

General information

Official Name:	The People's Republic of Bangladesh
Political system:	Parliamentary democracy
Capital name:	Dhaka
Time zone:	GMT + 6 hours
Major cities:	Dhaka, Chittagong, Khulna, Rajshahi, Sylhet, Barisal, Rangpur
Principal rivers:	Padma, Meghna, Jamuna, Brahmaputra, Teesta, Surma and Karnaphuli.(total 310 rivers including tributaries).
Principal industries:	Ready made garments, pharmaceuticals, cements, garment accessories, chemicals, fertilizers, newsprint, leather and leather goods, paper, sugar, jute, ship building.
Principal exports:	Readymade garments, frozen foods (shrimps), leather, leather products, jute, jute products, tea, ceramic, textile fabrics, home textile, chemical product, light engineering products including bi-cycle.

Special Incentives in foreign Investment in Bangladesh:

Bangladesh offers some of the world's most competitive fiscal non-fiscal incentives. BOI can advise further on this matter.

In summary and in most cases, these amount to the following:

- Remittance of royalty, technical know-how and technical assistance fees.
- Repatriation facilities of dividend and capital at exit.
- Permanent resident permits on investing US\$ 75,000 and citizenship on investing US\$ 500,000.
- Tax holidays

- In the Dhaka & Chittagong Divisions: 100% in first two years: 50% in the year three and four: and 25% in the year five.
- In the Rajshahi, Khulna, Sylhet, Barisal Divisions and three Chittagong Hilly Districts: 100% for first three years, 50% for next three years, 25% for year seven.
- Depreciation allowances
 - Accelerated depreciation for new industries is available at the rate of 50%, 30% and 20% for the first, second and third years respectively, on the cost of plant and machinery.
- Cash and added incentives to exporting industries
 - Businesses exporting 80% or more of goods or services qualify for duty free import of machinery and spares, bonded warehousing.
 - 90% loans against letters of credit and funds for export promotion.
 - Export credit guarantee scheme.
 - Domestic market sales of up to 20% is allowed to export oriented business located outside an EPZ* on payment of relevant duties.
 - Cash incentives and export subsidies are granted on the FOB** value of selected exports ranging from 5% to 20% on selected products.

***EPZ=Export Processing Zone**

****FOB=Free on Board**

Business Setup in Bangladesh

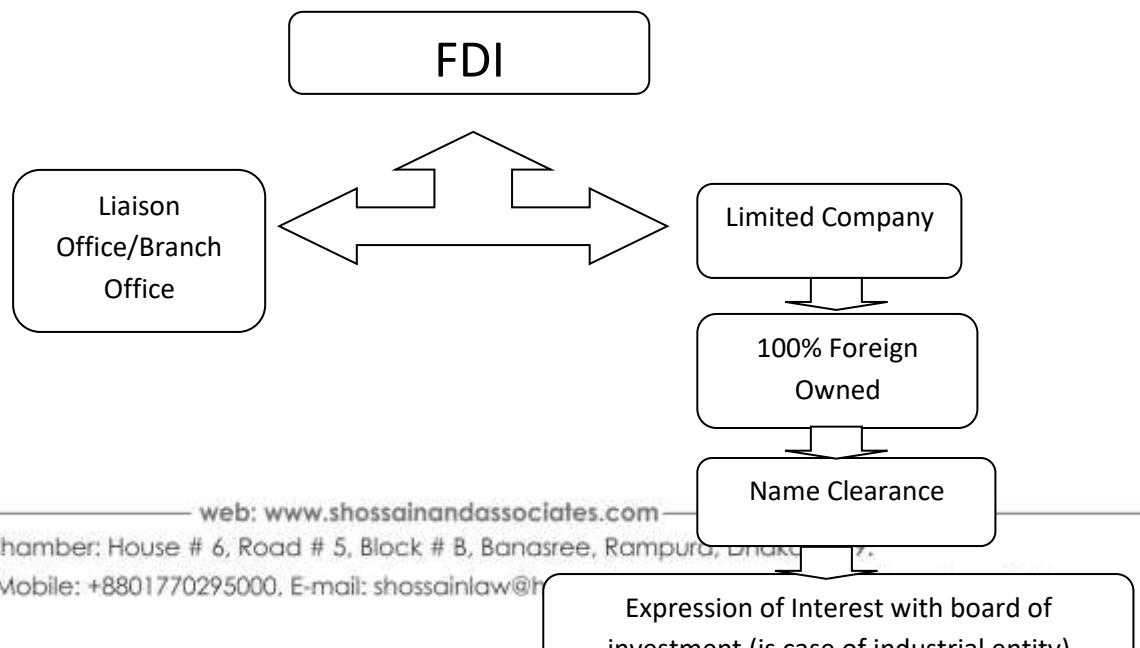
The processes of registration of business in BD by foreign nations or companies involve the following steps:

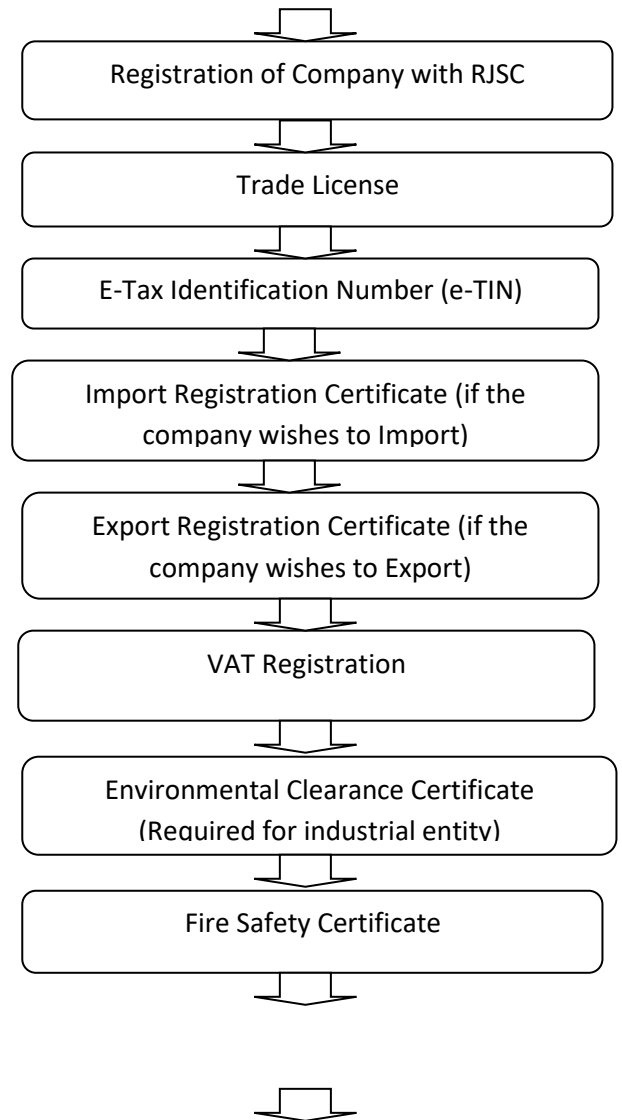
1. Name Clearance
2. Expression of Interest with board of investment (is case of industrial entity)

3. Registration of Company with RJSC
4. Trade License
5. E-Tax Identification Number (e-TIN)
6. Import Registration Certificate (if the company wishes to Import)
7. Export Registration Certificate (if the company wishes to Export)
8. VAT Registration
9. Environmental Clearance Certificate (Required for industrial entity)
10. Fire Safety Certificate
11. Registration with chief inspector of labor)
12. Board of Investment Registration (BOI)

If foreigners are working in a company then work permit has to be obtained from BIO subject to security clearance report from special branch and national security intelligence.

**Process flow for setting up business in Bangladesh. Prepared by S Hossain & Associates Law office, Law firm, lawyer, Advocate in Bangladesh







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