

**AGREEMENT ON TRADE  
BETWEEN  
THE ROYAL GOVERNMENT OF BHUTAN  
AND  
THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH**

The Royal Government of Bhutan and the Government of the People's Republic of Bangladesh (hereinafter referred to as 'Bhutan, and 'Bangladesh' respectively.

Being urged by the desire to maintain, further develop and strengthen the existing cordial relations and spheres of co-operation on the basis of equality and mutual advantage.

Being convinced of the benefits that would accrue to their peoples as a consequences of expansion and diversification of trade and commerce between their territories,

have agreed as follows :-

**ARTICLE - I**

Both Bhutan and Bangladesh shall explore and undertake all measures necessary to promote, facilitate, expand and diversify trade between the two countries.

**ARTICLE - II**

Both Bhutan and Bangladesh shall accord each other the most favoured nation treatment in respect of issue of licences, customs formalities, customs duties and other taxes, storage and handling charges, fees and charges of any kind levied on export and import of goods to be exchanged between the two countries.

**ARTICLE - III**

With a view to promoting and expanding trade further, the two countries may accord tariff concessions to each other through mutual consultations.

**ARTICLE – IV**

The provision of Article II shall not, however, apply to the grant or continuance of any;

- a) Advantages accorded by either Bhutan or Bangladesh to facilitate border trade;
- b) Preference or advantages accorded by either Bhutan or Bangladesh to any third country before the date of the entry into force of this Agreement; and

- c) Advantages resulting from any Customs Union or from an Agreement on free trade zone or from regional or multilateral arrangement to which either Bhutan or Bangladesh is or may become a member.

#### **ARTICLE - V**

Both Bhutan and Bangladesh shall conduct the exchange of goods in accordance with the schedule A and B annexed to this Agreement and within the framework of their respective laws, regulations and procedures relating to import and export of goods. This shall not, however, preclude Bhutan and Bangladesh to conduct the exchange of goods not enumerated in the said schedules.

#### **ARTICLE - VI**

Notwithstanding the foregoing provisions, either Bhutan or Bangladesh may maintain or introduce such restrictions as are necessary for the purpose of:

- a) Protecting public morals;
- b) Protecting human, animal and plant life;
- c) Safeguarding the implementation of law relating to the import and export of gold and silver bullion; and
- d) Safeguarding such other interests as may be mutually agreed upon.

#### **ARTICLE - VII**

All payments in connection with exportation or importation of goods as well as other payments shall be effected through mutually accepted mechanisms.

#### **ARTICLE - VIII**

The exchange of goods between the two countries shall take place by means of transportation and through the routes as may be mutually agreed upon.

#### **ARTICLE - IX**

For facilitating the movement of goods, both Bhutan and Bangladesh agree to provide necessary number and means of transportation, warehousing and handling facilities at point or points of entry, exit or breakpoints, on such terms as may be mutually agreed upon, for the storage and speedy movement of trade cargo.

**ARTICLE - X**

The movement of goods between the two countries shall be governed by the procedures as laid down in the protocol hereto annexed. Except in case of failure to comply with the prescribed procedures, goods to be exported to or imported from either Bhutan or Bangladesh shall not be subject to unnecessary delays or restrictions.

**ARTICLE -XI**

Both Bhutan and Bangladesh shall consult each other as and when necessary and also review the implementation of this Agreement. For this purpose, representatives of Bhutan and Bangladesh shall meet on request by either Government at a place and time to be mutually agreed upon but not later than sixty days after the date of request.

**ARTICLE – XII**

This Agreement shall come into force from the date of its signing and shall remain valid for a period of five years. The two Governments will consult each other regarding renewal of the Agreement beyond this stipulated period unless terminated by either Government by giving three months notice in writing to the other before the expiry of the Agreement.

Done in \_\_\_\_\_ on the \_\_\_\_\_, Two Thousand and \_\_\_\_in two original copies in the English language.

