
- 2005: Cultural Exchange Program
- 2005: JITCO and MOEWE signed a record of discussion on apprentice trainee.
- 2010: Joint Statement
- 2012: Exchange of Notes on Improvement of the Capacity of Public Food Storage
- 26 May 2014: Exchange of notes between the two countries were signed regarding the 35th package of the Official Development Assistance (ODA), under which Bangladesh is receiving \$1.18 from Japan for a number of major projects.
- 27 May 2014: A Memorandum of Understanding (MoU) between Bangladesh Export Processing Zone Authority (BEPZA) and JETRO (Japan External Trade Organization) was signed on allocating plots for Japanese investors in EPZs. 40 industrial plots in the Export Processing Zones (EPZ) will be kept reserved exclusively for the Japanese investors.

1.7 Official Information Disclosure and Community Participations.

Check if government has made any rules under ECR 1997 for official disclosure and community participation. Otherwise the guidelines of JICA, WB and ADB direct on the issue in a following way:

☒ **Public Consultation:**

Public participation in the planning process is essential. The consultation process provides an ideal forum for checking that the affected public has been adequately consulted and their views taken into account in project preparation. The purpose of environmental screening/scoping and ESIA is to improve projects, and this, to some extent can only be achieved by involving those people directly or indirectly affected. A project that will involve temporary displacement of people from their source of livelihood will require the most extensive public participation. It will reveal new information, improve understanding and enable better choices to be made. Without consultation, legitimate issues may not be heard, leading to conflict and unsustainability of the project. There are no clear rules about how to involve the public and it is important that the process remains innovative and flexible. In practice, the views of people affected by the plan are likely to be heard through some form of representation rather than directly. It is therefore important to understand how decisions are made locally and the methods of communication in use. The views of racial minorities, women, religious minorities, political minorities and lower cast groups are commonly overlooked (World Bank, 1991). Public participation and consultation in the project was undertaken through like meetings with likely project affected persons and regulatory officials and planned project was discussed and their inputs were documented. Techniques used involved open meetings to enable public participation. Relocating or compensating people implies effective communication or dialogue with all stakeholders. It also implies the free flow

of information between project sponsors and the PAPs to promote effective consultation and participation so as to achieve the objectives of the temporary relocation.

☒ **Stakeholder Consultation Process**

The procedure provides a framework for achieving effective stakeholder involvement and promoting greater awareness and understanding of issues among all the stakeholders. The spectrum begins with informing stakeholders then escalates through consulting, involving, collaborating and finally empowering participants in consultations. Each level has a different goal and makes a correspondingly bigger promise to participants, as shown in the figure below:

-Inform

Information bulletin and meetings will be used to keep the public informed about the project. The aim is to provide the public with balanced and objective information to assist them in understanding the project, alternatives and/or solutions.

-Consult

These would be used at the start of the EIA to canvass opinion, identify issues, seek feedback and collect data. Specific techniques include:

- ✓ Seek inputs of local NGOs, experts, opinion leaders and other relevant stakeholders during scoping to streamline issues and ensure inclusiveness of all vulnerable groups;
- ✓ Involve community in reconnaissance survey;
- ✓ Conduct focus group discussions using standard Participatory techniques during baseline data collection;
- ✓ Seek inputs of local NGOs and experts when finalizing questionnaires and other survey instruments that will be used for baseline data collection;
- ✓ Conduct key informer interviews for scoping and baseline data collection

-Involve

This category involves an exchange of ideas, discussions of options and strategies rather than just a presentation of positions. The advantage is that participants can respond to new information to develop clearer understanding of the issues and needs and concerns of other participants, and the stakeholder can actually see that their input is being acted on.

-Collaboration

This embraces the above three categories. It involves an exchange of ideas, but extends stakeholder involvement to decisions. Its advantages include better solutions, acceptance and commitment to the solution by all, and greater accountability to the interested parties.

- ✓ Participation of representatives of local NGOs and interests in the impact rating process
- ✓ Participation of representatives of local NGOs and interests in the progress briefing exercise
- ✓ Participation of representatives of local NGOs and interests during the EIA review

1.8 Land Acquisition and Resettlement

☒ **Authorities for Land Acquisition & Their Role**

Ministry of Land is responsible for the land acquisition and resettlement of a large project. The ministries implementing this process by engaging of respective DC as well as the local government of that region.

Necessary land for development of EPZ was made available through 'Acquisition' under Acquisition and Requisition of Immovable Property Ordinance, 1982 (Ordinance No. II of 1982). The quantum of land made available for Chittagong, Dhaka and Comilla EPZ through acquisition is 450 acres, 414 acres and 133 acres respectively.

The land Acquisition Process for EPZ is explained below:

- The Requisitioning body (Here BEPZA) with the permission from its Board of Governors will write to the concerned Deputy Commissioner (DC) of the district where the earmarked land is located to express the desire for acquisition of land.
- The DC will instruct his Land Acquisition Office/ Land Acquisition Officer to start the process of Acquisition. Part of the process will include; survey of the land, identification of the owners as per land records as available, valuation of land, structures, trees, plantations as per Land acquisition norms
- Notice will be served to the land owners and other stake holders about the intention and necessity of the land acquirement under section 3 of the Ordinance which will be followed by section 4 for filling Objection against Acquisition by the land owner, section 5 Final Decision of Acquisition by the DC, section 6 for serving Notice to Persons Interested i.e., individual interest against ownership by other heirs/amount of compensation and all other stake holders, section 7 for Award of Compensation by the Deputy Commissioner, section 10 for Payment of Compensation and section 11 for Acquisition and possession.
- As per section 4 of the Ordinance, if the asking property is more than 50 bigha (16.33 acres) of land, the Deputy Commissioner need to move for getting Government approval before proceeding for Acquisition.
- As per section 8 of the Ordinance the Compensation of the land shall be determined on the basis of average price of other land in the vicinity of earmarked land with 50% compensation as TOP UP on the actual price.
- The price assessment of other structures, trees, plantation shall have to be made on market price basis by the Department of Public Works (PWD) as per requisition of DC.
- As per section 7, the Requisitioning body shall have to deposit the assessed amount of compensation with the DC within 60 days of the assessment of compensation.
- As per section 14 and 15 of the Ordinance the Government will facilitate Acquisition of land for a person/body other than the Govt. body, in this case the requiring private sector or others need to pay the entire cost of acquisition including normal administrative charge imposed by the DC. As per section 17 of the said Ordinance, in future the Acquired Property cannot be used other than the purpose it was acquired. **(Information source: Acquisition and Requisition of Immovable Property Ordinance, 1982 (Ordinance No. II of 1982)).**

As per Acquisition and Requisition of Immovable Property Ordinance 1982 (Ordinance No. II of 1982), if a requiring body of land could not use the acquired land purpose fully as it was predetermined for long time, the Govt. can take back the land on de-requisition basis and can use the said land in the same manner for other purpose as suits (section 17).

1.9 Material Dredging From River and Sea

Dredging is a fundamental activity for most, but not all, ports and harbors. The Central Dredging Association states that "in its simplest form dredging consists of the excavation of material from the sea, river or lakebed, and the relocation of the excavated material elsewhere for disposal" (IADC/CEDA 1997). In ports and harbors dredging can be undertaken to meet a number of different objectives, which include the following:

- Navigation: to maintain or improve/extend navigable depths in ports, harbors, marinas and shipping channels which is usually a statutory requirement for port and harbor authorities.
- Flood control: to improve drainage or sea defense.
- Construction and reclamation: in support of coastal development or for the provision of foundations for civil engineering works, for example barrages, bridge piers and pipelines.
- Mining/Aggregate: to win minerals and aggregate materials from underwater locations (Aggregate extraction is the subject of a further report of the UK Marine SACs Project).

- Beach nourishment: to supply material to reinstate or improve the performance of a beach as a sea defense or an amenity.
- Environmental: to improve and clean up the environment, generally for the removal of contaminated sediments which is commonly called remedial dredging

The regulatory authority for dredging and extraction of soil lies with the Ministry Of Land. The government department for the development work can go for dredging like bringing navigability in the river channel, damming river for protection work, etc. The stake holder for the dredging is the following:

-Inland Water Transport Authority (IWTA): maintenance of navigational channel and improvement.

-Bangladesh Water Development Board (BWDB): River protection, embankment and irrigation projects.

Moreover department of environment has overall responsibility to approve projects and recommend mitigation measure if any project propose to dredge river and sea. The other concern is the use of spoils if it be used for filling purpose and rising of land without degrading the formation of river channel. Most restriction lies with the degradation of environment. Permission is sought from the Ministry Of Land for on Project to Project basis. EIA is must for dredging projects.

2. Existing and Present Natures and Social Environments at Project Sites

2.1 Physical Environment Baseline Conditions

2.1.1 Ambient Air

Nayanpur site under Gazipur district is situated near the urban settlement area of Gazipur and adjacent to the Dhaka-Mymensingh highway. A lot of industries are developed based on the suitable infrastructural facilities. The main sources of air pollutant emissions in adjacent are small and large industries, domestic biomass burning (such as wood, dung, and straw) and brick kilns. Other contributors to air pollution include vehicular traffic, re-suspended road dust to make bricks. Also, Trucks those carrying industrial goods, Bus & Minibus, Auto CNG, Tempo, Votvoti (old fashioned auto's), Motorcycles etc. move on the subproject road which pollute air. The same situation was observed in the Araihaazar Site under Narayanganj district. Upon consultation with the local people informed that they did not have feeling for bad air quality and people of the area have not wear masks like some of the people in Dhaka city.

Table 2.1.1 (a): Summary Air Quality and Meteorological data measured during August, 2015 at different CAMS operated under DoE

Parameter	unit	NAAQS	Summery	Dhaka (Farmgate)	Gazipur	Narayanganj
SO₂ -24 hr	ppb	140	Average	DNA*	DNA*	DNA*
			Maximum	DNA*	DNA*	DNA*
			Minimum	DNA*	DNA*	DNA*
			Data Capture (%)	DNA*	DNA*	DNA*
NO₂- 24 hr	ppb	53 (annual)	Average	DNA*	DNA*	10.3
			Maximum	DNA*	DNA*	19.9
			Minimum	DNA*	DNA*	3.55
			Data Capture (%)	DNA*	DNA*	80
CO- 1 hr	ppm	35	Average	1.73	DNA*	0.62
			Maximum	5.4	DNA*	1.31
			Minimum	0.05	DNA*	0.34
			Data Capture	74	DNA*	80

			(%)			
CO-8hr	ppm	9	Average	1.78	DNA*	0.61
			Maximum	4.29	DNA*	1.12
			Minimum	0.23	DNA*	0.37
			Data Capture (%)	71	DNA*	76
O₃- 1hr	ppb	120	Average	4.87	2.07	DNA*
			Maximum	18.8	16.8	DNA*
			Minimum	0.57	0.09	DNA*
			Data Capture (%)	89	94	DNA*
O₃-8hr	ppb	80	Average	4.89	2.05	DNA*
			Maximum	11.3	10.3	DNA*
			Minimum	1.09	0.15	DNA*
			Data Capture (%)	89	96	DNA*
PM_{2.5} -24hr	μg /m ³	65	Average	39.4	31.8	26.7
			Maximum	49.2	60.0	39.3
			Minimum	29.3	13.6	13.7
			Data Capture (%)	46	83	40
PM₁₀ -24hr	μg /m ³	150	Average	58.1	60.8	98.9
			Maximum	84.6	98.2	134
			Minimum	34.4	34.5	59.7
			Data Capture (%)	30	83	75

(Source:

http://case.doe.gov.bd/file_zone/reports_publications/monthly_reports/Monthly_Report_August_15.pdf)

CAMS= Continuous Air Monitoring Station, PM= Particulate Matter, NAAQS=National Ambient Air Quality Standard, *=DNA due to malfunction of the analyzer/sensor or poor data capture rate

2.1.2 Meteorology and Climate

The climate of Bangladesh is subtropical and influenced by the annual south west monsoon. The project area lies in the South-central climate zone of the country (Map.....) and shows tropical monsoon climate with three prominent seasons - Summer/Pre-monsoon - March to May; Rainy season/monsoon - June to October; and winter season - November to February. Monsoon comes in the month of June and recedes in the month of late October. During this period, air becomes more humid, rainfall increases, and heavy rains with thunderstorm occur. This period is locally called as "Kalbaaishakhi". Sometimes the rain falls with hail. The monsoon period is considered to last from the May to October when more than 85% of the total annual rainfall occurs.

The responsible authority for collecting climate data is Bangladesh Meteorological Department and the department has several data collection station that collects data for temperature, rainfall, wind speed etc. The nearest climatic data collection point of the project area of Nayanpur Site is Dhaka & Mymensingh, and for Araihaazar Site is Dhaka & Comilla. Based on these station following data was achieved for assessing the climatic condition of selected project site.

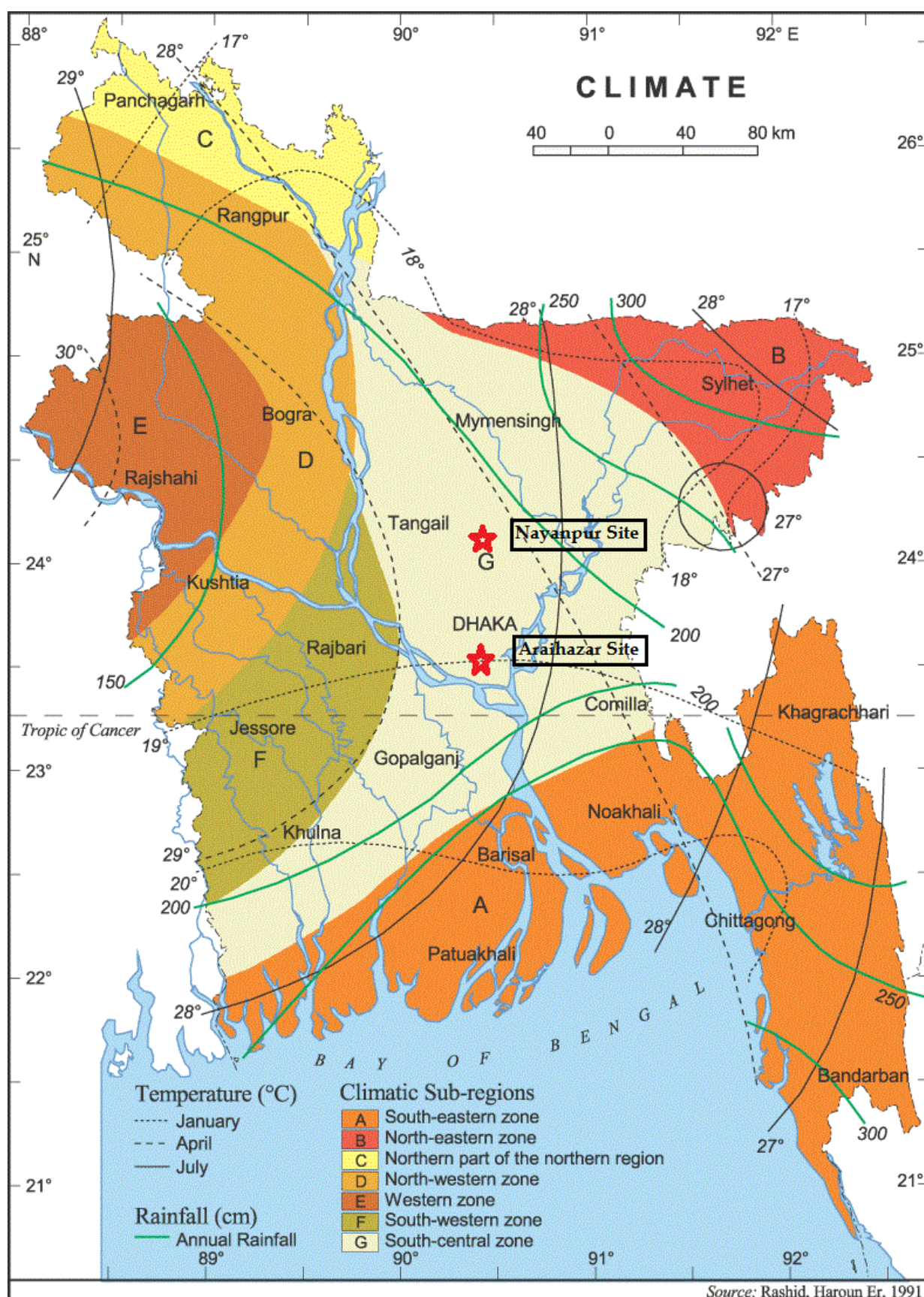


Figure 2.1.2 (a): Map showing the climatic region of Bangladesh
(Source: <http://lib.pmo.gov.bd/maps/images/bangladesh/Climate.gif>)

☑ *Ambient Air Temperature*

Bangladesh have six season and based on these season its temperature is varies with the season. The average minimum and maximum range of temperature in winter (dry season) is 13°C to 29°C. March and April consider as pre-monsoon season when highest temperature reached, average 34°C. The nearest data collection point of BMD near Nayanpur sites is Dhaka & Mymensingh and for Araihaazar site is Dhaka & Comilla. The normal maximum and minimum temperature of that place are showing in the following table.

Table 2.1.2 (b): Normal Maximum & Minimum Temperature (°C) for Nayanpur Site

Station Name	January		February		March		April		May		June		July		August		September		October		November		December	
	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min
Dhaka	25.4	12.7	28.1	15.5	32.5	20.4	33.7	23.6	32.9	24.5	32.1	26.1	31.4	26.2	31.6	26.3	31.8	25.9	31.6	23.8	29.6	19.2	26.4	14.1
Mymensingh	24.7	11.8	27.1	14.1	31.0	18.3	32.3	22.2	31.4	23.6	31.5	25.5	31.1	25.8	31.7	26.0	31.3	25.4	31.5	23.4	29.5	18.4	26.3	13.3
Country	25.2	12.5	27.8	15.1	31.6	19.6	33.2	23.1	32.9	24.5	31.9	25.6	31.1	25.6	31.4	25.7	31.5	25.4	31.5	23.6	29.5	19.2	26.4	14.2

(Source: Bangladesh Meteorological Department)

Table 2.1.2 (c): Normal Maximum & Minimum Temperature (°C) for Araihaazar Site

Station	January		February		March		April		May		June		July		August		September		October		November		December	
	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min	Max	Min
Dhaka	25.4	12.7	28.1	15.5	32.5	20.4	33.7	23.6	32.9	24.5	32.1	26.1	31.4	26.2	31.6	26.3	31.8	25.9	31.6	23.8	29.6	19.2	26.4	14.1
Comilla	25.4	12.1	27.7	15.2	31.0	19.7	32.2	22.8	32.2	24.2	31.6	25.3	30.9	25.4	31.3	25.4	31.6	25.2	31.4	23.4	29.6	18.7	26.6	13.3
Country	25.2	12.5	27.8	15.1	31.6	19.6	33.2	23.1	32.9	24.5	31.9	25.6	31.1	25.6	31.4	25.7	31.5	25.4	31.5	23.6	29.5	19.2	26.4	14.2

(Source: Bangladesh Meteorological Department)

☑ **Humidity**

In the monsoon season the air becomes more humid due to the heavy rainfall and in the dry season the humidity found low. The average humidity of the country is around 75%. Data from BMD station near the project site of Nayanpur revealed that the humidity found higher in the month of July and lowest in the month of March. This situation some sort of similar for the Araihaazar site.

Table 2.1.2 (d): Monthly Normal Humidity (%) For Nayanpur Site

Station	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Dhaka	71	64	62	71	76	82	83	82	83	78	73	73
Mymensingh	77	72	71	77	81	86	87	86	86	83	79	79
Country	76	72	71	75	79	85	86	86	85	83	79	77

(Source: Bangladesh Meteorological Department)

Table 2.1.2 (e): Monthly Normal Humidity (%) For Araihaazar Site

Station	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Dhaka	71	64	62	71	76	82	83	82	83	78	73	73
Comilla	77	75	77	81	82	86	87	86	86	84	80	79
Country	76	72	71	75	79	85	86	86	85	83	79	77

(Source: Bangladesh Meteorological Department)

☑ **Rainfall**

Rainy season is prominent in this region like other parts of the country. The data collection point of BMD near Nayanpur site revealed that in the month of May to September rainfall is more frequent due to the presence of monsoon air and around 85% rainfall occurs in these months. Among the BMD data, extreme rainfall recorded for Dhaka station was 341 mm that occurs in 13 September 2004. 508 mm rainfall recorded in Mymensingh station in 26 September 1971 that was extreme for that station. The monthly normal rainfall for the stations adjacent to the Nayanpur & Araihaazar site is shown in the table below.

