

**1. Import procedure-** Import shall be made as per following procedure:-

- (1) **Import Licence not required-** Unless otherwise specified, no import licence will be necessary for import of any item.
- (2) **Import against LCA Form-** Unless otherwise specified, all import transactions through a Bank (L/Cs. bank drafts, remittances etc.) shall require LCA forms irrespective of the source of finance.
- (3) **Import through L/C-** Unless otherwise directed import will be effected only through opening irrevocable L/C:

Provided that each consignment of quickly perishable food items worth US dollar Fifty Thousand via Teknaf Customs Station, essential food items and raw materials used in industry worth US Dollar Ten Thousand and capital machinery irrespective of price limit via other custom land stations can be imported against LCA Form without L/C. ;

Provided further that conditions stated in sub para (6) shall be uniformly applicable and importers shall be registered with authorized dealer Bank for importation without L/C.

- (4) **Import against LCA Form but without opening of Letter of Credit (L/C) -** Import against LCA Form may be allowed without opening of Letters of Credit in the following cases:
  - (a) Import of books, journals, magazines and periodicals on sight draft or usance bill basis;
  - (b) Import of any permissible item for an amount not exceeding US Dollar 100,000/- (hundred thousand) is allowed only during each financial year against remittance made from Bangladesh, but in case of Myanmar---
    - (1) Import of rice , pulse, maize, beans, ginger, garlic, soyabin oil, palm oil, onion and fish items valued not exceeding 50,000/- (fifty thousand ) US dollar in a single consignment and other items valued 30,000/-(thirty thousand) US dollar and
    - (2) Import of rice under Public Sector valued upto US dollar two million in a single consignment shall be importable without L/C and in this case above mentioned annual ceiling of hundred thousand US dollar shall not be applicable.

- (c) Import under commodity aid, grant or such other loan for which there are specific procurement procedures for import of goods without opening any L/C: and
  - (d) Import of “international chemical references” through Bank drafts by recognised pharmaceutical industry on the approval of Director, Drugs Administration for the purpose of quality control of their products.
- (5) Import against Import Permits and in special cases against Clearance Permit (for clearance of goods on payment of fine)-** In the following cases, neither LCA Form nor opening of L/C will be necessary; but Import Permit (IP) or Clearance Permit (CP) will have to be obtained by the importer, as for example---
- (a) Import of books, magazines, journals, periodicals and scientific and laboratory equipments against surrender of UNESCO Coupons;
  - (b) Import under Pay-As-You-Earn-Scheme in the following cases only on the basis of clearance of the Bangladesh Bank :
    - (1) New or not exceeding ten years old plant and machinery of permissible specification;
    - (2) New or not exceeding five year old motor cars;
    - (3) Cargo or passenger vessel of steel or wooden bodies, including refrigerated vessel of any capacity either new or not exceeding fifteen years old :Provided that in case of ocean going old ships, not exceeding twenty five years old shall be importable;
    - (4) Import of plant and machinery for export-oriented industrial units with the clearance of the competent sanctioning authority, wherever necessary;
    - (5) Trawlers and other fishing vessels, either new or not exceeding twenty five years old: Provided that for import under this scheme the sanctioning authority of such import shall forward a copy of sanction letter to the Chief Controller and the importer shall apply to the CCI&E along with necessary papers for prior permission;
  - (c) Import of item(s) by passenger coming from abroad in excess of the permissible limits of quantity/value as per the relevant baggage rules, provided the import of the said item(s) is permissible under the relevant baggage rules;
  - (d) Import of samples, advertising materials and gift items above the ceiling prescribed as per paragraph 12 of this Order;

