What is Export:
Export means transporting or carrying away the goods and services one country to another. Export trade starts from the receipt of an export order. There may be a contract between the importer and the exporter by which both parties agreed to the terms and conditions as per mentioned in the sales contract.
Moreover, export is an international commercial operation that covers all the stages that an exporter must complete to be able to sell its goods or services outside the borders of the country in which it carries out its activity.
Export trade is a rigorous process that requires a sound knowledge of the export policy of Bangladesh and import rules and regulations of the importing country.
Exporter have to clear understanding, detail information and knowledge of goods to be exported.
Price is also an important factor in export. That's why, before starting an export business an exporter must considered the price offered to the buyers. As the selling price depends on sourcing price, exporters have to try to avoid unnecessary middlemen who only add cost but no value.
Why Export:
The primary reason for export is to earn foreign currency. The foreign currency not only brings profit for the exporter but also improves the economic growth and development and job creation of the country. Exporter who exports their goods are believed to be more reliable than their counterpart domestic traders assuming that exporting company has survive the test in meeting international standards. Free exchange of ideas and cultural knowledge opens up immense business and trade opportunities for an exporter.
Export increase international exposure, competitiveness and efficiency to the exporter and business.
Moreover, exporter can get some additional benefit from government like Bonded warehouse facility, Duty Drawback facility, Cash Incentive, Concessionary rate for export financing, Capacity building and technological support, Tax Holiday, Concessionary Income Tax facility, Value Added Tax Exemption, recognition like Commercially Important Person Export (CIP), and National Export Trophy.

Export Risk Management:
Price Risk:
Price is the most important factor in for doing export business. It is important for the exporter to keep the prices down keeping in mind all export benefits and expenses. However, there is no fixed formula for successful export pricing and it will differ from exporter to exporter. Like any other business transaction, risk is also associated with goods to be exported in an overseas market.
Credit Risk:
It is very difficult for an exporter to verify the creditworthiness and reputation of a foreign importer or buyer. There is a risk of non-payment, late payment or even a risk of fraud. That's why it is very important for an exporter to determine the creditworthiness of the foreign importer or buyer.
Standard and quality risk:
Exported goods may rejected by an importer due to not maintaining proper specifications and for poor and substandard quality. It is always recommended to properly check the goods to be exported. Sometimes buyer or importer raises the

quality issue just to put pressure on an exporter in order to try and negotiate a lower price. So, it is better to allow an inspection procedure by an independent inspection company before shipment. Such an inspection protects both the importer and the exporter.

Inspection is normally done at the request of importer and the costs for the inspection are borne by the importer or it may be negotiated that they be included in the contract price.

Alternatively, it may be a good idea to ship one or two samples of the goods being produced to the importer by an international courier company.

Transportation Risk:

Though goods shifted from one country to another, it faces many risks and hazards. There will be a risk of theft, ship may be sink at sea, goods may damage and possibly the goods not even arriving at all.

Logistic Management:

The exporter must understand all aspects of international logistics, specifically goods transportation issues. In this regard exporter may have gathered basic knowledge of Inco Terms published by International Chambers of Commerce (ICC).

Legal Issues:

Trade related international laws and regulations change frequently. Therefore, it is important for an exporter to drafts a sales contract in consultation with an expert legal firm, to ensure the exporter's interests.

Packaging and Labelling Requirements:

The basic role of packaging is to contain, protect and preserve a product as well as aid in its handling and final presentation. Packaging also has a role in the process of design, evaluation, and production of packages.

Labelling Requirements:

Like packaging, labelling should also be done with extra care. It is also important for an exporter to be familiar with all kinds of sign and symbols and should also maintain all the nationally and internationally standers while using these symbols. Labelling should be in English, and words indicating country of origin should be as large and as prominent as any other English wording on the package or label.

Labelling of a product also provides information like how to use, transport, recycle, or dispose of the package or product. With pharmaceuticals, food, medical, and chemical products, some types of information are required by governments.

Details of Documentation:

Bill of Export or Shipping Bill:

Bill of Export or Shipping Bill is the main document required by the Customs Authority for allowing shipment. A shipping bill is issued by the shipping agent and represents some kind of certificate for all parties, included ship's owner, seller, buyer and some other parties. For each one represents a kind of certificate document.

Commercial Invoice:

Issued by the exporter for the full realizable amount of goods as per trade term.

Customs Invoice:

Mainly needed for the countries like USA, Canada, etc. It is prepared on a special form being presented by the Customs authorities of the importing country. It facilitates entry of goods in the importing country at preferential tariff rate.

Export Packing List:

An export packing list is much more detailed and informative than a standard domestic packing list. It includes:

- Itemization of the contents of each individual package.
- The type of package, such as a box, crate, drum or carton.

How to become an Exporter:

After collecting Export Registration Certificate (ERC) from Chief Controller of Imports & Exports (CCI&E) an individual person, a firm, a company or an artificial juridical person can be a potential Exporter.