Table 2.1.2 (f): Monthly Normal Rainfall in mm for Nayanpur Site

Station	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Dhaka	7.7	28.9	65.8	156.3	339.4	340.4	373.1	316.5	300.4	172.3	34.4	12.8
Mymensingh	10.0	20.5	35.8	128.6	356.9	394.3	436.3	318.1	335.3	190.9	17.5	8.7
Country	9.0	25.5	52.4	130.2	277.3	459.4	523.0	420.4	318.2	160.3	42.3	9.6

(Source: Bangladesh Meteorological Department)

Table 2.1.2 (g): Monthly Normal Rainfall in mm for Araihaazar Site

Station	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Dhaka	7.7	28.9	65.8	156.3	339.4	340.4	373.1	316.5	300.4	172.3	34.4	12.8
Comilla	7.5	28.8	66.2	153.9	329.6	329.8	415.5	316.0	226.6	141.6	41.6	8.6
Country	9.0	25.5	52.4	130.2	277.3	459.4	523.0	420.4	318.2	160.3	42.3	9.6

(Source: Bangladesh Meteorological Department)

☑ **Wind Speed and Direction**

Like the country's wind characteristics the project regions is characterized by Southerly wind from the Bay of Bengal during monsoon and Northwesterly wind from Himalaya during winter. BMD data shows that annual wind speed in nearest weather station for Nayanpur site 2.45 m/s & 2.12 m/s respectively for Dhaka and Mymensingh station. The average wind speed becomes high in the monsoon season and low in the dry season. The monthly average wind speed is 2.4Km/day in the summer, 3.5Km/hr in the Monsoon and 2.9Km/hr in winter. The maximum wind speed occurs in April to July that shown in the following table for both sites.

Table 2.1.2 (h): Normal Wind Speed (m/s) For Nayanpur Site

Station	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Annual
Dhaka	1.23	1.60	2.59	4.21	3.80	3.70	3.64	3.21	2.24	1.28	0.93	0.92	2.45
Mymensingh	1.07	1.45	2.18	3.21	3.21	3.21	3.01	2.68	2.10	1.32	0.87	0.78	2.12

(Source: Bangladesh Meteorological Department)

Table 2.1.2 (i): Normal Wind Speed (m/s) For Araihaazar Site

Station	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Annual
Dhaka	1.23	1.60	2.59	4.21	3.80	3.70	3.64	3.21	2.24	1.28	0.93	0.92	2.45
Comilla	1.16	1.58	2.81	4.30	4.36	4.64	4.73	4.10	2.69	1.44	0.89	0.88	2.82

(Source: Bangladesh Meteorological Department)

2.1.3 Extreme Weather Events

☑ **Storm Surges & Cyclone**

Due to the geographical setting of our country, Storm surge and cyclones is more frequent in the coastal region of Bangladesh but not in the project sites. But the central region of the country faced some severe local seasonal storms, popularly known as Nor'westers (kalbaishakhi) in almost every year. Severe nor'westers is generally associated with tornadoes. Tornadoes are embedded within a mother thundercloud, and moves along the direction of the squall of the mother storm. The frequency of devastating nor'westers usually reaches the maximum in April, while a few occur in May, and the minimum in March. Nor'westers and tornadoes are more frequent in the afternoon. Nor'westers may occur in late February due to early withdrawal of winter from Bangladesh, Bihar, West Bengal, Assam, and adjoining areas. The occasional occurrence of nor'westers in early June is due to the delay in the onset of the southwest monsoon over the region (Source: Hazard profile of Bangladesh 2009).

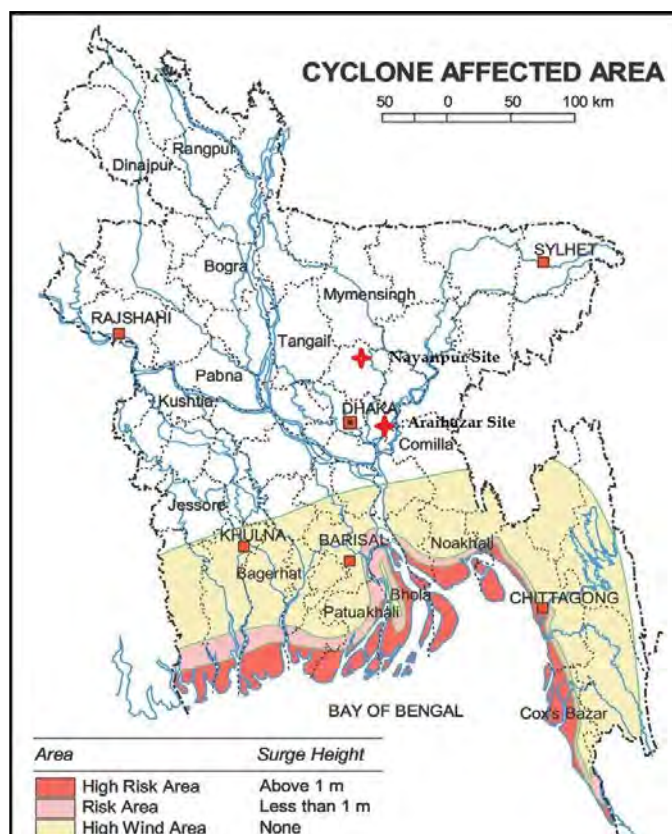


Figure: Cyclone prone region of Bangladesh (Source: SPARSO)

Table 2.1.3 (a): List of Cyclones and Storm Surges

Date of Landfall	Nature of Phenomenon	Landfall Area	Max. Wind Speed in kph	No. of Death	Surge Heights
26.10.1996	C.S	Sundarban	70	09	1.5-2.0 m
19.05.1997	S.C.S with a core of hurricane winds	Sitakundu	232	15	4.55 in
27.09.1997	S.C.S with a core of hurricane winds	Sitakundu	150	67	3.0-4.55m
20.05.1998	S.C.S with core of hurricane winds	Chittagong Coast near Sitakundu	173	14	0.9m
17.10.1999	S.C.S of hurricane intensity	Orissa Coast	-	-	-
25.10.1999	S.C.S of hurricane intensity	Orissa Coast	-	-	-
28.10.2000	Deep (probably Storm)	Depression Cyclonic Sundarban coast near Mongla	50-60	3	0.6-1.2m
16-10.2001	S.C.S	Andhra coast	65-85	-	-
12.11.2002	C.S	Sundarban coast near Raimangal river	65-85	2	1.5-2.1m
20.5.2003	C.S	Myanmar	65-85	-	0.9-1.5m
16.12.2003	S.C.S	Andhra coast	98-115	-	-
19.05.2004	C.S	Cox's Bazar & Akyab Coast	65-90	-	0.6-1.2m
28.10.2005	C.S	Andhra coast near Ongole.	-	-	-
10.12.2005	Cyclonic Storm (crossed land as a depression)	Tamilnadu co. near Nagapattnam.	-	-	-
29.04.2006	S.C.S with a core of Hurricane 'Mala'	Arakan coast of Myanmar between Akyab . Sandoway	-	-	-
15.05.2007	C.S "AKASH"	Chittagong & Cox's Bazar	83	-	-
15.11.2007	S.C.S "SIDR" with a core of hurricane winds	Khulna-Barisal coast near Baleshuvar river	223	3.363	4.6-6.1 m
02.05.2008	S.C.S "NARGIS" with a core of hurricane winds	Myanmar coast near Bassein	-	-	-
26.10.2008	C.S "Rash."	Khulna-Barisal coast near Patharghata	-	-	1.5-2.1m
27.11.2008	C.S 'Nisha'	Tamilnadu co. near NagapatImam.	-	-	-
17.04.2009	C.S "BIJII"	Chittagong-Cox'sBazar coast near Ctg.	90	-	-
25.05.2009	C.S "AHA"	West Bengal-Khulna (Bangladesh) coast near Sagar inland of India.	92	190	2.1-2.4m
20.05.2010	S.C.S "LAILA"	NE Andhra coast of India	-	-	-
22.10.2010	V.S.C. S "GIRI"	Crossed Myanmar			

		coast east-southeast of Sittwe			
07.11.2010	S.C.S “JAL”	Crossed north Tamilnadu and south Andhra Pradesh coast	-	-	-
30.12.2011	V.S.C.S “THANE”	Crossed the Tamil Nadu coast close to south of Cuddalore	-	-	-
31.10.2012	C.S “NILAM”	crossed north Tamilnadu coast near Mahabalipuram, south of Chennai	-	-	-
16.05.2013	C.S “VIARU”	Crossed Bangladesh coast between Chittagong and Feni	-	-	-
12.10.2013	V.S.C.S “PHAILIN”	Odisha & adjoining north Andhra Pradesh coast near Gopalpur	-	-	-
22.11.2013	S.C.S “HELEN”	Crossed Andhra Pradesh coast close to south of Machilliptnam	-	-	-

(Source: Bangladesh Meteorological Department). [C.S= Cyclone Storm, S.C.S= Severe Cyclone Storm, V.S.C.S= Very Severe Cyclone Storm]

☒ **Extreme Rainfall**

Bangladesh has a subtropical monsoon climate characterized by wide seasonal variations in rainfall and about 80 percent of Bangladesh's rain falls during the monsoon season. Excessive rainfall is the driving force of flood in all over the country and landslides in the hilly areas. Following table revealed the extreme rainfall of respective stations of Bangladesh Meteorological Department (BMD).

Table 2.1.3 (b): List of Recorded Extreme Rainfall in allover Bangladesh

Stations	Amount of Rainfall (mm)	Date
Dhaka	341	13 September 2004
Mymensingh	508	26 September 1971
Tangail	305	2 September 1993
Faridpur	370	26 September 1986
Madaripur	243	12 June 1995
Chittagong	511	3 August 1983
Ambagan (Chittagong)	438	26 June 2012
Sandwip	590	14 June 2001
Sitakunda	329	9 October 1990
Rangamati	352	25 July 1960
Comilla	442	2 August 1958
Chandpur	334	15 June 1983
Maijdi Court	520	17 July 1981
Feni	420	15 July 2005
Hatiya	337	14 June 2001
Cox's Bazar	467	24 June 2015
Kutubdia	422	15 July 1998
Teknaf	481	14 June 2010
Sylhet	362	12 June 2000
Srimangal	514	6 September 1976
Rajshahi	247	21 June 2004
Ishurdi	351	10 July 1976
Bogra	279	23 June 1988
Rangpur	294	24 September 2002
Dinajpur	508	28 September 1996
Sayedpur	341	9 September 1991
Khulna	430	26 September 1986
Mongla	204	26 September 1997
Satkhira	302	26 September 1986
Jessore	281	29 June 1965
Chuadanga	257	20 July 2007
Barisal	258	10 October 1967
Patuakhali	312	9 June 1982
Khepupara	373	1 July 1995
Bhola	564	6 November 1971

(Source: Bangladesh Meteorological Department)

2.1.4 Seismicity

Selected project sites has fallen under the Zone-II that comprising the central part of Bangladesh represents the regions of recent uplifted Pleistocene blocks of the Barind and Madhupur Tracts, and the western extension of the folded belt. The region is also at medium risk from seismic events as it lies at the junction of three tectonic plates. In the earthquake zoning map 2.1.4 (a) 26 percent of Bangladesh falls in high risk, 38 percent moderate and 36 percent in low risk zone in terms of earthquake vulnerability. The distribution of recorded earthquakes indicate a major clustering of seismicity around the Dauki Fault and scattering of other events along other major fault systems of Bangladesh. The magnitude of the earthquakes are moderate (4-6) and majority of them are shallow depth. The historical records show that there have been some major earthquakes in Bangladesh. The 1548 earthquake had affected Sylhet and Chittagong with reports of ground rupture and hydrological changes. The 1762 earthquake had raised the Foul Island by 2.74 meters and the northwest coast of Chedua by 6.71 meters above the MSL and had caused permanent submergence of part of Chittagong. The 1897 Great India earthquake had caused extensive damage to parts of Mymensingh, Dhaka and Rajshahi. Among the recent major earthquakes, the 1997 Chittagong earthquake caused extensive damage to the adjacent areas. In the context of human exposure in seismically hazardous zones, nearly 1,330,958 people are present in these zones and Bangladesh ranks 17th among 153 nations. Similarly, the modeled amount of GDP in seismically hazardous zones puts Bangladesh 42nd among 153 countries. (Source: Bangladesh Hazard Profile, 2009)

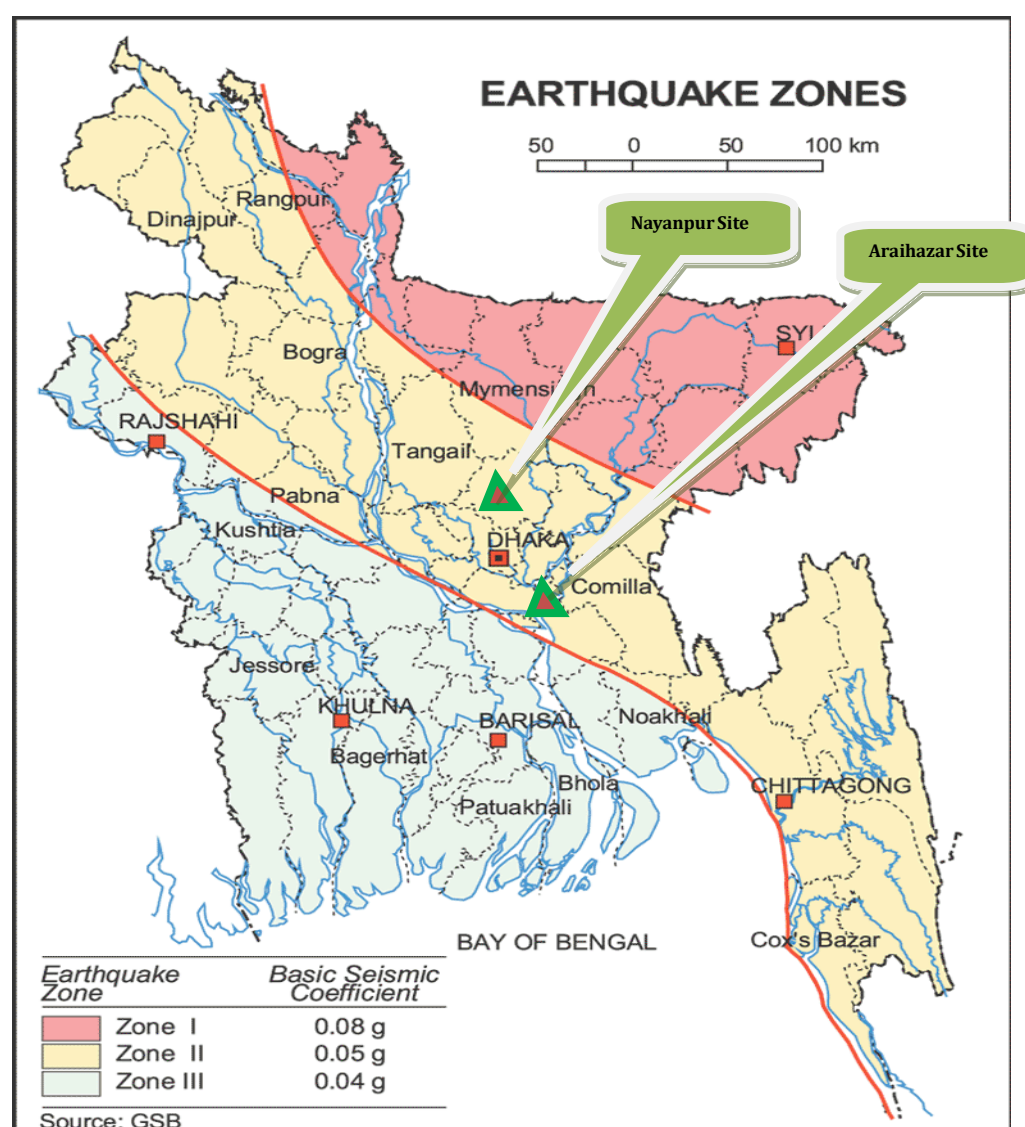


Figure 2.1.4 (a): Earthquake Zoning Map of Bangladesh, (source: GSB)

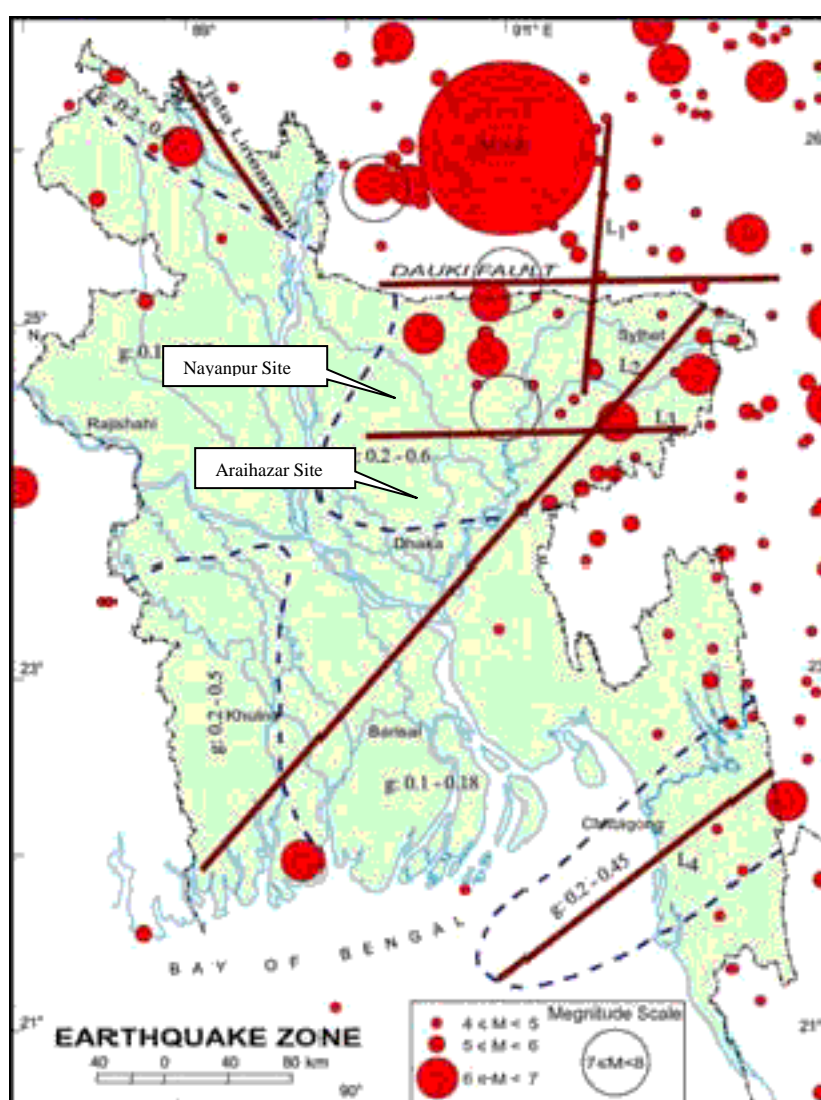


Figure 2.1.4 (b): Earthquake Distribution Map of Bangladesh

Table 2.1.4 (a): List of Recent Earthquake

Date	Time of occurrence (UTC) Hrs. Mts. Secs	Location of Epicenter		Magnitude (Richter Scale)	Distance from Dhaka (Km)	Region
		Latitude Deg. Mts.	Longitude Deg. Mts.			
28/06/2015	01 05 26.00	26° 38.40' N	90° 27.00' E	5.4	318	Assam, India
25/04/2015	06 11 27.20	28° 04.80' N	84° 51.60' E	7.5	745	Barpak, Nepal
20/04/2015	01 43 02.00	24° 07.80' N	122° 20.40' E	6.5	3,238	Taiwan
17/04/2015	22 05 50.00	26° 30.60' N	92° 36.60' E	4.9	382	Rangapara, India
15/04/2015	17 57 02.00	24° 04.20' N	95° 34.80' E	4.2	529	Myanmar
13/04/2015	07 39 27.00	39° 45.96' N	106° 25.50' E	5.3	2,327	Wuhai, China
08/04/2015	01 43 49.46	21° 46.2' N	89° 52.80'	4.6	228	Sharankhola,

5			E			Khulna
30/03/2015	23 48 31.00	04° 45.6' S	152° 33.36' E	7.5	7,435	Papua New Guinea
16/03/2015	23 17 20.80	00° 31.2' N	122° 19.80' E	6.0	4,246	Luwuk, Indonesia
23/02/2015	08 17 43.98	23° 56.24' N	91° 34.48' E	3.8	128	Tripura Region, India
22/02/2015	02 50 31.37	25° 29.24' N	91° 54.36' E	3.5	245	Assam Region, India
17/02/2015	23 06 28.80	39° 34.12' N	142° 50. 24' E	6.6	5,701	Honshu, Japan
12/02/2015	14 33 07.00	24° 4.48' N	93° 42.0' E	4.8	339	Churachandpur, India
04/02/2015	10 43 56.65	34° 9.0' N	83° 10.12' E	5.2	1,320	China Region
24/01/2015	16 11 42.50	24° 57.00' N	094° 51.00' E	4.7	470	Myanmar-India Border Region.
15/01/2015	01 33 09.30	22° 52.80' N	092° 19.20' E	4.2	220	Rangamati Region, Bangladesh
10/01/2015	19 32 01.20	14° 46.20' N	120° 16.20' E	5.8	3,283	Philippines Region
09/01/2015	02 20 42.93	26° 44.40' N	090° 50.26' E	3.8	56	Bhairab Bazar
07/01/2015	04 48 32.00	24° 16.80' N	121° 39.60' E	5.1	3,168	North of Hualian Taiwan
05/01/2015	03 19 28.00	30° 36.00' N	142° 12.60' E	5.3	5,135	Japan region
04/01/2015	05 51 27.00	29° 18.00' N	130° 38.88' E	5.1	4,029	Japan region

(Source: Bangladesh Meteorological Department)

Table 2.1.4 (b): List of Major Earthquake

Date	Magnitude (Richter Scale)	Source Area
10/01/1869	7.5	Cachar, India
14/07/1885	7.0	Sirajganj, Bangladesh
12/06/1897	8.7	Great Indian Earthquake
08/07/1918	7.6	Srimangal, Bangladesh
02/07/1930	7.1	Dhubri, India
15/08/1950	8.5	Assam, Himalaya
21/03/1954	7.4	Monipur, India
08/07/1975	6.7	Assam, India
18/09/2011	6.8	Sikkim, India
25/04/2015	7.8	Pokhara, Nepal

(Source: Bangladesh Meteorological Department)

2.1.5 Topography and Land Use

In Nayanpur site, the current land use pattern is mixed types. The project site is currently used for agricultural purposes and produces 2/3 crops per year. Paddy is the main crops of that and due to the low land area the site remains under water in the rainy season for at least two month. The surrounding areas cover with industrial and residential building and some cultivable land also. A lot of small and large industries were found in the 15 km radius of the site.

