



BELIZE

**EXPORT PROCESSING ZONE ACT
CHAPTER 280**

REVISED EDITION 2003
SHOWING THE SUBSIDIARY LAWS AS AT 31ST OCTOBER, 2003

This is a revised edition of the Subsidiary Laws, prepared by the Law Revision Commissioner under the authority of the Law Revision Act, Chapter 3 of the Substantive Laws of Belize, Revised Edition 2000.

ARRANGEMENT OF SUBSIDIARY LAWS



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This edition contains a consolidation of the following laws-

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CHAPTER 280

EXPORT PROCESSING ZONE ACT
(COMMENCEMENT) ORDER

ARRANGEMENT OF ORDER

1. Short title.
2. Commencement of Chapter 280.

CHAPTER 280

65 of 1990.
Act 8 of 1990.

EXPORT PROCESSING ZONE ACT
(COMMENCEMENT) ORDER

[9th June, 1990.]

Short title. 1. This Order may be cited as the

EXPORT PROCESSING ZONE ACT
(COMMENCEMENT) ORDER.

Commencement of Chapter 280. 2. In exercise of the powers conferred upon me by Section 16 of the Export Processing Zone Act, 1990 (No. 8 of 1990) and all other powers thereunto me enabling, **I, GEORGE PRICE**, the Minister responsible for Trade and Commerce, do hereby appoint the 4th day of June, 1990 as the day on which the said Act shall come into force.

MADE this 4th day of June, 1990.

(GEORGE PRICE) (HON.)
Minister of Trade and Commerce

CHAPTER 280

EXPORT PROCESSING ZONE REGULATIONS

ARRANGEMENT OF REGULATIONS

1. Short title and Interpretation.
2. Application for EPZ Status.
3. Designation of EPZ.
4. Application for Certificate of Compliance.
5. Ruling on Certificate of Compliance Applications.
6. Administration and operation of EPZ.
7. EPZ trade with domestic enterprises.
8. EPZ imports and exports.
9. EPZ work and residence permits.
10. Enforcement of penalties.

CHAPTER 280

56 of 1992.
Act 8 of 1980.

EXPORT PROCESSING ZONE REGULATIONS

(Section 15)

[9th May, 1992.]

Short title and
Interpretation.

1. (1) These Regulations may be cited as the

EXPORT PROCESSING ZONE REGULATIONS.

- (2) Words and expressions used in these Regulations shall have the meanings respectively assigned to them in the Act.

Application for EPZ
Status.

2. (1) Any private or public party may apply to the EPZC for Export Processing Zone designation.

First Schedule.

- (2) The EPZC shall provide application forms to each party seeking EPZ designation. The application shall be in the form of the First Schedule.

- (3) The applicant shall furnish with the application, documents showing proof of the availability of the real property required for the purposes of the Export Processing Zone.

- (4) The application shall be submitted with a non-refundable fee of one thousand dollars (BZ\$1,000).

- (5) The applicant shall be required to provide any other information that the EPZC may reasonably require.

Designation of EPZ.

3. (1) Before the EPZC issues an EPZ designation, it shall verify the following:-

- (a) that the location of the area intended for

designation as an EPZ is appropriate for the purposes of the Export Processing Zone;

- (b) that it does not contravene regulations on environmental protection; and
- (c) that water, electricity, telephone, security, a customs office and other basic services are provided for.

(2) EPZ Developers shall be granted EPZ status and shall be eligible for all incentives provided in the Act for such status.

(3) The EPZC shall determine all applications for EPZ designation within thirty (30) working days of receiving the application.

(4) Subject to paragraph 1 above, the EPZC shall give preference to applications where the proposed EPZ -

- (a) will be located in an area designated by the EPZC as in most need of development;
- (b) will generate more jobs.

(5) Where the EPZC grants an EPZ designation it shall issue a formal Certificate of Designation in the form of the Second Schedule.

Second Schedule.

4. (1) Private or public parties seeking a Certificate of Compliance for an EPZ business shall apply to the Ministry. Applications shall be in the form of the Third Schedule.