Necessary Documents for getting Export Registration Certificate (ERC) as suggested by office of the Chief Controller of Export & Import (CCI&E):

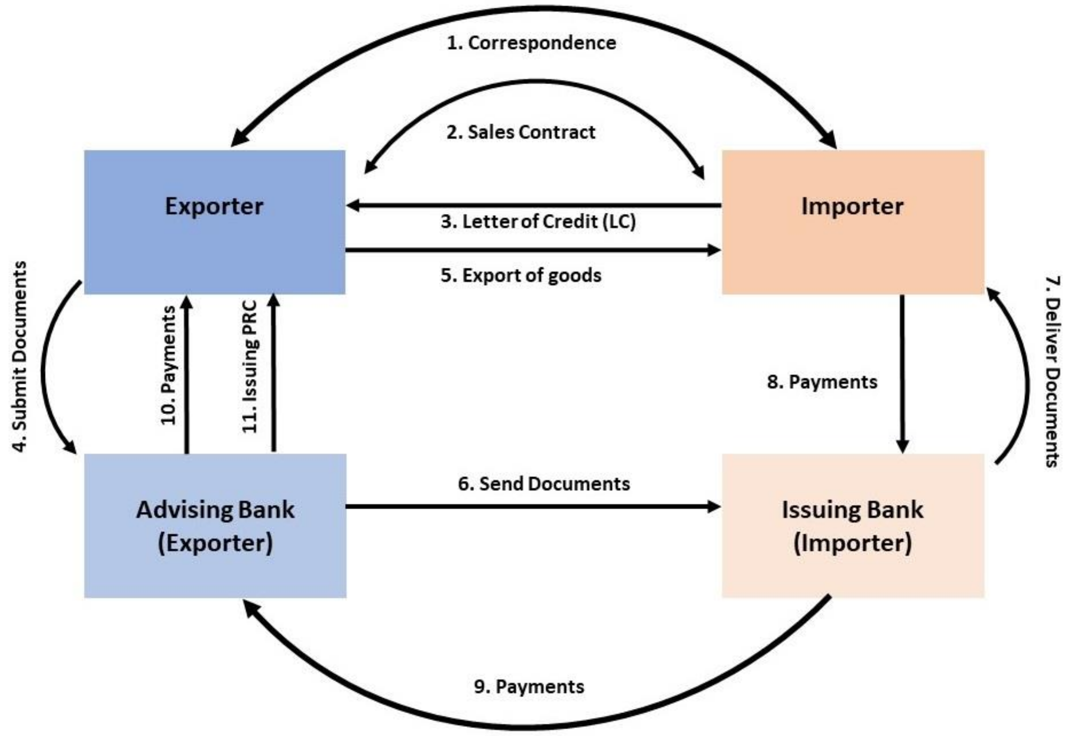
- Filled in prescribed Application Form by CCI&E
- Registration Fee for IRC and Value Added Tax on Registration Fee (Both have to deposited in a Separate Specific Treasury Code) with Treasury Challan
- Valid Trade License - City Corporation/Municipal Corporation/Union Parishad are responsible for issuing Trade License for doing any business
- Incorporation Certificates from Registrar of Joint Stock Companies and Firms (RJSC) with updated Form 12 for Registered Companies
- Membership Certificate of relevant Chamber or trade association (Like - DCCI, MCCI, CCCI, BAPA, BGMEA, BTMA, BKMEA, BJSA, BJMA etc.)
- Electronic Tax Identification Number (ETIN) and updated Income Tax Certificate
- Up to date Income Tax Return Submission Acknowledgement Receipt
- National ID/Passport/ Birth Registration Certificate of Applicant /if individual/ Firm/ company/Artificial Juridical Person
- Business Identification Number (BIN) (VAT)
- Bank Solvency Certificate from Authorised Bank
- Deed of Partnership approved by Register of Joint Stock Companies and Firms (RJSC) or Sub-Registry office (For Partnership Firm)
- Export Permit (if for any Restricted, Prohibited or Special type of export goods)
- Joint Venture Agreement (For local and Foreign Partner Joint venture investment)
- Work Permit of the applicant (If applicant is Foreigner)
- Approval letter of Bangladesh Investment Development Authority (BIDA) [Applicable only for 100% Foreign investment]
- Work Permit/ Authorization letter/ for foreign employee (Applicable for 100% Foreign Company)
- List of Employees (Name/ Designation/ Salary and Nationality) [For 100% Foreign Companies]