In Araihaazar site, the area is mainly a swamp land and remains under water in rainy season in at least 4 month in every year. Currently the land is used for agricultural purposes and produces two crops per year. But in the rainy season that area is used for catching fish. Jute and paddy is the main crops and in winter farmers cultivate vegetables. On the other hand, some industrial activity is also found in the adjacent area of project site. A lot of small and large industries were found in the 15 km radius of the site.

2.1.6 Geology and Soils

Gazipur City, in the vicinity of Dhaka, is situated in the Madhupur tract. Two characteristic geological units cover the city and surroundings, including Madhupur Clay or clay loam in red brown trace soils formed in Pleistocene age and alluvial deposits of recent age. The Madhupur Clay is the oldest sediment exposed in and around the city area having characteristic topography and drainage. The major geomorphic units of the city are the high land or the Dhaka terrace, the low lands or floodplains and depressions and abandoned channels. Low-lying swamps and marshes located in and around the city are other major topographic features. On the other hand, the topographic feature of the proposed EZ site is comparatively low land area and a depressions and abandoned channels.

In case of Araihaazar, the project area is known as Modhupur tract. There are compact clays, previously called Pleistocene clays, but now called Modhupur clay. These clays have been uplifted tectonically.

Soils of the project impact area are mainly old Brahmaputra and old Meghna flood plain deposits. Flood plain soils generally show a pattern of friable silt loams or silty clay loams on the ridges and clays in the basins. Some clay is commonly dark gray but others flood plain soils are mainly mid gray and finely mottled yellow and brown. Because of these mottling, soils of the old Brahmaputra and old Meghna flood plain have an overall yellow-brown or olive brown appearance. The majority are neutral to moderately alkaline in reaction.

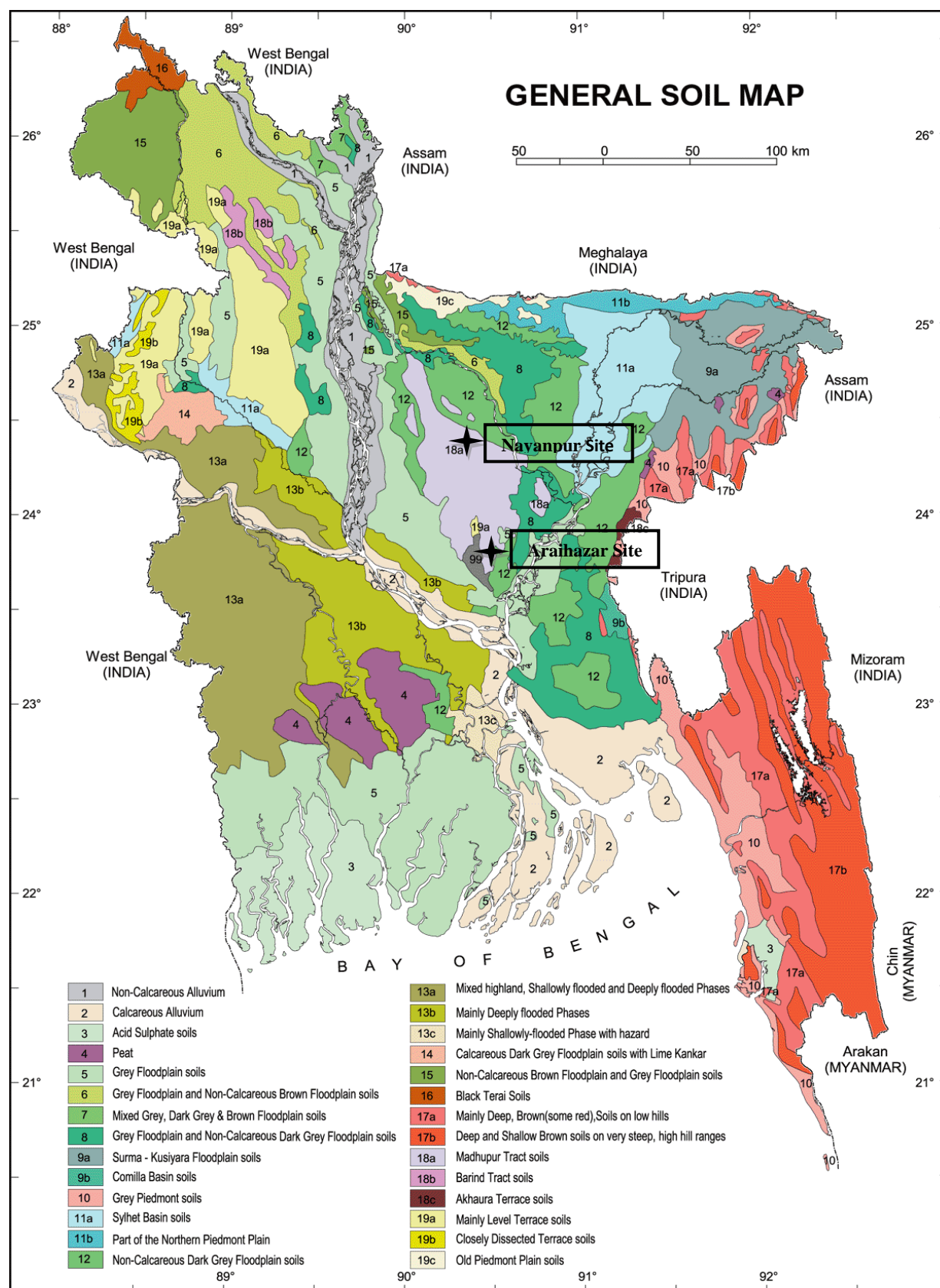


Figure 2.1.6 (a): General soil map of Bangladesh

2.1.7 Hydrology and Water Resources

☑ Surface Water

There are few rivers namely old Brahmaputra, Shitalakshya, Turag, Bangshi, Balu, Banar and plenty of rivulets flowing through the Gazipur district. The nearest river is Shitalakhaya is about 20 km far from the site. However, within the site a canal crossed the site from the north to the south direction and this canal is the only drainage system that also carries the effluents of the adjacent industries, (dying, knitting, chemical, plastic, agro and food processing) and household wastewater. Irrigation is mostly done from by adding deep tube well/ shallow pumps. Water is available for construction activities. Site is not affected by the flood water, whereas during heavy rainfall water logged on the site for few days.

☑ Ground Water

Groundwater is the main source of water for drinking and irrigation in Bangladesh and most of cases people relies on groundwater for industrial purposes also. Due to the dependency on groundwater and excessive withdrawal the level of groundwater table is decreasing day by day in the central region especially in Dhaka region. On the other hand the groundwater of coastal region is seriously affected by salinity. Also the ground water is affected by arsenic contamination and at some places it found many times higher than the threshold limit (WHO standards).

But fortunately, Araihaazar and Nayanpur site area is not affected by salinity and there is little possibility of salinity intrusion in the near future. Ground water is the main source of domestic, irrigation and industrial water supply in the project area. All households in the project area are using ground water to fulfill their daily requirement. Hand tube wells (depth of pipe 100-900 ft) are used in households for domestic water supply. Other Industries in the study area use Deep Tube-Wells (DTW) for water supply in their factory. The level of arsenic was found in the project area was below the 10 microgram per liter for average 150 m deep tube well.

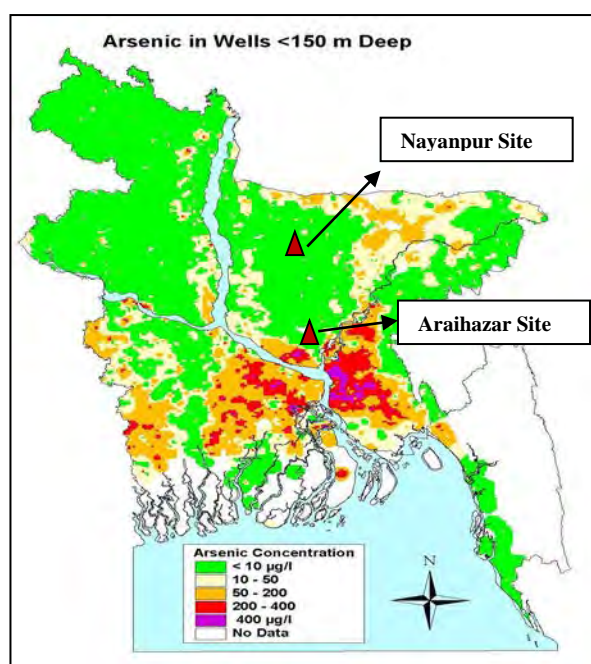


Figure 2.1.7 (a): Map showing the level of Arsenic in Bangladesh

☑ License for tube well¹

5. (1) No tube well shall be installed in any place without a license granted by the Upazila Parishad.
- (2) An application for license for installation of a tube well shall be made to the Upazila Parishad in such form as may be prescribed.
- (3) No application shall be entertained by the Upazila Parishad unless it is accompanied by such fee as may be prescribed.
- (4) On receipt of an application for license, the Upazila Parishad shall direct the Committee Parliamentary to hold a local enquiry and submit a report on the following points, namely:-
 - (a) The aquifer condition of the soil where the tube well is to be installed;
 - (b) The Justice distance of the nearest existing tube well;
 - (c) The area likely to be benefited by the tube well;
 - (d) The likely effect on the existing tube wells including tube wells used for domestic purpose;
 - (e) The suitability of the site for installation of the tube well;
 - (f) The conditions on which a license, if any, may be granted.

(5) If, on consideration of the report of the Committee, the Upazila Parishad is satisfied that the installation of tube well applied for-

- (a) Will be beneficial to the areas for which it is to be installed, or
- (b) Will not have any adverse effect upon the surrounding area, or
- (c) Is otherwise feasible,

It may grant the license applied for.

(6) A license granted under sub-section (5) shall be in such Bangladesh form as may be prescribed and shall be subject to such conditions as may be specified therein.

(7) Any person aggrieved by the decision of the Upazila Parishad may file an application to such authority as may be prescribed for review of the decision and the decision of that authority on such review shall be final.

¹ The Ground Water Management Ordinance, 1985

2.2.1 Vegetation and Flora

Within the Nayanpur site, there are very few natural terrestrial habitats, because in most cases vegetation was cleared many years ago to provide land for housing construction, industrial building construction, development local markets and other schools and collage's, and for agriculture in the suburbs. The project area is similar to the character to many areas of alluvial delta in Bangladesh with mixed crop vegetation. Rice, other grains and seasonal vegetables are the main crops in this area. Other than agriculture no forestland is involved in this area. Terrestrial habitats, in the surrounding highland of the proposed Nayanpur EZ site, are now mainly limited to trees, shrubs and flowers grown alongside roads and gardens, and the crops and fruit trees planted in agricultural areas. The composition of plant community includes low growing grasses and herbaceous vegetation as well as other flora.

Araihazar site is mainly a swamp land which remains under water in the rainy season. But in the adjacent area some local plant species was found and there is no forest cover or planned tree plantation area adjacent to the project site. The common plant species that found in Nayanpur and Araihazar area are listed below.

Table 2.2.1 (a): List of Flora of Nayanpur & Araihazar site

	Scientific Name	Common Name	Status (T: Threatened, E: Endangered)
Flora	<i>Artocarpus heterophyllus</i>	Jackfruit	-
	<i>Magifera indica</i>	Mango	-
	<i>Syzygium cumini</i>	Black Berry	-
	<i>Aegle Marmelos</i>	Bel	-
	<i>Cocos nucifera</i>	Coconut	-
	<i>Psidium guajava</i>	Guava	-
	<i>Citrous decumana</i>	Jambura	-
	<i>Shorea robusta</i>	Sal	-
	<i>Albizia procera</i>	Koroy	-
	<i>Butea monosperma</i>	Palash	-
	<i>Moringa obifera</i>	Sajna	-
	<i>Tamarandis indica</i>	Tetul	-
	<i>Azadirachta indica</i>	Neem	-
	<i>Barringtonia acutangula</i>	Hijol	-
	<i>Erythrina veriegata</i>	Mandar	-

<i>Anthocephalus cadamba</i>	Kadam	-
<i>Ficus bengalensis</i>	Banyan	-
<i>Delonix regia</i>	Krishnachura	-
<i>Polyalthia longifolia</i>	Debdaru	-
<i>Tecona grandis</i>	Segun	-
<i>Telenthera philoxeroides</i>	Kachuripana	-
<i>Lemna paucicastata</i>	Khudipana	-
Source: Site observation, Discussed with the local people and secondary data Banglapedia & BBS,2010		

2.2.2 Protected areas such tidal flats, Primitive Forests, Bird Sanctuaries, Game Reserves, National parks, Historic sites & ruins

Bangladesh has nineteen nationally designated protected areas comprising approximately 2,458 km, which is 1.66 percent of land area of the country. These include ten national parks, eight wildlife sanctuaries and one game reserve (CBD, 2010). There is no protected area in 15 km radius of project sites. However the nearest protected area is the Bhawal National Park that located 21 km to the south of the Nayanpur project area. The Bhawal National Park in Dhaka Forest Division is easily accessible throughout the year by road. It has been kept under International Union for Conservation of Nature (IUCN) management category as a protected landscape. This Bhawal National park (24°01'N, 90°20'E), Gazipur was established in 1974, and had been maintained as a national park since then. However the part had not declared officially until 1982 under the Bangladesh Wildlife Act, 1974. This national park covers 5,000 ha but sometimes for development works it extends to the middle of the park's core area of 940 ha because of construction of road and other facilities. In addition there are illegal industrial and household occupants inside the park. . The present feature of the forest area is actually honeycombed with habitations and rice fields. The topography is characterized by low hills, which rise 3.0 m to 4.5 m above the surrounding paddy fields locally known as 'chalias' are intersected by numerous depressions. The dominant forest trees Sal (*Shorea robusta*) of the national park have been almost completely removed, but now protection programs have planted Sal which covers 90% of the area.

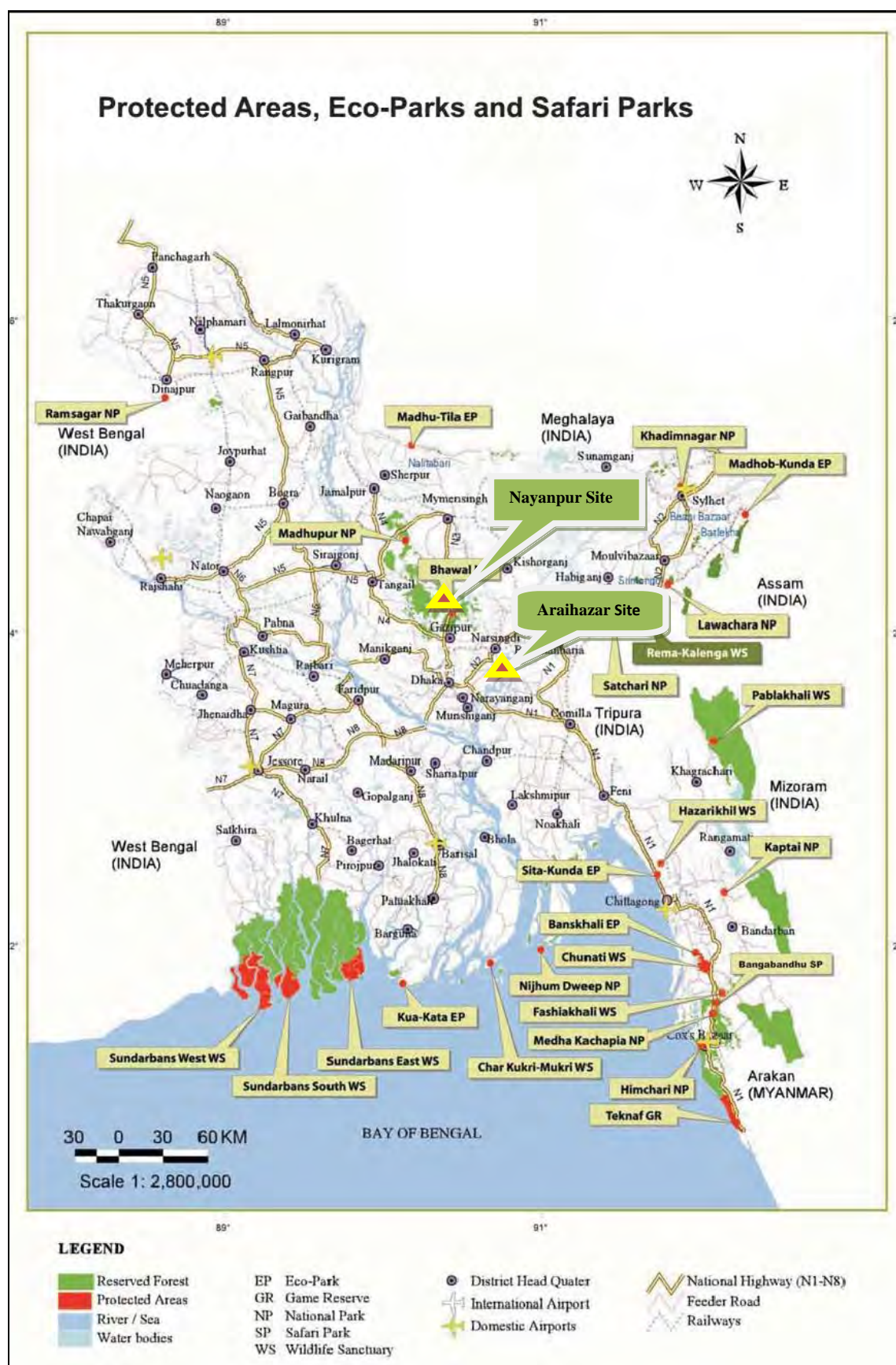


Figure 2.2.2 (a): Map showing the protected areas of Bangladesh, (Source: CBD 4th assessment report, 2010)

☑ List of Protected areas in Bangladesh

Table 2.2.2 (a): Protected areas of Bangladesh

Name of Protected Areas	Habitat Types	Area (ha.)	Year of Notification
National Parks			
1. Ramsagar National Park	Wetland	28	2001
2. Himchari National Park	Mixed Evergreen	1,729	1980
3. Bhawal National Park	Deciduous Forest	5,022	1974/1982
4. Madhupur National Park	Deciduous Forest	8,436	1962/1982
5. Lawachara National Park	Mixed Evergreen	1,250	1996
6. Kaptai National Park	Wetland	5,464	1999
7. Nijhum Dweep National Park	Mangrove Forest	16,352	2001
8. Meda Kacchapia National Park	High Hill Mixed Forest	396	2004
9. Shatchari National Park	Evergreen	243	2006
10. Khadim Nagar National Park	Mixed Evergreen	679	2006
Wildlife Sanctuary			
11. Char Kukri-Mukri Wildlife Sanctuary	Char land & Mangrove Forest	40	1981
12. Pabla Khali Wildlife Sanctuary	High Hill Mixed Forest	42,087	1962/1983
13. Chunati Wildlife Sanctuary	Mixed Evergreen Forest	7,764	1986
14. Sundarban East Wildlife Sanctuary *	Mangrove Forest	31,227	1960/1996
15. Sundarbans South Wildlife Sanctuary *	Mangrove Forest	36,970	1996
16. Sundarbans West Wildlife Sanctuary *	Mangrove Forest	71,502	1996
17. Rema-Kalenga Wildlife Sanctuary	Mixed Evergreen forest	1,796	1996
18. Fasiakhali Wildlife Sanctuary	Mixed Forest	1302	2007
Game Reserve			
19. Teknaf Game Reserve	Mixed forest	11,615	1983

*= also designated as RAMSAR site, (Source: CBD 4th assessment report, 2010)

2.2.3 Fauna

The biodiversity condition of the selected sites is poor and the species diversity is also low because of the absence of forest cover in and at the 15 km radius of both sites. Another factor behind this is the aggression of industrial activity. However a few faunal species can able to survive that are enlisted below

Table 2.2.3 (a): List of Fauna of Nayanpur & Araihaazar site

	Scientific Name	Common Name	Types of Fauna
Fauna	<i>Hesperotenus tickli</i>	Bat	Mammals
	<i>Canis aureus</i>	Jackal	"
	<i>Herpestes auropunctatus</i>	Benji	"
	<i>Bandicata bengalensis</i>	Rat	"
	<i>Mus musculus</i>	House mouse	"
	<i>Mus booduga</i>	Field mouse	"
	<i>Corvus splendens</i>	Crow	Birds
	<i>Passer domesticus</i>	Charui	"
	<i>Orthotomus sutorius</i>	Tuntuni	"
	<i>Acridotheres tristis</i>	Bhat Shalik	"
	<i>Copsychus saularis</i>	Doel	"
	<i>Streptopelia chinensis</i>	Tila ghugu	"
	<i>Psillacula krameri</i>	Tia	"
	<i>Haliaster indus</i>	Kite	"
	<i>Alcedo atthis</i>	Machranga	"

<i>Ardeola grayii</i>	Pond heron	“
<i>Cuculus micropterus</i>	Cuckoo	“
<i>Oriolus xanthornus</i>	Haldey pakhi	“
<i>Amaurorinus phoenicurus</i>	Dahuk	“
<i>Picus myrmecophoneus</i>	Kath thokra	“
<i>Hemidactylus brooki</i>	Monitor Lizard	Reptiles
<i>Ensybris enhydriis</i>	Water Snakes	“
<i>Lycodon jara</i>	Ghargini snakes	“
<i>Naja naja</i>	Cobra	“
<i>Rana trigrina</i>	Bull frog	Amphibian
<i>Rana cyanophlyctis</i>	Skipper frog	“
<i>Bufo melanostictus</i>	Common toad	“
<i>Labeo ruhita</i>	Ruhi	Fishes
<i>Cirrhinus mrigala</i>	Mrigel	“
<i>Catla catla</i>	Catla	“
<i>Labeo calbasu</i>	Kalbaush	“
<i>Pangasius pangasius</i>	Pangash	“
<i>Heteropneustes fassilis</i>	Shing	“
<i>Anabus testudineus</i>	Koi	“
<i>Channa striatus</i>	Shoil	“
<i>Mystus vittatus</i>	Tengra	“
<i>Oreochromis mossambicus</i>	Tilapia	“
<i>Oreochromis niloticus</i>	Nailotica	“

(Source: Site observation, Discussed with the local people and secondary data Banglapedia & BBS, 2010)

2.4 Existing (and planned) infrastructures

2.4.1 Roads

Development of a country depends on its good infrastructural facilities and as for transport road network is crucial.