Sd/-

On behalf of  
The Royal Government  
of Bhutan

Sd/-

On behalf of  
The Government of the People's  
Republic of Bangladesh

**DRAFT PROTOCOL TO THE AGREEMENT ON TRADE  
BETWEEN  
THE ROYAL GOVERNMENT OF BHUTAN AND THE  
GOVERNMENT OF PEOPLE'S REPUBLIC  
OF BANGLADESH**

The Royal Government of Bhutan and the Government of the Peoples Republic of Bangladesh (hereinafter referred to as "Bhutan" and "Bangladesh" respectively),

Being convinced of the benefits that would accrue to their peoples as a consequence of development and expansion of trade and commerce between the two countries,

Pursuant to the Agreement on Trade between their two countries signed in \_\_\_\_\_ on the \_\_\_\_ day of \_\_\_\_\_ Two Thousand and \_\_\_\_ (hereinafter referred to as the "Trade Agreement"), and

Desirous of implementing the said Agreement,

**HAVE AGREED AS FOLLOWS :**

**CLAUSE I**

Bhutan and Bangladesh shall accord to each other all facilities for promotion and expansion of trade between the two countries and encourage promotion of exchange of goods one country needs from the other, as provided in Article -I of the Trade Agreement.

**CLAUSE II**

Pursuant to Article - VIII of the Trade Agreement, which provide for conducting trade by agreed means of transportation and agreed routes:

- i. it is agreed that Bhutan shall designate the following points of entry and exit in Bhutan for conducting trade between Bhutan and Bangladesh
  - (a) Samdrupjongkhar
  - (b) Gaylegphug
  - (c) Sarbhang
  - (d) Phuntsholing
  - (e) Samchi
  - (f) Paro Airport

- ii. it is agreed that Bangladesh shall designate the following points of entry and exit in Bangladesh for conducting trade between Bhutan and Bangladesh :
  - (a) Moghalhat
  - (b) Noonkhawa
  - (c) Nakugaon
  - (d) Haluaghat
  - (e) Banglabandha
  - (f) Burimari
  - (g) Dhaka Airport
  - (h) Chittagong Airport
- iii. Additional points of entry and exit – including sea ports and river ports, may be added or discontinued through mutual agreement in due course of time.
- iv. "Transportation" shall mean all agreed means of transport.

### **CLAUSE III**

Pursuant to Article-V of the Trade Agreement which provided that both Bhutan and Bangladesh shall conduct exchange of goods in accordance with the schedules (A&B) annexed thereto, the two countries shall export to each other such items as indicated in the revised schedules- A and B annexed to this Protocol. This shall not, however, preclude Bangladesh and Bhutan to conduct exchange of goods not enumerated in the revised schedules.

### **CLAUSE IV**

In respect of customs formalities, customs duties and other taxes, issues of licences, storage and handling charges, fees and charges of any kind levied on export and import of goods to be exchanged between the two countries, Bhutan and Bangladesh shall, in pursuance of Article-II of the Trade Agreement, accord to each other the most-favoured-nation treatment. Bhutan and Bangladesh shall consider each other's request for specific measures for expansion of their bilateral trade.

## CLAUSE V

As regards provision of transportation, warehousing and handling facilities, as contained in Article-VIII of the Trade Agreement, both Bhutan and Bangladesh shall provide to each other necessary number and means of transportation, ware-houses, and handling facilities at the agreed points of entry and exit referred to in Clause II above or at any other place as mutually agreed upon.

## CLAUSE VI

Both Bhutan and Bangladesh shall consult each other as and when necessary and also review the implementation of this Protocol and to make such modifications as may be mutually agreed upon. For this purpose representatives of Bhutan and Bangladesh shall meet on request by either Government at a place and time to be mutually agreed upon.

## CLAUSE VII

This Protocol shall come into force with effect from the \_\_\_\_\_ and shall remain in force as long as the Trade Agreement remains valid unless it is terminated by either Government by giving three months' notice in writing to the other.

Done in \_\_\_\_\_ on the \_\_\_\_\_ December, Two Thousand and \_\_\_\_ in two original copies in the English language.