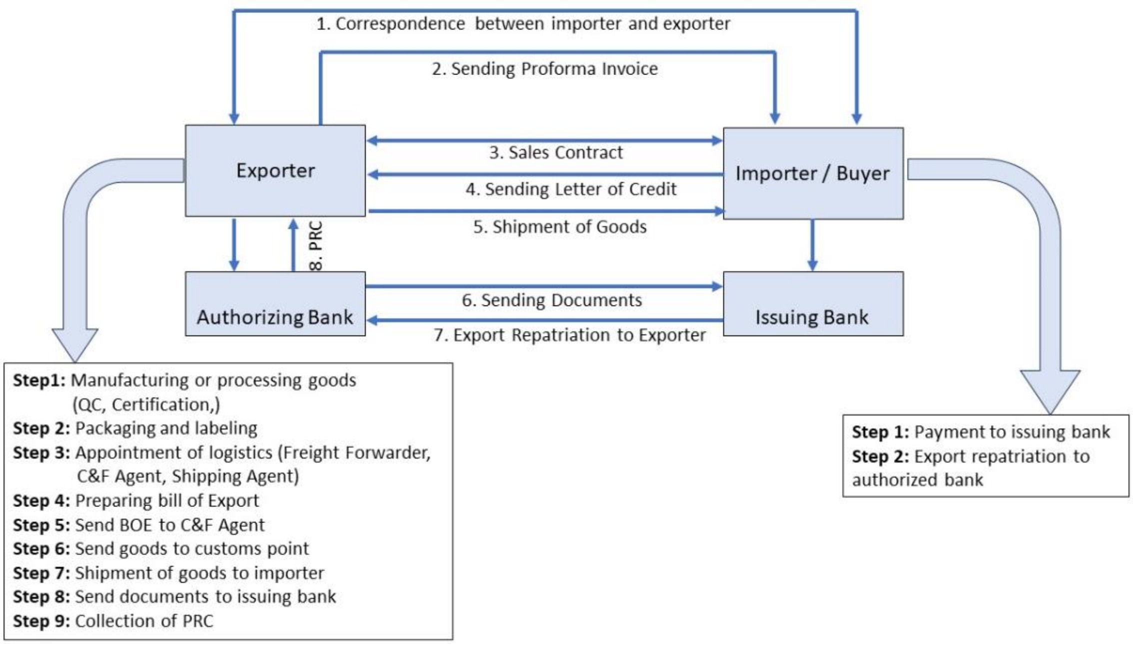
Steps in Export/ Export Process:

- Collection of Export Registration Certificate (ERC) from CCI&E
- Selection of goods and services what would like to export
- Collection and analysis of data of export market for exportable goods

- Collection of perspective buyers or importers information
- Correspondence with buyers or importers
- Collecting samples, design, specifications and any other requirements of goods from buyers
- Making samples as per buyer's requirement
- Cost/Price analysis
- Price negotiation
- Confirmation of order
- Signing or arranging Sales contract with buyer
- Receiving Letter of Credit from buyer's Issuing Bank
- Negotiation with Authorizing bank for Export Finance
- Sourcing raw materials
- Production of goods and services
- Quality control, quality assurance and completing required test and inspection to collect necessary certificate as per buyer's requirements and importing country's specific requirements like, Pre shipment inspection, Health Certificate, Sanitary and Phyto-sanitary Certificate, Quarantine Certificate, Veterinary Certificate, Radiation Certificate,
- Country of Origin Certificate, Rules of Origin Certificate (For preferential tariff)
- Negotiation with Freight Forwarding Agent, Shipping Agent, Clearing and Forwarding Agent (C&F) and other transport agent
- Preparation of Bill of Export/Shipping Bill and submit documents to Customs Station
- Shipment of Goods at Free on Board (FOB) basis
- Send Export documents to Issuing Bank (Buyer's Bank)
- Repatriation of sales proceeds
- Collection of Profit Realization Certificate (PRC) from authorizing bank

Export Cycle





Factors to be considered for Selection of Export Goods:

- Having experience on relevant business of the goods and services
- Export opportunity and profitability
- Demand analysis of such goods at the sourcing country or perspective export market
- Connection and orientation with perspective buyers
- Adequate business capital
- Availability of capital machineries and equipment
- Supply chain and availability of raw materials
- Value Chain and cost analysis
- Availability of labour
- Production line and capacity
- Relation with Bank

Where to Export:

- Information of importing country's market size and existing suppliers and buyers
- Market trends
- Consumer behaviour
- Quality requirements and quality control certification requirements
- Rate of tariffs and preferential tariff for market access (if any)
- Non-tariff barriers
- Economic or other Sanctions
- Correspondence with Buyers
- Description of goods
- Source of Raw-materials
- Unit price of the goods

Documents related to Export Goods Shipment:

- Sales Contact/Letter of Credit (L/C)
- Proforma Invoice
- Commercial Invoice
- Packing list
- EXP Form from Commercial Bank
- Certificate of Origin
- Rules of Origin Certificate/Preferential Tariff Certificate (GSP/SAPTA/APTA/etc.)
- Health certificate, Sanitary & Phyto Sanitary Certificate, Radiation certificate (If any)
- Bill of Export/Shipping Bill
- Airway Bill/Bill of Lading
- Insurance Policy
- Bill of Exchange

Components of a Sales contract:

- Contract Name, number and Subject
- Contract Date
- Total Pages
- Buyer's name, address and contact detailed
- Seller's name, address and contact detailed

- Description of the goods and quantity of the goods
- Description of the goods quality and specifications of the goods
- Unit Price
- Total value of sales contract
- Payment procedure, terms and conditions of payment
- Shipment process and shipment date
- Information on Packing list
- Validity and Guarantee
- Scope of Arbitration
- Packaging requirements
- Terms and conditions of sales contract
- Delivery schedules
- Important clause of L/C
- Required Documents
- Negotiation Date
- Name of the port of loading & unloading
- Bill of lading clause

Explanation of various Documents:

Commercial Invoice:

A commercial invoice is prepared by the exporter giving description and price of the goods, quantity shipped, quality, marks number of packages, name of the buyer, L/C or contract numbers, grades, size, name of the vessel, the date of shipment, number of Bills of Lading etc.