Nayanpur site at Gazipur situated close proximity to the Dhaka-Mymensingh 4 lane national highway. It takes around one hour to reach the site from Dhaka airport and the road condition is also good. Scattered road network also present around the site and most of them are *pacca* road.

Araihazar site also bound by established road network and Dhaka-Sylhet national highway passes near to the site. Proposed Bhulta flyover would be constructed at the close proximity of the EZ site. A branch of local road network is also present at around the site. The road network for both site are shown in the map below.





2.4.2 Railway

Bangladesh Railway is the state-owned rail transport agency of Bangladesh. It operates and maintains the entire railway network of the country since 15 November 1862.

For Nayanpur site the nearest rail station is Joydebpur and both meter gauge and broad gauge rail track is available. That is also available for Araihaaz site and the nearest station of Araihaaz site is Narayanganj.



Figure 2.4.2 (a): Map shows the railway network of Bangladesh, (Source: www.railway.gov.bd)



Figure 2.4.2 (b): Proposed MRT in Dhaka city

2.4.3 Ports and Harbors

No country can live in isolation in the advent of globalization and port is used as the medium to entrance in a global market by import & export of necessary goods. Currently in Bangladesh, there are 20 land ports and 3 sea ports. Government planned to establish a deep sea port in Sonadia Island. Along with the land and sea port, Bangladesh has some river port and container terminal also. For Nayanpur site, the nearest sea port is Chittagong sea port that distance is 290km. Akhaura land port is 135 km from the Nayanpur site. For Araihaazar site, distance of Chittagong sea port is 240 km and Akhaura land port is around 100 km.



Figure 2.4.3 : Map showing the ports of Bangladesh, (source: blpa.gov.bd)

2.4.4 Water Supply System

Policy implementation

Drinking water supply and sanitation is a sub sector within the broader sector of health, environment and water and as such the National Policy in this sub sector shall be made consistent with the national policy for health, environment and water.

Future investment projects in the public sector shall be made within the framework of this policy as far as practicable. Endeavours will be made to coordinate the activities of private sector and NGOs through the Policy. Projects or activities undertaken at the level of the individual, community or organization will be coordinated by the Local Government Division within the framework of the Policy. In particular foreign aided projects where it is specifically required as a component of overall infrastructure package; LGED may undertake water supply and sanitation related activities. In such project-based cases LGED shall assist the concerned Paurasabha in the implementation and provide technical assistance.

Relevant WASAs will be responsible for water supply and sanitation in Dhaka and Chittagong city areas. Involvement of the private sector in these activities will be explored and examined.

Local Government bodies like Zilla Parishad, Upazila Parishad, Union Parishad and Gram Parishad will be gradually provided with more scope to contribute in the activities of this sub sector.

Institutional arrangement

As regards water supply and sanitation sub-sector the Local Government Division will be responsible for overall planning, identification of investment projects and coordination of activities of agencies under it (viz. DPHE, LGED, WASAs) and local government bodies, private sector, NGOs and CBOs (community Based Organizations). But each of the relevant organizations/institutions will be responsible for its own activities. To coordinate, monitor and evaluate the activities of the sector and to determine future work programme Local Government Division will constitute a forum with representatives from relevant organizations.

Except Dhaka and Chittagong city areas DPHE will be responsible for the water supply and sanitation of the whole country. In other urban areas the Department of Public Health Engineering will solely or jointly with the Paurasabha be responsible for such services. In urban areas DPHE will be responsible for assisting the Paurasabhas and City Corporations (except in the cities of Dhaka and Chittagong) through infrastructures development and technical assistance as may be necessary. Besides, both in rural and urban areas, DPHE will increasingly collaborate with private sector, NGOs and CBOs.

2.4.5 Natural Gas Pipeline

The natural gas transmission pipeline infrastructure in Bangladesh represents a complex mechanical system that delivers about 1900 MMSCF of natural gas per day, and is made up of over 1400 km (870 miles) of pipe. This system has been developed over the last few years, and is controlled at a very low level of sophistication. (Source: GTCL.gov.bd)

Currently four companies of Petro Bangla are responsible for transmission and distribution:

1. Jalalabad Gas Transmission and Distribution Company limited (JGTDGL).
2. Titas Gas Transmission and Distribution Company limited (TGTDC)
3. Bakharabad Gas System Limited (BGS)
4. Paschimanchal Gas Company Limited (PGCL)

Over the last five years about 393 KM high pressure pipe line has been laid in different areas of the country. A compressed station has been installed at Muchai for boosting pressure of transmission pipe line. This has improved the pipe line pressure as well as enables the network to transmit gas from the upstream. Besides a compressor station is being commissioned and installation of another compressor station will be completed very soon.

Table 2.4.5 (a): Existing Gas Transmission and Condensate Pipelines:

Sl No.	Pipeline Name	Length (KM)	Diameter (INCH)	Transmission Capacity (MMCFD)	Pressure (PSIG)
1	North-South Gas Transmission Pipeline	175	24	330	1050
2	A-B Gas Transmission Pipeline	58.50	30	425	1000
3	Western Gas Transmission Pipeline	9.00	30	300	1000

	(a) Bangabandu Bridge	28.50	24	250	
	(b) Elenga-Nalka	35.50	20	250	
	(c) Nalka-Baghabari				
4	Beanibazar- kailashtila Gas Transmission Pipeline	18	20	250	1050
5	Rasidpur-Ashugang Gas Transmission Pipeline	54.00	30	500	1050
	(a) Ashuganj-Habiganj	28.00	30	500	1050
	(b) Rasidpur-Habiganj				
6	Nalka-Bogra Gas Transmission Pipeline(a)	6.00	30	425	1000
	Nalka-Hatikumrul	54.00	20	225	1000
	(b) Hatikumrul-Bogra				
7	Monohordi-Dhanua Elenga Pipeline (1st Phase)	51.00	30	750	1000
8	Bakhrabad-Demra Gas Transmission Pipeline	68.72	20	250	1000
9	Bakhrabad-Chittagong Gas Transmission Pipeline	174.65	24	300	1000
10	Ashugang-Elenga Gas Transmission Pipeline	124.00	24	330	960
11	Ashugang-Monohardi Gas Transmission Pipeline	37.00	30	425	1000
12	Dhaka Clean Fuel (GTCL Part) Gas Transmission Pipeline	60.00	20	425	1000
13	Bonpara-Rajshahi Gas Transmission Pipeline Project.	53.00	12	450	1000
14	Hatikumrul-Bheramara Gas Transmission Pipeline Project (Section A & B)	78	30	400	1000
15	Construction of 24" Dia 8 km Gas Transmission Pipeline from Titas Gas Field to AB Pipeline Project	8.00	24	330	1050
16	Construction of Gas Transmission Pipeline from Srikail Gas Field (Location-2) to A-B Pipeline Project	1.50	20	250	1000
17	Construction of Bibiyana-Dhanua Gas Transmission Pipeline.	137	36	640	1000
18	Bakhrabad-Siddhirganj Gas Transmission Pipeline Project.	60.00	30	450	1000
19	Construction of Gas Transmission Pipeline from Titas Gas Fields (Location C-B-A) to intake point of Titas-AB Pipeline at Chaya-baria.	7.7	10	250	1000
20	Gas Transmission Capacity Expansion-(Ashuganj to Bakhrabad).	61	30	450	1000
21	Total	1388.07	-	-	-

(Source: www.gtcl.org.bd/about_pipeline.php)

Table 2.4.5 (b): Existing Condensate Pipeline:

Sl No.	Pipeline Name	Length (KM)	Diameter (INCH)	Transmission Capacity (Barrel/Day)	Pressure (PSIG)
1	North-South Condensate Pipeline	175	6.625	5000	150-250
1	Beanibazar- kailashtila Condensate Pipeline	18	4	2000	150-250

Figure 2.4.5 (a): Gas Transmission Pipeline System in Bangladesh, (Source: www.gtcl.org.bd)



Figure 2.4.5 (a): Gas Transmission Pipeline System in Bangladesh, (Source: www.gtcl.org.bd)

☑ **Planned LNG Terminal**

Import of LNG Expedited Power & Energy Supply Augmentation (special act) Act 2010 the Government has taken necessary steps for installation of a Floating storage and Regasification Unit (FSRU) at Moheshkhaly on Built-Own Operate -Transfer (BOOT). This FSRU we have an LNG storage capacity of 13800 Cubic meters which will be able to supply about 500 MMscf of gas per day. Presently negotiation is in progress for finalizing contract with a qualified LNG terminal developer. It is expected that on completion of negotiation terminal use agreement will be sign soon and it will be possible to commence supplying re-gasified LNG through this facilities by middle of the year 2016. A 30" dia 90 km long high pressure gas transmission pipeline will be constructed for transport that gas from Moheshkhaly to Chittagong Ring-main. (Source: Petro Bangla)

2.4.6 Power Plants and Power Transmission Lines

☑ **Power Generation Company in Bangladesh**

- ✓ Bangladesh Power Development Board (BPDB)
- ✓ Ashuganj Power Station Company Ltd. (APSCL)
- ✓ Electricity Generation Company of Bangladesh (EGCB)
- ✓ North West Power Generation Company Ltd. (NWPGL)
- ✓ Independent Power Producers (IPPs)

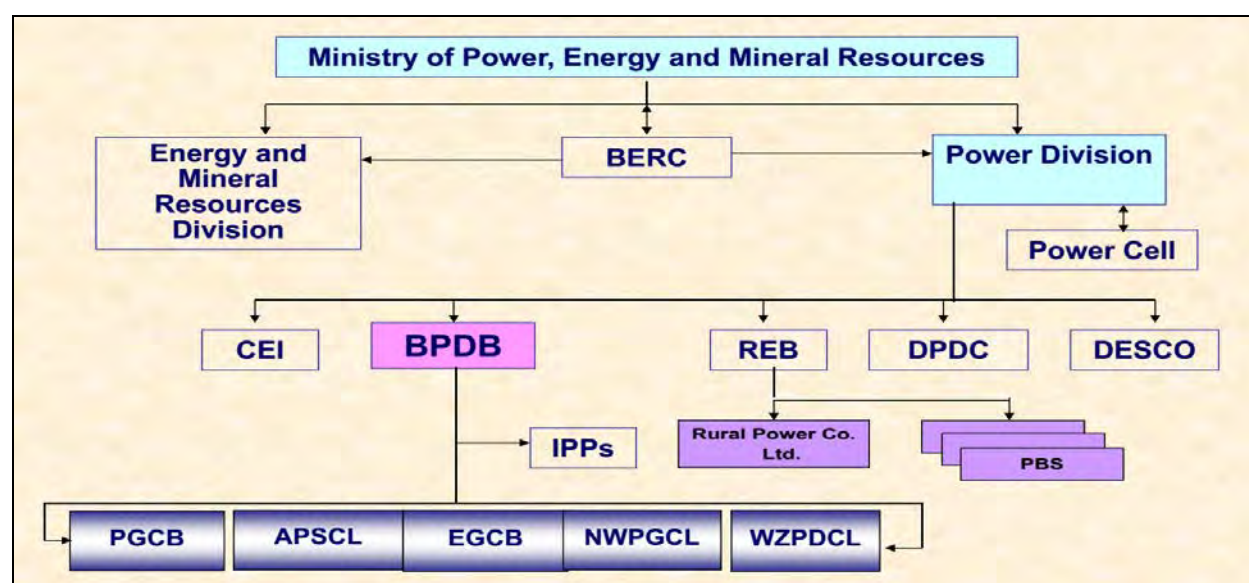
☑ **Transmission**

- ✓ Power Grid Company of Bangladesh Ltd (PGCB)

☑ **Distribution**

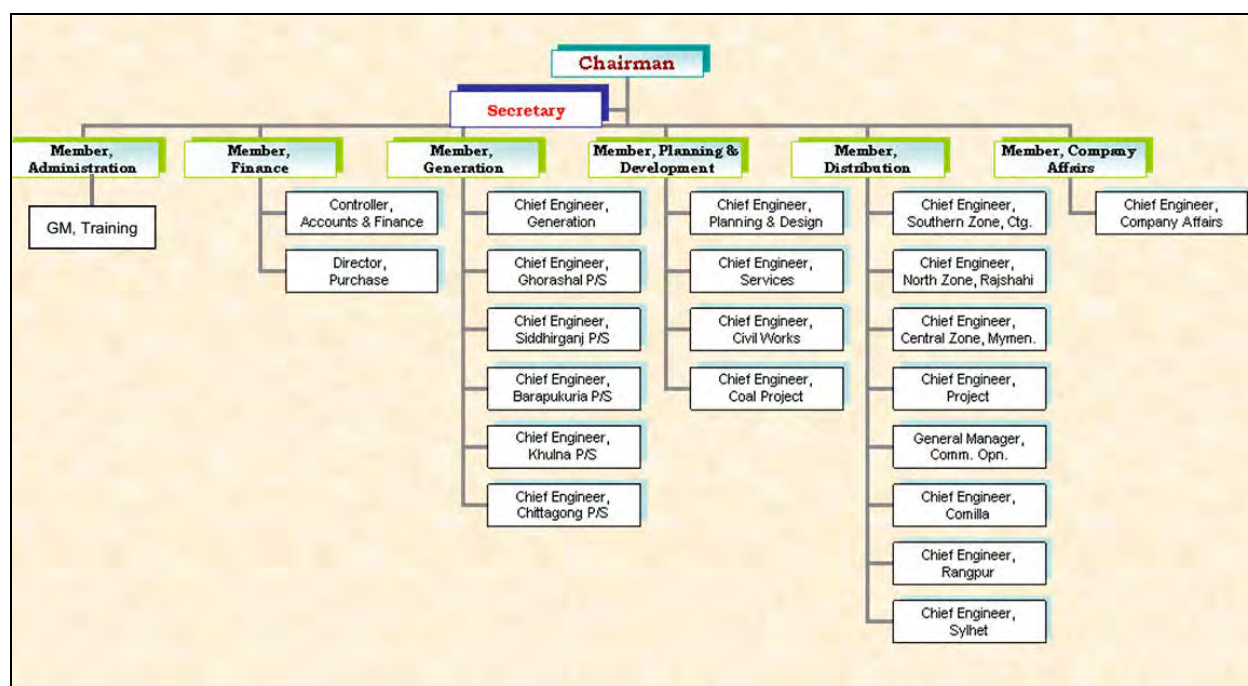
- ✓ Bangladesh Power Development Board (BPDB)
- ✓ Dhaka Power Distribution Company (DPDC)
- ✓ Dhaka Electric Supply Company Ltd (DESCO)
- ✓ West Zone Power Distribution Company (WZPDCL)
- ✓ Rural Electrification Board (REB) through Rural Co-operatives

☑ **Present Structure of Power Sector**



(Source: BPDB, 2011)

☑ Management Structure of BPDB

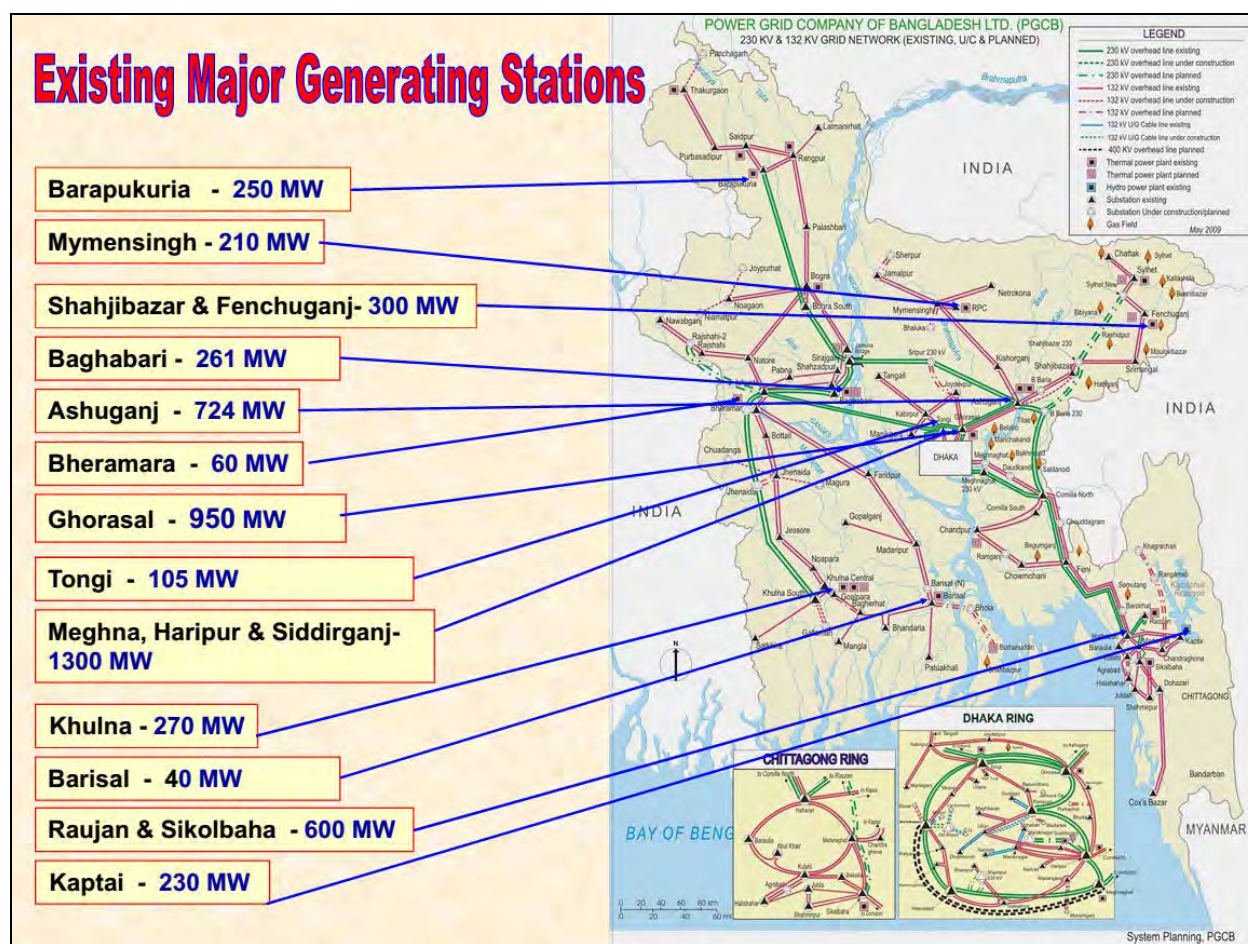


(Source: BPDB, 2011)

☑ Functions of BPDB

- ✓ Partially integrated public utility
- ✓ Generates power
- ✓ Purchaser & seller of power as a “Single Buyer”
 - Prepare least cost generation expansion plan
 - Construct most of public sector power plants according to least cost plan
 - Conduct procurement process for Private Power (IPPs)
 - Purchase electricity from generators (public and private)
 - Sell to distributors
- ✓ Distribution business in nation-wide urban areas, except Dhaka and West Zone

☑ Power Generating Stations of Bangladesh



(Source: BPDB, 2011)

2.4.7 Industries and Industrial Park

Nayanpur area under Gazipur district is mainly an industrial area. There are ample of industrial clusters with the five km² of the site. Those are basically Knitting, Dying, Denim, Textile, Spinning, Ceramics, Chemical industries, Bicycle manufacturing industry, electrical cable/wire manufacturing industry, Agri-based (feed mills, etc.) and Agri Food Processing industry. The nearest industrial park is Savar EPZ that is around 30 km from the project site. The following table listed the name of industries around the site:

01. Redisha Knit Textile	25. Auto Spinning
02. Hong Kong Shanghai Textile	26. Mir Ceramics
03. Kazi Farms Ltd	27. Century Spinning
04. DBL Ceramics	28. Mondol Industries
05. Confidence Knitwear Ltd	29. Artisan Ceramics
06. Salvo Chemical Industry	30. Apex Jersey Textile
07. Jabra Textile	31. Square Industry
08. AAA Textile	32. Givenchy Textile
09. Noman Group	33. C A Knitwear
10. Greatwall Ceramics	34. Paramount Textile
11. Lira Polymer Industry	35. Denim Textile
12. Crown Cotton	36. Paradise Cables
13. Sufia Cotton	37. Adib Dying
14. Tanisa Knitwear Ltd	38. Uniglory Cycle
15. A Plastic Factory	39. Sufia Cotton

16. Crown Old wear Industry	40. Monica Fashion
17. Hamim Denim	41. Yasmin Textile
18. Zaber Spinning	42. Uttara Group
19. AKCL	43. Saad Sun Textile
20. Alamin Food Industries	44. Talha Spinning
21. Sreepur Textile	45. Sufia Textile
22. Monica Fashion	46. Yan Dye Unit
23. Summit Power	47. Samsuddin Knitwear
24. Donua Gas Transmission	48. Chaity Fashion

N.B. Most of the above listed industries are located within 5 km² of the site.