Sd/-

On behalf of  
The Royal Government  
of Bhutan

Sd/-

On behalf of  
The Government of the People's  
Republic of Bangladesh

## Schedule A

### Exportables of Bhutan to Bangladesh

Sl.No.	H.S. Code	Description of goods
1	0409.00	Natural Honey
2	0701.10	Seed Potatoes
3	0701.90	Potatoes
4	0704.10	Cauliflowers & headed broccoli
5	0704.90	Cabbages, kohlrabi, kale & edible brassicas, other
6	0706.10	Carrots & turnips
7	0706.90	Salad beetroot, salsify, celeriac, radishes, ed roots
8	0708.10	Peas
9	0708.20	Beans
10	0709.20	Asparagus
11	0709.51	Mushrooms
12	0709.60	Fresh chillies
13	0712.30	Mushrooms & truffles, dried
14	0713.33	Kidney beans, dried
15	0802.31	Walnuts
16	0802.90	Betel nuts
17	0805.10	Oranges
18	0805.20	Mandarins
19	0805.30	Lemon
20	0808.10	Apples
21	0809.10	Apricots
22	0809.30	Peaches
23	0809.40	Plums and sloes
24	0904.20	Dried chillies
25	0908.30	Cardamom
26	0910.10	Ginger
27	2001.90	Pickles
28	2002.10	Tomatoes whole or in pieces, prepared/preserved
29	2003.10	Mushrooms, prepared or preserved
30	2005.10	Homogenised vegetables, prepared or preserved
31	2005.90	Other vegetables and mixture of vegetables, prepared or preserved
32	2005.60	Asparagus, prepared or preserved
33	2005.70	Sweet corn, prepared or preserved
34	2006.00	Fruits, nuts, fruit-peel and parts of plants, preserved by sugar
35	2007.10	Homogenised preparation of jams, marmalades, jellies, puree and paste
36	2007.91	Citrus preparations of jams, marmalades, jellies, puree and paste
37	2008.20	Prepared or preserved pineapples
38	2008.40	Prepared or preserved pears
39	2008.50	Prepared or preserved apricots
40	2008.70	Prepared or preserved peaches
41	2008.91	Palm hearts
42	2009.11/ 2002.19	Orange juice, frozen and other
43	2009.30	Juice of any other single citrus fruit
44	2009.40	Pineapple juice
45	2009.70	Apple juice

46	2009.80	Juice of any other single fruit or vegetable
47	2009.90	Mixture of juice
48	2103.20	Tomato ketchup
49	2201.10	Mineral waters & aerated waters
50	2202.10	Soft drinks
51	2506.21	Quartzite
52	2515.11	Marble
53	2516.11 to 2516.90	Stone, stone boulders
54	2517.10	Boulders
55	2517.41	Marble chips
56	2518.10 to 2518.30	Dolomite
57	2520.10	Gypsum
58	2520.20	Plaster of Paris
59	2521.00	Limestone
60	2523.10	Cement clinkers
61	2523.21/2523.29	Portland cement
62	2526.10/2526.20	Natural steatite/Talc
63	2701.11 to 2701.19	Coal
64	2849.10	Carbides of calcium
65	3301.29	Essential oils
66	3802.10	Activated carbon
67	3806.10	Rosin and resin acids
68	3917.21 to 3917.40	HDPE pipes
69	4410.11 to 4410.90	Particle board and similar board of wood or other ligneous materials
70	4411.11 to 4411.99	Fibreboard of wood or other ligneous materials
71	4412.13 to 4412.99	Plywood, veneered panels and similar laminated wood
72	4418.10 to 4418.90	Builders' joinery and carpentry of wood
73	7202.21/7202.29	Ferro-silicon
74	9403.30 to 9403.90	Furniture



