



**BELIZE**

**EXPORT PROCESSING ZONE ACT  
CHAPTER 280**

**REVISED EDITION 2000**  
SHOWING THE LAW AS AT 31ST DECEMBER, 2000

This is a revised edition of the law, prepared by the Law Revision Commissioner under the authority of the Law Revision Act, Chapter 3 of the Laws of Belize, Revised Edition 1980 - 1990.

This edition contains a consolidation of the following laws-

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**EXPORT PROCESSING ZONE ACT**

4

Amendments in force as at 31st December, 2000.



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**CHAPTER 280**

**EXPORT PROCESSING ZONE**

**ARRANGEMENT OF SECTIONS**

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## CHAPTER 280

### EXPORT PROCESSING ZONE

CAP. 232 B,  
R. E. 1980-1990.  
8 of 1990.  
23 of 1994.  
Commencement  
[ 4. 6. 1990 ]  
S. I. 65 of 1990.

[4th June, 1990]

- Short title.           1.     This Act may be cited as the Export Processing Zone Act.
- Interpretation.       2.     In this Act, unless the context otherwise requires-
- (a)   “domestic Belizean business” means any non-foreign individual, partnership, corporation or other entity conducting a trade or business within Belize, which is not an Export Processing Zone business;
  - (b)   “Export Processing Zone” or “EPZ” means a geographic area in Belize designated as provided in section 4, outside national customs territory and duly restricted by controlled access, wherein the benefits created by this Act for Export Processing Zones shall apply to a complex of industries, and may include a single business and its facilities, referred to as a “Special Export Processing Zone”;
  - (c)   “Export Processing Zone business” or “EPZ business” means a private party which has been granted a Certificate of Compliance under section 7 and which conducts a trade or business,

including but not limited to manufacturing, commercial, office, warehousing, professional or other activity, primarily within the Export Processing Zones established under this Act. The Export Processing Zone Developer for an Export Processing Zone shall be considered an Export Processing Zone business;

- (d) “EPZC” means the Export Processing Zone Committee as provided in section 3;
- (e) “Export Processing Zone Developer” or “EPZ Developer” means a corporation established to administer an Export Processing Zone in accordance with section 5, and which has been found suitable in accordance with section 4 to serve as such Export Processing Zone Developer;
- (f) “Export Processing Zone export” or “EPZ export” means any export sold by an Export Processing Zone business and originating in an Export Processing Zone, regardless of whether such export passes through Belize and departs Belize outside an Export Processing Zone for shipping or transportation purposes;
- (g) “Export Processing Zone import” or “EPZ import” means any input or service to be delivered to an Export Processing Zone business within an Export Processing Zone, whether from outside or inside the Belizean customs territory;
- (h) “infrastructure” means a physical structure which facilitates economic or other activity, or protects property, such as roads, bridges, or storm sewers;
- (i) “Minister” means the Minister for the time being responsible for Trade and “the Ministry” shall be construed accordingly;

23 of 1994.

- (j) “private party” means any individual, partnership, company, corporation, or other entity, domestic or foreign, which is not a government agency or owned in any part by a government agency;
- (k) “public party” means any agency of the Government of Belize;
- (l) “public service” means any service which has been provided in Belize by a Government agency;

Export Processing  
Zone Committee.  
  
23 of 1994.

3.-(1) There is hereby established an Export Processing Zone Committee which shall be composed of one designated representative from each of the following:

- (a) Ministry of Trade;
- (b) Ministry of Labour;
- (c) Ministry of Economic Development;
- (d) Ministry of Finance;
- (e) the Belize Chamber of Commerce and Industry;
- (f) the small businesses sector;
- (g) the EPZ Developers;
- (h) the EPZ businesses,

and two representatives with suitable knowledge and experience from the industrial sector to be appointed by the Minister in his discretion.

(2) The function of the EPZC shall be to designate Export Processing businesses in accordance with this Act and any regulations made thereunder. 23 of 1994.

(3) The quorum of the EPZC shall be six members. 23 of 1994.

