

SECTION - II

EXPORT FROM THE EXPORT PROCESSING ZONES

27. Principles and Procedures

Export Processing Zones (EPZs) have been established by the Act namely, Bangladesh Export Processing Zone Authority Act, 1980. The following types of industrial units operate in the EPZs:

- (a) Type A: 100 percent foreign owned including those owned by Bangladeshi nationals ordinarily resident abroad;
- (b) Type B: Joint venture projects between foreign and Bangladesh entrepreneurs resident in Bangladesh;
- (c) Type C: 100 percent Bangladeshi entrepreneurs resident in Bangladesh.

Developers and different service providing companies (water supply/treatment, cleaning, dust management, effluent treatment plant, etc.) operating in EPZs, exclusively formed and registered to serve a particular EPZ will be treated as industrial units of EPZ for foreign exchange regulation purposes.

The broad guidelines relating to the operation of industrial enterprises in the EPZs are contained in the "Principles and Procedures governing setting up of industries in EPZ" issued by the BEPZA.

28. Repatriation of export proceeds from the EPZs

Exports from EPZs are subject to the usual requirement of declaration of exports in EXP Form and repatriation of export proceeds. For identification, EXP forms for these exports should be rubber stamped or over printed with words "EXPORT FROM EPZ" in bold letters.

29. Disposal of export proceeds

Procedures to release of foreign exchange to the enterprises against exports made from the EPZs are described in Chapter 13 (Section-V).

30. Sale of Bangladeshi goods to EPZ enterprises

Sales of Bangladeshi goods or raw materials to the enterprises in EPZ against payment in foreign currency shall be treated as exports from Bangladesh and normal foreign exchange regulations concerning declaration of exports on EXP forms and repatriation of proceeds is applicable to these exports to the EPZ enterprises.

Exports to EPZ areas shall be considered as imports by EPZ enterprises. In such cases, ADs of EPZ enterprises may report such import transactions to Bangladesh Bank in monthly schedule E-2 under Statement-10 or Statement-11 (as the case may be) mentioning the number of concerned EXP forms to which the payment in foreign currency relate. This procedure of mentioning EXP numbers will also be applicable for transactions between EPZ enterprises and intra EPZ enterprises. The above procedure will be applicable for reporting in online web portal. Usual IMP Form reporting procedures will, however, be applicable for imports by EPZ enterprises from abroad.

31. Exports from EZs and private EPZs

The above instructions of Section-II will be applicable for (i) enterprises of economic zones (EZs) established under the Bangladesh Economic Zones Authority Act 2010 and (ii) private EPZs including KEPZ established under Private Export Processing Zone Act, 1996.