## Schedule B

### Exportables of Bangladesh to Bhutan

Srl	H.S.Code	HARMONISED DESCRIPTION
1	0305.59	Dried fish, whether or not salted but not smoked
2	0402.99	Condensed milk
3	0701.90	Potatoes, fresh or chilled
4	0902.30	Black tea(packaged)
5	1704.90	Other sugar confectionary – candy
6	1905.10	Crisp bread
7	1905.31	Sweet biscuits
8	1905.32	Waffles and wafers
9	2009.31	Juice of any other single fruit: other
10	2009.32	Juice of any other single fruit: of a Bricks value not exceeding 20
11	2104.20	Food packed preparations
12	2402.29	Cigarettes containing tobacco
13	2710.19	Other: petroleum oils obtained from bituminous material
14	3304.91	Powders, whether or not compressed
15	3304.99	Other beauty/makeup/skin care preparations
16	3305.10	Shampoos
17	3305.90	Hair dyes and oil and tonic
18	3306.10	Dentifrices
19	3401.11	Soap toilet use
20	3401.19	Soap ordinary
21	3917.23	Tubes, pipes and hoses of polymers of vinyl chloride
22	3919.90	Other plastic goods and sheets
23	3921.90	Plastic strips, other
24	3923.10	Boxes, cases, crates and similar articles of plastic
25	3923.21	Sacks and bags (incl.cones) of polymers of ethylene
26	3923.20	Sacks and bags(incl.cones) of other plastic
27	3924.10	Tableware and kitchenware of plastics
28	4202.11	Trunks, suitcase, briefcase of leather
29	4911.10	Trade advertising material, commercial catalogues and the like
30	5310.10	Unbleached fabrics of jute
31	5310.90	Other fabrics of jute
32	5607.10	Twine, cordage, ropes and cables of jute
33	5702.20	Jute or coconut fibers carpets
34	5703.90	Jute carpet and other textile floor coverings
35	6103.32	Jacket and blazers of cotton
36	6109.10	T-shirts, singlets and other vests knitted or crocheted of cotton
37	6109.90	T-shirts, singlets and other vests knitted or crocheted of other textile material
38	6117.10	Hosiery goods, shawls, scarves, mufflers, veils, etc.
39	6201.99	Overcoats, wind jackets, etc. of other textile materials
40	6203.32	Jacket and blazers of cotton
41	6205.10	Men's or boys' shirts of wool and fine animal hair
42	6205.20	Men's or boys' shirts of cotton
43	6205.30	Men's or boys' shirts of man-made fiber
44	6205.90	Men's or boys' shirts of other textile materials
45	6208.11	Women's or girls slip and petticoats of man-made fiber
46	6208.21	Women's or girls nightdresses and pajamas of cotton
47	6211.31	Garments for male, of wool

48	6211.41	Garments for female, of wool
49	6303.29	Bed sheets, bed linen of other materials
50	6305.10	Sacks and bags of a kind used for the packing of jute
51	6403.20	Footwear with outer soles of leather, and uppers consisting of leather straps across the instep and around the big toe
52	6404.20	Footwear with outer soles of leather ort composition leather
53	6405.90	Other footwear (sandals, slipper, etc.)
54	6505.90	Others hats and headgear
55	6911.10	Tableware and kitchenware of porcelain or china
56	8212.20	Safety razor blades, including razor blade in strips
57	8414.51	Fans: table, floor, wall, ceiling
58	8504.40	Static converter
59	8506.10	Dry cell battery
60	8507.10	Lead-acid, of a kind used for starting piston engines
61	8539.22	Other filament lamp of a power not exceeding 200w and for a voltage exceeding 100V
63	8544.11	Winding wire: of copper
63	8544.19	Other winding wire
64	9032.89	Other-automatic voltage stabilizer
65	9102.19	Pocket and wrist watches
66	9105.29	Wall clocks
67	9603.21	Tooth brushes including dental plate brushes
68	9608.10	Ball-point pen