Application for Certificate of Compliance.
Third Schedule.

(2) The Ministry shall provide application forms to any person seeking a Certificate of Compliance.

(3) No application fee will be charged, but an annual fee of twenty-five cents (\$.25) Bz per square foot of industrial roof will be required annually for use of the EPZ system established by the Act. Firms requiring over seven thousand five hundred (7,500) square feet of industrial roof will be assessed on the excess of 7,500 square feet at eighty (80%) percent of the basic fee stipulated above.

(4) The Ministry shall conduct an annual review of the fees referred to in this Regulation.

(5) The applicants shall bear the cost of any Environmental Impact Analysis required under the laws of Belize for their proposed business activities.

Ruling on Certificate of Compliance Applications.

5. (1) The Ministry shall determine an application for a Certificate of Compliance within 30 working days of submission.

(2) The owner or owners of an EPZ business enterprise shall sign an Operations Contract pledging compliance with all applicable legal and regulatory requirements under the laws of Belize, and all rules and regulations of the established EPZ. The operations contract shall be in the form of the Fourth Schedule.

Fourth Schedule.

(3) Where a Certificate of Compliance is granted it shall be in the form of the Fifth Schedule.

Fifth Schedule.

(4) EPZ businesses may be allowed to sub-contract with firms which have Development Concessions or with other EPZ firms, part of their production process, provided the following are adhered to:-

(a) the beneficiaries shall submit such a request to the Ministry and the Ministry shall act on such requests within thirty (30) working days;

(b) no more than thirty-five (35) percent of the

production process shall be sub-contracted;

- (c) the Ministry shall authorize sub-contracts for such periods as may be reasonable having regard to the needs of the applicant;
- (d) Sub-contracting EPZ firms shall submit quarterly reports to the Ministry outlining amounts, percentages, and conditions of operations sub-contracted.

(5) EPZ businesses shall supply the Ministry with bi-annual reports describing the activities of EPZ businesses, their general performance, opportunities for domestic sales to EPZ firms, occupied EPZ space, expected changes in relevant EPZ matters and any other information which the Ministry may reasonably require.

6. (1) The EPZ Developer shall provide infrastructure and public services within an EPZ.

Administration and operation of EPZ.

(2) An EPZ Developer shall establish an office to administer the EPZ but may contract out to another party the administration of the EPZ. However, the Developer will remain the responsible party for adequate management of the Zone.

(3) An EPZ Developer shall:

- (a) provide the salary of all customs officers necessary for the normal functioning of the EPZ and equip a customs office with furnishing and office equipment;
- (b) set up a security unit to guarantee the safety of goods and persons within the EPZ and ensure that rules regarding the entry, permanence, and

departure of persons, vehicles and goods into and out of the EPZ are observed;

- (c) adopt an internal regulations code for the EPZ indicating access to the EPZ, functions of the security unit, the rights to which the EPZ beneficiaries are entitled and other matters the Ministry considers relevant. The Regulations code shall be placed in visible areas inside the EPZ and made known to the users.

(4) Every EPZ Developer shall adopt rules and regulations requiring EPZ businesses to submit in a timely manner the information necessary to complete these reports except that no EPZ business shall be required to provide confidential or proprietary information.

EPZ trade with domestic enterprises.

7. (1) The Ministry may provide waivers allowing EPZ businesses to sell, lease or transfer articles, items, goods or services to residents of Belize or domestic Belizean business enterprises. The Ministry may provide such waivers if this will aid the economic development of Belize, or relieve a shortage of goods or services, or otherwise seem to be in the interest of Belize. The parties seeking the waiver to trade shall apply for the waiver and provide information to justify the waiver, or information which the Ministry may otherwise require. The Ministry shall determine such request for waiver within 30 days of receipt.

EPZ imports and exports.

8. (1) Each EPZ business shall maintain records documenting the entry, storage, use and exit of all EPZ imports and exports.

(2) Customs officials shall have the authority to inspect the premises and records of any EPZ Developer or EPZ business to ensure compliance with applicable import and export regulations.