Araihazar under Narayanganj is also a hub of textile dyeing and printing industries, however, there are other industries as well. Narayanganj was famous for cotton production and also for handloom industries. But with the time these area is captured by the textiles and garments industries. The nearest industrial park is the Adamjee EPZ that is around 15 km from the project site. During field visit the following industry was found

1. Hashem Flour Mills	2. Hinde Group
3. Palli Textiles	4. A. F Steels Ltd.
5. Ifad Industries	6. Setu International
7. Desh Tank	8. Anik Textiles
9. Ma Door World	10. ZX Steel Mills

2.4.8 Waste Treatment Plants and Facilities

Textile industries (fabric dyeing and chemical treatment industries) are classified according to the Environmental Conservation Rules 1997 as Red category industries, and therefore an ETP must be designed and constructed to treat plant effluent. The effluent from the plant must meet the national effluent discharge quality standards, including the “Quality Standards for Classified Industries”, before discharge to the environment. These quality standards must be ensured at the moment of beginning trial production. The waste discharge standards differ according to the final disposal place of the effluent. It is the DOE’s mandate to enforce this legislation, and this guide provides the tools required to assess the ETPs proposed by textile industries in the EMP/EIA.

There are various types of ETPs and their design will vary depending on the quantity and quality of the effluent, amount of money available for construction, operation and maintenance, and the amount of land available. There are three mechanisms for treatment which are: Physical, Chemical and Biological. These mechanisms will often be used together in a single ETP. There are generally four levels of treatment, as described below:

- **Preliminary:** Removal of large solids such as rags, sticks, grit and grease that may result in damage to equipment or operational problems (Physical);
- **Primary:** Removal of floating and settleable materials, i.e. suspended solids and organic matter (Physical and Chemical);
- **Secondary:** Removal of biodegradable organic matter and suspended solids (Biological and Chemical); and
- **Tertiary:** Removal of residual suspended solids / dissolved solids (Physical, Chemical and Biological)

There are many ways of combining the operations and processes in an ETP:

- A properly designed biological treatment plant, which typically includes screening, equalization, pH control, aeration, and settling, can efficiently satisfy BOD, pH, TSS, oil and grease requirements. However the compounds in industrial effluent may be toxic to the microorganisms so pretreatment may be necessary. Most dyes are complex chemicals and are difficult for microbes to degrade so there is usually very little colour removal.
- Another option is a physico-chemical treatment plant, which typically includes screening, equalization, pH control, chemical storage tanks, mixing unit, flocculation unit, settling unit and sludge dewatering. This type of treatment will remove much of the colour depending on the processes used. It can be difficult to reduce BOD and COD to meet effluent standards and it is not possible to remove TDS.
- Most often, physico-chemical treatment will be combined with biological treatment. The typical components of such a plant are screening, equalization, pH control, chemical storage, mixing, flocculation, primary settling, aeration, and secondary settling. The physico-chemical treatment always comes before the biological treatment units. Using a combination of treatments will generally reduce pollutant levels to below the discharge standards
- Another form of biological treatment is the reed bed, which can be used with a settling tank, or in combination with other treatment processes. It presents a natural method of treating effluent which is often lower in capital, operation and maintenance costs. Reed beds can contribute to a reduction in colour, a decrease in COD, an increase dissolved oxygen and a reduction in heavy metals, but function best with some form of pretreatment.

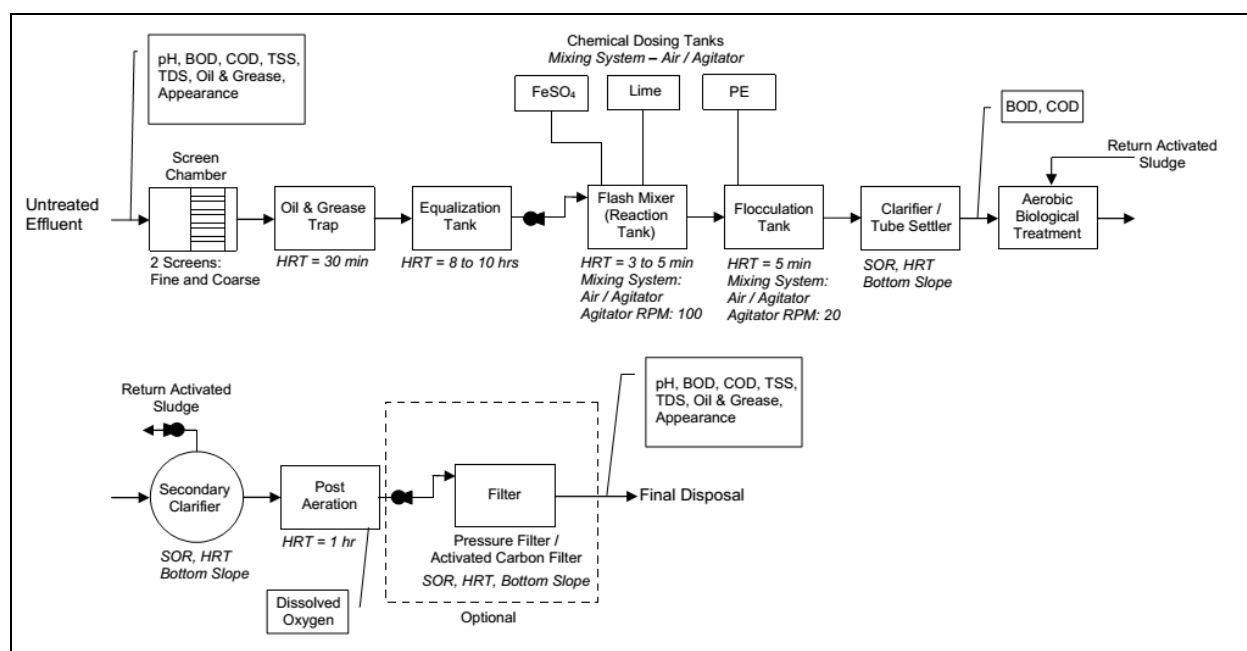


Figure 2.4.8 (a): Flow Diagram for Effluent Treatment Plant and Parameters – Dyeing, Printing Cotton and Blended Textile Products. (Source: ETP Assessment Guideline, DoE)

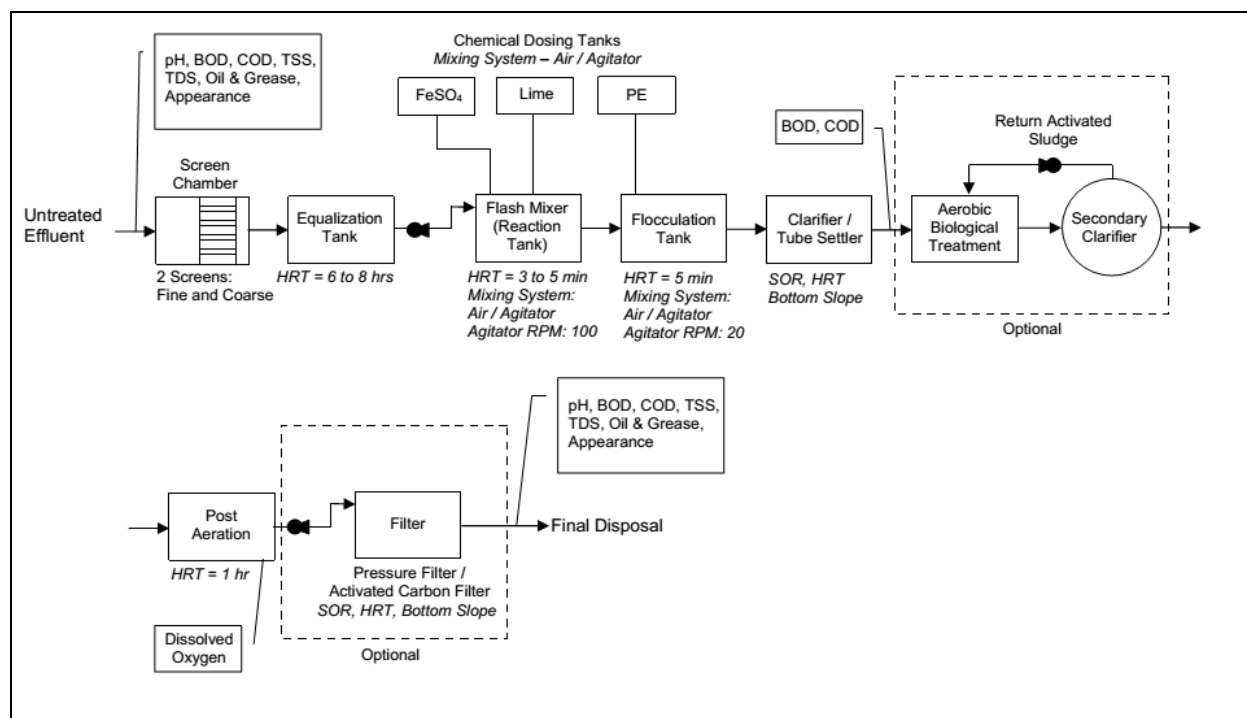


Figure 2.4.8 (a): Flow Diagram for Effluent Treatment Plant and Parameters – Garment Washing Unit, (Source: ETP Assessment Guideline, DoE)

Table Comparison between GoB , World Bank, JICA and ADB Guidelines

Sl. No.	Criteria	Requirements as per GoB	Requirements as per Word Bank	Requirements as per JICA	Requirements as per ADB
1	Environmental Analysis	Project specific	Project specific, regional and sectoral	Project specific, regional and sectoral	
2	Basis for Categorization	<p>Currently, screening criteria available only for industrial projects, where assessment is done based on:</p> <ul style="list-style-type: none"> • Level of pollution emission • Type of project and location • Scale of project • Operational activities <p>Non-industrial projects are reviewed on a case by case basis by DOE</p>	<p>Detailed screening criteria for all projects based on</p> <ul style="list-style-type: none"> • Sensitivity • Nature and magnitude of potential impacts 	<p>JICA Classifies projects into four category according to the extent of environmental and social impacts, scale and site condition</p> <ul style="list-style-type: none"> ➤ Category A: Projects like to have significant adverse impacts on the environment and society. ➤ Category B: Projects have potential impacts on the environment and society but less adverse than Category A projects ➤ Category C: Projects have minimal o little adverse impact on the environment and society ➤ Category FI: Financial support would be awarded to an executing agency, the selection and appraisal of sub-projects is substantially undertaken by such and institution only after JICA's approval of the funding. 	

3	EA Outputs	<p>Since detailed rules and regulations for EA have not been prescribed, EA outputs are not specified. However, the industrial sector guidelines, the water sector guidelines and the road sector guidelines have specific EA output requirements, such as:</p> <ul style="list-style-type: none"> • Baseline survey • IEE/EIA Report • Site clearance • Risk analysis and management • Analysis of alternatives 	<ul style="list-style-type: none"> • EA Report • Analysis of alternatives • Environmental Management Plan 	<ul style="list-style-type: none"> • Environmental Permit Certifications • RAPs for projects that will result in large-scale involuntary resettlement Alternative analysis • Impact Evaluation • Environmental Management Plan • 	•
4	Public Consultation	No special mention is made for public consultation in BECA. Sectoral guidelines mentioned above have prescribed consultation.	<p>Mandatory at the stage of</p> <ul style="list-style-type: none"> • Preparation of EA • Project appraisal • Project design • Project implementation and monitoring 	<p>Mandatory at the stage of</p> <ul style="list-style-type: none"> ➢ Preparation ➢ Screening ➢ Project Design ➢ Implementation ➢ Monitoring 	
5	Disclosure of Information	BECA makes no reference to disclosure. The Sectoral guidelines prescribe some provisions for disclosure	<p>Mandatory at</p> <ul style="list-style-type: none"> • Summary of project description and potential adverse impact • Summary of EA report and conclusion • EA report 	<p>In accordance with the guidelines principal information including environmental and social considerations of the project discloser in local and international language publicly is essential</p> <p>JICA disclose information on its website in Japanese, English or local languages.</p> <p>Disclose reports</p>	

References:

http://www4.unfccc.int/submissions/Lists/OSPSubmissionUpload/53_87_130571694875317894-FVA_Japan.pdf

http://case.doe.gov.bd/file_zone/reports_publications/monthly_reports/Monthly_Report_August_15.pdf

http://www.petrobangla.org.bd/petro_success.pdf

Appendix 08: Digital Topographic Maps for short term candidate sites

Appendix 08 Digital Topographic Maps for two selected sites

(1) Terrestrial Surveying and Digital Mapping

1) Projection of Topographic Map

Survey criteria are as follows

- | | |
|----------------------------------|---|
| • Coordinate System (Projection) | BUTM2010 |
| • Ellipsoid | WGS-84 |
| • Datum of Elevation | Bangladesh mean sea level (MSL \pm 0.00m) |
| • Unit | Metric unit system |
| • Mapping Scale | 1 : 2,000 |
| • Sheet Size | A3 size (297mm x 420mm) |
| • Print Scale of A3 Size Map | 1 : 5,000 |

2) Ground Control Point

The coordinates of ground control points were determined by GPS surveying. Basic survey points and relevant coordinates were established applying GCP (Ground Control Point), BUTM2010, Benchmarks MSL (m) by GPS/level survey and air triangulation survey. Position, coordinates and elevation of ground control points in Araihaazar and Nayanpur are shown below in Figure 1 ~2 and Table 1 ~ 2.

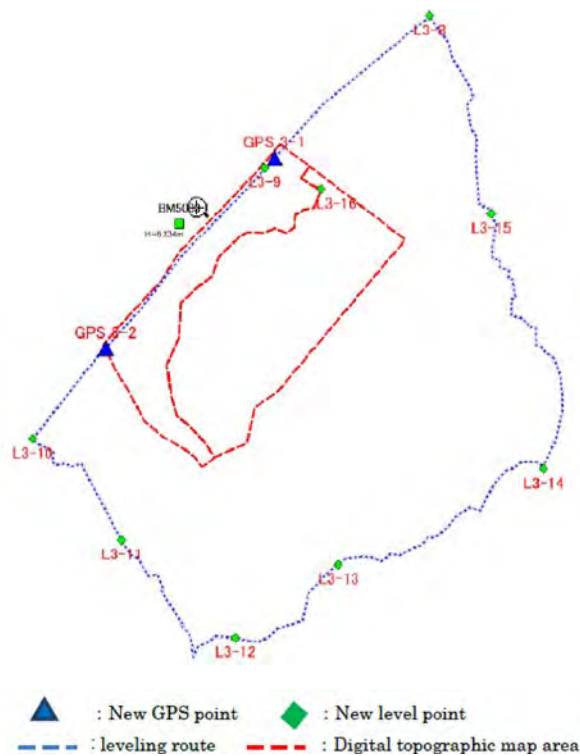


Figure 1 Position of ground control points and digital mapping area of Araihaazar.

Table .1 Coordinates of new GPS Points at Araihaazar (BUTM) and Elevation of Benchmarks

Point name	X (Easting) (m)	Y (Northing) (m)
GPS3-1	562551.275	2636022.294
GPS3-2	560913.959	2634155.801

Point name	Elevation Z (MSL) m
GPS3-1	6.800
GPS3-2	10.205
L3-8	7.094
L3-9	6.727
L3-10	6.315
L3-11	5.493
L3-12	8.795
L3-13	6.809
L3-14	7.596
L3-15	5.701
BM5003	6.334

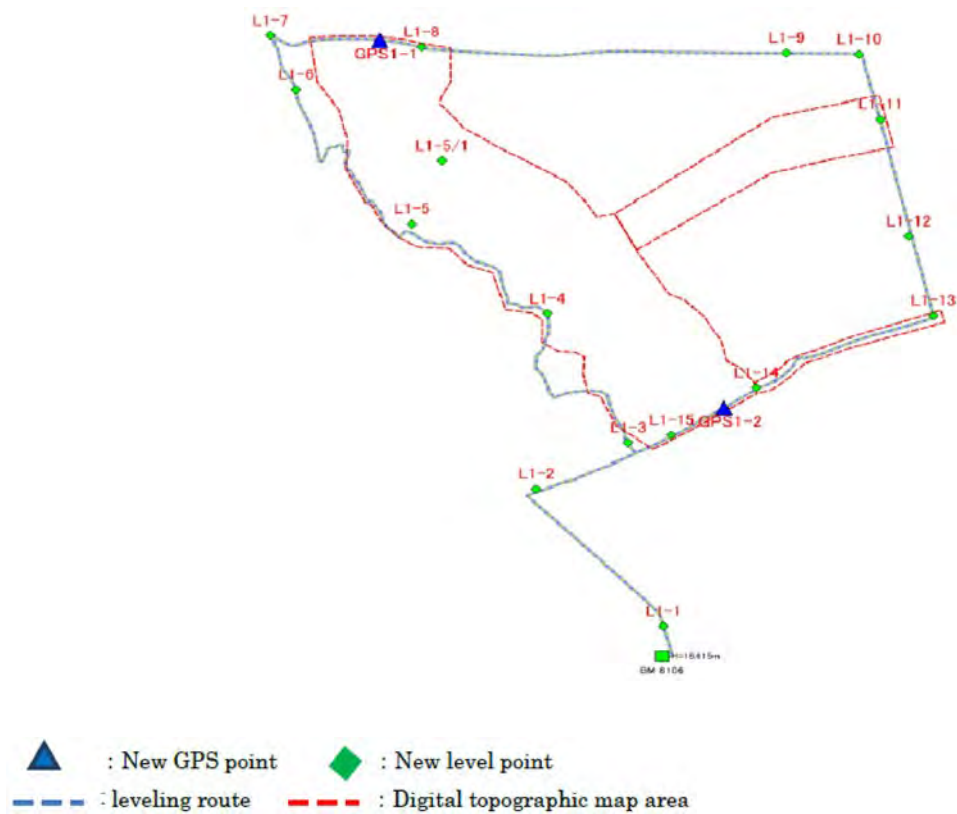


Figure 2 Position of ground control points and digital mapping area of Nayanpur

Table .2 Coordinate of new GPS Points at Nayanpur (BUTM) and Elevation of Benchmarks

Point name	X(Easting)m	Y(Northing)m
GPS1-1	537051.341	2684939.116
GPS1-2	539151.014	2682344.185

Point name	Elevation Z (MSL) m
GPS1-1	12.957
GPS1-2	12.601
L1-1	16.485
L1-2	15.504
L1-3	15.440
L1-4	13.227
L1-5	14.295
L1-5/1	12.613
L1-6	14.474
L1-7	16.468

L1-8	14.008
L1-9	14.582
L1-10	17.855
L1-11	17.388
L1-12	17.289
L1-13	17.700
L1-14	12.855
L1-15	13.650
BM8106	16.615

The above survey points are to be secured for the setting out of the future implementation of the project. Those points are not connected to the cadastral survey conducted by Upazila. It is desirable, therefore, to conduct a confirmatory survey for cadastral points for land acquisition in a succeeding project stage.