**PROPOSED REQUEST LIST OF BANGLADESH TO BHUTAN**

Srl	H.S.Code	HARMONISED DESCRIPTION	Customs duty applicable in Bhutan in FY 2001/2002	Priority
1	0305.59	Dried fish, whether or not salted but not smoked	10	C
2	0402.99	Condensed milk	30	A
3	0701.90	Potatoes, fresh or chilled	10	A
4	0902.30	Black tea(packaged)	20	A
5	1704.90	Other sugar confectionary – candy	30	B
6	1905.10	Crisp bread	30	B
7	1905.31	Sweet biscuits	30	A
8	1905.32	Waffles and wafers	30	A
9	2009.31	Juice of any other single fruit: other	30	B
10	2009.32	Juice of any other single fruit: of a Bricks value not exceeding 20	30	B
11	2104.20	Food packed preparations	30	C
12	2402.29	Cigarettes containing tobacco	100	C
13	2710.19	Other: petroleum oils obtained from bituminous material	10	C
14	3304.91	Powders, whether or not compressed	30	A
15	3304.99	Other beauty/makeup/skin care preparations	30	B
16	3305.10	Shampoos	30	A
17	3305.90	Hair dyes and oil and tonic	30	B
18	3306.10	Dentifrices	30	A
19	3401.11	Soap toilet use	30	A
20	3401.19	Soap ordinary	30	B
21	3917.23	Tubes, pipes and hoses of polymers of vinyl chloride	30	B
22	3919.90	Other plastic goods and sheets	30	A
23	3921.90	Plastic strips, other	30	A
24	3923.10	Boxes, cases, crates and similar articles of plastic	30	A
25	3923.21	Sacks and bags (incl.cones) of polymers of ethylene	30	A
26	3923.20	Sacks and bags(incl.cones) of other plastic	30	A
27	3924.10	Tableware and kitchenware of plastics	30	A
28	4202.11	Trunks, suitcase, briefcase of leather	30	C
29	4911.10	Trade advertising material, commercial catalogues and the like	10	C
30	5310.10	Unbleached fabrics of jute	20	B
31	5310.90	Other fabrics of jute	20	B
32	5607.10	Twine, cordage, ropes and cables of jute	20	B
33	5702.20	Jute or coconut fibers carpets	30	B
34	5703.90	Jute carpet and other textile floor coverings	30	B
35	6103.32	Jacket and blazers of cotton	30	A
36	6109.10	T-shirts, singlets and other vests knitted or crocheted of cotton	30	A
37	6109.90	T-shirts, singlets and other vests knitted or crocheted of other textile material	30	B
38	6117.10	Hosiery goods, shawls, scarves, mufflers, veils, etc.	30	B
39	6201.99	Overcoats, wind jackets, etc. of other textile	30	A

		materials		
40	6203.32	Jacket and blazers of cotton	30	A
41	6205.10	Men's or boys' shirts of wool and fine animal hair	30	A
42	6205.20	Men's or boys' shirts of cotton	30	A
43	6205.30	Men's or boys' shirts of man-made fiber	30	A
44	6205.90	Men's or boys' shirts of other textile materials	30	B
45	6208.11	Women's or girls slip and petticoats of man-made fiber	30	B
46	6208.21	Women's or girls nightdresses and pajamas of cotton	30	B
47	6211.31	Garments for male, of wool	30	A
48	6211.41	Garments for female, of wool	30	A
49	6303.29	Bed sheets, bed linen of other materials	30	C
50	6305.10	Sacks and bags of a kind used for the packing of jute	30	A
51	6403.20	Footwear with outer soles of leather, and uppers consisting of leather straps across the instep and around the big toe	30	A
52	6404.20	Footwear with outer soles of leather or composition leather	30	B
53	6405.90	Other footwear (sandals, slipper, etc.)	30	A
54	6505.90	Others hats and headgear	30	A
55	6911.10	Tableware and kitchenware of porcelain or china	30	A
56	8212.20	Safety razor blades, including razor blade in strips	10	C
57	8414.51	Fans: table, floor, wall, ceiling	10	A
58	8504.40	Static converter	20	C
59	8506.10	Dry cell battery	20	C
60	8507.10	Lead-acid, of a kind used for starting piston engines	20	A
61	8539.22	Other filament lamp of a power not exceeding 200w and for a voltage exceeding 100V	20	C
63	8544.11	Winding wire: of copper	20	A
63	8544.19	Other winding wire	20	A
64	9032.89	Other-automatic voltage stabilizer	30	B
65	9102.19	Pocket and wrist watches	30	C
66	9105.29	Wall clocks	30	C
67	9603.21	Tooth brushes including dental plate brushes	10	A
68	9608.10	Ball-point pen	10	A