(4) The decisions of the EPZC shall be by a majority vote. 23 of 1994.

(5) The Minister shall appoint a suitable person from among the members of the EPZC to be the Chairman thereof. 23 of 1994.

(6) The Chairman of the EPZC and the two representatives from the industrial sector appointed by the Minister shall serve for a period of two years and shall be eligible for reappointment. 23 of 1994.

(7) The EPZC may, after consultation with the Minister, make rules to govern its own procedure. 23 of 1994.

4.-(1) The EPZC shall establish by regulations a procedure by which public or private parties may apply for EPZ designation. Designation of Export Processing Zones.

(2) The EPZC shall decide whether to designate Export Processing Zones as requested by application, based on the need for economic development in the proposed zone area, the likelihood of success of such designation in stimulating economic development, and other considerations in the public interest.

(3) The EPZC shall designate an EPZ only after the establishment of a legally constituted EPZ Developer for the Zone as specified in section 5, which the EPZC finds suitable to serve as such EPZ Developer.

- 23 of 1994. (4) Special Export Processing Zones shall adhere to the provisions established herein for the EPZ businesses, and are not subject to designation procedures described in subsections (1) to (3).
- Export Processing Zone Developers. 5.-(1) Each EPZ shall be administered by the Export Processing Zone Developer established for that Zone.
- (2) Each EPZ Developer shall be a separately incorporated entity.
- (3) An EPZ Developer may be established by one or more private or public parties.
- (4) Each EPZ Developer must either own or have leased all the land within a proposed zone area.
- (5) An EPZ Developer may sell his interest and rights in the zone to another private or public party after receiving approval for such sale from the EPZC.
- Powers and responsibilities of Export Processing Zone Developers. 6. The Export Processing Zone Developer for each EPZ shall have the power and responsibility-
- (a) to operate EPZ businesses on real property it owns or has leased within the zone, after receiving the appropriate Certificate of Compliance for each business from the Ministry;
- (b) to lease or sublease real property it owns or has leased within the Zone;
- 23 of 1994. (c) to make improvements, construct facilities and develop infrastructure, including independent utility installations, to enhance an EPZ's economic development, provided that before considering independent utility installations, the EPZ Developer



shall offer the existing providers of utility services in Belize, the option for the provision of such services to the EPZ, based on quality, competitiveness, the special circumstances of the EPZ and other relevant considerations;

- (d) to provide public or other services or contract for such services within the Zone;
- (e) to charge fees for any services or facilities it provides within the Zone, directly to those who use such services or facilities ;
- (f) to adopt rules and regulations for businesses within the Zone, which shall promote the safe, efficient, and successful operation of the Zone, consistent with this Act and implementing regulations, and the Laws of Belize and the Belize Constitution;
- (g) to promote and advertise the Zone to prospective investors and business owners and operators;
- (h) to report on Zone activities, performance, and developments to the Ministry on a regular basis, as specified by the Ministry; and
- (i) to conduct other activities authorised by this Act, and all other legal activities of a private corporation.

CAP. 4.

7.-(1) Any private or public party, or group of parties, may establish an EPZC business on property it owns or has leased within the Zone, provided that it has applied for and obtained a Certificate of Compliance from the EPZC.

Establishment  
of Export  
Processing  
Zone  
businesses.  
23 of 1994.

(2) The EPZC shall have the sole authority to receive applications for a Certificate of Compliance and to issue such Certificates, after obtaining the approval of relevant Government authorities. Upon receipt of an application, the EPCZ shall review and circulate the application to the Ministry of Finance,

23 of 1994.

