



GUIDELINES AND INSTRUCTIONS TO BE FOLLOWED IN SUBMITTING APPLICATIONS TO CREATE SPECIAL ECONOMIC ZONES (SEZ)

1. General Conditions

- 1.1. The “Board of Investments” (the “BOI”) created under the Special Economic Zone Act of the Maldives (the “Act”), via its Secretariat and the SEZ application processing agency/entity (which is the “Maldives Marketing and Public Relations Corporation” or “MMPRC”), reserves the right to verify any or all statements made by the Applicant, for the purpose of establishing to its satisfaction the Applicant’s capacity to perform. The BOI, its Secretariat and agent shall collectively be referred to as “SEZM”.
- 1.2. The Applicant shall not engage in corrupt or fraudulent practices in the preparation or lodgement of the Application.
- 1.3. All documents submitted by the Applicant as part of the Application shall become the property of SEZM. However, intellectual property in the information contained in the Application submitted by the Applicant shall remain vested in the Applicant.
- 1.4. The Applicant shall be responsible for all of the costs associated with the preparation of the Application.
- 1.5. SEZM shall not under any circumstances be responsible for any costs incurred by any Applicant, or the Applicant’s shareholders officers, employees, agents and advisers, in preparing or submitting the Application irrespective of the outcome of the Application.
- 1.6. All queries and communications in respect to the preparing and submitting the Application may be channelled to the address set out hereunder, or such other address as may be informed to the Applicant from time to time;

Secretary General
Special Economic Zones Maldives
MMPRC, 4th Floor, Velaanaage,
AmeerAhmed Magu,
Malé, Republic of Maldives
Tel: +(960) 332 3228
Fax: +(960) 332 3229
E-mail: sg@sez.gov.mv

2. Eligibility

- 2.1. The Applicant shall meet the criteria and conditions set out under Article 27 and Article 35 of the Act.
- 2.2. SEZM shall have absolute discretion to reject any Application on any one or more of the following grounds:
 - 2.2.1. The Application is not accompanied by supporting documents as required in the Application
 - 2.2.2. If the Applicant and Application fail to meet the minimum criteria and conditions as set out under the Act, and by the BOI.
 - 2.2.3. If the Applicant submits incorrect/ inaccurate/ misleading information or conceals/suppresses any information;
 - 2.2.4. Pending, active, or previous legal action by/ against the Applicant that may prevent the Applicant from submitting the Application or prevent it from executing the undertaking/project;

3. Application Preparation And Submission

- 3.1. The Applicant shall submit a single complete set of the Application, which shall consist of the following;
 - 3.1.1. The Application Form;
 - 3.1.2. The Project proposal, which shall include the following information;
 - 3.1.2.1. Name of the Applicant / Developer.
 - 3.1.2.2. Proposed location of the SEZ.
 - 3.1.2.3. Area of the SEZ (in hectares).
 - 3.1.2.4. Recommendation of the Government regarding the proposed investment / activity (if available).
 - 3.1.2.5. Project outline and particulars.
 - 3.1.2.6. Projected investment for the project.
 - 3.1.2.7. Projected employment from the project.
 - 3.1.2.8. Source of funds for the project.
 - 3.1.3. Copies Articles and Memorandum of Association of the Applicant.
 - 3.1.4. Letter from a Bank or financial institution concerning the credibility / capacity / track record of the Applicant, and/or towards funding the proposed project.
 - 3.1.5. Copies of the three most recent audited annual financial statements of the Applicant.
 - 3.1.6. Supporting documents and/or statements showing Applicant's most recent business profit tax payments (to be submitted if applicable to the Applicant).
 - 3.1.7. The non-refundable application processing fee of USD 25,000.
- 3.2. In addition, during the application evaluation process, the BOI may at its discretion request for additional documents including but not limited to the following;
 - 3.2.1. Supporting documents from a governmental authority / regulator or any other entity acceptable to BOI, confirming absence / existence of litigation against the Applicant;

