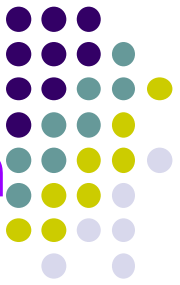


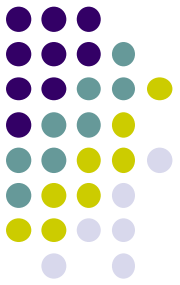
# **BPA of Lead Acid Accumulator and Lentil through Corridor 1: Preliminary Findings from Bangladesh Segment**



**Mohammad Yunus  
Bangladesh**

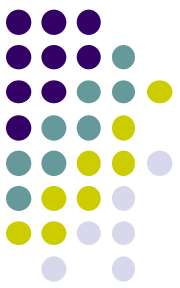
**Presented at SASEC Stakeholder Workshop on  
Subregional Trade and Transit Collaboration  
29 October 2012, Colombo**

# BPA through Corridor 1...

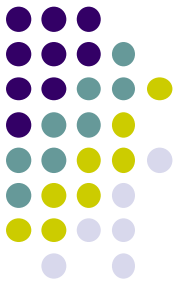


- **Introduction**
- **Bangladesh's Foreign Trade**
- **Bangladesh's Trade Relationship with Nepal**
  - **Exports of Lead Acid Accumulators to Nepal**
  - **Imports of Lentil from Nepal**
- **Business Process Analysis**
  - **Steps in Export of Lead Acid Accumulator**
  - **Steps in Import of Lentil**

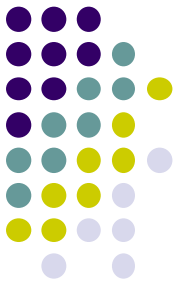
# BPA through Corridor 1 ...



# BPA through Corridor 1...



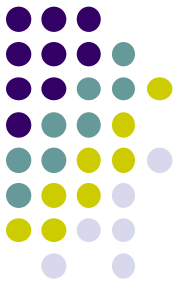
- **Introduction**
- Both imports and exports of Bangladesh have increased continuously even during the period of global economic crisis during 2008 to 2010 period.
- Growth rates of export and import were 5.47 and 4.11 respectively.
- In FY 2011-12 Bangladesh's export earning was US\$ 24301.90 million against an import of US\$ 32463.99 million.
- Export comprises 20.65 percent of GDP while share of import in GDP is 27.58 percent.



## BPA through Corridor 1...

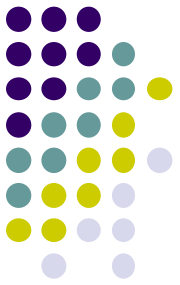
- ❑ **Exports of LAA to Nepal**
- ❑ Lead-acid accumulators (LAAs) is the main export item from Bangladesh to Nepal comprising nearly 77 percent of total export of Bangladesh to Nepal and 62 percent of Bangladesh's total LAAs export to the world.
- ❑ **Imports of Lentil from Nepal**
- ❑ Lentil is the main import item of Bangladesh from Nepal comprising 91 percent of Bangladesh's import from Nepal. Around 10 percent of lentil import of Bangladesh from the world is from Nepal.

# BPA through Corridor 1...



## □ Steps to Export LAA to Nepal

- Sales contract is finalized between Nepalese importer (solar home distributor) and Bangladeshi exporter (Rahimafrooz)
- Order is placed through Nepal local office of the exporter
- Exporter goes for production of production of LAA
- Exporter sends EXP form detailing quantity, quality and price, etc.
- Exporter procures certificate of origin from DCCI
- Arrange for transport up to the Banglabandha Land Port
- C&F agent files for customs clearance and provides sample to be examined
- Customs verifies documents; if necessary examines sample; assess VAT duties; and gives clearance
- Cargo is unloaded from Bangladeshi truck and loaded on to the Nepalese trucks

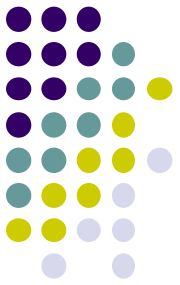


## BPA through Corridor 1...

### □ Documents Needed to Export LAA to Nepal

Documents Required in Export of Accumulators	
Proforma Invoice	EXP Form
Sales Contract	Insurance Certificate
Letter of Credit Authorization	Certificate of Origin
Customs Export Declaration	Truck <i>Challan</i> /Bill of Lading
Commercial Invoice	Certificate of Inspection
Packing List	Pre-shipment Inspection

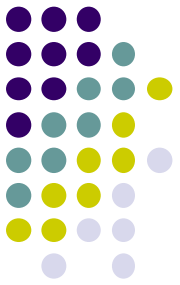
# BPA through Corridor 1...



## □ Steps to Import Lentil from Nepal

- Sales contract is finalized between Nepalese exporter and Bangladeshi importer
- Importer opens L/C with bank submitting copies of trade license, VAT registration, TIN certificate and sends the documents to the exporter
- Set of documents is sent to the C&F agent at Banglabandha
- C&F agent submits bill of entry and files for customs clearance
- Customs verifies documents and if necessary cargo and gives clearance
- Cargo is unloaded from Nepalese truck and loaded on Bangladeshi truck to arrive Dhaka



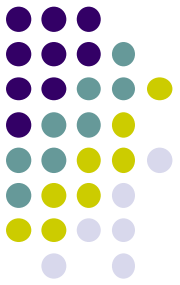


# BPA through Corridor 1...

## □ Documents Needed to Import Lentil from Nepal

Documents Required in Import of Lentil	
Proforma Invoice	Release Order
Import Certificate	Bill of Entry/Port Entry Receipt
VAT Registration	Letter of Credit
TIN Certificate	Bank Solvency
Commercial Invoice	Trade License
Packing List	Country of Origin
Truck <i>Challan</i> /Bill of Lading	Sanitary and Phytosanitary Certificate
NOC	Customs Import Declaration

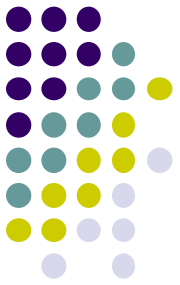
# BPA through Corridor 1...



## □ Observations

- it is a general impression of the interviewed company that the procedures involved in completing an export/import order are quite simple and do not entail any significant hassles.
- However, the process of obtaining a document is slightly expedited by a lengthy relationship with agencies such as banks and the Chamber of Commerce.
- There are a number of peripheral issues that sometimes increase the costs of doing business.
- Institutional facilities are all located in Panchagarh
- Need automation of clearing and forwarding procedures, adequate parking clearance facilities, warehousing, etc.
- Will get more attention if it can cater to the northern districts of West Bengal such as Darjling, Jalpaiguri, and Koch Bihar as well.

# BPA through Corridor 1 ...



## Thank You for Your Patience!