Process for Importing Onion

Process at a Glance

Step 1: Obtain Trade License
Step 2: Become a member of a Chamber of Commerce or a Trade Association
Step 3: Obtain Import Registration Certificate
Step 4: Obtaining Pro-forma Invoice
<u>Step 5: Obtain Import Permit</u>
Step 6: Obtain Insurance Cover Note and Insurance Policy against the Insurance Cover Note
Step 7: Place Order through opening irrevocable LC
Step 8: Prepare and collect necessary documents from seller for Customs Clearance
<u>Step 9: Obtain Release Order from Plant Quarantine Wing (PQW)</u>
Step 10: Customs Clearance of Goods/Clearance of Goods from Customs
Step 11: Port Clearance/Clearance of Goods from Port

Detail Process for Importing Onion

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 importer in Trade License. Trade License is issued by City Corporation or Municipality's relevant office (e.g., Union Parishad or Pourashava). An importer 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:

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

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 import, as per the Import Policy Order 2021-24. The list of authorized Chambers of Commerce can be found here: <u>Registered Chamber of Commerce</u>. The list of Trade Association can be found here: <u>Licensed Trade Association</u>

Step 3: Obtain Import Registration Certificate

Import Registration Certificate (IRC) is mandatory for import of any product, according to the <u>"The Importers, Exporters and Indentors (Registration) Order, 1981"</u>. Currently, the Office of the Chief Controller of Imports and Exports (CCI&E) is providing the Certificate.

The detail process and requirements of obtaining the Certificate can be found here: Click

Step 4: Obtain Pro-forma Invoice

It is mandatory to have Pro-forma Invoice for import according to Import Policy Order 2021-24. An importer sends a written request to seller for information regarding the price and the terms on which the seller will be able to supply goods. In reply to this enquiry, the importer will receive a quotation from the exporter which is generally known as Pro-forma Invoice (PI).

Bangladesh Bank has published a circular, containing the requirements for Pro-forma Invoice. The circular of Bangladesh Bank can be found here: <u>FE Circular Letter No. 10 dated September 18 2021</u>

Step 5: Obtain Import Permit

According to Plant Quarantine Act, 2011, it is mandatory to have Impot Permit from Plant Quarantine Wing (PQW) of Department of Agricultural Extension (DAE) for importation of plants and plant products. The Import Permit shall be taken before opening Letter of Credit (LC).

The process of obtaining Import Permit can be found here: Click

Step 6: Obtain Insurance Cover Note and Insurance Policy against the Insurance Cover Note

According to Import Policy Order 2021-24, an importer shall purchase Insurance Cover Note either from the Sadharan Bima Corporation or from any Bangladeshi Insurance Company and a duly stamped insurance policy against this Cover Note. The stamped insurance policy needs to be submitted to the Customs authority during the release of goods.

Step 7: Place Order through opening irrevocable LC

Except for the exception provided in the Import Policy Order 2021-24, all import shall be done opening irrevocable LC. The documents mandatory for opening LC are:

- a. LCA form with signature
- b. Pro-forma Invoice/Indent
- c. Membership Certificate
- d. IRC

Step 8: Prepare and collect necessary documents from seller for Customs Clearance

After placing the order, an importer has to prepare documents for Custom clearance and other regulatory requirements. The documents that are mandatory for onion import are:

- a. Authorization Letter to the C&F agent issued by the importer
- a. VAT/BIN Certificate
- a. Bank-endorsed Letter of Credit Authorization for customs copy
- a. Bank-endorsed Letter of Credit for Customs copy
- a. Bank-endorsed Pro-forma Invoice
- a. Bank-endorsed Commercial Invoice
- a. Value declaration
- a. Bank-endorsed Packing List
- a. Detailed Packing List
- a. Bank-endorsed original copy of Waybill (Bill of Lading/Airway Bill/Truck Receipt/Rail Receipt)
- a. Insurance Cover Note
- a. Country of Origin Certificate issued by the origin/shipment country
- a. Data sheet duly signed by the C&F agent
- a. Radiation Certificate issued by the exporting country

Step 9: Obtain Release Order from Plant Quarantine Wing (PQW)

After arrival of goods in designated customs station in Bangladesh, an importer must collect Release Order from Plant Quarantine Wing (PQW) of Department of Agricultural Extension (DAE).

The process of obtaining Release Order can be found here: Click

Step 10: Customs Clearance of Goods

After arrival of consignment in designated customs station in Bangladesh, an importer has to clear his consignment after paying duty and taxes and fulfilling other regulatory requirements.

Detail customs clearance process can be found here: Click

Step 11: Port Clearance/Clearance of Goods from Port

After completing customs formalities, an iamporter has to clear/release his goods from port (sea/land/air). The port clearance process for Chattogram Sea Port, Benapole land Port, and Dhaka Airport is below:

Port Clearance Process in Chattogram Seaport:

Sub-Step 1: C&F agent collects delivery order from shipping agent

Sub-Step 2: C&F agent pays port dues and gives indent to the port authority for cargo release

Sub-Step 3: Importer's vehicle enters the ports and cargo-loading in the truck starts

Sub-Step 4: C&F agent submits the documents at delivery gate

Sub-Step 5: Port authority provides clarence for delivery

Sub-Step 6: The cargo exists the port area

Port clearance process in Benapole Land Port

Sub-Step 1: C&F agent submits paid assessment notice and release order to the Deputy Traffic manager (DTM) of the port authority

Sub-Step 2: C&F agent pays port dues and receives loading order and gate pass

Sub-Step 3: C&F agent submits gate pass and loading order to the Shed-in-Charge, loads the truck, and exists the shed.

Sub-Step 4: After verification of documents at Customs Gate Control-9 (CGC-9) or BASHKAL gate (final exist), the truck finally released.

Port clearance process in Dhaka Airport

Sub-Step 1: C&F agent submit required file to port authority and port authority calculate the port dues

Sub-Step 2: C&F agent pays port dues

Sub-Step 3: Port authority generates port exist number in ASYCUDA world

Sub-Step 4: Freight officer checks the documents and signs for delivery

Sub-Step 5: Gate Customs officer verify the exist number in ASYCUDA World

Sub-Step 6: Customs broker provides the date entry in port register and Customs delivery register

Sub-Step 7: Goods released from the port