

Forwarding exports to US under modified tariff regime

BD to seek 0-15pc duty on 6000 items

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Bangladesh seeks to avail zero-to 15-percent tariffs on nearly 6000 export goods to the US market under a latest tradeoff with prime goal of exporting garments at lower costs. A draft agreement on Economic partnership has already been sent with the product list to the United States Trade Representative (USTR) for consideration by the Trump administration. Talking to The Financial Express, senior officials of relevant government ministries, who are involved with ongoing negotiations with the USTR, have said they found a scope to pursue the proposal with the US due to recent shift in the US tariff policy on agricultural produce and with three South Asian countries. Officials say the USTR has suggested Bangladesh representatives to place the proposal directly to President Donald Trump by Chief Adviser Prof Muhammad Yunus. Talking to the FE, officials confirm that Bangladesh has proposed a list of goods out of its total 7,458 tariff lines to get in zero-to 15-percent duty range on the US market. As per international trade practices, they mention, a country won't ink bilateral agreement if trade preference for 80 per cent

Draft deal on economic partnership already sent to USTR with product list

Interim govt intent on inking partnership deals with Washington before polls: Commerce official

Ongoing tariff negotiations may conclude with deal signing soon

Rules of Origin regarding value-addition benchmark last sticking point

Tradeoff expected as BD already offers zero duty on 100 of US imports

Both Bangladesh, American citizens to benefit from duty cuts: BGMEA chief



of the tariff lines and 90 per cent of import goods not ensured. A senior official at the Ministry of Commerce says the interim government is likely to ink the economic partnership deals with the United States before upcoming national

election that ends its rule. The official says the Bangladesh government was a bit concerned over Trump negotiations with India as to whether it offers lower duty to



the competitor, but the USTR assured the government representatives that it won't happen.

They note that several clauses in the US agreements refer to 'non-market economies' where the government regulates the market. "We have asked the USTR how the US offered a better deal to Cambodia. Are they referring to a communist non-market economy or a democratic one?" says the official about bargain points.

"Our constant engagement with the US paid off when tariffs were reduced to 20 per cent on September 1, 2025. Countries that maintained consistent engagement with the US were able to get their tariffs cut down," he adds.

Stacking tax may help stay competitive, but the impact of a 35-percent tariff affects the purchasing power of US consumers.

"Tariff negotiations with the US may conclude with an agreement signed during the current government's regime," the official reiterates.

He says most of the trade issues with the US are settled except one: amendments to the Rules of Origin regarding setting the value-addition benchmark.

In July last, the US set minimum value-addition requirement of 40 per cent for Bangladeshi garment products along with 35 per cent tariffs.

Officials said the US pursued Bangladesh to offer trade preferences on its goods earlier, and now Bangladesh placed a counter-proposal.

In the current fiscal year's budget,

Bangladesh has offered zero-duty benefit on 100 of US imports.

"Now, we have placed a counter-proposal seeking duty-free access to the US."

On October 27, 2025, the US granted import-tariff waivers on some specific products to three Southeast Asian countries -- Thailand, Malaysia, and Cambodia -- under a new trade agreement announced during the ASEAN Summit in Kuala Lumpur.

On November 14, 2025, the White House issued an executive order modifying scope of reciprocal tariffs following US buyers' eroding purchasing capacity.

Agricultural produce not grown in the US is excluded from the reciprocal tariffs. In the array of items are coffee and tea, tropical fruits and fruit juices, cocoa and spices, bananas, oranges, and tomatoes, beef; and additional fertilizers (some fertilizers have never been subject to the reciprocal tariffs), according to a statement issued by White House.

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) president Mahmud Hasan Babu sounds upbeat about the prospect as he says now Bangladesh has got the references of other countries where the US offered zero-duty benefit.

"Earlier, the US side told us that there were no instances that the US offers zero duty to a country but now it has started offering the benefits to other countries," he says.

He thinks if Bangladesh's negotiation on zero-to 15-percent tariffs succeeds, both Bangladesh and US citizens would be able to get its positive reflection.

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Trade bodies concerned over condition of spinning mills

FE REPORT

Three major export-oriented organisations -- Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) and Bangladesh Textile Mills Association (BTMA) in a meeting expressed deep concern over the condition of local spinning mills.