(2) Map Digitizing and Output

Digital topographic maps were prepared based on the existing aerial photograph data and an aerial triangulation process using a map-digitizing tool. Contour intervals are 0.5 m and point altitude are displayed in 10 cm units. Two versions of digital topographic maps were prepared. One version shows both planimetric features (structures such as houses, roads) and all topographic information such as elevation and contour lines. Another version shows only the topographic information and hides the planimetric features in order to facilitate topographic interpretation. In addition, the MSL + 3 m contour of Araihaazar and the MSL + 13 m contour of Nayanpur are black colored to facilitate interpretation of data.

Products of the map-digitizing process are shown in the following list. Digital topographic maps of the A-3 size shown in this list are summarized in the accompanying "Digital topographic maps.

1) List of 1:2000 Scale Digital Topographic Maps for Araihaazar EZ Candidate Sites

Note) Tags No. 5~7 are the topographic-information-only versions

Tag No.1, Araihaazar Release scale 1/11,000 (A3 paper size)

Tag No.2, Araihaazar Release scale 1/5,000 (A3 paper size)

Tag No.3, Araihaazar Release scale 1/5,000 (A3 paper size)

Tag No.4, Araihaazar Release scale 1/5,000 (A3 paper size)

Tag No.5, Araihaazar Release scale 1/5,000 (A3 paper size) [Contour line and elevation point]

Tag No.6, Araihaazar Release scale 1/5,000 (A3 paper size) [Contour line and elevation point]

Tag No.7, Araihaazar Release scale 1/5,000 (A3 paper size) [Contour line and elevation point]

2) List of 1:2000 Scale Digital Topographic Maps for Nayanpur EZ Candidate Sites

Note) Tags No. 7~11 are the topographic-information-only versions

Tag No.1, Nayanpur Release scale 1/13,000 (A3 paper size)

Tag No.2, Nayanpur Release scale 1/5,000 (A3 paper size)

Tag No.3, Nayanpur Release scale 1/5,000 (A3 paper size)

Tag No.4, Nayanpur Release scale 1/5,000 (A3 paper size)

Tag No.5, Nayanpur Release scale 1/5,000 (A3 paper size)

Tag No.6, Nayanpur Release scale 1/5,000 (A3 paper size)

Tag No.7, Nayanpur Release scale 1/5,000 (A3 paper size) [Contour line and elevation point]

Tag No.8, Nayanpur Release scale 1/5,000 (A3 paper size) [Contour line and elevation point]

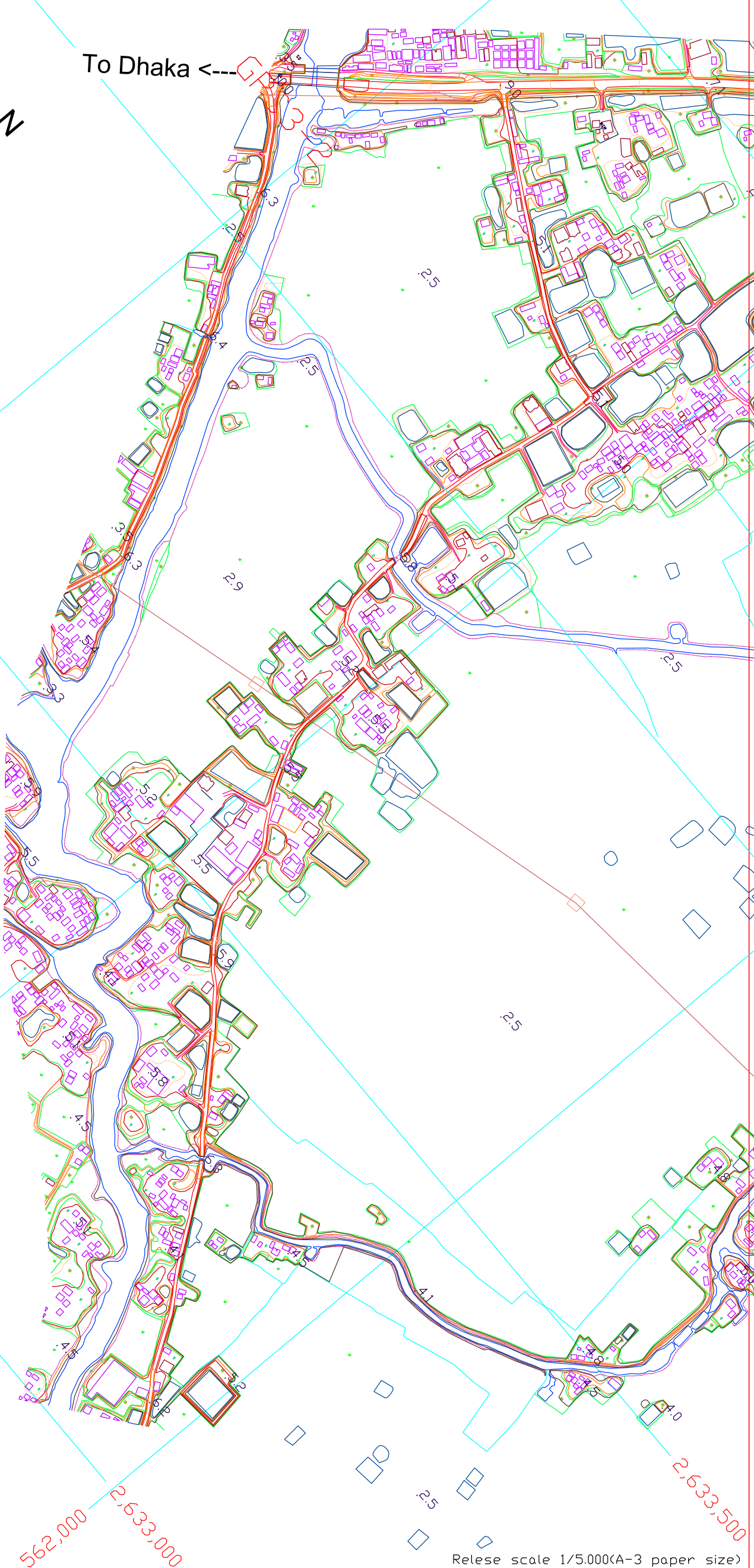
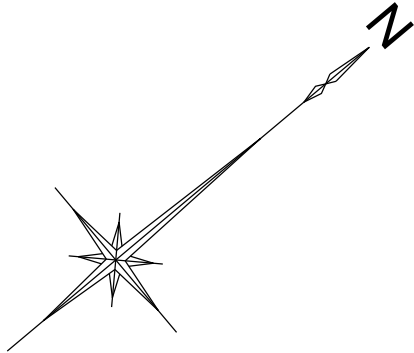
Tag No.9, Nayanpur Release scale 1/5,000 (A3 paper size) [Contour line and elevation point]

Tag No.10, Nayanpur Release scale 1/5,000 (A3 paper size) [Contour line and elevation point]

Tag No.11, Nayanpur Release scale 1/5,000 (A3 paper size) [Contour line and elevation point]

LOCATION: Araihaaz
Date of aerial photography : 2010 to 2011
Date of aerial triangulation: September 2015
Datum of elevation: Height datum of Bangladesh (MSL ± 0.00)
Reference ellipsoid: WGS-84
Map projection: BUTM
Map unit: Metric unit system
Tag No: 2
Map scale: 1/2,000

To Dhaka <---



- LEGEND**
- Building House
 - Cultivation Point
 - Culvert
 - Footpath
 - Index Contour
 - Intermediate Contour
 - Intermediate Contour (3m MSL)
 - Lake
 - Land Used
 - Marsh Swamp
 - Other tree
 - Peripheral Fence
 - Peripheral Wall
 - Power Trans Line
 - Power Trans Pole
 - Power Trans Tower
 - Radio TV Mobile
 - River bank
 - Road Bridge
 - Road Metalled
 - Road Unmetalled
 - Sand
 - Single Line
 - 4.5 Spot Height
 - Supplementary Contour
 - Tank Pond
 - Tinsheed House
 - Uncultivation Point
 - Water Line
 - Ground control point, Benchmark
 - Existing Benchmark

Release scale 1/5,000 (A-3 paper size)

[illegible]

LOCATION: Arainazar
Tag No: 4
Map scale: 1/2,000

---> To Sylhet

2,636,500

2,636,000

2,635,500

2,635,000

563,500

Release scale 1/5,000(A-3 paper size)

LOCATION: Arainhazor
Tag No: 4
Map scale: 1/2,000

---> To Sylhet

2,636,500

2,636,000

2,635,500

563,500

2,635,000

Release scale 1/5,000(A-3 paper size)

LOCATION: Arainohar
Tag No: 4
Map scale: 1/2,000

---> To Sylhet

2,636,500

2,636,000

2,635,500

2,635,000

Release scale 1/5,000(A-3 paper size)

LOCATION: Araihaazar
Date of aerial photography : 2010 to 2011
Date of aerial triangulation: September 2015
Datum of elevation: Height datum of Bangladesh (MSL ± 0.00)
Reference ellipsoid: WGS-84
Map projection: BUTM
Map unit: Metric unit system
Tag No.: 5
Map scale: 1/2,000

To Dhaka <---

N

561,000

561,500

562,000 2,633,000

2,633,500

LEGEND

Index Contour

Intermediate Contour

Intermediate Contour (3m MSL)

4.5 Spot Height

Supplementary Contour

Release scale 1/5,000 (A-3 paper size)

LOCATION: Araihozer
 Tag No. 6
 Map scale: 1/2,000

N2 (Dhaka - Sylhet Highway)

562,500

2,634,500

Release scale 1/5,000(A-3 paper size)

LOCATION: Araihaazar
 Tag No. 6
 Map scale: 1/2,000

N2 (Dhaka - Sylhet Highway)

562,500

2,634,500

Release scale 1/5,000(A-3 paper size)

LOCATION: Araihozer
 Tag No. 6
 Map scale: 1/2,000

N2 (Dhaka - Sylhet Highway)

562,500 2,634,500

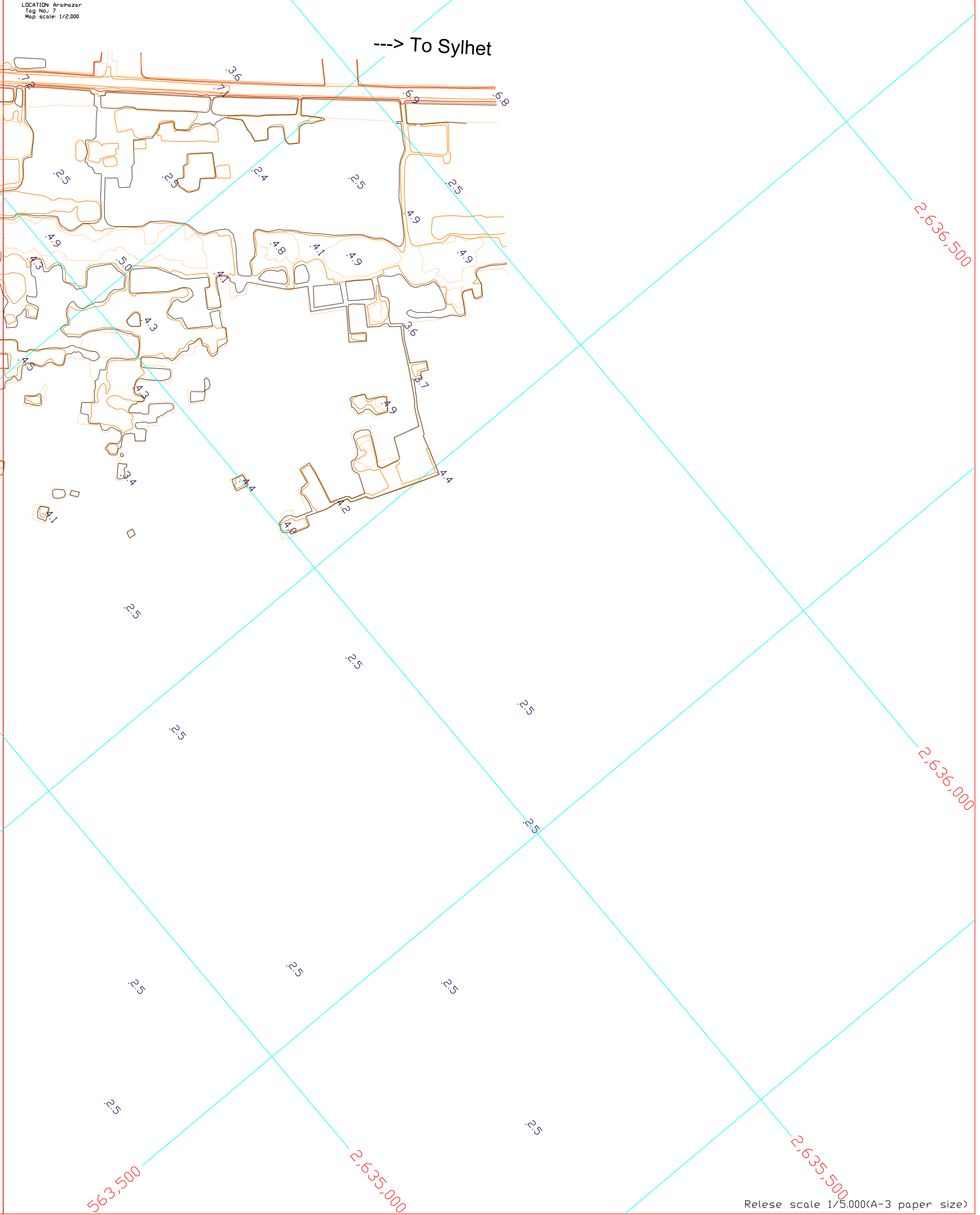
Release scale 1/5,000(A-3 paper size)

LOCATION: Araihozer
 Tag No. 6
 Map scale: 1/2,000

N2 (Dhaka - Sylhet Highway)

562,500 2,634,500

Release scale 1/5,000(A-3 paper size)



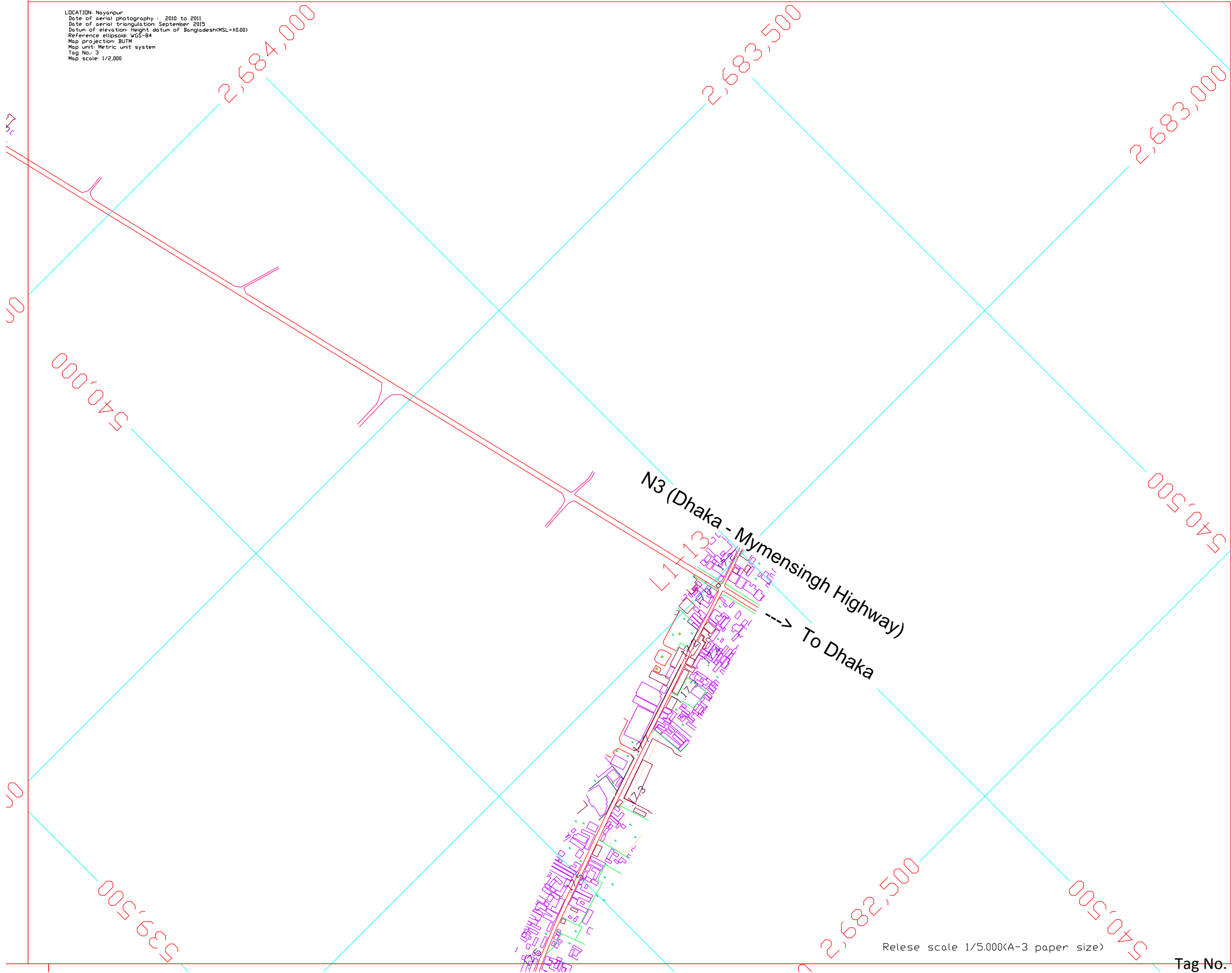
LOCATION: Nayanpur
Date of aerial photography : 2010 to 2011
Date of aerial triangulation: September 2015
Reference ellipsoid: Everest
Reference datum of Bangladesh: MSL = +0.00
Map projection: UTM
Map unit: Metric unit system
Map scale: 1/2,000

To Mymensingh

N3 (Dhaka - Mymensingh Highway)

Release scale 1/5,000(A-3 paper size)

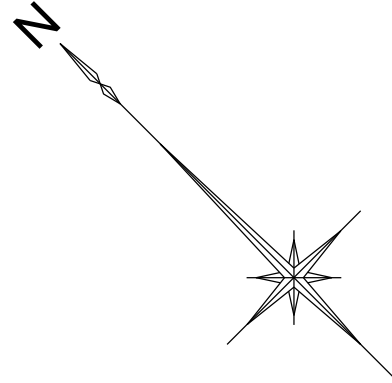
LOCATION: Nayanpur
Date of aerial photography : 2010 to 2011
Date of aerial triangulation: September 2015
Datum of elevation: Height datum of Bangladesh(MSL=±0.00)
Reference ellipsoid: WGS-84
Map projection: BUTM
Map unit: Metric unit system
Tag No.: 3
Map scale: 1/2,000



Release scale 1/5,000(A-3 paper size)

LOCATION: Nayanpur
Date of aerial photography : 2010 to 2011
Date of aerial triangulation: September 2015
Datum of elevation: Height datum of Bangladesh(MSL=±0.00)
Reference ellipsoid: WGS-84
Map projection: BUTM
Map unit: Metric unit system
Tag No.: 4
Map scale: 1/2,000