EPZ work and residence permits.

9. For the purposes of Section 13(5) of the Export Processing Zone

Act -

(1) “senior management position” shall include any officer or member of the board of directors of a corporation, any partner in a partnership, any owner of a sole proprietorship, and any manager who controls at least 25% (percent) of the personnel of an EPZ business; and CAP. 280.

(2) “technical position” shall include those employed in any professional, scientific or engineering position.

10. (1) The Ministry shall investigate any alleged violation by an EPZ business of any requirement under the EPZ Act or regulations made thereunder, or of any lawful order of the Ministry or the EPZ Developer. Where the Ministry finds that a violation has occurred it shall impose a fine of \$500.00 for a first offence, and \$1,000.00 for a second offence. All such fines shall be paid into the Consolidated Revenue Fund. If the Ministry finds that a pattern of such continuing violations has occurred and that the alleged violator will not comply with applicable requirements in the future, it may after proper notice and hearing revoke the Certificate of Compliance and the business will then cease to be eligible for any of the benefits under the EPZ Act. The violator shall have the right of appeal in accordance with Section 16(4) of the Act. CAP. 280. Enforcement of penalties.

(2) The Ministry shall monitor whether foreign nationals holding work and residence permits continue to satisfy all requirements and conditions of such permits.

(3) If the Ministry finds that any of the requirements or conditions of the permits are not satisfied, it may recommend to the Ministry of Labour to revoke such permits and such foreign nationals shall then cease to work in the EPZ. The violator shall have the right of appeal in accordance with section 16(4) of the Act. CAP. 280.

(4) The Ministry shall investigate any alleged violations by EPZ Developers or any requirements under the EPZ Act or the regulations made CAP. 280.

thereunder. Where the Ministry finds the violation proved, it shall levy a fine of \$500.00 per day for each violation. All such fines shall be paid into the Consolidated Revenue Fund.

(5) The Ministry shall revoke a Company's Certificate of Compliance where -

- (a) a company disregards the provisions of the EPZ Act with respect to the use and destination of machinery, vehicles, raw materials, semi-manufactured products and other articles purchased under the EPZ regime;
- (b) a company, through its own fault, fails to initiate operations within two years from the date of its Certificate of Compliance;
- (c) the Ministry receives an express request from the company for revocation.

CAP. 280. (6) Notification of revocation of EPZ status will be made to the company concerned, which may appeal such revocation in accordance with section 14(d) of the Act.

CAP. 280. (7) Any party desiring to appeal under Section 16(4) of the Act shall file a notice to that effect with the Ministry within seven (7) days of the notification of the decision.

MADE by the Minister of Trade and Commerce this 30th day of April, 1992.

(GEORGE PRICE)

Minister of Trade and Commerce

FIRST SCHEDULE

[Regulation 2]

GENERAL INFORMATION

FOR PROCESSING OF EPZ DESIGNATION

BELIZE

1. Submit a project including:
 - (I) physical master plan showing overall layout
 - (II) proposed construction schedule
 - (III) capital cost estimate
 - (IV) staff and management organization
 - (V) five (5) year financial projections, including leasing or sale arrangements plan.
2. Provide copies of the company's:
 - (I) Memorandum
 - (II) Articles of Association
 - (III) Certificate of Incorporation
3. Provide two bank references on the firm and its main partners.
4. Provide one commercial reference on the firm and its main partners.
5. Complete the enclosed application form.
6. Provide any other information which the Export Processing Zone Committee may require.
7. Enclose the required application fee of \$1,000.00 Bz.