- (e) Import of only drugs and herbal medicines under bonus system subject to the condition that it shall be obligatory on the part of the importers concerned to pass on the benefit to the consumers. The Director, Drugs Administration shall devise appropriate procedure in this behalf;
  - (f) Import of capital machinery and spare parts, as share of capital of the foreign share-holder for an approved joint venture or 100% foreign investors industrial unit already set up or to be set up;
  - (g) Import of any other goods, not specifically exempted from permit.
- (6) **Import on Deferred Payment Basis or Against Supplier's Credit-** Subject to restriction and prohibitions contained in this order, import on deferred payment basis or against Suppliers Credit may be allowed on the basis of procedure laid down by the Bangladesh Bank in this behalf.
- (7) **Import against direct payment abroad-** Only Bangladeshi nationals living abroad may send any importable item irrespective of value ceiling against direct payment abroad in the name of any Bangladeshi living in Bangladesh. The name and address of the consignee shall be mentioned in the import documents, in such case-
- (a) No permission or import permit from the Import Control Authority shall be necessary;
  - (b) In this case a certificate from the Bangladesh embassy in that country as an earner of foreign exchange has to be submitted. Sender's passport number, occupation, annual income, period of stay abroad etc. shall have to be mentioned in that certificate;
  - (c) The payment receipt of the goods shall have to be certified by the Embassy.
- (8) **Time limit for opening of L/C-**
- (a) Unless otherwise specified, for import under cash foreign exchange, letter of credit shall be opened by all importers within one hundred and fifty days from the date of issue /registration of LCA form:  
  
Provided that the above time limit may be extended upto such time as deemed fit by the Chief Controller of Import and Export;
  - (b) For import under foreign aid/grant and barter/STA, L/C shall be opened within the time limit as may be notified by the Chief Controller.
- (9) **Validity of shipment for goods-**

- (a) Unless, otherwise specified, shipment of goods shall be made within 17(seventeen) months in the case of machinery and spare parts and 9(nine) months in the case of all other items from the date of issuance of LCA Form by Bank.
  - (b) Shipment of goods under commodity aid/grant, and account trade arrangement/counter trade arrangement shall be effected within the time limits as may be notified by the Chief Controller;
  - (c) In case where shipment could not be made within the validity period due to circumstances beyond control of the importer, the Chief Controller may extend the time limit for shipment of goods on the merit of each case.
- (10) **Restriction on L/C after imposition of ban/restriction-** No extension of the date of shipment in any Letter of Credit or amendment to Letter of Credit or enhancement of the value or quantity of goods shall be allowed by the nominated Bank or by the Import Control Authority after the imposition of ban or restriction on any item(s).
- (11) **Document required to be submitted along with LCA Form-** Importers in both public sector and private sector shall submit to their nominated Banks the following documents along with the L/C Authorisation Form for opening Letter of Credit:
- (a) L/C Application Form duly signed by the importer;
  - (b) Indents for goods issued by Indentor or a Proforma Invoice obtained from the foreign supplier, as the case may be; and
  - (c) Insurance Cover Note.
- (12) **Additional documents to be furnished by public sector importers-** In addition to the documents mentioned in sub-paragraph (11) above, public sector importers shall submit the attested photocopy of sanction letter from the administrative Ministry or Division or Authority, wherever applicable;
- (13) **Additional documents to be furnished by private sector importers-** In addition to the documents mentioned in sub-paragraph (11) above private sector importers will be required to submit the following documents, as :---
- (a) Valid Membership certificate from the registered local Chamber of Commerce and Industry or any Trade Association established on all Bangladesh basis, representing any special trade/business;
  - (b) Renewed Import Registration Certificate for the concerned financial year;

- (c) A declaration, in triplicate, that the importer has paid income-tax or submitted income tax return for the preceding year;
- (d) Proof of having Tax Identification Number (TIN) in all cases of imports, excepting personal use;
- (e) Any such document as may be required as per Public Notice, or Order issued by Chief Controller, from time to time under this Order;
- (f) Any necessary papers or documents according to this Order;
- (g) Insurance Cover Note either from Sadharan Bima Corporation or from any Bangladeshi Insurance Company and duly stamped insurance policy against this cover-note, which shall have to be submitted to the Customs Authority during release of goods.