The meeting decided to request an urgent discussion with the relevant ministries and called for immediate government measures to protect the sector.

The leaders warned that without prompt government intervention, the country's textile, spinning and garments sectors could shut down any time.

A shutdown, they noted, would directly affect the livelihoods of hundreds of thousands of workers and create severe pressure on banks and financial institutions. It would also make the country's key textile and apparel sector heavily dependent on imports -- an alarming prospect for the industry. They have demanded withdrawal of the

amended Labour Ordinance, saying several important provisions have been added beyond what was agreed in the tripartite consultative committee (TCC) (government, employers, and labour leaders) meeting. They warned that these new changes would harm the industry. BTMA made the statement in a press release on Tuesday evening after an emergency meeting in the capital.

In the meeting, BGMEA President Mahmud Hasan Khan, BKMEA President Mohammad Hatem and BTMA President Shawkat Aziz Russell discussed various challenges facing the textile and apparel sectors, according to the release.

The leaders of all three export-oriented bodies attended the meeting, where they reviewed the existing crisis in the country's apparel sector in details.

The press release further stated that the Labour (Amendment) Ordinance 2025 includes several critical provisions that were not part of the decisions adopted at the TCC joint meeting.

The three organisations expressed dissatisfaction over this deviation. They expressed disappointment over the amended ordinance and urged the government to revise it in line with the decisions agreed at the TCC joint meeting.

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RMG exports to US drop 3% in August-October after Trump tariffs

EXPORT - BANGLADESH

REYAD HOSSAIN

Bangladesh's ready-made garment (RMG) exports to the United States, the country's largest single export market, declined by almost 3% between August and October, a drop that sector

insiders attribute to the new reciprocal tariff imposed by the Trump administration last August.

According to the Export Promotion Bureau (EPB), RMG exports to the US market from August to October in the current fiscal year (FY2025-26) totalled \$1.79 billion, representing a decrease of

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\$53 million (2.88%) compared to the preceding period. Md Shehab Udduza Chowdhury, vice president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), told TBS, "The main reason for the decline in Bangladesh's exports to the US market is the new 20% reciprocal tariff on our products, which has led to market contraction."

"Our projection is that exports to that market may also decrease in the coming months due to lower demand," he said. Shehab, who is also a leading apparel exporter, added, "Two weeks ago, I travelled to the US and visited shops of about 20 brands. I found very few customers, and the sales staff also informed me that sales were declining."

However, total exports to the US from July to October of FY26 reached \$2.59 billion, up from \$2.46 billion in the same period of FY25 – a modest growth of 5.14%, driven largely by a strong jump in July shipments, which increased by 19%. Industry insiders noted that this growth was mainly due to advance purchasing to avoid the new tariff imposed on August 7.

"This surge was largely driven by advance purchasing ahead of the expected tariff implications," said Mohiuddin Rubel, former director of BGMEA.



Rubel, also the managing director of Bangladesh Apparel Exchange – a platform that promotes sustainable and innovative practices in Bangladesh's apparel sector – said, "The following three months reflect a negative or weakening growth trend, signalling underlying demand and policy uncertainties."

"The next few quarters will be critical," he warned, adding that it will be important "in determining whether Bangladesh can turn this challenging tariff environment into an opportunity through deeper value addition, market diversification, and stronger trade diplomacy."

Since last August, the Trump administration has imposed significant tariffs on most goods imported into the United States. Under the new tariff structure, Bangladesh's ready-made garments – along with other products – are subject to an additional 20% tariff.

Not only Bangladesh, but China, India, Pakistan, Vietnam, Cambodia, and almost all of the country's competitors have been hit with new tariff rates. Among them, the tariffs imposed on China and India are higher compared to Bangladesh.

As a result, Bangladeshi exporters had expected that US buyers would shift orders from China and India to Bangladesh. But in reality, this has not happened.

There is also no reliable data yet on whether exports from China, India, or other countries have declined following the new tariffs. The Office of Textiles and Apparel (OTEXA), a division under the US Department of Commerce, has not published its apparel import data since last July, making it unclear whether US imports from other origins have increased or decreased.

Meanwhile, Indian media outlets have reported that the country's textile exports to the US declined in August following the imposition of new tariffs.

