

The Foreign Private Investment (Promotion and Protection) Act, 1980

(ACT NO. XI OF 1980)

An Act to provide for the promotion and protection of foreign private investment in Bangladesh.

WHEREAS it is expedient to provide for the promotion and protection of foreign private investment in Bangladesh;

It is hereby enacted as follows:-

Short title 1. This Act may be called the Foreign Private Investment (Promotion and Protection) Act, 1980.

Definitions 2. (1) In this Act, unless there is anything repugnant in the subject or context,-

(a) "foreign capital" means capital invested in Bangladesh in any industrial undertaking by a citizen of any foreign country or by a company incorporated outside Bangladesh, in the form of foreign exchange, imported machinery and equipment, or in such other form as the Government may approve for the purpose of such investment;

(b) "foreign private investment" means investment of foreign capital by a person who is not a citizen of Bangladesh or by a company incorporated outside Bangladesh, but does not include investment by a foreign Government or an agency of foreign Government;

(c) "industrial undertaking" means an industry, establishment or other undertaking engaged in the production or processing of any goods, or in the development and extraction of such mineral resources or products, or

in the providing of such services, as may be specified in this behalf by the Government.

(2) Words and expressions used but not defined in this Act shall have the same meaning as in the Companies Act, 1913 (VII of 1913).

Foreign private investment

3. (1) The Government may, for the promotion of foreign private investment, sanction establishment with foreign capital of any industrial undertaking-

(a) which does not exist in Bangladesh and the establishment whereof, in the opinion of the Government, is desirable; or

(b) which is not being carried on in Bangladesh on a scale adequate to the economic and social needs of the country; or

(c) which is likely to contribute to-

(i) the development of capital, technical and managerial resources of Bangladesh; or

(ii) the discovery, mobilisation or better utilisation of the natural resources; or

(iii) the strengthening of the balance of payment of Bangladesh; or

(iv) increasing employment opportunities in Bangladesh; or

(v) the economic development of the country in any other manner.

(2) Sanction of the establishment with foreign capital of an industrial undertaking under sub-section (1) may be subject to such conditions as the Government may deem fit to impose.

Protection and equitable treatment

4. The Government shall accord fair and equitable treatment to foreign private investment which shall enjoy full protection and security in Bangladesh.

Terms of sanction, etc.

5. The terms of sanction, permission or licence granted by Government to an industrial undertaking having foreign private investment shall not be unilaterally changed so as to adversely alter the conditions under which