- the Ministry of Economic Development, the Ministry of Natural Resources, the Ministry of Labour and the Ministry of Agriculture for their approval. Approved businesses will receive a Certificate of Compliance allowing them to do business within an Export Processing Zone. The EPZC shall establish all necessary procedures by which applications for Certificates of Compliance may be made.
- 23 of 1994.
- (3) The EPZC may, with the approval of the Ministries listed in subsection (2), grant a Certificate of Compliance if the proposed business enterprise-
- (a) will produce goods and/or services solely for export or sale to buyers who are not residents of Belize, except as provided in section 8 (3);
  - (b) will not have a deleterious effect on the environment;
  - (c) will be conducted in compliance with all applicable legal and regulatory requirements under the Laws of Belize, and all rules and regulations of the Zone established by the operating authority, and the owner or owners of the enterprise have agreed to maintain such compliance.
- (4) Any private or public party with a Certificate of Compliance may lease property within an EPZ from the EPZ Developer on the terms and conditions agreed to by the EPZ Developer and the lessee. The EPZ Developer shall not be required to lease EPZ property to any particular party, including parties which have been issued a Certificate of Compliance.
- (5) An EPZ Developer may lease property within an EPZ to a non-exporting firm, but only after receiving approval from the EPZC for such lease. The EPZC shall grant such approval only if the services provided by the firms are complementary to and enhance Zone business activities. The lessee may conduct a domestic Belizean business on the leased property under
- 23 of 1994.

the established Laws of Belize without any of the benefits or advantages created under this Act for EPZ businesses.

(6) Rent shall be paid to an EPZ Developer in United States of America dollars or the equivalent in the currency of Belize at the official exchange rate prevailing at the time of payment.

8.-(1) The Certificate of Compliance for an EPZ business shall state what lines of business the EPZ business may conduct within the Zone, and the EPZ business shall be limited to those business lines.

Activities of EPZ businesses.

(2) An EPZ business shall conduct its business activities in accordance with the terms and conditions of section 7. Activities of an EPZ business shall be conducted within Belize Export Processing Zones or foreign countries. Activities in Belize outside of an EPZ shall be limited to transportation, distribution, or business meetings.

(3) An EPZ business shall not sell, lease or transfer any article, item, goods, or service in Belize outside an EPZ, or to any resident of Belize or any domestic Belize business enterprise. The EPZ, with the concurrence of the Ministry, may provide waivers to this restriction upon application at its discretion. An EPZ business shall be free to sell, lease or transfer any article, item, goods, or service in an EPZ or outside Belize to other EPZ businesses, to foreign businesses, or to foreign individuals.

23 of 1994.

9.-(1) No import licence shall be required for any imports of an EPZ business into an EPZ.

EPZ imports and exports.

(2) All imports of an EPZ business into an EPZ, including capital equipment, service and utility vehicles, office furniture, spare parts, raw materials, intermediate goods and supplies shall be exempt from all customs duties, tariffs, consumption taxes, excise taxes, trade turnover taxes, or other taxes. Fuel entering an EPZ for energy generating purposes shall be included in such exemption, provided the fuel is not retailed.

23 of 1994.

(3) No quotas or import prohibitions concerning any article, item, material or goods shall apply to imports of an EPZ business into an EPZ, except that firearms, military equipment or material, and illegal drugs under the Laws of Belize shall not be imported into an EPZ.

(4) The Customs Department shall defer inspection of any imports to an EPZ until such imports reach the Zone. Such imports must be transferred from the port of entry in sealed containers. At the Zone, the Customs Department shall inspect the imports to determine whether they contain any prohibited articles, items or materials and are in keeping with accompanying documentation.

(5) No export licence shall be required for any exports of an EPZ business out of an EPZ.

(6) All exports of an EPZ business out of an EPZ shall be exempt from all customs duties, tonnage taxes, consumption taxes, excise taxes, trade turnover taxes, foreign exchange taxes, or other taxes.

(7) No regulatory restriction shall apply to any exports of an EPZ business out of an EPZ, except that firearms, military equipment or material, and illegal drugs under the laws of Belize shall not be exported from an EPZ.

(8) The Customs Department shall inspect exports of an EPZ business at the EPZ to determine whether the exports contain any illegal articles, items or materials and are in keeping with accompanying documentation.