Packing List:

An export packing list is detailed information of goods and position of goods in the container and at the package.

EXP Form:

EXP form is issued by the authorized dealer Bank which certifies in favour of the concerned exporter stating that the exporter is authentic business entity and has made arrangement with Bank for realization of export proceeds of the goods declared on this form within four months from the date of shipment. In this regard the bank undertake risk to ensure the repatriation of the export proceeds against the shipment.

Components of EXP Form:

- Goods to be exported
- Country of destination
- Port of destination
- Quality
- Value
- Terms of sale (Firm Contract/LC or Consignment sale)
- Name & address of importer/consignee
- Name of carrying vessel
- Bill of Loading/Railway Receipt/Airway Bill/Truck Receipt/Post Parcel Receipt
- Port of shipment/Post Office of dispatch; Land of Custom Post
- Shipment date

- Name of the Exporter (in block letter) with address
- CCI & E's Registration Number of the exporter and date
- Sector (Public or Private) under which the Exporter falls

Certificate of Origin:

A Certificate provided by Competent authority inside the exporting country stating the origin of exporting goods. There are two types of Certificate like; Country of Origin Certificate and Rules of Origin Certificate (Preferential and Non-preferential)

Bill of Export/Shipping Bill:

Bill of Export/Shipping Bill is a document issued by the customs authority which ensure the shipment of goods

Components of Bill of Export:

- Bill of Export Number
- Consignee/Exporter
- Consignor/Importer
- Declarant/Authorized Agent
- Country of export
- Country of origin
- Country of Destination
- Name of Carrier
- Currency
- Place of loading
- Letter of Credit Number
- Invoice Number
- EXP Number
- Packing list and description of goods
- Gross Weight of the goods
- Net Weight of the goods
- HS Code

Bill of Lading:

A bill of lading is a document of title to goods evidencing despatch of goods from the exporting to the importing country. It is a contract between the owner of the goods and the carrier.

Insurance Certificate or Cover Note:

An insurance certificate is used to assure the consignee that insurance will cover the loss of or damage to the cargo during transit.

Bill of Exchange:

The bill of exchange is an order on the buyer to pay the stated amount at sight or after a certain period of issuance.

Certificate of Inspection:

It is a type of document describing the condition of goods and confirming that they have been inspected.

Health/ Veterinary/ Sanitary Certification:

Required for export of foodstuffs, marine products, hides, livestock etc.

Insurance Certificate:

An insurance certificate is used to assure the consignee that insurance will cover the loss of, or damage to, the cargo during transit. Typically, marine insurance coverage equal to 110% of the commercial invoice amount must be obtained for export shipments. If you plan to export infrequently, you may be able to buy insurance through your freight forwarder.

Inspection Certificate:

Inspection certificates often are required by foreign customs or businesses for certain regulated products. These are typically related to agriculture, health or the environment. Inspection certificates also may be required to ensure that vessels or crates are free of contaminants before entering certain ports, or that the products met the specifications outlined in a contract or purchase order.

Short Shipment Form:

It is an application to the customs authorities at port which advises short shipment of goods and required for claiming the return.

Relevant Law, Act, Rules and Policy of Export:

1. Export Policy 2021-24
2. Import, Export Control Act 1950
3. The Importers, Exporters and Indentors (Registration) Order 1981
4. The Customs Act 1969
5. Foreign Exchange Regulation 1947
6. Foreign Exchange Circular

Necessary Export Documents:

As required by Buyer's/Importers Bank as per terms and condition of Letter of Credit or Sale Contract:

1. Proforma Invoice
2. Commercial Invoice
3. Packing List
4. Bill of Lading/ Airway Bill/ Delivery Challan/ Truck Receipt (As applicable)
5. Bill of Export
6. Country of Origin Certificate
7. EXP Copy
8. Freight Certificate (if applicable)
9. Other Documents as per L/C and Sales Contract

Repatriation of Export Proceed:

1. Export proceed must repatriate within 120 days of export shipment;
2. After realization of Export Proceed, Bank report EXP copy and issue Profit Realization Certificate (PRC) to Exporter

Necessary Documents for getting Export Permit (EP)

No		Documents
1.	Export permit for exporting Sample	1. Invoice of exporting sample goods 2. Packing list of the goods 3. Communication record/letter with concern foreign buyer 4. Other necessary permission (if any)
2.	Export cum Import permit	1. Invoice of exporting sample goods 2. Packing list of the goods 3. Bank guarantee equivalate to the export value in a non-Judicial stamp of Taka 300 only