APPLICATION FOR EPZ DESIGNATION

1. Company Profile:

(a) Name of EPZ Company _____

(b) Telephone _____

(c) Telex and Cable _____

(d) Facsimile _____

(e) Mailing Address _____

(f) General Manager _____

(g) Legal Representative _____

(h) EPZ Classification _____

(i) General _____

(ii) Special _____

2. Location:

- _____ Corozal
- _____ Orange Walk
- _____ Belize
- _____ Cayo
- _____ Stann Creek
- _____ Toledo

3. Production

(a) Current activities and business operations being conducted by applicant for special EPZ designation:

- _____ Manufacturing
- _____ Agri-processing
- _____ Trading
- _____ Services
- _____ Other

Date _____

Signature _____

Title _____

SECOND SCHEDULE**[Regulations 3(5)]****MINISTRY OF TRADE AND COMMERCE***Certificate of Designation*

The parcel of land described as _____

is hereby designated a

_____ Export Processing Zone under Section 4 of

the Belize Export Processing Act Chapter 280.

DATED THIS _____ DAY OF _____, 2____.

Chairman
Export Processing Zone Committee

THIRD SCHEDULE

[Regulation 4]

GENERAL INFORMATION

FOR PROCESSING OF EPZ BUSINESS STATUS

BELIZE

1. Provide Company's
 - (a) Memorandum
 - (b) Articles of Association
 - (c) Certificate of Incorporation
2. Complete the attached application form.
3. Provide a five (5) year financial projection of investment in the Zone.
4. Provide any other information as the Ministry of Trade and Commerce may require.
5. Labour Force:
 - (a) Personnel necessary to initiate operations

	Men	Women	Total
Professional	_____	_____	_____
Technical	_____	_____	_____
Other	_____	_____	_____

	Foreign	National	Total
Professional	_____	_____	_____
Technical	_____	_____	_____
Other	_____	_____	_____

(b) Necessary personnel at Maximum capacity

	Men	Women	Total
Professional	_____	_____	_____
Technical	_____	_____	_____
Other	_____	_____	_____

	Foreign	National	Total
Professional	_____	_____	_____
Technical	_____	_____	_____
Other	_____	_____	_____

6. Production:

(a) Expected Commencement Date of Operations _____

(b) Expected Date of Maximum Operations _____

7. Physical Plant in square feet _____

8. Requiring Services:

(a) <i>Electricity</i>	Beginning	Maximum
Load	_____	_____
Voltage	_____	_____
Monthly Consumption	_____	_____

(b) Water

Potable:

Avg. daily Consumption _____

Reqd. volume/1t/sec _____

Industrial:

Avg. Daily Consumption _____

Reqd. volume 1t/sec _____

(c) Telecommunications:

Date: _____

Signature: _____

Title: _____

CHART 1

INVESTMENT DESCRIPTION

DESCRIPTION	YEAR 1		YEAR 2		YEAR 3	
	AMOUNT (US \$)	COUNTRY ORIGIN	AMOUNT (US \$)	COUNTRY ORIGIN	AMOUNT (US \$)	COUNTRY ORIGIN
MACHINERY AND EQUIPMENT 1/						
TOTAL						

1/ PLEASE GIVE FULL DETAILS OF EACH PRODUCT IN ORDER TO ASSESS POTENTIAL
TAX EXEMPTIONS

CHART 2

EXPORT DESCRIPTION

DESCRIPTION	YEAR 1		YEAR 2		YEAR 3	
	Volume (KLG)	Value (US\$)	Volume (KLG)	Value (US\$)	Volume (KLG)	Value (US\$)
TOTAL 1/						

1/ PLEASE GIVE FULL DETAILS OF EACH PRODUCT IN ORDER TO ASSESS POTENTIAL TAX EXEMPTIONS

CHART 3

DETAILS OF RAW MATERIALS AND PACKAGING
BOUGHT OUTSIDE BELIZE

DESCRIPTION	YEAR 1		YEAR 2		YEAR 3	
	Volume (KLG)	Value (US \$)	Volume (KLG)	Value (US \$)	Volume (KLG)	Value (US \$)
RAW MATERIALS AND PACKAGING 1/						
TOTAL						

1/ PLEASE GIVE FULL DETAILS OF EACH PRODUCT IN ORDER T O ASSESS POTENTIAL
TAX EXEMPTIONS

CHART 3-A

DETAILS OF RAW MATERIALS AND PACKAGING
BOUGHT IN BELIZE

DESCRIPTION	YEAR 1		YEAR 2		YEAR 3	
	Volume (KLG)	Value (US \$)	Volume (KLG)	Value (US \$)	Volume (KLG)	Value (US \$)
RAW MATERIALS AND PACKAGING 1/						
TOTAL						

