

Process for Exporting Palm Oil

Process at a Glance

<u>Step 1: Obtain Trade License</u>
<u>Step 2: Become a member of a Chamber of Commerce or a Trade Association</u>
<u>Step 3: Obtain Export Registration Certificate (ERC)</u>
<u>Step 4: Register as an Exporter with the Export Promotion Bureau (EPB)</u>
<u>Step 5: Register in Registered Exporter System (REX) (Only applicable for exporting to European Union, Norway, Switzerland, and Turkey)</u>
<u>Step 6: Communicate with Buyers and Place Order</u>
<u>Step 7: Prepare Goods and Document</u>
<u>Step 8: Declare Export in EXP Form</u>
<u>Step 9: Customs Clearance of Goods</u>
<u>Step 10: Shipping Goods</u>
<u>Step 11: Collect Certificate of Origin</u>
<u>Step 12: Forward Documents through Bank for Payment</u>
<u>Step 13: Submit Export Documents to Bank</u>

Detail Process for Exporting Palm Oil

Step 1: Obtain Trade License

Trade license is a mandatory document to start any business in Bangladesh. A business needs to declare itself as an exporter in Trade License. A Trade License is issued by City Corporation or Municipality's relevant office (e.g., Union Parishad or Pourashava). An exporter has to take Trade License from the area where his business is located.

The process of obtaining Trade License from Dhaka North City Corporation (DNCC) can be found here:

[Click](#)

The process of obtaining Trade License from Dhaka South City Corporation (DSCC) can be found here:

[Click](#)

Step 2: Become a member of a Chamber of Commerce or a Trade Association

It is mandatory to be a member of a Government-authorized Chamber of Commerce or Trade Association for export. The list of authorized Chambers of Commerce can be found here: [Registered Chamber of Commerce](#) . The list of Trade Associations can be found here: [Licensed Trade Association](#)

For exporting Palm oil, one of the main relevant Trade Association in Bangladesh is Bangladesh Agro-Processors Association (BAPA). It is not mandatory for a Palm oil exporter to be a member of BAPA.

Step 3: Obtain Export Registration Certificate (ERC)

Export Registration Certificate (ERC) is mandatory for the export of any product according to the “The Importers, Exporters and Indentors (Registration) Order, 1981”. Currently, the Office of the Chief Controller of Imports and Exports (CCI&E) is providing the Certificate.

The process of obtaining the Certificate can be found here: [Click](#)

Step 4: Register as an Exporter with the Export Promotion Bureau (EPB)

It is mandatory to become a registered exporter under the Export Promotion Bureau (EPB) to get preferential market access benefits like reduced or no tariff. Bangladesh gets preferential trade benefits under the arrangement of Generalized System of Preferences (GSP), SAARC Preferential Trading Arrangement (SAPTA), Asia-Pacific Trade Agreement (APTA), South Asian Free Trade Area (SAFTA). To see the details of the trade arrangements, click here: [Click](#)

After registration, EPB will provide the “EPB Enrollment Certificate”. The process of obtaining the EPB Enrollment Certificate can be found here: [Click](#)

Step 5: Register in Registered Exporter System (REX) (Only applicable for exporting to European Union, Norway, Switzerland, and Turkey)

It is mandatory to be registered in the REX system maintained by European Union (EU) to export to EU, Norway, Switzerland, and Turkey. The Registered Exporter system (the REX system) is a system of certification of origin of goods based on a principle of self-certification. Exporters can themselves declare Statement of Origin.

The process of how an exporter from Bangladesh can be registered in the system can be found here:

[Click](#)

Step 6: Communicate with Buyers and Place Order

The exporter begins communication with potential buyers through an enquiry, obtaining details on product size, dispatch mode, pricing, and payment terms. After feedback from the enquiry, the exporter sends a Pro-forma Invoice to the buyer based on the enquiry. If the buyer accepts the provided Pro-forma Invoice, an order is placed, leading to an Agreement. Based on the Agreement, the exporter and buyer do

a Sales Contract. The exporter then requests the buyer to open a Letter of Credit (LC), and upon confirmation, acknowledges the order and provides a delivery schedule.

