

STANDARD OPERATING PROCEDURE (SOP)
FOR THE MOU ON USE OF INLAND WATERWAYS
FOR TRANSPORTATION OF BILATERAL TRADE AND TRANSIT CARGOES
BETWEEN
THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH
AND
THE ROYAL GOVERNMENT OF BHUTAN

1. INTRODUCTION

Pursuant to the **Article 14 of the Memorandum of Understanding (MoU)** on Use of Inland Waterways for Transportation of Bilateral Trade and Transit Cargoes between the Government of the People's Republic of Bangladesh and the Royal Government of Bhutan signed on 18 April 2017, the two Parties have agreed to adopt this Standard Operating Procedure (SOP) to activate, operate and facilitate the trade and transit between the two countries as per the said MoU.

2. SCOPE

This SOP intends to promote and facilitate day to day commercial operation of vessels plying between the two countries in accordance with the MoU and to minimize unnecessary hindrance in realizing optimum benefit for both the countries. The SOP aims to enhance the bilateral trade, transit and commerce ensuring credibility, accuracy, efficiency and transparency in the conduct of trade.

3. APPLICABILITY

The SOP shall apply to all related public authorities, shipping companies, business firms and vessels involved in transportation of cargos using riverine routes and seaports of Bangladesh under the MoU.

4. DEFINITION

For the purpose of this SOP unless the context otherwise requires, definition of the terms mentioned in Article 2 of the MOU shall prevail.

5. AGREED TRADE ROUTES

- 5.1 The agreed trade routes for the purpose of this SOP are:
- a. Chattogram(Chittagong)-Chandpur-Mawa-Aricha-Sirajganj-Chilmari-Daikhawa;
 - b. Mongla-Kawkhali-Barishal-Chandpur-Mawa-Aricha-Sirajganj-Chilmari-Daikhawa;
 - c. Kalapara (Payra Port)-Barishal-Chandpur-Mawa-Aricha-Sirajganj-Chilmari-Daikhawa; and
 - d. Narayanganj port will be used primarily as port of call for loading and unloading bilateral trade cargos.
- 5.2 Additional routes, sea ports and river ports may be added or discontinued through mutual agreement from time to time.

6. MODE OF TRANSPORT

Multimodal mode of transport consisting of water transport, rail and road transport depending on the convenience of the transportation may be used.

7. PROHIBITED AND RESTRICTED GOODS

7.1 Goods prohibited under the laws and regulations of Bangladesh shall not be permitted for transit through Bangladesh.

7.2 Goods restricted under the laws and regulations of Bangladesh shall be permitted for transit on prior approval of relevant authorities.

8. PORT DUES AND OTHER CHARGES

8.1 Relevant administrative fees and charges shall be levied for use of coastal, river, land and sea port facilities and customs services as per the domestic and relevant international laws, port tariff and conventions.

8.2 The payment of fees and charges shall, to the extent practicable, allow the option of electronic payment.

9. ENTRY AND EXIT POINT

The entry and exit points for trade through riverine route and for crew members of cargo vessels shall be the following and additional point may be notified from time to time.

Bhutan:

- (a) Samdrup Jongkhar
- (b) Gelegphu
- (c) Rinchenthang (Nganglam)
- (d) Phuentsholing
- (e) Samtse

Bangladesh:

- (a) Monghalhat
- (b) Noonkhawa
- (c) Daikhawa
- (d) Nakugaon
- (e) Haluaghat
- (f) Banglabandha
- (g) Burimari
- (h) Tamabil
- (i) Narayanganj
- (j) Gobrakura Koraitoli
- (k) Mongla Port
- (l) Chattogram (Chittagong) Port
- (m) Payra Port

10. IMMIGRATION

Crew and other personnel travelling for the purpose of trade under the said MoU shall carry valid travel documents as mentioned in Article 5 of the MoU.

11. RECOGNITION OF CERTIFICATES

The nationality, measuring and safety certificates, as well as other shipping documents issued by the respective Competent Authority in accordance with the requirement of the respective national laws shall be recognized by the relevant authorities of the other country. Minimum safety check shall be applicable by the Contracting Parties in order to verify the safety

standards of the vessels calling at their ports, without hampering the cargo operation or causing delay to the vessel.

12. INSURANCE OF VESSEL AND CARGO

The vessels plying through or between the two countries under this SOP on the designated route shall carry certificate of insurance with limited liability as agreed by both Parties under Article 10 of the MoU.

13. CUSTOMS CHECKS AND DOCUMENTATION

IMPORT PROCEDURE:

When goods are imported from third countries for Bhutan through Bangladesh, the following procedure shall be observed at the place of entry into Bangladesh:

- a) Clearance of goods imported for Bhutan shall be against Letter of Guarantee issued by the Royal Government of Bhutan;
- b) At the Customs Station, the importer or his agent (hereinafter referred to as the "Importer") shall present the Letter of Guarantee. The classification of goods and duty shall be completed by the Bangladesh Customs.
- c) Containerized goods, close bodied vessels and tankers on transit shall be subjected to Electronic Seal & Lock as per the provisions in the Electronic Seal & Lock Service Rules, 2018 of Bangladesh.
- d) The Customs Station, after having satisfied with the procedures in Para C above, shall endorse all the copies of the Letter of Guarantee.
- e) In case of imports not reaching their destination, the Customs officials of the two countries shall get in contact so as to trace the movement of the goods. In case the goods are found to have been diverted intentionally or purposely into Bangladesh, the Bangladesh Authorities would invoke the Guarantee.
- f) The Customs Authority can inspect any consignment (containerized or non-containerized) as per the risk management criteria. The Customs Authority can also inspect the electronic seal & lock and goods during the movement through its territory for the sake of national security and revenue purposes.

EXPORT PROCEDURE

The import procedure detailed above shall apply *mutatis mutandis* for Bhutan's export to third countries.

14. TRADE FACILITATION

Both contracting Parties shall endeavor to simplify and harmonize all rules, regulations and procedures concerning port, customs, immigrations, trade etc. to the extent possible.

15. SETTLEMENT OF DISPUTES

Any dispute arising out of interpretation and/or implementation of this SOP shall be resolved amicably between the Parties by negotiations through the Joint Technical Committee. If unresolved, the Parties may refer the dispute to the Commerce Secretary level meeting which is held annually as mentioned in Article 15 of the MoU.

16. AMENDMENT TO THE SOP


The Joint Technical Committee of two countries shall consult each other as and when necessary for any amendment to the SOP. The amendment shall be made in writing by mutual consent of the Joint Technical Committee.

17. VALIDITY AND ENTRY INTO FORCE OF THE SOP

This SOP shall come into force with effect from the date of signing and shall remain in force as long as the MoU remains valid.

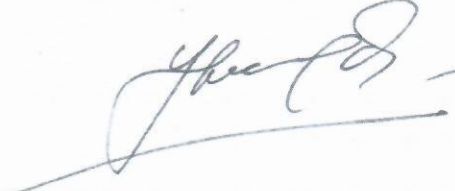
Done at **Dhaka** on **13 April 2019** in two original copies in the English language, both being equally authentic.

**For the Government of the
People's Republic of Bangladesh**



(Mr. Md. Abdus Samad)
Secretary
Ministry of Shipping

For the Royal Government of Bhutan



(H.E. Dasho Yeshe Wangdi)
Secretary
Ministry of Economic Affairs