1/ PLEASE GIVE FULL DETAILS OF EACH PRODUCT IN ORDER T O ASSESS POTENTIAL TAX EXEMPTIONS

CHART 4

DETAILS OF OFFICE EQUIPMENT AND VEHICLE

DETAILS	YEAR 1 (US \$)	YEAR 2 (US \$)	YEAR 3 (US \$)
OFFICE EQUIPMENT 1/			
VEHICLE			
TOTAL			

1/ PLEASE GIVE FULL DETAILS OF EACH PRODUCT IN ORDER T O ASSESS POTENTIAL
TAX EXEMPTIONS

FOURTH SCHEDULE

[Regulation 5]

Operations Contract

We, _____, in the Ministry of Trade and Commerce
(Name)

AND, _____, the General Manager/President of the
(Name)

_____ have come together
(Company Name)
to formalize the following Operations contract as required by Regulation 5(2) of the EPZ
Regulations.

First

_____ will confine operations to the production/processing
(Company Name)
of _____ or other activity of a similar nature under the classification
“EPZ business”, under Section _____ of the EPZ Act.

To widen the scope of this activity, the _____ is required to apply to the
(Company Name)
Ministry of Trade & Commerce for authorization.

Second

_____ shall make annual payments to the Ministry of Trade
(Company Name)

and Commerce for use of the EPZ Regime, under Regulation 4(3) of the EPZ Regulations.

Third

For the purpose of these payments, industrial roof is considered to be space dedicated to the factory, administrative offices, corridors, and other areas which may be designated by the Ministry.

Fourth

_____ shall meet the cost of any Environmental Impact analysis
(Company Name)
that may be required.

Fifth

_____ is expected to fulfill all obligations under the EPZ Act,
(Company Name)
the Regulations, and the Operations Contract.

Sixth

_____ is expected to present bi-annual reports on its activities
(Company Name)
to the Ministry no later than 30 days following the six-month periods.

Seventh

_____ will facilitate the customs authorities with documentation
(Company Name)
for financial and customs control.

Eight

_____ shall carry a permanent inventory of all stored goods
(Company Name)

that will allow for non-expectant checks. At the same time, a system should be implemented to allow for efficient control over goods that enter, remain, and leave the Company in question.

Ninth

_____ shall keep the Ministry informed of changes and
(Company Name)
modifications that affect the original agreements reached with the Ministry such as a reduction in the labour force, temporary interruption of operations, expansion of industrial roof, change of activities, changes of its management, administrative and legal representation, and others.

Tenth

The Ministry may periodically request reports that it considers timely from a Company's management or Departments to verify compliance of obligations or to establish control mechanisms to carry out its financial checks.

_____ is expected to provide any information solicited by
(Company Name)
the Ministry at any time. Failure to comply will allow the Ministry to delay further processes in favour of the company.

Eleventh

Should the company decide to request a revocation of the EPZ Regime, it should communicate this to the Ministry at least one month in advance.

Twelfth

Should the Company discontinue operations for more than two years it will be deemed as having abandoned the EPZ Regime, thereby authorizing the Ministry to proceed with revocation of the Certificate of Compliance.

Having read this document, and as an indication of our conformity, we the undersigned affix our

signatures this _____ day of _____, 2____, in Belize, Central America.

Ministry of Trade & Commerce

Representative of the EPZ Firm

FIFTH SCHEDULE

[Regulation 5(3)]

MINISTRY OF TRADE AND COMMERCE



Certificate of Compliance

It is hereby certified that _____,
duly registered on the _____ day of _____, 2_____, is
authorized to _____
in accordance with Section 8 of the **BELIZE EXPORT PROCESSING ACT, CHAPTER
280.**

DATED THIS _____ DAY OF _____, 2_____.

Ministry of Trade and Commerce.