**(14) Violation of the requirement of LCA/LC-**

- (a) Shipment effected before issuance of the L/C Authorisation Form by the nominated Bank and registration with the authorized dealer bank, wherever necessary, and before opening of L/C or after expiry of the validity of the L/C Authorisation Form or L/C shall be treated as import in contravention of this Order.
- (b) L/C Authorisation Form obtained on the basis of false or incorrect particulars or by adopting any fraudulent means shall be treated as invalid and void abinitio.

**(15) Import against indent and pro-forma Invoice-** L/C may be opened against an indent issued by a local registered Indentor or against a pro-forma invoice issued by a foreign manufacturer/seller/supplier.

**(16) Procedure to be followed by banks for acceptance/issuance of LCA Forms-** Banks will follow the following procedures in the case of accepting or issuing of LCA Form:

**(a)Acceptance of LCA Forms by the nominated banks-**

- (i) LCA Forms and other relevant papers shall be submitted by recognised industrial units in the private sector and registered commercial importers to their respective nominated bank for the purpose of import by opening L/C.
- (ii) While accepting LCA Forms from a private sector importer the nominated banks shall ensure that the concerned importer has a valid Import Registration Certificate (IRC), the requisite renewal

fees for IRC for the relevant financial year has been paid and particulars of the treasury chalan showing payment of renewal fees has been duly recorded in the IRC of the said importer. Unless a private sector importer is specifically exempted from IRC, LCA Forms shall not be accepted from him/her, or L/C shall not be opened in his/her favor without valid and legally renewed IRC.

- (iii) In case of import through land route, name of the land port of destination in Bangladesh will be clearly stated in concerned L/C;
  - (iv) L/C for import of capital machinery and initial spares for setting up of a new industrial unit may, however, be opened without any Import Registration Certificate (IRC) and without obtaining exemption certificate from the Chief Controller. No formal sanction shall be necessary from the sponsoring authority for such import against cash foreign exchange in respect of industrial units in the free sector;
  - (v) In case of import of capital machinery and spares by the foreign investor, a certificate to the effect that import cost will be paid in cash foreign exchange from the equity of foreign investor, issued by the concerned bank is required;
- (b) **Compulsory recording of H.S. Code Number-** Banks shall not process any LCA Form or open L/C without properly recording the appropriate H.S. Code Number on the LCA Form or L/C. Bangladesh Bank shall monitor the compliance by the banks (scheduled) of the above requirements.
- (c) **Registration of LCA Form-** In case of import by opening L/C or without L/C, the authorised dealer bank shall get the LCA Form registered and submit copies to Bangladesh Bank along with monthly statement after payment is made, Chief Controller of Imports and Exports, importer, Customs Authority and the retain 1(one) copy with the bank. The dealer Bank shall send all the information of registration to the concerned office of Bangladesh Bank in a statement on monthly basis.
- (d) **Cases where LCA Form against Government allocation are not required to be registered-** In case of import under Loan, Grant, Barter or special trade agreement, nominated bank after recording the particulars mentioned in the LCA Form shall forward the LCA Form or LC Application Form along with other necessary documents to the designated bank with the request to open LC. And then the designated bank, after opening L/C, must forward the third and fourth copies of LCA Form to the Import Control Authority within 15(fifteen) days.

- (e) **Transmission of the copy of L/C for record of the Import Control Authority-** In all cases, the L/C opening banks shall forward a readable copy of the L/C and copy of amendment thereto, if any, to the concerned Import Control Authority for their record within fifteen days.
- (f) **Dispatch of Income Tax declarations submitted by private sector importers-** The nominated bank of the concerned private sector imports shall retain one copy of the Income Tax declaration furnished by the importers and forward or other copy to the Director (Research and Statistics), National Board of Revenue.
- (g) **Change of Nominated Bank-** Within the jurisdiction of any particular Regional office of Controller of Imports and Exports, change of nominated Bank can be done if there is no objection by both the Banks. In this case copy of no objection certificate of both bank have to be submitted to the concerned Import Control Authority.