

GREENLAND TRADE GUIDE



The United States and Greenland have a long history of cooperation on issues ranging from scientific research to security to economic development. This brochure aims to support continued collaboration on sustainable economic development in the Arctic and to increase U.S.–Greenlandic bilateral trade by laying out, in practical terms, the steps to import and export, encouraging businesses to expand to new markets.

TRADING WITH THE UNITED STATES

According to the World Bank, the United States is the world's largest consumer market, as measured by household final consumption expenditure in current U.S. dollars, valued at \$15.9 trillion in 2021. Although breaking into the United States with a new product may seem daunting, the U.S. government offers many resources to encourage trade. First-time traders with the United States can find plenty of guidance on the [International Trade Administration](#) and the [U.S. Customs and Border Protection \(CBP\)](#) websites. Other departments and agencies noted in the inset at right also provide useful trade data and information.

Importing Commercial Goods into the United States

A Greenlandic company that plans to sell goods in the U.S. market for the first time should familiarize itself with the [Tips for New Importers and Exporters](#) offered by the CBP. This page contains practical guidance and links to many resources.

1. PREPARING TO IMPORT

Greenlandic companies that want to sell their products to importers in the United States should become familiar with general requirements for goods to enter the U.S. market and specific requirements for their product or sector. All imports and exports must be reported through the [Automated Commercial Environment \(ACE\)](#) system, through which CBP determines admissibility. Food products must be safe, sanitary, and properly labeled; the facilities that produce, store, or otherwise handle these products must be registered with the U.S. Food & Drug Administration (FDA); and the importer must [provide the FDA with prior notice](#) of incoming shipments.

CBP does not require an importer to have a license or permit, but other agencies may require a permit, license, or other certification, depending on the commodity that is being imported. CBP forms require an importer number—this is the same as the Internal Revenue Service (IRS) business registration number, which can be supplied by the buyer in the United States. If the importer is not a registered business, they can use a Social Security number or request that CBP assign a number by completing [DBP Form 5106](#) and submitting the form at the port of entry.

Before importing products to the United States, traders can reach out to a CBP Import Specialist through the [CBP Centers of Excellence and Expertise Directory](#). CBP Import Specialists are assigned to specific locations/ports of entry and organized by sector.

2. CLASSIFYING GOODS

To enter the United States, goods must be classified by a ten-digit Schedule B number. The first six digits are the internationally recognized Harmonized System (HS) code administered by the World Customs Organization. The last four digits of the ten-digit Schedule B number are unique to the United States. Information regarding HS codes can be found on the [International Trade Administration](#) website, and traders can use the [Schedule B Search Engine](#) to find the correct number, as described in the inset above.



TIP: Some goods can be difficult to classify. Traders may wish to work with a freight forwarder that can help to classify the product.

U.S. Government Trade Resources

- [U.S. Department of Commerce](#)
- [International Trade Administration](#)
- [U.S. Customs and Border Protection](#)
- [U.S. International Trade Commission](#)
- [U.S. Census Bureau](#)

Trade Classification: Harmonized System

Developed and administered by the World Customs Organization, the [Harmonized System](#) is an internationally recognized system for classifying traded products. In the Harmonized System, products are categorized by chapters, headings, and subheadings, and they are assigned a six-digit code.

3. DETERMINING DUTIES AND TAXES

The [U.S. International Trade Commission](#) has a [Harmonized Tariff Schedule \(HTS\) search tool](#) that traders can use to determine the duties applicable to their goods. It is searchable by product name, HS code, or Schedule B number. The United States calculates import duties and taxes based only on the value of the goods or what is denoted as the [Free on Board \(FOB\) price](#), which means that tax is paid only on the value of the imported good—not on the cost of shipping the goods.

4. SHIPPING AND REPORTING GOODS

Once the importer has identified a supplier in Greenland, the buyer and seller must agree on terms of sale and shipping arrangements, including who will be responsible for freight or shipping costs, insurance, documentation, customs clearance, delivery, and other logistical activities. See the section below on [Incoterms](#) for further information.