		4. No objection Certificate/ Recommendation/ approval from concern department or agency/ ministry/ Division
3.	Export permit for Personal Effects and House word goods	1. Invoice of exporting goods 2. Packing list of the goods 3. Copy of passport and visa of the applicant 4. Work Permit (If any) 5. Tax Clearance Certificate/ Acknowledge Receipt of Income Tax Return (If applicable) 6. No objection Certificate /Recommendation/Approval from concern Department/Agency / Ministry/ Division (If applicable)
4.	Export permit for warranty Replacement	1. Shipping Documents of Replacement goods 2. Invoice and Packing list 3. No Objection Certificate (NOC) from Concern Department/ Agency/ Ministry/Division
5.	Export permit for gift and promotional goods	1. Invoice of exporting sample goods 2. Packing list 3. Purchase Voucher of the gifted goods 4. Record of Communication with foreign buyer 5. NOC of Export Promotion Bureau 6. (If applicable)
6.	Export permit for Relief goods promotional goods	1. Invoice of exporting relief goods 2. NOC from Concern Ministry/Division/ Department/agency 3. Purchase Voucher of the relief goods (If applicable) 4. Communication Record with foreign organization
7.	Export Permit for Frustrated Cargo	1. Invoice, Packing list, Bill of Lading, Airway bill of frustrated cargo 2. Letter of Concern Port Authority 3. Communication Record of Foreign Party 4. Authorization letter of Local Exporter
8.	Export permit for Empty Container/ cylinder	1. Invoice of the goods 2. Packing list of the goods 3. NOC from Department of Explosives or approval from concern Ministry/ Division/ Agency 4. Documents of imported goods (Invoice/Packing list/BL/ Airway bill)
9	Export Permit for live Animal	1. Invoice of the good 2. Health Certificate from Department of live stock 3. Copy of Passport and Visa of the applicant.
10.	Export Permit for Testing goods	1. Invoice of the goods 2. Packing list of the goods 3. Undertaken for Testing Report

		4. Communication Record with Concern foreign Testing Organization
11.	Export Permit for Re-export of 10% value Addition goods	1. Export L/C or Contract 2. Invoice, Packing list, BL, Airway bill of imported goods. 3. Invoice of the re-exported goods 4. Packing list of the re-exported goods 5. Declaration of Value Addition with statements 6. NOC from Authorized Bank
12	Export Permit for Ontraport Export	1. Invoice, Packing list, Bill of Lading, Airway bill, of the imported goods. 2. Invoice of the outreport export goods 3. Packing list of the ontra port export goods. 4. NOC of concern Authorized Bank. 5. Contract with Foreign Buyer. 6. Copy of Back to Back Letter of Credit (L/C)
13.	Export Permit for Re-exporting wrong/ damage Export goods	1. Copy of Export L/C or Sales Contract 2. NOC from Customs Authority 3. NOC from Authorized Bank 4. Invoice, packing list, Bill of Lading, Airway bill, Truck Receipt of importing (previously exported) 5. Invoice and packing list of Re-exported goods 6. Communication record with Foreign Buyer

Fee for Export Registration Certificate (ERC) at CCI&E

(For getting new ERC and renewal of ERC)

Serial No	Name of Certificate	Registration Fee for new ERC (Taka)	Renewal fee for old ERC (Taka)
1,	Export Registration Certificate	10000/	7000/
2.	Export Registration Certificate For Indenting	50000/	25000/
3.	Export Registration Certificate for Multinationals	10000/	7000/

Fee for Export Permit at CCI&E

Serial No.	Name of Export Permit	Fee/ Taka
1.	Export Permit for Frustrated Cargo	1000/
2.	Export Permit for Sample Goods	1000/
3.	Export Permit for Relief Goods	1000/
4.	Export Permit for Gifted Goods	1000/
5.	Export Permit for Replacement of Warranty	1000/
6.	Export Permit for Live Animal	1000/

7.	Export Permit for Testing Goods, Import cum Export, Time Extension of Export Permit and Correction of Export Permit	1000/

Financial Code for depositing Fee for Export Registration Certificate and renewal of Export Registration Certificate on behalf of CCI&E:

Code: 1/1731/0001/1801

Financial Code for depositing Value Added Tax (VAT) on Fee (15% of Fee) for Export Registration Certificate and renewal of Export Registration Certificate on behalf of CCI&E

Code: 1/1133/0010/0311

Rules and Regulations to be followed in Export of goods:(In accordance with Export Policy 2021-24)

For exporting goods from Bangladesh there are some conditions in Export Policy 2021-24. Moreover, exporter have to be maintained and followed some other condition, laws, rules & regulations concerning Foreign Currency Exchange Regulations and Circular time to time issued by Bangladesh Bank;

Exporter have to be submitted some relevant documents under The Export Policy, The Customs Act 1969 and Foreign Currency Regulations and relevant rules in accordingly;

Control of Export of Goods:

The export of goods under The Export Policy 2021-24 will be controlled in the following ways, such as:

Export Prohibited Goods:

Unless otherwise stated, goods prohibited under the Policy cannot be exported. The list of export prohibited goods is given at **Annex-1;**

Conditional Export:

Goods which are exportable subject to fulfilling certain conditions can be exported after fulfilling those conditions. The list of such goods is given at **Annex- 2;**

Exportable Goods:

Unless otherwise stated, all goods except goods under prohibited as listed in Annex-1 and the goods under conditional export as listed in Annex-2 shall be exportable without any restrictions;

Rules and regulations as contained in The Export Policy 2021-24 shall not be applicable to the following cases:

Stores, equipment or spare parts of out bound ships, vehicles or aircrafts and goods declared as a part of kitchen or the accompanied baggage by the sailors or the crew or the passengers of those ship, vehicles or aircrafts;