2,685,500



2,685,000

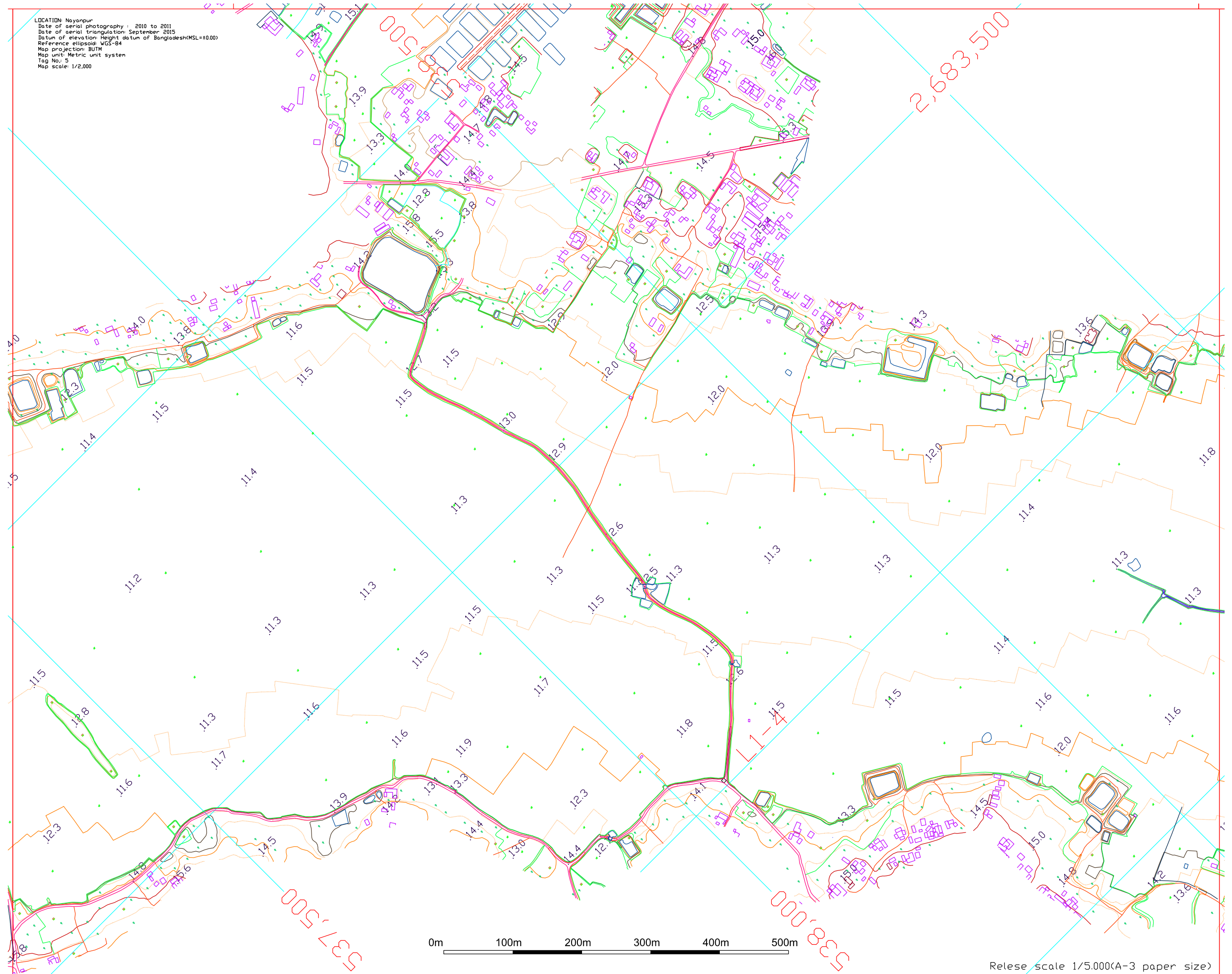
- LEGEND**
- Building House
 - Cultivation Point
 - Culvert
 - Footpath
 - Index Contour
 - Intermediate Contour
 - Intermediate Contour(13mMSL)
 - Lake
 - Land Used
 - MS Marsh Swamp
 - Other tree
 - Peripheral Fence
 - Peripheral Wall
 - Power Trans Line
 - Power Trans Pole
 - Power Trans Tower
 - RTM Radio TV Mobile
 - River bank
 - Road Bridge
 - Road Metalled
 - Road Unmetalled
 - SB Sand
 - Single Line
 - 4.5 Spot Height
 - Supplementary Contour
 - Tank Pond
 - Tinsheed House
 - Uncultivation Point
 - Water Line
 - △ Ground control point, Benchmark
 - Existing Benchmark
 - House Area

2,684,500

536,500

Release scale 1/5,000(A-3 paper size)

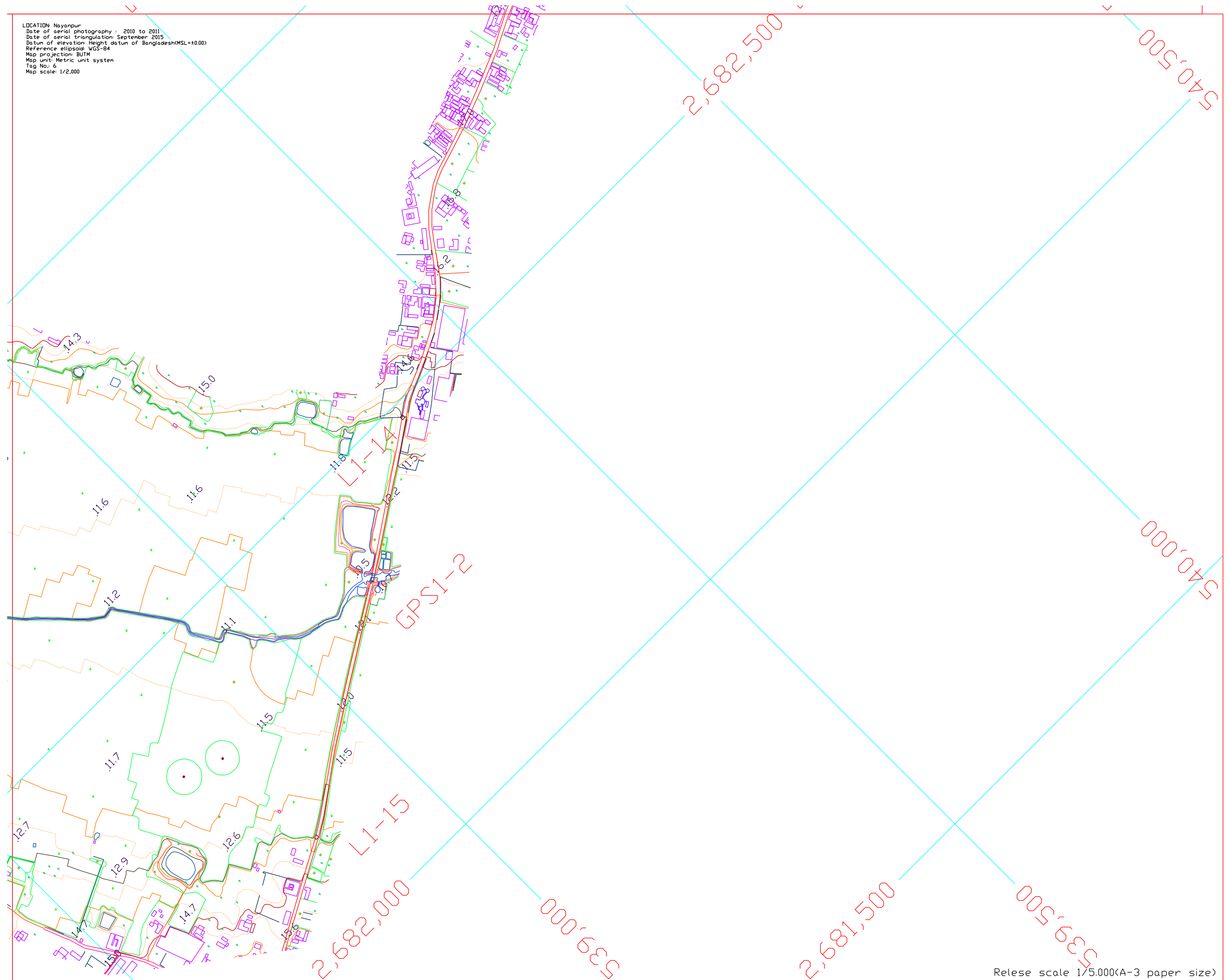
LOCATION: Nayanpur
Date of aerial photography : 2010 to 2011
Date of aerial triangulation: September 2015
Datum of elevation: Height datum of Bangladesh(MSL=±0.00)
Reference ellipsoid: WGS-84
Map projection: BTM
Map unit: Metric unit system
Tag No.: 5
Map scale: 1/2,000



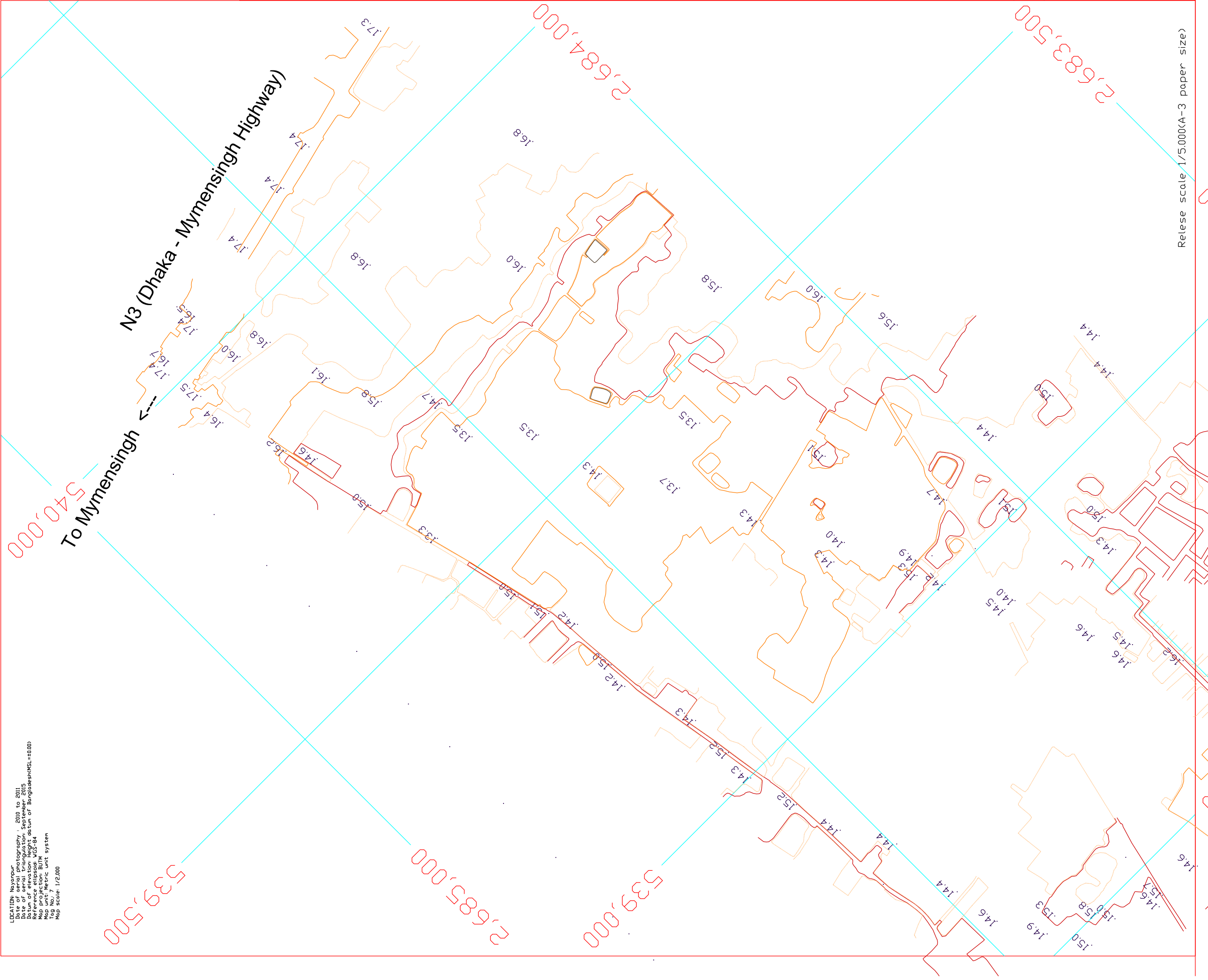
0m 100m 200m 300m 400m 500m

Release scale 1/5,000(A-3 paper size)

LOCATION: Nayanpur
Date of aerial photography : 2010 to 2011
Date of aerial triangulation: September 2015
Datum of elevation: Height datum of Bangladesh(MSL=±0.00)
Reference ellipsoid: WGS-84
Map projection: BUTM
Map unit: Metric unit system
Tag No: 6
Map scale: 1/2,000



LOCATION: Nayanpur
Photography: 2010 to 2011
Date of aerial triangulation: September 2015
Datum of elevation: Height datum of Bangladesh MSL = +0.00
Reference ellipsoid: WGS-84
Map projection: UTM
Map unit: Metric unit system
Tag No.: 7
Map scale: 1/2,000



Release scale 1/5,000(A-3 paper size)

LOCATION: Nayanpur
Date of aerial photography : 2010 to 2011
Date of aerial triangulation: September 2015
Datum of elevation: Height datum of Bangladesh(MSL=±0.00)
Reference ellipsoid: WGS-84
Map projection: BUTM
Map unit: Metric unit system
Tag No: 8
Map scale: 1/2,000

540,000

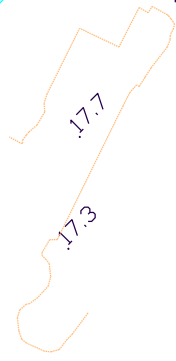
2,684,000

2,683,500

2,683,000

540,500

N3 (Dhaka - Mymensingh Highway)
---> To Dhaka



17.5
17.0
17.2
17.4

17.5

17.5

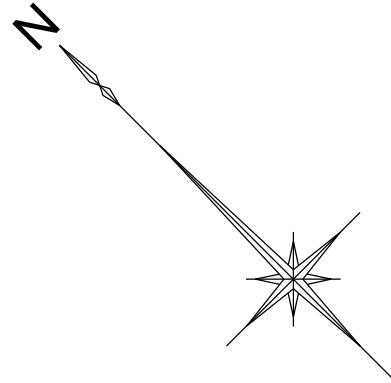
2,682,500

540,500

Release scale 1/5,000(A-3 paper size)

LOCATION: Nayanpur
Date of aerial photography : 2010 to 2011
Date of aerial triangulation: September 2015
Datum of elevation: Height datum of Bangladesh(MSL=±0.00)
Reference ellipsoid: WGS-84
Map projection: BTM
Map unit: Metric unit system
Tag No.: 9
Map scale: 1/2,000

2,685,500



2,685,000

LEGEND

— Index Contour
— Intermediate Contour
— Intermediate Contour(13mMSL)

4.5 Spot Height
— Supplementary Contour

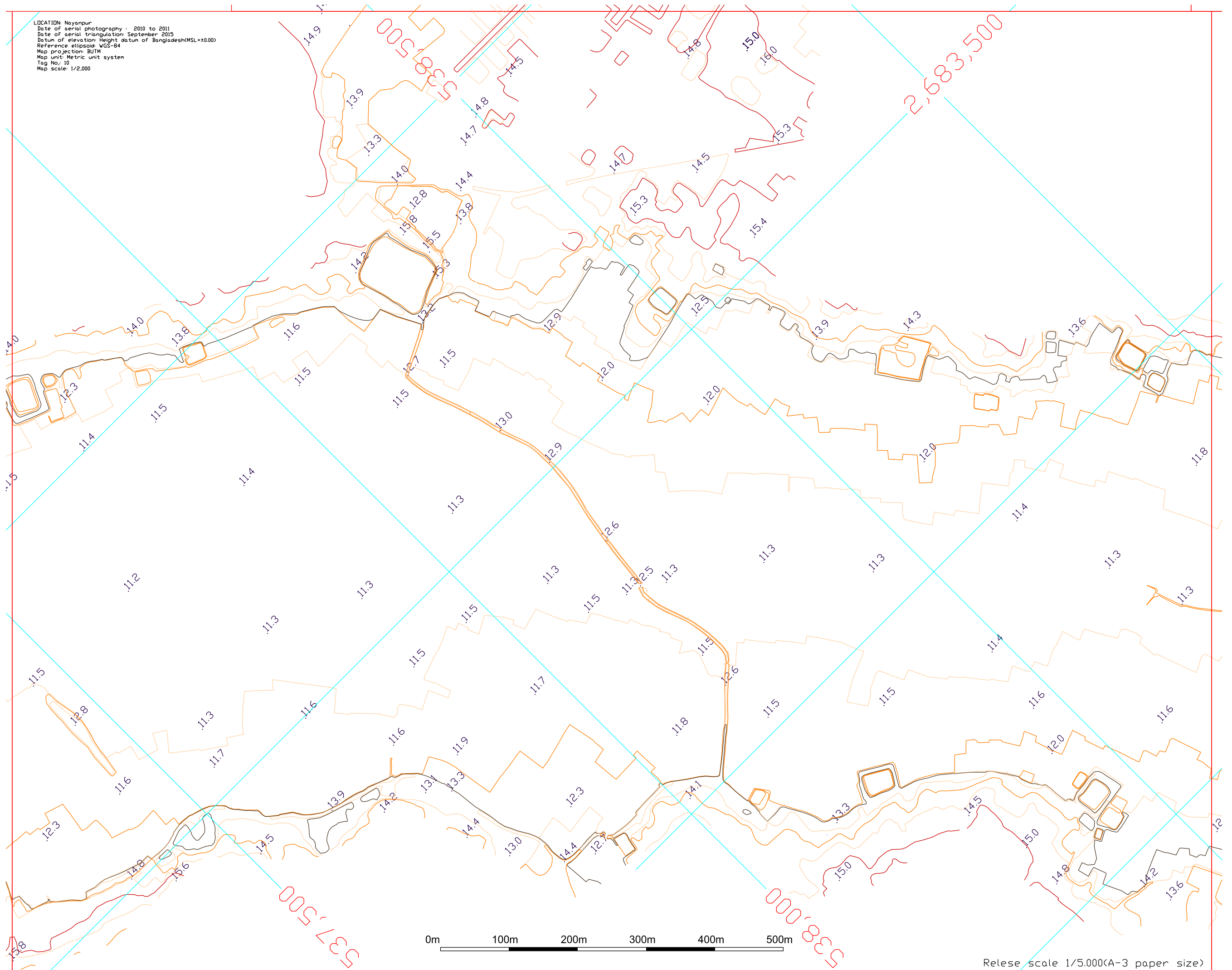
2,684,500

536,500

Release scale 1/5,000(A-3 paper size)

Tag No. 9 Nayanpur

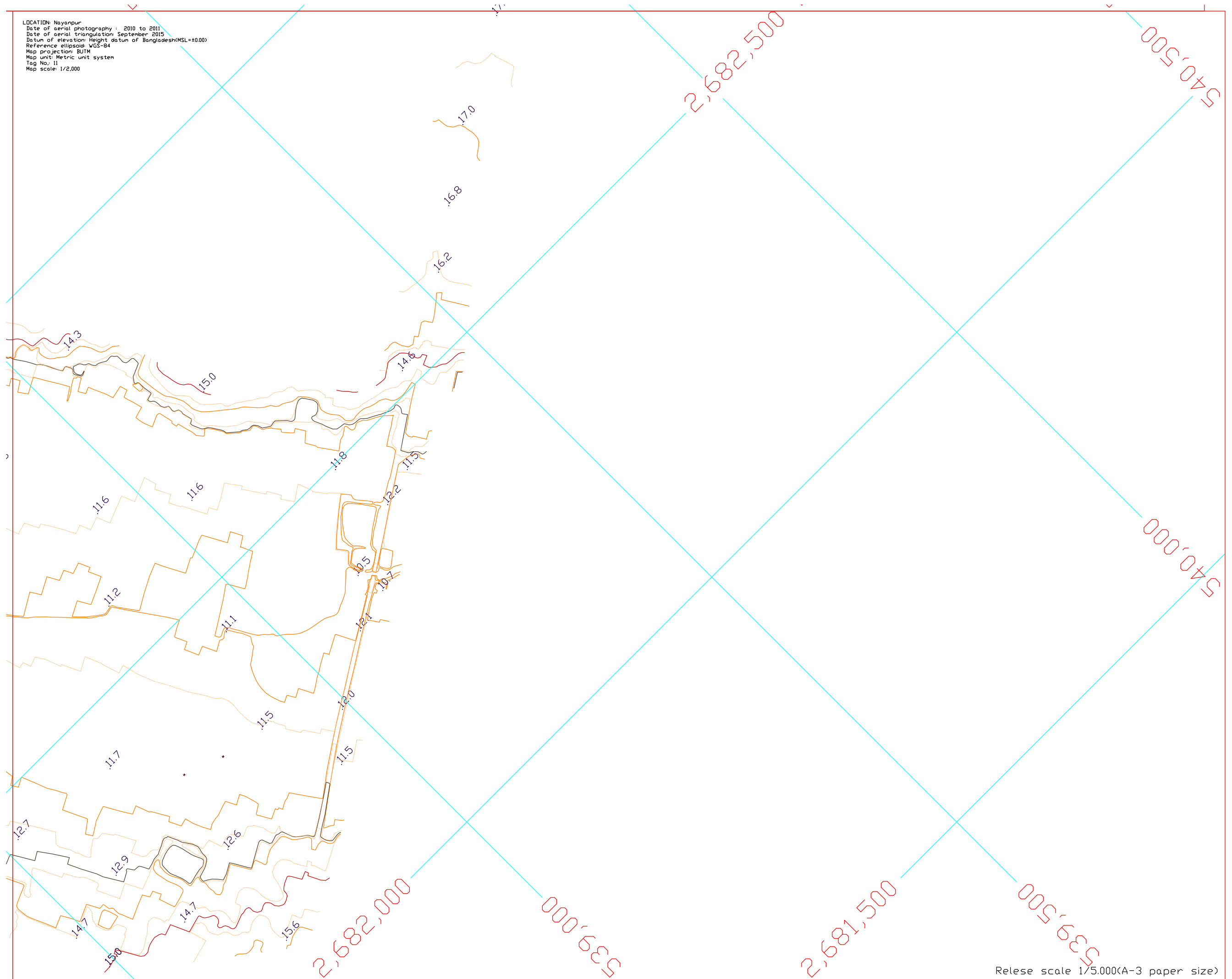
LOCATION: Nayanpur
Date of aerial photography : 2010 to 2011
Date of aerial triangulation: September 2015
Datum of elevation: Height datum of Bangladesh(MSL=±0.00)
Reference ellipsoid: WGS-84
Map projection: BUTM
Map unit: Metric unit system
Tag No: 10
Map scale: 1/2,000