TIP: *Buyers and sellers that already trade with other countries may have a preference as to how they would like to handle the terms of sale. It is important to clearly stipulate in the contract who is responsible for each part of the process.*

When the vessel operator receives the goods, they provide the shipper with a bill of lading for cargo arriving via sea or an air waybill for cargo arriving via air. The bill of lading or air waybill serves as a receipt and is required for the importer to [file an entry with CBP](#). An electronic cargo declaration must be transmitted to CBP 24 hours before the cargo is loaded on the vessel. This allows CBP to determine whether further inspection is required upon arrival.

5. GETTING GOODS RELEASED

When goods arrive at the port of entry, the importer receives a notice of arrival from the carrier with details for pickup. With this notice and the bill of lading, the importer can file import documents with CBP at the port of entry. These can include (but are not limited to) [CBP Form 3461](#), [CBP Form 7501](#), the commercial invoice, the bill of lading or airwaybill, the packing list, and a Customs Bond. Within 15 days of arrival, an electronic filing must be completed on the ACE system.

The [CBP website](#) includes a number of useful resources, including a [brief video that introduces importers to the CBP import process](#).



TIP: *For support in completing this documentation, the importer may wish to hire a licensed customs broker.*

Shipments valued [under \\$2,500](#) can [enter via informal entry](#). This is a simplified procedure for low-value shipments. These entries do not need to be reported via the ACE system; rather, the entry can be completed in person by the importer, or another person authorized by the importer in writing. The person receiving the goods should bring any bills of sale or invoices and valid identification to receive the goods at the port of entry. According to CBP, informal entries are used for both personal and commercial importations but may not be used for commercial goods that are subject to quota, antidumping or countervailing duties.

Case Study: Cold Water Shrimp Classification



A producer in Greenland plans to export frozen coldwater shrimp to the United States, where she has located a buyer.

She uses the [U.S. Census Bureau Schedule B Search Engine](#) to classify her product. She enters *coldwater shrimp* and is prompted to choose from a drop-down menu. She selects “live, fresh, chilled only, frozen only, dried, salted only or in brine.” From a second drop-down menu, she selects “frozen only.” Finally, from a third menu, she chooses “Shrimp (*Pandalus* spp., Or *Crangon crangon*).” She clicks on the plus sign to expand the list, resulting in the Schedule B number **0306.16.0040** for frozen, peeled, coldwater shrimp.

Next, she uses the [Harmonized Tariff Schedule search tool](#) to determine any import duties. She enters **0306 16 0040** (with spaces and without periods). This produces a list. Since the United States and Greenland have normal trade relations (i.e., there is no free trade agreement, nor are there any restrictions), the rate of duty can be found in column 1 (General). For this code, there is zero duty.

6. AFTER GOODS ARE RELEASED

After goods clear Customs in the United States and all duties and taxes are paid, the cargo is loaded and transported from the port of entry. Final delivery to the buyer should be agreed upon in the sales contract terms of sale, before the cargo departs the port of origin.

In some instances, CBP will conduct a review process to verify whether the import duty has been claimed correctly. This process may result in a refund of duties paid or additional duties assessed. Importers are required to keep all documentation on file for five years.

Exporting Commercial Goods from the United States

Before exporting from the United States for the first time, a company can access information and resources on the [International Trade Administration](#) website, such as the [export process overview](#) and [U.S. Commercial Service market guides](#). When the trader is ready to export, they should be prepared to submit export information to the Automated Export System (AES) which is part of the [ACE system](#) managed by CBP. A [guide on how to use the ACE system](#) is available.



TIP: *In many cases, the shipper or freight forwarder will handle this requirement on behalf of the exporter for a fee.*

According to the International Trade Administration, [95 percent of items exported from the United States do not require an export license.](#)

TRADING WITH GREENLAND

Greenland is a niche market that offers an opportunity for U.S. businesses to expand their reach to new customers who are seeking more diverse product offerings. Geographically isolated, with a population of approximately 57,000, Greenland currently lacks the product diversity found in other North American or European markets. U.S. businesses can offer new and exciting products and potentially better prices to the benefit of consumers in Greenland.