- 3.2.2. Supporting documents from a governmental authority / regulator or any other entity acceptable to BOI, confirming absence / existence of litigation against each of the shareholders of the Applicant;
 - 3.2.3. Supporting documents from a governmental authority / regulator or any other entity acceptable to BOI, confirming absence / existence of tax evasion by the Applicant; and,
 - 3.2.4. Supporting documents from a governmental authority / regulator or any other entity acceptable to BOI, confirming absence / existence of tax evasion, for each shareholder of the Applicant.
- 3.3. A non-refundable Application processing fee of USD 25,000 shall be submitted by the Applicant together with the Application, by online remittance (electronic funds transfer) net of all bank charges, and proof of said payment shall be submitted together with the Application.
 - 3.4. All correspondence in connection with the Application including all accompanying documents, which are relevant to its evaluation, shall be written in the English language, and all measurements shall be expressed in units of the metric system.
 - 3.5. The Application shall be submitted to the following address;

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4. Bank Guarantee

- 4.1. The Applicant shall submit a Bank Guarantee of USD 1,000,000.00 (United States Dollars One Million only) in favour of the "MINISTRY OF FINANCE AND TREASURY" of the Maldives, issued by a reputable financial institution, and in the form acceptable to SEZM, valid for 360 calendar days beyond the date of issuance of the Initial Permit by the BOI to the Applicant.
- 4.2. The Bank Guarantee shall be submitted by the Applicant after the initial Permit is issued, and within 15 calendar days of being informed by SEZM to submit the Bank Guarantee.
- 4.3. The Bank Guarantee shall be returned to the Applicant, within 20 days from the date of signing of the Investment Agreement.
- 4.4. The Bank Guarantee of the Applicant shall be forfeited;
 - 4.4.1. If the Applicant, without BOI's written consent, withdraws its Application within 360 calendar days from the date of issuance of the Initial Permit;
 - 4.4.2. Prior to the execution of the Agreement, if it is found that the declaration provided by the Applicant is wrong / incorrect or any material information has been concealed / suppressed by the Applicant.

5. Evaluation and Approval

- 5.1. Applications shall be evaluated and the respective SEZ permit will be issued by the BOI.
- 5.2. The process of evaluation, from the date of submission of Application up to the date of signing the Investment Agreement has been summarized in Annex A.

ANNEX A
APPLICATION PROCESS

| Entity | Action | Decision/Outcome | Time limit/Deadline |
|-----------|---|--|---|
| Applicant | Submission an Application to create a Special Economic Zone (SEZ) | N/A | N/A |
| Board | Evaluation of the Application | Rejection | Within 28 days (from the date of submission of Application) |
| | | Approval, and issuance of initial permit | |
| | | Request for revisions to the Application | |

| If Board Requests for a Revised Application; | | | |
|---|---------------------------------------|--|---|
| Applicant | Submission of the Revised Application | N/A | N/A |
| Board | Evaluation the Revised Application | Rejection | Within 28 days (from the date of submission of the revised Application) |
| | | Approval, and issuance of Initial Permit | |

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|--------------------|--|--|--|
| Applicant | Submission of Detailed Documents | N/A | Within 180 days(from the date of issuance of the Initial Permit) |
| Board | Evaluation of the Detailed Documents | Approval, and issuance of the Permit | Within 90 days (from the date submission of Detailed Documents) |
| Board | Negotiation and conclusion of Investment Agreement | Signing of the investment Agreement | Within 30 days (from the date of issuance of the permit) |
| President's Office | Presidential Decree regarding SEZ created | Publication of the presidential decree in the Government Gazette | On the date on which the Investment Agreement is Signed |

Note:

- Initial Permit: The interim permit issued by the board to the Applicant until the Detailed Documents are approved
- Board: The Board of Investments formulated under the Special Economic Zones Act of Maldives
- Applicant: The entity submitting an application for the purpose of creating a Special Economic Zone in the Maldives
- Detailed Documents: The documents referred to in Article 29 (e) of the Special Economic Zones Act, and any other documents requested by the Board
- Permit: The permit issued to the Applicant by the Board upon approval of the Application and Detailed Documents

SEZ APPLICATION PROCESS FLOW CHART