Release scale 1/5,000(A-3 paper size)

Tag No. 10 Nayanpur

LOCATION: Nayanpur
Date of aerial photography : 2010 to 2011
Date of aerial triangulation: September 2015
Datum of elevation: Height datum of Bangladesh(MSL=±0.00)
Reference ellipsoid: WGS-84
Map projection: BUTM
Map unit: Metric unit system
Tag No.: 11
Map scale: 1/2,000



Release scale 1/5,000(A-3 paper size)

Appendix 09 : Figures related to Project cost estimation

Appendix 09 Figures related to Project cost estimation

Unit Rate of Manpower for Office Staff 1

Unit Rate for Manpower												
Office Staff												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Employ	allowance (over time)	Others (Tax)	Employ	allowance	Others	Tk	US\$	
1	Japanese Manager	1	Man-month	-	-	-	18,000	-	-	0	18,000	
2	Japanese Engineers	1	Man-month	-	-	-	15,000	-	-	0	15,000	
3	Japanese Administrator	1	Man-month	-	-	-	15,000	-	-	0	15,000	
4	Local Engineers	1	Man-month	50000	11667	5000	-	-	-	66,667	853	
5	Local Surveyors	1	Man-month	30000	7000	3000	-	-	-	40,000	512	
6	Local Administrator	1	Man-month	30000	7000	3000	-	-	-	40,000	512	
7	Local CAD Operator	1	Man-month	35000	8167	3500	-	-	-	46,667	597	
8	Local Office boys	1	Man-month	11000	2567	1100	-	-	-	14,667	188	
9	Local Drivers	1	Man-month	11000	2567	1100	-	-	-	14,667	188	
10	Checker /Store keeper	1	Man-month	11000	2567	1100	-	-	-	14,667	188	
11	Laboratory Staff	1	Man-month	40000	9333	4000	-	-	-	53,333	682	

Unit Rate of Manpower for Construction Workers 2

Unit Rate for Manpower												
Manpower for Land Works												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Employ	allowance (over time)	Others (Tax)	Employ	allowance	Others	Tk	US\$	
1	Foreman	1	daily	567	284	56	-	-	-	906.5	11.6	
2	Skilled Labor	1	daily	303	152	30	-	-	-	484.5	6.2	
3	Un-skilled Labor	1	daily	245	123	25	-	-	-	392.5	5.0	
4	Heavy Equipment Operator	1	daily	732	366	73	-	-	-	1171	15.0	
5	Equipment Operator	1	daily	423	212	42	-	-	-	676.5	8.7	
6	Re-bar Bender	1	daily	421	211	42	-	-	-	673.5	8.6	
7	Carpenter	1	daily	423	212	42	-	-	-	676.5	8.7	
8	Mechanical technician	1	daily	700	350	70	-	-	-	1120	14.3	
9	Electrical technician	1	daily	493	247	50	-	-	-	789.5	10.1	
10	Truck Driver	1	daily	423	212	42	-	-	-	676.5	8.7	

Unit Rate for Construction Materials 1 (Concrete , Others)

Unit Rate for Materials												
Shedule of Rates 2014 (Public Works Department)												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Material	Transport	Tax	Material	Transport	Tax	Tk	US\$	
1	Concrete Grade E (Type I, 32MPa stone aggregate)	1	m3	10,970	-	-	-	-	-	10970	140.4	
2	Concrete Grade A (Type I, 25MPa stone aggregate)	1	m3	10,526	-	-	-	-	-	10526	134.7	
3	Concrete Grade B (Type I, 22 Mpa stone aggregate)	1	m3	10,203	-	-	-	-	-	10203	130.6	
4	Concrete Grade A-1 (Type I, 21 MPa brick aggregate)	1	m3	7,982	-	-	-	-	-	7982	102.1	
5	Concrete Grade C (Type I, 19MPa brick aggregate)	1	m3	7,319	-	-	-	-	-	7319	93.7	
6	Concrete Grade D (Type I, 12MPa : 1:3:6 brick aggregate)	1	m3	6,319	-	-	-	-	-	6319	80.9	
7	Mortar (1:3)	1	m3	5,500	-	-	-	-	-	5500	70.4	
8	Ordinaly Portland Cement	1	kg	9.5	-	-	-	-	-	9.5	0.12	
9	CTB (12MPa : 1:3:6 brick aggregate)	1	m3	6,319	-	-	-	-	-	6319	80.9	
10	Asphalt Concrete including installation (asphalt plant use) (50mm thickness with 12mm stone aggregate)	1	m2	1,308	-	-	-	-	-	1308	16.7	
11	Asphalt Concrete including installation (asphalt plant use) (38 mm thickness with 10mm stone aggregate)	1	m2	1,073	-	-	-	-	-	1073	13.7	
12	Tack coat including instalation	1	m2	87	-	-	-	-	-	87	1.1	
13	seal coat including insteration	1	m2	235	-	-	-	-	-	235	3.0	

Unit Rate for Construction Materials 2 (Re-bar)

Unit Rate for Materials												
Reinforcing Bar												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Material	Transport	Tax	Material	Transport	Tax	Tk	US\$	
1	DB 10 (SD40)	1	ton	61,000	–	–	–	–	–	61000	780.6	
2	DB12~20 (SD40)	1	ton	59,000	–	–	–	–	–	59000	755.0	
3	DB 20~35(SD40)	1	ton	59,000	–	–	–	–	–	59000	755.0	
4	RB 6~10 (RD24)	1	ton	61,000	–	–	–	–	–	61000	780.6	
5	RB 16~25 (RD24)	1	ton	61,000	–	–	–	–	–	61000	780.6	

Unit Rate for Construction Materials 3 (Rocks, Sand, Reclaimed Soil)

Unit Rate for Materials												
Rock, Stone, Sand, Soil												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Material	Transport	Tax	Material	Transport	Tax	Tk	US\$	
1	Granite Rocks (100kg ~300kg)	1	m3	4,464	-	-	-	-	-	4464	57.1	on site
2	Granite Stone (20mm)	1	m3	5,178	-	-	-	-	-	5178	66.3	on site
3	Granite Stone (12mm)	1	m3	4,821	-	-	-	-	-	4821	61.7	on site
4	1st class jhama brick chip (62mm~40mm)	1	m3	3,068	-	-	-	-	-	3068	39.3	on site
5	1st class jhama brick chip (40mm~25mm)	1	m3	3,172	-	-	-	-	-	3172	40.6	on site
6	Filling Soil (material cost without excavation and transportation)	1	m3	25	-	-	-	-	-	25	0.3	
7	Sand Aggregate (FM 0.8)	1	m3	321	-	-	-	-	-	321	4.1	for Concrete
8	Sand Aggregate (FM 1.2)	1	m3	607	-	-	-	-	-	607	7.8	for Concrete
9	Transportation Cost of Stons, Soil and Sand	1	/km /m3	73	-	-	-	-	-	73	0.9	up to 30km Over 30km : 0.4\$/km

Unit rate for Construction Materials 3 (Filter Sheet, Interlocking block)

Unit Rate for Materials												
Filter Sheet, Interlocking Blocks												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Material	Transport	Tax	Material	Transport	Tax	Tk	US\$	
1	Geo-Textile (Filter Sheet)	1	m2	-	-	-	12	1	-	0	13	
3	Sand-bags	1	bags	8	-	-	-	-	-	8	0.1	
1	Heavy Duty Interlocking Block (T=100, 500kg/cm2)	1	m2	-	-	-	17	1	-	0	18	
2	Walkway Interlocking Block (T=50, 350kg/cm2)	1	m2	-	-	-	8	0.5	-	0	8.5	
3	Road Interlocking Block (T=80, 500kg/cm2)	1	m2	-	-	-	13	1	-	0	14	

Unit Rate for Construction Materials 4 (Steel Products)

Unit Rate for Materials												
Steel Products												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Material	Transport	Tax	Material	Transport	Tax	Tk	US\$	
1	H-shaped Steel (SS400)	1	ton	62500	-	-	-	-	-	62500	799.7	
2	Steel Sheet Pile SP-III, IV, V (SY296)	1	ton	-	-	-	1350	-	-	0	1,350	
3	I Shaped Steel	1	ton	62500	-	-	-	-	-	62500	799.7	
4	Structural Steel	1	ton	62500	-	-	-	-	-	62500	799.7	
5	Steel Plate	1	ton	85000	-	-	-	-	-	85000	1087.7	

Unit Rate for Construction Materials 5 (Wood Products)

Unit Rate for Materials												
Wood												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Material	Transport	Tax	Material	Transport	Tax	Tk	US\$	
1	Playwood (t= 12mm)	1	m2	520	-	-	-	-	-	520	6.7	
4	Timber	1	m3	16785	-	-	-	-	-	16785	214.8	
5	Wooden board (T= 20mm)	1	m3	16785	-	-	-	-	-	16785	214.8	

Unit Rate for Construction Materials 6 (Fuel, Oil)

Unit Rate for Materials												
Oil												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Material	Transport	Tax	Material	Transport	Tax	Tk	US\$	
1	Light Diesel Oil	1	litter	65			-	-	-	65	0.831734	
3	Gasoline	1	litter	94.5			-	-	-	94.5	1.209213	
4	Engine Oil	1	litter	-			-	-	-	0	-	

Unit Rate for Construction Materials7 (Water Pipes)

Unit Rate for Materials												
Water pipe												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Material	Transport	Tax	Material	Transport	Tax	Tk	US\$	
1	CPVC Pipe VU (ϕ 25)	1	m	353	-	-	-	-	-	353	4.52	
2	CPVC Pipe VU (ϕ 50)	1	m	1077	-	-	-	-	-	1077	13.78	
3	CPVC Pipe VU (ϕ 37)	1	m	650	-	-	-	-	-	650	8.32	
4	Iron Water Pipe GI (ϕ 100)	1	m	2520	-	-	-	-	-	2520	32.25	
5	Iron Water Pipe GI (ϕ 50)	1	m	642	-	-	-	-	-	642	8.21	
6	Iron Water Pipe GI (ϕ 75)	1	m	1086	-	-	-	-	-	1086	13.90	
7	HDPE Pipe (ϕ 50)	1	m	-	-	-	9.5	-	-	-	9.5	Import
8	HDPE Pipe (ϕ 75)	1	m	-	-	-	14.8	-	-	-	14.8	Import
9	HDPE Pipe (ϕ 100)	1	m	-	-	-	17.8	-	-	-	17.8	Import
10	HDPE Pipe (ϕ 150)	1	m	-	-	-	28.8	-	-	-	28.8	Import
11	HDPE Pipe (ϕ 200)	1	m	-	-	-	44.3	-	-	-	44.3	Import

Unit Rate for Construction Materials 8 (Drainage Pipes)

Unit Rate for Materials												
Drainage pipe												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Material	Transport	Tax	Material	Transport	Tax	Tk	US\$	
1	Concrete Pipe (Type I, ϕ 300)	1	m	2743	109		-	-	-	2852	36.5	including installation fee
2	Concrete Pipe (Type I, ϕ 400)	1	m	3580	132		-	-	-	3712	47.5	including installation fee
3	Concrete Pipe (Type I, ϕ 500)	1	m	5012	195		-	-	-	5207	66.6	including installation fee
4	Concrete Pipe (Type I, ϕ 600)	1	m	7518	195		-	-	-	7713	98.7	including installation fee
5	Concrete Pipe (Type I, ϕ 800)	1	m	11277	235					11512	147.3	including installation fee
6	Concrete Pipe (Type I, ϕ 900)	1	m	13190	295		-	-	-	13485	172.6	including installation fee
7	Concrete Pipe (Type I, ϕ 1000)	1	m	17147	321		-	-	-	17468	223.5	including installation fee
	PVC Pipe VP (ϕ 25)	1	m	92	-		-	-	-	92		
10	PVC Pipe VP (ϕ 50)	1	m	150	-		-	-	-	150	-	
11	PVC Pipe VP (ϕ 75)	1	m	245	-		-	-	-	245	-	
12	PVC Pipe VP (ϕ 100)	1	m	347	-		-	-	-	347	-	
13	PVC Pipe VP (ϕ 150)	1	m	695	-		-	-	-	695	-	
14	PVC Pipe VP(ϕ 200)	1	m	951	-		-	-	-	951	-	

Unit Rate for Construction Materials 9 (Gas Pipes)

Unit Rate for Materials												
Gas pipe												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Material	Transport	Tax	Material	Transport	Tax	Tk	US\$	
1	75mm N.D (88.9mm O/D) M.S	1	m	1509	-	-	-	-	-	1509	19.3	
2	50mm N.D (60.3mm O/D) M.S	1	m	927	-	-	-	-	-	927	11.9	
3	25mm N.D (33.4mm O/D) M.S	1	m	728	-	-	-	-	-	728	9.3	
4	20mm N.D (26.7mm O/D) M.S	1	m	418	-	-	-	-	-	418	5.3	
5	Backfilling	1	m3	644	-	-	-	-	-	644	8.2	

Unit Rate for Construction Equipment 1 (Office Equipment)

Unit Rate for Equipment												
Office Equipment												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Purchase/Depreciation year fee	Rental	Tax	Purchase/Depreciation year fee	Rental	Tax	TK	US\$	
1	Computer	1	unit	-	-	-	1,100	-	-	-	1,100	
2	Printer (A3 color)	1	unit	-	-	-	3,000	-	-	-	3,000	
2	Plotter (A1)	1	unit	-	-	-	5,000	-	-	-	5,000	
3	Copy Machine (A3 Black)	1	unit	-	-	-	2,000	-	-	-	2,000	
4	Refrigerator	1	unit	-	-	-	500	-	-	-	500	
5	Office furniture	1	L.S	-	-	-	5,000	-	-	-	5,000	
6	Survey Equipment (land)	1	year	-	-	-	3,500	-	-	-	3,500	
8	Laboratory Equipment	1	year	-	-	-	5,000	-	-	-	5,000	
9	Car (4WD)	1	Month	-	-	-	1,500	-	-	-	1,500	
10	Car (sedan)	1	Month	-	-	-	1,200	-	-	-	1,200	
11	Pick-up truck	1	Month	-	-	-	1,000	-	-	-	1,000	
12	Minibus	1	Month	-	-	-	1,500	-	-	-	1,500	

Unit Rate for Construction Equipment 2 (Equipment for land works)

Unit Rate for Equipment												
Equipment for Land Works												
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)			US\$ Currency			Unit Price		Remarks
				Purchase/Depreciation year fee	Rental	Tax	Purchase/Depreciation year fee	Rental	Tax	TK	US\$	
1	Bulldozer (21ton)	1	daily	-	12774	-	-	-	-	12774	163	
2	Pay-loader (2.5m3)	1	daily	-	25000	-	-	-	-	25000	320	
2	Excavator (1m3)	1	daily	-	25000	-	-	-	-	25000	320	
3	Excavator (0.4m3)	1	daily	-	12000	-	-	-	-	12000	154	
4	Vibro-Roller	1	daily	-	15000	-	-	-	-	15000	192	
5	Macadam Roller	1	daily	-	12000	-	-	-	-	12000	154	
6	Tier roller	1	daily	-	8000	-	-	-	-	8000	102	
7	Motor Grader	1	daily	-	20000	-	-	-	-	20000	256	
8	Track Crane 25ton	1	daily	-	35000	-	-	-	-	35000	448	
9	Crawler Crane 150 ton	1	daily	-	-	-	1,000	-	-	-	1,000	
10	Crawler Crane 100 ton	1	daily	-	-	-	800	-	-	-	800	
11	Crawler Crane 50ton	1	daily	-	50000	-	-	-	-	50000	640	
12	Dump truck (20ton)	1	daily	-	15000	-	-	-	-	15000	192	
14	Welder	1	daily	-	700	-	-	-	-	700	9	
15	Bar Bender	1	daily	-	1000	-	-	-	-	1000	13	
16	Concrete vibrator	1	daily	-	500	-	-	-	-	500	6	
17	Generator 200 KVA	1	daily	-	-	-	150	-	-	-	150	
18	Generator 100 KVA	1	daily	-	-	-	80	-	-	-	80	
19	Generator 50KVA	1	daily	-	-	-	60	-	-	-	60	
20	Truck 10 ton	1	daily	-	8000	-	-	-	-	8000	102	

Unit rate for River Dredging, River Sand Transportation and Reclamation works are shown in following Tables.

Work unit Cost for River sand dredging and reclamation 1 (Dredging Cost)

Dredging river sand										
Dredging and loading (1000m3)										
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)		US\$ Currency		Work Cost (m3)		Remarks
				Unit Rate	Total Cost	Unit Rate	Total Cost	Tk	US\$	
1	Fuel	150	litter	65	9750	-	-	9750.00	124.76	
2	Operator	3	man-day	677	2029.5	-	-	2029.50	25.97	
3	Sand Pump	1	day	30,000	30000	-	-	30000.00	383.88	
4	Pump Barge	1	day	40,000	40000			40000.00	511.84	
5	Royalty	1000	m3	9	9000			9000.00	115.16	
	Sub Total							90779.50	1,161.61	
	Dredging and loading 1 m3	1	m3				m3	90.78	1.16	

Work unit Cost for River sand dredging and reclamation 2 (Sand Transportation)

Excavation and Transportation by Dump truck										
Excavation and transportation (300m3)//2km										
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)		US\$ Currency		Work Cost (m3)		Remarks
				Unit Rate	Total Cost	Unit Rate	Total Cost	Tk	US\$	
1	Fuel	90	litter	65	5850	–	–	5850.00	74.86	
2	Operator	1	man-day	677	676.5	–	–	676.50	8.66	
3	Excavator (1.0m3)	1	day	25,000	25000	–	–	25000.00	319.90	
	Sub Total							31526.50	403.41	
	Transportation 1 m3 /km	1	km				m3	105.09	1.34	
4							m3	73	0.93	
1	Loading + Transportation 1km~3km	1	m3						1.26	
2	Loading + Transportation 3km~5km	1	m3						2.75	
3	Loading + Transportation 5km~8km	1	m3						7.88	
4	Loading + Transportation 8km~11km	1	m3						10.69	

Transportation sand by River Barge										
Transportation by Barge (300 m3/2km)										
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)		US\$ Currency		Work Cost (m3)		Remarks
				Unit Rate	Total Cost	Unit Rate	Total Cost	Tk	US\$	
1	Fuel	50	litter	65	3250	-	-	3250.00	41.59	
2	Operator	1	man-day	677	676.5	-	-	676.50	8.66	
3	Barge	0.5	day	40,000	20000	-	-	20000.00	255.92	
	Sub Total							23926.50	306.16	
							m3	79.76	1.02	
1	Loading + Transportation 1km~2km	1	m3						1.02	
2	Loading + Transportation 2km~5km	1	m3						1.53	
3	Loading + Transportation 5km~8km	1	m3						3.06	

Unit Cost for River Sand Reclamation 3(Sand Reclamation)

Sand Filling by Pump (<3km)										
Filling Work (3000m3/day)										
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)		US\$ Currency		Work Cost (m3)		Remarks
				Unit Rate	Total Cost	Unit Rate	Total Cost	Tk	US\$	
1	Fuel	150	litter	65	9,750	-	-	9,750	124.76	
2	Operator	3	man-day	677	2,030	-	-	2,030	25.97	
3	Sand Pump	1	day	40,000	40,000	-	-	40,000	511.84	
4	Pump Barge	1	day	30,000	30,000			30,000	383.88	
5	Pipe (300) including setting	3000	m	60	180,000			180,000	2,303.26	
	Sub Total							261,780	3,349.71	
	Filling sand 1 m3	1	m3				m3	87	1.12	

Sand Filling by Pump (<6km)										
Filling Work (3000m3/day)										
Item No.	Description	Quantity	unit	Local Currency Tk (rate : 1\$ =78.15Tk)		US\$ Currency		Work Cost (m3)		Remarks
				Unit Rate	Total Cost	Unit Rate	Total Cost	Tk	US\$	
1	Fuel	300	litter	65	19,500	–	–	19,500	249.52	
2	Operator	4	man–day	677	2,706	–	–	2,706	34.63	
3	Sand Pump	1	day	40,000	40,000	–	–	40,000	511.84	
	Booster Bump	1	day	40,000	40,000	–	–	40,000	511.84	
4	Pump Barge	1	day	30,000	30,000			30,000	383.88	
5	Pipe (300) including setting	6000	m	60	360,000			360,000	4,606.53	
	Sub Total							492,206	6,298.22	
	Filling sand 1 m3	1	m3				m3	164	2.10	