Importing Commercial Goods into Greenland

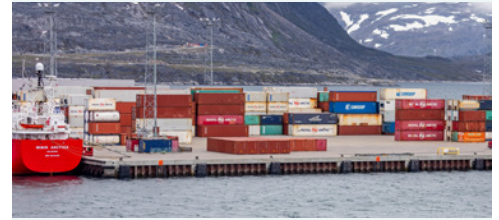
1. PREPARING TO IMPORT

U.S. companies that want to sell their products in Greenland should determine who will handle the import process. In many cases, a U.S. company that finds a buyer in Greenland can rely on the buyer to handle the import process.

2. CLASSIFYING GOODS

Correctly classifying goods is an important step to ensure that the right import duty or tax is applied; that the importer receives any eligible benefits, if any, that are outlined in existing free trade agreements; and that the importer complies with any licensing or quota requirements. Almost all countries (including Greenland and

Exporting Computer Software from the United States to Greenland



According to the FedEx Global Trade Manager system, documents that are required for the export of computer software to Greenland include: 1) **Commercial invoice**, containing a detailed breakdown of all items included in the shipment, the quantity, country of manufacture, the price or cost, currency used, the HS number for each commodity, and terms of delivery. 2) **Pro forma invoice**, to inform the perspective buyer(s) of the kind and quantities of goods to be sent, their value, and important specifications (weight, size, etc.). It may be needed by an importer to arrange for import permits or other clearance purposes. 3) **Air waybill or bill of lading** used to allow the movement of a shipment on FedEx Express Services. 4) **Destination Control Statement**, a legal statement required on all U.S. export shipments. It can be placed on a commercial invoice or completed as a stand-alone declaration. This is regulated by the Export Administration Regulations (EAR) and the International Traffic in Arms Regulations (ITAR), and it states that the goods you are exporting are destined to the country indicated and that the buyer/recipient is not going to take the goods and forward them to another country. 5) **Electronic Export Information (EEI)**, formerly known as Shipper's Export Declaration (SED), required when the total value of goods classified under any single Schedule B number exceeds \$2,500 or the commodity requires an export license.

the United States) use the same six-digit HS code for any given product. The product is further classified with country-specific identifiers. Greenland follows the Combined Nomenclature of the European Union, which consists of the six-digit HS code plus two additional digits that further classify each good, resulting in an eight-digit code. The European Commission publishes classification guides for key products.

3. DETERMINING DUTIES AND TAXES

There are no general import duties in Greenland. On a number of product categories, an import duty is imposed, as stated in the National Law on Import Duties. For the majority of the goods, Greenland calculates import duties based on the quantity or per unit. Some import duties are based on the Cost, Insurance, and Freight (CIF) value. These import duties must be paid to the Tax Agency in Greenland by the person who receives the goods. Because most cargo enters Greenland via Denmark, it is common to pay the import duties in Denmark to the Greenlandic division of the Tax Agency that is based in Denmark, which also facilitates clearance upon arrival in Greenland. Normally, the import duty is collected via the invoice from Royal Arctic Line with the shipping costs. Import duties can also be paid by the importer directly or via the freight forwarder. Traders can reference the import duty table to determine the duty rates.

4. SHIPPING AND REPORTING GOODS

Royal Arctic Line (RAL) is a shipping company that is wholly owned by the Government of Greenland and holds an exclusive concession for the of sea freight into and out of the country. In 2020, RAL began a co-sailing partnership with the Icelandic shipping company, Eimskip, which allowed the liner to expand services beyond the Greenland–Denmark route. RAL now calls on Iceland, the Faroe Islands, and Sweden. This change in route structure is expected to improve cost efficiency and provides a direct link to the global shipping network. RAL's website contains information on how to send goods, as well as details on cargo rates and shipping schedules. Traders can use Incoterms, which are further described below, to agree on whether the seller or buyer takes on greater responsibility and cost for the transportation of goods.

