

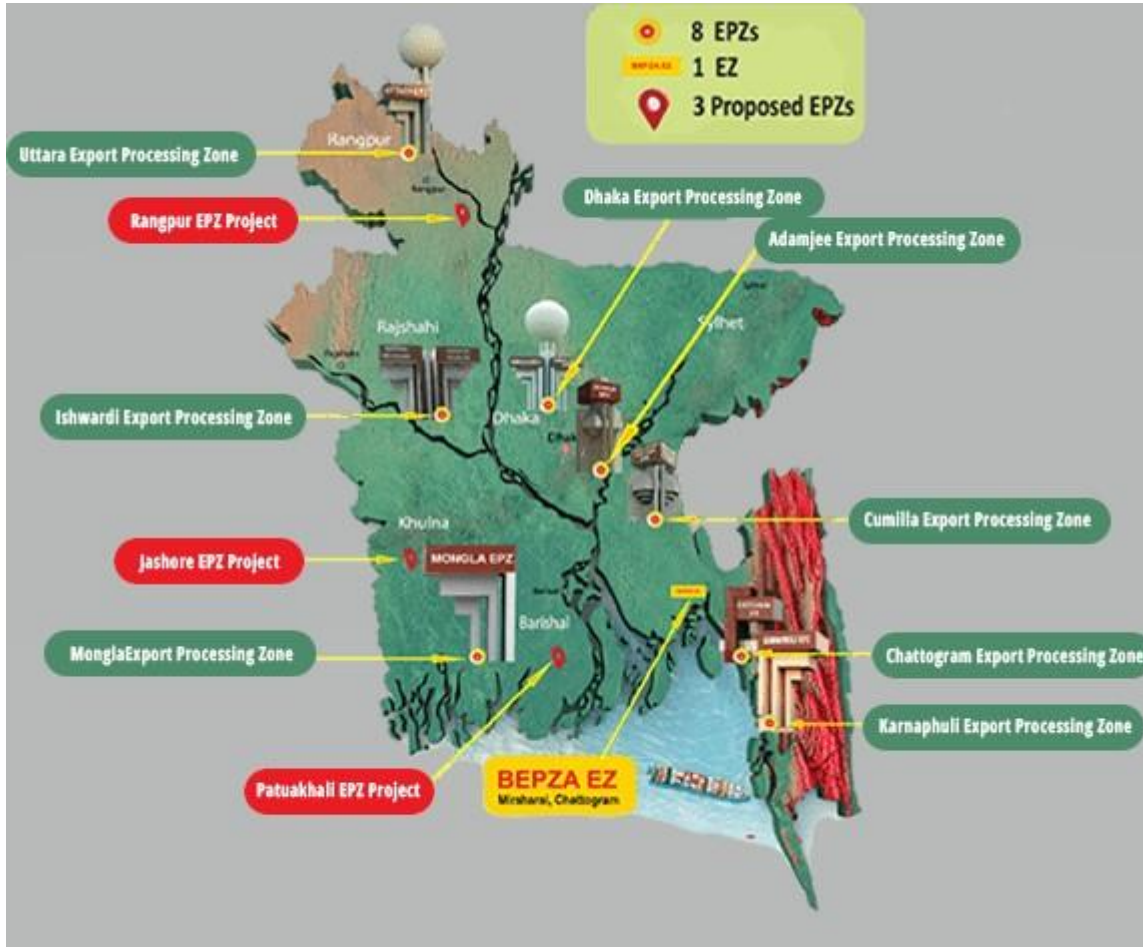
# Sharing National Experience— Expanding Authorized Economic Operator (AEO) Concept to Free Zones