Step 7: Prepare Goods and Document

After confirmation of the order from the buyer, an exporter takes steps to make his goods ready according to the Sales Contract. The exporter also initiates process for preparing documents mandatory for export. To export Palm oil from Bangladesh, an exporter must have Phytosanitary Certificate issued by Plant Quarantine Wing of Department of Agricultural Extension (DAE).

The process of obtaining Phytosanitary Certificate can be found here: [Click](#)

Based on buyer's or country's requirement, the exporter may have to collect Health Certificate.

The process of obtaining Health Certificate can be found here: [Click](#)

Step 8: Declare Export in EXP Form

An exporter must declare his export in EXP Form according to [Guidelines for Foreign Exchange Transactions \(GFET\), 2018 Vol 1, Para. 4, Sec.I, Chapter 8](#). Bangladesh Bank has introduced an electronic option to submit EXP Form.

The online process of declaring export in EXP Form can be found here: [Click](#)

Step 9: Customs Clearance of Goods

Customs clearance process for exporting Palm Oil can be found here: [Click](#)

Step 10: Shipping Goods

The shipment process depends on the mode of transport. The section discusses shipment process of Air and Sea transport:

Shipment Process Dhaka Airport

Step 1: The exporter contacts with freight forwarder for booking space in airplane. The freight forwarder, on behalf of the exporter, contacts airlines and books space for the exporter.

Step 2: The exporter contacts the Clearing and Forwarding Agent (C&F) agent for customs clearance.

Step 3: The exporter sends his products to the cargo village of Shahjalal International Airport in his own arrangement.

Step 3: The exporter's authorized C&F agent receives the product after contacting the exporter and completes all the custom clearance process in the cargo village.

Step 4: The C&F agent and freight forwarder coordinate with each other for loading of the goods to the booked airline.

Step 5: Airline issues Airway Bill to the exporter.

Shipment Process (Chattogram Port)

Step 1: The exporter contacts freight forwarder for booking space in ship. The freight forwarder, on behalf of exporter, contacts with shipping agent/line and books space for the exporter. The exporter can also directly contacts shipping agent for container booking.

Step 2: The exporter contacts Clearing and Forwarding Agent (C&F) agent for Customs clearance.

Step 3: The exporter sends his products to the designated Inland Container Depots (ICDs). The list of Inland Container Depots (ICDs) can be found here: [Click](#)

Step 4: The exporter's authorized C&F agent receives the product after contracting the exporter and completes all the Customs clearance process in the Inland Container Depots (ICDs).

Step 5: The C&F agent and freight forwarder coordinate with each other for loading of the goods to the booked container.

Step 6: The container is then shipped to the Chattogram port and loaded in the cargo vessel for shipment.

Step 7: The shipping line issues Bill of Lading to the exporter.

Step 11: Collect Certificate of Origin

An exporter must collect preferential Certificate of Origin Certificate from EPB. In case of export to EU, the exporter declares the Origin of his goods by himself using EPB Export Tracker.

The process of declaring origin on goods in EPB Export Tracker can be found here: [Click](#)

An exporter also needs to collect preferential Certificates of Origin for exporting to countries under SAFTA, APTA, GSP, SAPTA trade arrangement.

The process of obtaining Certificate of Origin for that countries can be found here: [Click](#)

Step 12: Forward Documents through Bank for Payment

After completing shipment, an exporter needs to send the necessary documents to his buyer so that his buyer can release good from the destination's port. As the documents are also essential for payment negotiation, the documents are sent through Bank.

Step 13: Submit Export Documents to Bank

According to [FE Circular No. 17, dated April 23, 2019](#), within 14 days from the date of shipment of goods from Bangladesh, an exporter must submit required documents to his Bank. The documents mandatory to submit are:

- Signed hardcopy of the electronically submitted EXP Form (Certified by the Customs)
- Bill of Export (Certified by Customs)
- Relevant shipping documents