5. GETTING GOODS RELEASED

According to the Tax Agency of Greenland, approximately 95 percent of all cargo entering the country comes through Denmark. Import duties are usually paid in Denmark before the vessel departs to Greenland. RAL prepares a final invoice with a record of duties charged. This information is sent to Greenland's Tax Agency, thereby making the administration process at the Port of Nuuk very simple (Cargo can generally be released one or two days after arrival). For cargo that is not transported from Denmark, import duties shall be paid on the good's arrival to Greenland by the importer or the customs broker hired by the importer to handle the process. All duties must be paid before RAL can hand over the goods to the broker or importer. There are some exceptions; for example, if the importer has a credit facility with a bank security the goods can enter Greenland and the importer must pay import duties after arrival, normally within 1–6 months, depending on where in Greenland the goods are sent to.

Commercial Contracts: Incoterms

Many international sales agreements include international commercial terms, known as Incoterms, which are recognized around the world and are therefore frequently used. Updated in 2020, there are currently 11 individual rules, seven of which can be used for any form of transport (air, sea, rail, and road), and four which apply to sea and inland waterway transport only.

The selected Incoterm stipulates which party is responsible for freight and shipping costs, insurance, documentation, customs clearance, delivery, and other logistical activities.

If the buyer will assume most of the responsibility and cost, a common choice is Free Carrier (FCA) + place of delivery. In this case, the seller is responsible for completing the export paperwork and delivering the goods to an agreed-upon place, such as an airport terminal or port. The buyer then assumes responsibility for clearing customs and transporting goods to the foreign destination, including international shipping, payment of duties, clearing customs upon entry, and delivery to the final destination, along with unloading and unpacking.

If the seller will assume most of the responsibility and cost, one choice is Delivered Duty Paid (DDP) + place of delivery. In this case, the seller handles all aspects of transport in the country of origin, export paperwork, and export clearance, in addition to international transport, payment of duties in the foreign country, and delivery to an agreed-upon destination in the foreign country. The buyer is responsible for further transport beyond the agreed-upon place of delivery, plus unloading and unpacking.



Exporting Commercial Goods from Greenland

To export products from Greenland, the exporter should determine whether the product requires an export permit. Fish and raw materials are examples of products that require this permit. If one is required, the company can apply for an export permit from the Ministry of Foreign Affairs, Business, and Trade. The export permit application and the permit itself are free, and the application processing takes approximately ten business days.

The completed application should be submitted to the Ministry of Foreign Affairs, Business and Trade at isiin@nanog.gl. Necessary information can be found at Sullissivik.gl. Certain conditions must be met: the exporter must be a resident in Greenland, or the company must be registered in Greenland. For exports of food, both the company and the place where the product is produced must have an approval from the Danish Veterinary and Food Administration. If the product is exported via Denmark or another EU country, the production company and production place may have to be authorized by the Danish Veterinary and Food Administration.



USEFUL CONTACTS AND INFORMATION

This is provided for informational purposes only. The Government of the United States and the Government of Greenland do not endorse or recommend specific companies or vendors.

IN GREENLAND

- Freight forwarders/Customs brokers: [Blue Water Shipping](#), [Usisaat](#), [Greenland Escape](#), [Royal Arctic Line](#), [Eimskip](#), [PostNord](#), [UPS](#), [DHL Global Forwarding](#).
- Greenland Business Investment and Development in the Arctic Region: Now in its twelfth year of publication, this magazine is published by the [Greenland Business Association](#) and Up Front Communication ApS. It includes contact details and advertisements from service providers in many sectors.

IN THE UNITED STATES

- Brokerage companies with operations out of Portland, Maine, listed with CBP:
 - [OCEANAIR Inc.](#) +1 207-761-5800
 - [Albatrans Inc.](#) +1 207-772-4282
 - [FedEx Trade Networks Transport & Brokerage Inc.](#) +1 503-255-1391
- General information on shipping to Greenland:
 - [Shipping to Greenland: Time, Cost, and Customs Charges \(easyship.com\)](#): Greenland Shipping Tips & Information
 - [Customs clearance of goods – Royal Arctic Line \(ral.dk\)](#)
 - [2022 Greenland Air National Guard \(ANG\) Customs & Shipping Information \(battlearcticgateway.org\)](#): Customs requirements list for sending cargo to Greenland from the United States using ANG

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