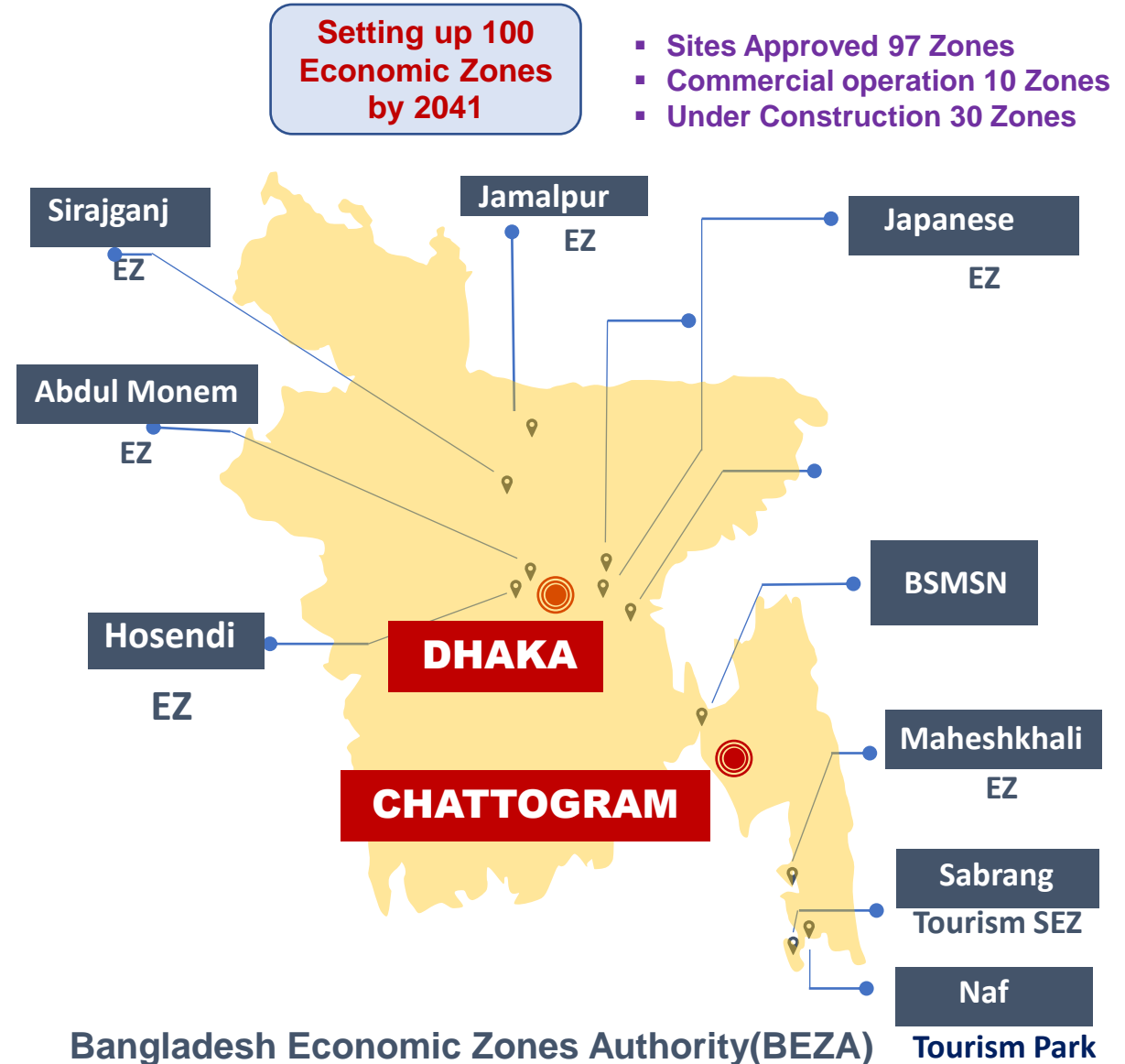
**Rizvi M. Salahuddin**

**First Secretary  
National Board of Revenue  
Bangladesh**

# Free Zones in Bangladesh



Bangladesh Export Processing Zones Authority (BEPZA)



Bangladesh Economic Zones Authority (BEZA)

# Benefits of FZs AEO



## Income Tax



100% off: 1<sup>st</sup> 3 years  
80%-20% off: 4<sup>th</sup> - 10<sup>th</sup> year

## Dividend Tax



No tax: 10 years

## Capital Gain Tax



No tax: 10 years

## VAT Exemption



No VAT on Gas, Electricity  
and Water

## Income of Foreign Worker



No tax: 3 years

## Duty Free Import



No duty: Capital Machinery  
& Construction Material



## Bond Facilities



Duty free import & export of  
raw materials

## Sending Of Dividend/Profit



100% profit allowed to  
send home

## Easy Customs



Simplified Customs  
Procedure

# Importance of Risk Management & Compliance

Customs' failure to conduct risk-based background checks could become a significant enabling factor for illicit trade

Effective risk management and compliance checks streamline trade processes

Robust risk management practices helps mitigate security threats



Relaxed regulatory oversight enables the proliferation of counterfeit and pirated goods in FZs

Compliance checks helps safeguard tax incentives and duty exemptions

Risk management helps identify and address potential risks associated with cross-border transactions

# Challenges in Expansion of AEO to FZs





# Role of MRA in Expansion of AEO to FZs

**Enhanced Trade Facilitation**

**Targeted examinations so as to allow non-selected cargo to proceed without delay to the destination**

**Reciprocal or comparable compliance benefits whenever equivalent programs exist**

**Advice and assistance for unforeseen issues with overseas border agencies**

**Customs Mutual Administrative Assistance (CMAA)**





**Thank You So Much!**