Export of samples subject to fulfilment of the following conditions:

1. All goods except those are not included in the prohibited list mentioned in Annex 1;

2. A maximum of US$ 10,000 worth of goods per exporter annually (except medicine) based on the FOB (free on board) price;

3. In case medicine following conditions have to be fulfilled for sending sample as free of cost:

a) A registered exporter being a member of concern registered association can send goods maximum worth of US$ 70,000 as sample, without export L/C (Letter of Credit);
b) Medicine worth 10% of the total value of each L/C or a maximum of US $15,000, whichever is smaller;

Sample excess of declaration:

If samples exceed than declared quantity, the customs authority shall detain the excess quantity and may allow export of declared sample;

Power to relaxation of export control:

The government may issue permission for export of any prohibited goods as mentioned in **Annex-1** showing appropriate reason. Beside this, government may issue authorization for export, export cum-import or re-export of any goods on special consideration;

Power to control export:

For a reasonable ground and mentioning appropriate ground the government may temporarily prohibited export of any goods which are not included in the products list as mentioned in **Annex-1**

Entre-port and Re-export:

1. In case of Entre-port trade imported goods can be exported to a third country at a price at least 5 percent higher than imported price, provided that there will be no scope of further processing and changing whatsoever in the quality, quantity, shape or any other aspect of export of an imported goods;
2. Further Provided that goods under entre-port trade shall not be brought out of the port area.
3. If necessary, Entre-port export through another port, prior approval of Ministry of Commerce is mandatory;

Imports for Entre-port Trade:

1. Goods for Entre-port trade have to be imported under confirm sales contract, letter of credit, or back to back letter of credit establish by the buyer and under "returnable basis" import permission issued by the Office of the Chief Controller of Import and Export;
2. In case of Entre-port import the word 'entre-port' or 'temporary import' have to be mentioned in the declaration of goods;
3. If the port of import and export are same, imported goods cannot be taken out of the port or even in off-docks;
4. If the import and the export port are different, products have to be exported within a specific period of time, upon transporting them to the export port on approval from the Customs Authorities paying duty taxes under duty drawback or providing a 100% bank guarantee;
5. Import price under "entre-port" refers to the CFR (Cost and Freight) price of the imported product declared at the port of Bangladesh;

Re-Export:

1. Re-export means the export of an imported goods within a specific period of time with a value addition of at least 10% of the imported price by changing either quality or shape or both of the imported goods through further processing or reprocessing locally;
2. Import price in this case shall refer to the CFR price of imported product declared at the port of Bangladesh for re-export;

Clearance of goods returned after export due to defects or other reasons and re-export thereof:

1. Due to defective or for any other reason if exported goods including readymade garments and other goods exported under the bonded warehouse system have return to Bangladesh, the Customs Authorities may release or allow re-export of such goods on the basis of a certificate issued by the concerned lien banks;

2. In case of readymade garments and other goods made of locally produced raw materials which have exported without the bonded warehouse license, if returned due to defects, the relevant enterprises can receive such goods from the port by providing an undertaking that such products shall be re-exported within one year;

3. If exporter failed to re-export according to the given undertaking, such products can be sold in the local market after payment of VAT applicable at the local level and adjustment of rebate taken thereof, on execution according to the existing VAT Act (only in case of local fabrics) equivalent to the drawback received as per Mushak-11;

4. Provided that, in the case of frozen shrimp and fish and other consumable goods, appropriate quality control certificate has to be submitted from the concerned quality control authority.

If the port of import and export are same, imported goods cannot be taken out of the port or even in off-docks;

5. If the import and the export port are different, goods have to be exported within a specific period of time, upon transporting them to the export port on approval from the Customs Authorities paying duty taxes under duty drawback or providing a 100% bank guarantee;

Import price under "entre-port" refers to the CFR (Cost and Freight) price of the imported product declared at the port of Bangladesh;

Re-export of fabrics and other goods returned due to defects or other reasons:

1. For the defective fabrics and other articles that the supplier/exporter intend to ship back and for which no foreign currency has been remitted from Bangladesh, the Customs Authorities may issue clearance permit for re-export on the basis of a authorization issued by the lien banks;

2. For the defective fabrics and other articles that the supplier/exporter intend to take back and for which foreign currency has already been remitted from Bangladesh, the Customs Authorities may allow clearance for the re-export of such goods on the basis of authorization issued by the concern lien banks, as determined by mutual consent of both the buyer and seller and recorded in an inventory, and on execution of TT or L/C at sight as proof of repatriation of the foreign currency that had been paid for the goods so determined as defective, or after replacement of same quantity of goods;

Unless otherwise stated, export shall be permitted against authorized Letter of Credit (L/C) by the foreign buyers;

Export opportunities without L/C:

In addition to L/C, exporter may export on the basis of obtaining EXP (Export Permit) from the bank against buying contract, agreement, purchase order or advance payment; export of all goods will be permitted without L/C on consignment basis in case of advance encashment. TT (Telegraphic Transfer) will also be included under advance encashment;

Temporary Export for Re-import:

1. In the case of export cum import of machineries, equipment or cylinder abroad for the purpose of repairing, re-filling or maintenance etc, a bank guarantee equivalent to the value of the goods shall have to be submitted to the Customs Authorities. Government, semi-autonomous and autonomous bodies, military and police departments, shall have to obtain Export-cum-import permit from the Chief Controller of Import & Export upon getting permission of the concern Sponsoring Ministry;

2. The above mention provisions shall be applicable for industrial undertakings if can furnish an undertaking on the basis of recommendation from the sponsoring authority;

3. In case of turbines capable of producing electricity (with or without gearbox) or of homogeneous machinery, Export-cum-Import Permit has to be obtained from the Chief Controller of Import & Export in order to export the expired turbines to the supplier company for replacement of turbines (with or without gearbox) and other concern machinery and equipment imported as per conditions of the LC clause signed with turbine producers or overhauling companies. In this case, service charge/replacement expense can be paid in accordance with LC clause signed with the overhauling companies;

For the purpose of repairing, replacing or only for refilling, imported cylinder and ISO tank can be exported on a temporary basis.

Provided that, an indemnity bond shall have to be furnished with the Customs Authorities at the time of-export stating that the goods so exported will be re-imported after completion of the necessary works;

Export of Replacement goods:

Bangladeshi exporters shall be allowed to export replacement goods if any defect is detected in the exported goods as per sales agreement. Provided that, the exporter shall have to submit the following documents to the Customs Authorities:

1. Copy of the Sales Agreement;

2. Letter from the buyer with description of the defective product; and

3. Any other conditions to be fulfilled as per Customs Act 1969;

Re-export of Frustrated Cargo:

A frustrated cargo can be re-exported in accordance with the rules and regulations of the Customs Act, 1969;

Temporary Export cum Import:

In order to completion of work as per contract, the construction, engineering and electrical companies shall be allowed to temporarily export-cum-import of machinery and equipment under following conditions:

1. Necessary indemnity bond has to be furnished stating that the machinery shall be ship back after the completion of the work;

2. Relevant copies of agreement and award have to be submitted to the customs authorities;

Important Incoterms:

In international trade, importers and exporters must clearly identify how their goods will get from point A to point B, who will pay for which portions of the journey, and who is responsible if goods are damaged or lost along the way. This is done through Incoterms, a standardized set of rules that help facilitate trade between countries.

The 11 Incoterms define the amount of risk and liability buyers and sellers take on during an international transaction, but choosing the best term to use isn't a clear-cut decision. These Incoterms are as follows:

EXW (Ex Works) - insert place of delivery:

The seller fulfills its obligations by having the goods available for the buyer to pick up at its premises or another named place (i.e. factory, warehouse, etc.) on a date agreed upon by both parties or within an agreed-upon timeframe. The seller needs to provide the buyer the information they need to take delivery of the goods at that time.

With Ex Works, the buyer bears all risk and costs starting when the goods are made available to the buyer at the seller's location or other named place until the products are delivered to its location. Seller has no obligation to load the goods or clear them for export.

FCA (Free Carrier) - insert named place of delivery:

The seller is responsible for either making the goods available at its own premises or at a named place. In either case, the seller is responsible for loading the goods on the buyer's transport and is responsible for delivery to the port and export clearance including security requirements. Risk transfers once the goods are loaded on the buyer's transport.

CPT (Carriage Paid To) - insert place of destination:

Seller clears the goods for export and delivers them to the carrier or another person stipulated by the seller at a named place of shipment. Seller is responsible for the international transportation costs associated with delivering goods to the named foreign place of destination.

The transfer of risk, on the other hand, transfers from the seller to the buyer as soon as the goods are delivered to the international carrier. That means the buyer assumes the risk of loading the goods on the carrier and during the international transport of the goods.

CIP (Carriage and Insurance Paid To) - insert place of destination:

Seller clears the goods for export and delivers them to the carrier or another person stipulated by the seller at a named place of shipment, at which point risk transfers to the buyer. Seller is responsible for the transportation costs associated with delivering goods and procuring insurance coverage to the named place.

DAP (Delivered at Place) - insert named place of destination:

Seller clears the goods for export and bears all risks and costs associated with delivering the goods to the named foreign destination not unloaded. DAP means the buyer is responsible for all costs and risks associated with unloading the goods and clearing customs to import the goods into the named country of destination.

The named place under this term can be a port, the buyer's location or any named place that is agreed upon. In that regard, DAP provides a lot of flexibility to both parties.

DPU (Delivered at Place Unloaded) - insert of place of destination:

Previously named Delivered at Terminal (DAT), this Incoterm has been renamed Delivered at Place Unloaded (DPU) because the buyer and/or seller may want the delivery of goods to occur somewhere other than a terminal. This term is often used for consolidated containers with multiple consignees.

DPU is very similar to DAP except that the seller must pay for unlading the goods. Like DAP, the seller clears the goods for export and bears all risks and costs associated with delivering the goods to the named place, which can be a port or other named location in the foreign destination. Buyer is responsible for all costs and risks from this point forward including clearing the goods for import at the named country of destination.