(9) An import licence shall be required for any imports into Belize from an EPZ, to be issued under the same rules and procedures as all other import licences. The standard customs duties, consumption taxes, foreign exchange taxes, trade turnover taxes, excise taxes, quotas or import prohibitions under the Laws of Belize shall apply to such imports. The Customs Department shall inspect such imports upon entry into Belize from the EPZ.

(10) The Customs Department shall maintain an on-site office at each EPZ to carry out its responsibilities under this Act, the cost of which shall be borne by each Zone Developer. Special Export Processing Zones shall be responsible for maintaining adequate surveillance of their operations and securing customs supervision for the entry and exit of goods from their facilities.

10.-(1) No licence shall be required for the sale of any article, item, material, goods or service by a domestic Belizean business to an EPZ business.

Domestic sales to EPZs.

(2) The EPZ purchaser shall pay for any such article, item, material or goods sold under subsection (1) in the currency of Belize.

(3) No price controls shall apply to the sale of any such article, item, material or goods sold under subsection (1).

(4) Any such article, item, material or goods sold under subsection (1) shall not be counted as fulfilling any import quota.

(5) The sale of any article, item, material or goods under subsection (1), shall be treated as an export of the article, item, material or goods under the Laws of Belize, qualifying the seller for all incentives for domestic Belize enterprises which apply to exports.

11.-(1) No licence or permit shall be necessary to conduct an EPZ business, except the Certificate of Compliance under section 7 and the work permits under section 13. The Trade Licensing Act shall not apply to an EPZ business.

EPZ regulatory regime.  
CAP. 66.

(2) No price controls shall apply to the products or services sold by an EPZ business. The Supplies (Control) Act shall not apply to an EPZ business.

CAP. 293.

(3) No rent controls shall apply to any rental property inside an EPZ. The Rent Restriction Act shall not apply to EPZ business enterprises or lessors and lessees of real property within Export Processing Zones.

CAP. 195.

- CAP. 52. (4) No regulations, restrictions or prohibitions regarding the sale or purchase of foreign currencies shall apply to an EPZ business. The Exchange Control Regulation Act shall not apply to EPZ businesses. EPZ businesses shall be free to maintain bank deposits in foreign currency in domestic or foreign banks located in Belize.
- (5) EPZ businesses shall, if so requested, report to the Central Bank of Belize all purchases and sales.
- (6) EPZ business enterprises shall not be restricted to purchasing any goods or service from any particular company or entity or any group of companies or entities. An exclusive franchise to sell any particular goods or service shall not be effective within Export Processing Zones.
- EPZ tax regime 12.-(1) Each business shall be exempt from income tax, withholding tax, capital gains tax or any new corporate tax adopted by the Government of Belize after the commencement of this Act for a minimum of the first twenty years of operation, with an option to extend the exemption for a further period of time. Any dividends paid by an EPZ business shall also be exempt from tax in perpetuity.
- CAP. 297. (2) EPZ businesses shall be subject to all payroll taxes and other taxes, as set out in the Labour Act.
- (3) If an EPZ business incurs a total net loss over the twenty years of the tax holiday specified in subsection (1), that loss may be carried forward and deducted against profits in the years following the tax holiday period.
- (4) Any proceeds from the sale of stock or other partial or complete ownership interest in an EPZ business shall be exempt from any capital gains tax.
- CAP. 58. (5) All real property within an EPZ shall be exempt from any property or lands tax. The Land Tax Act shall not apply to EPZ property.

Any sale of real property within an EPZ shall be exempt from any transfer tax.

(6) All goods or services sold by an EPZ business enterprise outside the Belize customs territory shall be exempt from any consumption tax, sales tax, excise tax trade turnover tax or value-added tax.

(7) All purchases or sales of foreign currency by an EPZ business shall be exempt from any currency export tax or foreign exchange tax.

13.-(1) The provisions of the Labour Act shall apply to the EPZ Developer and to EPZ businesses.

EPZ labour  
regime.  
CAP. 297.

(2) EPZ Developers and EPZ businesses shall pay their Belizean workers in the currency of Belize.