**REQUEST LIST FOR GRANT OF DUTY CONCESSION BY THE GOVERNMENT OF BANGLADESH**

<b>Sl.No.</b>	<b>H.S. Code</b>	<b>Description of goods</b>	<b>Customs Duty</b>	<b>Concession requested</b>
1	0409.00	Natural Honey		Duty Free
2	0701.10	Seed Potatoes		Duty Free
3	0701.90	Potatoes		Duty Free
4	0704.10	Cauliflowers & headed broccoli		Duty Free
5	0704.90	Cabbages, kohlrabi, kale & edible brassicas, other		Duty Free
6	0706.10	Carrots & turnips		Duty Free
7	0706.90	Salad beetroot, salsify, celeriac, radishes, ed roots		Duty Free
8	0708.10	Peas		Duty Free
9	0708.20	Beans		Duty Free
10	0709.20	Asparagus		Duty Free
11	0709.51	Mushrooms		Duty Free
12	0709.60	Fresh chillies		Duty Free
13	0712.30	Mushrooms & truffles, dried		Duty Free
14	0713.33	Kidney beans, dried		Duty Free
15	0802.31	Walnuts		Duty Free
16	0802.90	Betel nuts		Duty Free
17	0805.10	Oranges		Duty Free
18	0805.20	Mandarins		Duty Free
19	0805.30	Lemon		Duty Free
20	0808.10	Apples		Duty Free
21	0809.10	Apricots		Duty Free
22	0809.30	Peaches		Duty Free
23	0809.40	Plums and sloes		Duty Free
24	0904.20	Dried chillies		Duty Free
25	0908.30	Cardamom		Duty Free
26	0910.10	Ginger		Duty Free
27	2001.90	Pickles		Duty Free
28	2002.10	Tomatoes whole or in pieces, prepared/preserved		Duty Free
29	2003.10	Mushrooms, prepared or preserved		Duty Free
30	2005.10	Homogenised vegetables, prepared or preserved		Duty Free
31	2005.90	Other vegetables and mixture of vegetables, prepared or preserved		Duty Free
32	2005.60	Asparagus, prepared or preserved		Duty Free
33	2005.70	Sweet corn, prepared or preserved		Duty Free
34	2006.00	Fruits, nuts, fruit-peel and parts of plants, preserved by sugar		Duty Free
35	2007.10	Homogenised preparation of jams, marmalades, jellies, puree and paste		Duty Free
36	2007.91	Citrus preparations of jams, marmalades, jellies, puree and paste		Duty Free
37	2008.20	Prepared or preserved pineapples		Duty Free
38	2008.40	Prepared or preserved pears		Duty Free
39	2008.50	Prepared or preserved apricots		Duty Free
40	2008.70	Prepared or preserved peaches		Duty Free
41	2008.91	Palm hearts		Duty Free
42	2009.11/	Orange juice, frozen and other		Duty Free

	2002.19		
43	2009.30	Juice of any other single citrus fruit	Duty Free
44	2009.40	Pineapple juice	Duty Free
45	2009.70	Apple juice	Duty Free
46	2009.80	Juice of any other single fruit or vegetable	Duty Free
47	2009.90	Mixture of juice	Duty Free
48	2103.20	Tomato ketchup	Duty Free
49	2201.10	Mineral waters & aerated waters	Duty Free
50	2202.10	Soft drinks	Duty Free
51	2506.21	Quartzite	Duty Free
52	2515.11	Marble	Duty Free
53	2516.11 to 2516.90	Stone, stone boulders	Duty Free
54	2517.10	Boulders	Duty Free
55	2517.41	Marble chips	Duty Free
56	2518.10 to 2518.30	Dolomite	Duty Free
57	2520.10	Gypsum	Duty Free
58	2520.20	Plaster of Paris	Duty Free
59	2521.00	Limestone	Duty Free
60	2523.10	Cement clinkers	Duty Free
61	2523.21/2523.2 9	Portland cement	Duty Free
62	2526.10/2526.2 0	Natural steatite/Talc	Duty Free
63	2701.11 to 2701.19	Coal	Duty Free
64	2849.10	Carbides of calcium	Duty Free
65	3301.29	Essential oils	Duty Free
66	3802.10	Activated carbon	Duty Free
67	3806.10	Rosin and resin acids	Duty Free
68	3917.21 to 3917.40	HDPE pipes	Duty Free
69	4410.11 to 4410.90	Particle board and similar board of wood or other ligneous materials	Duty Free
70	4411.11 to 4411.99	Fibreboard of wood or other ligneous materials	Duty Free
71	4412.13 to 4412.99	Plywood, veneered panels and similar laminated wood	Duty Free
72	4418.10 to 4418.90	Builders' joinery and carpentry of wood	Duty Free
73	7202.21/7202.2 9	Ferro-silicon	Duty Free
74	9403.30 to 9403.90	Furniture	Duty Free

