

Export Processing Zone
Application Requirements & Guidelines

Introduction

An Export Processing Zone in Belize is a company treated as being outside the customs territory of the host state where export oriented activities are undertaken in the manufacturing, processing, assembly and service sectors. Such activities benefit from favourable tax regime and the nonpayment of duties on its raw material for production. Customs territory refers to the rest of the country where customs requirement apply.

The objectives of the program are being achieved by the facilitation of new and ongoing local and foreign investments, including non-traditional agricultural products, services, and manufactured goods, in an effort to boost export supply capabilities.

Who can apply?

Any company involved in any of the following activities: processing, manufacturing, assembly, data processing and other services, **solely for the export market.**

Types of Export Processing Zones

1. Export Processing Zone Developer

Company established to create and administer an export-processing zone. Developers provide factory space, communications, water/sewage networks, power, and any other facilities to assist companies set up promptly.

2. Export Processing Zone Business

A private party that has been granted a Certificate of Compliance to operate a trade or business within a developed Export Processing Zone. Activities include but are not limited to manufacturing, commercial, office, warehousing, professional, or other export related activities.

3. Special Export Processing Zone

Companies on which EPZ status is conferred wherever they locate to accommodate resource base activities. This is a highly flexible tool enabling companies to operate from convenient locations while enjoying EPZ benefits.

Relevant Legal Documents

1. Export Processing Zone Act Chapter 280 Revised Edition 2000.
2. Export Processing Zone (Amendment) Act 2004.
3. Export Processing Zone Regulations Revised Edition 2003.

How to Apply

Applicants are required to submit 18 copies of completed application forms and business plans with all required documents to the Chief Executive Officer of the Ministry of National Development, Investment and Culture.

1. The application form can be found in the EPZ Regulations First Schedule (Regulation 2) and Third Schedule (Regulation 4) (or pages 13 - 15 and 17 – 24 of the regulations). The application can be annexed to the business plan.
2. Project proposal shall be submitted in business plan format including:
 - Executive Summary
 - Overview or Introduction
 - Objectives
 - Scope of Project
 - Benefits of the project
 - Marketing Strategy
 - Physical master plan showing overall layout and that water, electricity, telephone, security, a customs office and other basic services are provided
 - Proposed construction schedule
 - Capital cost estimate
 - Staff and management organization
 - 5 year financial projections, including leasing or sale arrangement plans
3. Provide copies of the company's Memorandum & Articles of Association, as well as the Certificate of Incorporation.
4. Provide two bank references on the firm and its main partners.
5. Provide one commercial reference on the firm and its main partners.

6. Environmental Clearance from the Department of the Environment.
7. Documents showing proof of the availability of the real property required for the purposes of the EPZ.
8. Copies of passport of all foreign owners of the company applying for EPZ.
9. Request for the Ministry to do a site visit of the project area.
10. Provide any other information which the Export Processing Zone Committee may require.
11. Make payment of the application fee BZ \$1,000.00 at the Belize City Treasury or any of the Sub-Treasuries countrywide with the following information:

Payment Details	Non-refundable EPZ application fee
Cost Centre	32017
Item	11704
Programme	120
Activity	14

Note: Please fax the payment receipt as soon as possible to the Ministry of National Development, Investment and Culture. For more information on the rules and procedures of an EPZ application and responsibilities of EPZs in Belize, please read *Export Processing Zone Act, Chapter 280*, Revised Edition 2003 (Regulations); which can be found at www.belize-law.org

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Considerations when preparing an EPZ Business Plan

1. Proof of ownership or lease of land, building or office space used to operate the EPZ;
2. Provide independent utility installations after offering existing utility services in Belize, the option for the provision of such services based on quantity, competitiveness and other relevant considerations;
3. Establish an on-site office for the Customs Department;
4. Residential quarters are not allowed in the EPZ compound;
5. Special EPZs are not allowed to share their compound with companies that are not EPZ companies;
6. Maintain adequate surveillance and fenced area of operations; and
7. 15% of the total labour employed by the EPZ is allowed to be foreign, considering that the positions are senior management and technical.

Note: Only points 1, 4 and 7 apply for an EPZ business since they will be located within an EPZ park that is managed by an EPZ developer.

Responsibilities of all companies with EPZ status

- Furnishing the Ministry, responsible for EPZs, with **bi-annual** reports on the 31st of July and January of every year.
- Making the yearly payment to the Government of Belize of the Industrial Roof Space (IRS) Fee calculated at BZ\$0.25 per square foot. The first payment of the IRS is due immediately after the signing of the Operations Contract.
- EPZ businesses shall make a monthly report to the Central Bank of Belize concerning all transactions in its foreign currency accounts and also of all sales and purchases.

Other Incentive programmes

If your company does not qualify for the EPZ Programme, there is the Fiscal Incentive Programme, and numerous other investment incentives. For more information contact the Belize Trade and Investment Development Service.

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