DDP (Delivered Duty Paid) - insert place of destination:

DDP Incoterms 2020 means the seller bears all risks and costs associated with delivering the goods to the named place of destination ready for unloading and cleared for import.

DDP is a risky term for the seller, because they may not be fully aware of the import clearance procedures in the country of import or how to find a competent local customs broker. The seller must also deal in a foreign currency, which means they are responsible for the currency exchange and its associated risks. In addition, not all countries allow for non-resident importers, which means the seller must determine how to establish an importer of record.

Because of all these hurdles that the seller must overcome, DDP may also have questionable value to importers, since they must depend on the seller to successfully navigate these challenges.

FAS (Free Alongside Ship) - insert name of port of loading:

Seller clears the goods for export and delivers them when they are placed alongside the vessel at the named port of shipment. Buyer assumes all risks/costs for goods from this point forward. This is not a commonly used term except for goods that may be difficult to load.

FOB (Free on Board) - insert named port of loading:

Seller clears the goods for export and delivers them when they are on board the vessel at the named port of shipment. Buyer assumes all risks and costs for goods from this moment forward.

CFR (Cost and Freight) - insert named port of destination:

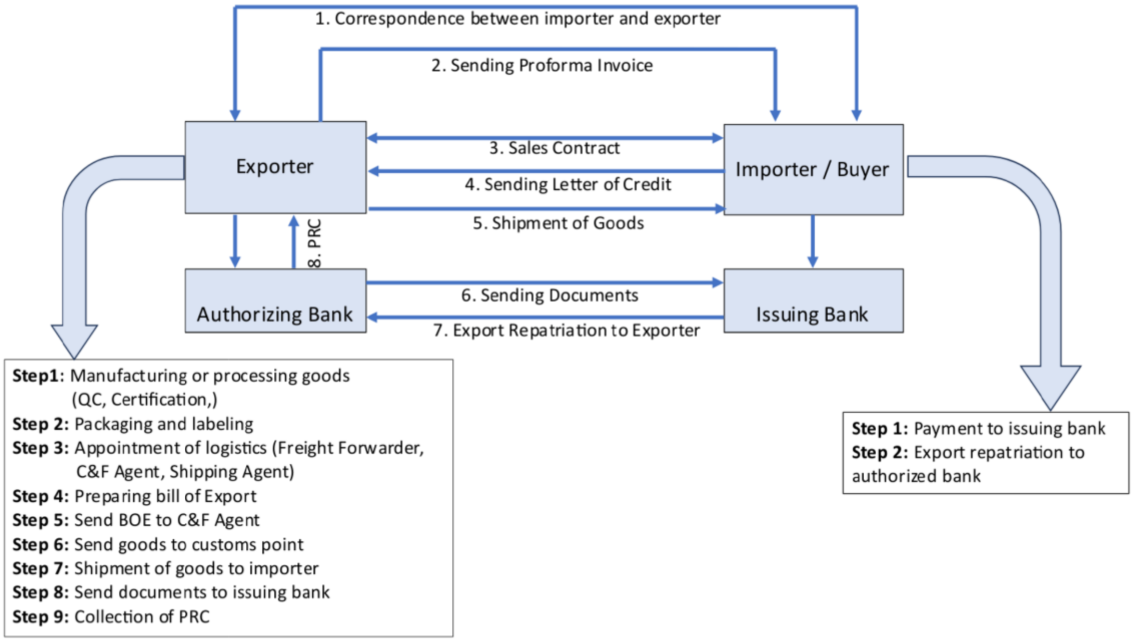
Seller clears the goods for export and delivers them when they are on board the vessel at the port of shipment. Seller bears the cost of freight to the named port of destination. Buyer assumes all risks for the goods from the time the goods have been delivered on board the vessel at the port of shipment.

This term sounds a lot like the Incoterm CPT, but it can only be used for sea and inland waterway transport, and the buyer only assumes risk once the goods are loaded on the vessel.

CIF (Cost Insurance and Freight) - insert named port of destination:

Seller clears the goods for export and delivers them when they are on board the vessel at the port of shipment. Seller bears the cost of freight and insurance to the named port of destination. The seller is required to purchase the minimum level of insurance under Clause C of the Institute Cargo Clauses. This requirement is unchanged from Incoterms 2010.

Buyer is responsible for all costs associated with unloading the goods at the named port of destination and clearing goods for import. Risk passes from seller to buyer once the goods are on board the vessel at the port of shipment.


1. Correspondence between importer and exporter
2. Sending Proforma Invoice
Exporter
Importer / Buyer
3. Sales Contract
4. Sending Letter of Credit
5. Shipment of Goods
8. PRC
Authorizing Bank
Issuing Bank
6. Sending Documents
7. Export Repatriation to Exporter
Step1: Manufacturing or processing goods (QC, Certification,)
Step 2: Packaging and labeling
Step 3: Appointment of logistics (Freight Forwarder, C&F Agent, Shipping Agent)
Step 4: Preparing bill of Export
Step 5: Send BOE to C&F Agent
Step 6: Send goods to customs point
Step 7: Shipment of goods to importer
Step 8: Send documents to issuing bank
Step 9: Collection of PRC
Step 1: Payment to issuing bank
Step 2: Export repatriation to authorized bank