23 of 1994.

(3) A work permit shall be required for any foreign national to work on a regular basis for an EPZ business.

(4) Applications for work permits may be submitted to the EPZ office which may process same through the relevant Ministry.

(5) The Immigration Department, on the recommendation of the Ministry of Labour, may grant work permits to applicants who will serve an EPZ business in senior management or technical positions and such permits shall remain in effect until the holders of such work permits cease to work in the positions for which such work permits have been granted.

(6) In addition to subsection (5), the Immigration Department, on the recommendation of the Ministry of Labour, may grant work permits for up to fifteen *per centum* of the workers of an EPZ business as designated by the EPZ business.

(7) Notwithstanding anything contained in the Immigration Act or any other law, no fees shall be payable for work permits issued under this

CAP. 156.

section to EPZ personnel.

Enforcement and  
liabilities.  
23 of 1994.

14.-(1) The EPZC may assess fines for violations of any requirements under this Act by an EPZ business or EPZ Developer in accordance with regulations made under this Act.

23 of 1994.

(2) If an EPZ business shows a continuing pattern of violations indicating that it will not reliably comply with applicable requirements, then the EPZC, after proper notice and hearing, may revoke the Certificate of Compliance. The enterprise shall then no longer be eligible for any benefits under this Act.

23 of 1994.

(3) Where the EPZC determines that a foreign national working for an EPZ business no longer satisfies the requirements of his work permit, the EPZC may recommend the revocation of such permit to the Ministries concerned.

(4) Each EPZ business shall be liable for any damage to persons or property which may result from any violation of applicable regulatory requirements by the EPZ business.

(5) The Ministry, the EPZC, and other Belize regulatory authorities shall have complete authority to inspect any EPZ operations or facilities for possible violations of applicable requirements.

(6) Each EPZ business shall have the right to sue its EPZ Developer in the courts of Belize or to submit the matter to arbitration, to enforce its rights under this Act.

23 of 1994.

(7) Each EPZ Developer shall have the right to sue the EPZC in the courts of Belize or to submit the matter to arbitration, to enforce its rights under this Act.

(8) Each EPZ Developer and EPZ business shall enjoy protection



from deprivation of property in accordance with the fundamental rights guaranteed under the Belize Constitution.

CAP. 4.

15.-(1) The EPZC may, after consultation with the Minister, make regulations for the better carrying out of the provisions of this Act.

Regulations.  
23 of 1994.

(2) Without prejudice to the generality of subsection (1), the EPZC may, in like manner, make regulations for the following:

- (a) prescribing the criteria for obtaining a Certificate of Compliance to establish an EPZ; and
- (b) prescribing application fees and administrative fees.

16.-(1) There shall be established an Appeal Board (hereinafter referred to as “the Board”) which shall comprise three members as follows:

Appeal Board.  
23 of 1994.

- (a) the Solicitor General or his representative;
- (b) the President of the University of Belize; and
- (c) the President of the Belize Chamber of Commerce and Industry.

(2) The Minister shall appoint one of the members of the Board to be the Chairman thereof.

(3) The Chairman of the Board shall serve for a period of one year and may be reappointed.

(4) An EPZ Developer or an EPZ business may appeal any fine or revocation of Certificate of Compliance to the Board within twenty-one days of the decision of the Committee imposing such fine or revoking such Certificate of Compliance, and such fine or revocation of Certificate of Compliance shall

remain in force until such time as a final decision is given by the Board.

(5) Notwithstanding subsection (4), the Board may extend the time under subsection (4) upon good cause being shown.

(6) The Board shall hear appeals under subsection (4) as far as practicable within twenty-one days of the appeal.

(7) The Board shall have power to reverse or modify any decision and such decision shall be final and binding on the parties to the appeal.

(8) The Board may make rules to govern its own procedure.

Fees, fines to be  
paid into  
Consolidated  
Revenue Fund.  
23 of 1994.

17. All fees and fines payable under this Act shall be paid into the Consolidated Revenue Fund.