সমকাল

30 JAN 2026

ভারত-ইইউ এফটিএ স্বাক্ষর

ইউরোপীয় ইউনিয়নে রপ্তানিতে আরও ঝুঁকিতে বাংলাদেশ

> ভারতীয় সরকারের নানা সুবিধায় দেশটির বস্ত্র ও পোশাক খাত সক্ষমতায় বাংলাদেশের তুলনায় এগিয়ে। এর ওপর ইইউতে তাদের শুল্কমুক্ত সুবিধা প্রতিযোগিতায় বাংলাদেশকে অনেক পিছিয়ে দেবে
>
> **মোহাম্মদ হাতেম**
> সভাপতি, বিকেএমইএ

> রপ্তানি বাণিজ্য, কর্মসংস্থান, বিনিয়োগসহ সার্বিক অর্থনীতিতে যে শঙ্কা তৈরি হয়েছে, তা থেকে সুরক্ষায় সর্বোচ্চ অগ্রাধিকার দিয়ে সরকারের পক্ষ থেকে দ্রুত পদক্ষেপ নিতে হবে
>
> **ড. আব্দুর রাজ্জাক**
> চেয়ারম্যান, র‍্যাপিড

আবু হেনা মুহিব

ইউরোপীয় ইউনিয়নের (ইইউ) ২৭ দেশে বাংলাদেশের রপ্তানি আরও ঝুঁকিতে পড়েছে। ভারতের সঙ্গে ইইউ জোটের মুক্ত বাণিজ্য চুক্তি (এফটিএ) নতুন এই ঝুঁকির নাম। এই চুক্তির ফলে ভারতীয় তৈরি পোশাক ইইউর দেশগুলোতে শুল্কমুক্ত সুবিধা পাবে। এতদিন ১২ থেকে ১৫ শতাংশ শুল্ক আরোপ ছিল ভারতীয় পণ্যে। আগামী নভেম্বর মাসে স্বল্পোন্নত দেশের (এলডিসি) কাতার থেকে উত্তরণের তিন বছর পর বাংলাদেশের পণ্যে আর এখনকার মতো শুল্কমুক্ত সুবিধা থাকবে না। তখন ১২ থেকে ১৫ শতাংশ শুল্ক ধার্য হবে বাংলাদেশের পণ্যে। তৈরি পোশাকের তুমুল প্রতিযোগিতার বাজারে যেখানে ১ থেকে ২ সেন্টের কারণে এক দেশ থেকে অন্য দেশে রপ্তানি আদেশ সরিয়ে নেয় ব্র্যান্ড ক্রেতারা; সেখানে এই ১৫ শতাংশ শুল্কের ব্যবধান বাংলাদেশকে প্রতিযোগিতায় অনেক পিছিয়ে দেবে বলে আশঙ্কা করা হচ্ছে।

এমনিতেই গত আগস্ট মাস থেকে মার্কিন পাল্টা শুল্ক কার্যকর হওয়ার পর ইইউ জোটে বাংলাদেশের রপ্তানি কমেছে ব্যাপক হারে। ভারতীয় এবং চীনা পণ্যে যুক্তরাষ্ট্রের পাল্টা শুল্ক অস্বাভাবিক বেশি হওয়ার কারণে কম শুল্কের গন্তব্য ইউরোপে এই দেশ দুটি আগ্রাসী বাণিজ্য করছে। তুলা, সুতাসহ সব ধরনের কাঁচামাল ও মেশিনারিজ নিজস্ব হওয়ায় তারা বাংলাদেশের চেয়ে অনেক কমে দামে ইউরোপে রপ্তানি করতে সক্ষম হচ্ছে। এ কারণে ইউরোপে জোটগত প্রধান বাজার ইইউতে গত বছর বাংলাদেশের তৈরি পোশাক রপ্তানি আগের বছরের চেয়ে ১০ কোটি ডলার কমেছে। যুক্তরাষ্ট্রের পাল্টা শুল্ক আরোপের পরও দেশটির তুলনায় ইইউ বাজার ঝুঁকিতে পড়েছে।

জানতে চাইলে আন্তর্জাতিক বাণিজ্য বিশ্লেষক ও গবেষণা সংস্থা র‍্যাপিডের চেয়ারম্যান ড. আব্দুর রাজ্জাক সমকালকে বলেন, রপ্তানি বাণিজ্য, কর্মসংস্থান, বিনিয়োগসহ সার্বিক অর্থনীতিতে যে শঙ্কা তৈরি হয়েছে, তা থেকে সুরক্ষায় সর্বোচ্চ অগ্রাধিকার দিয়ে সরকারের পক্ষ থেকে দ্রুত পদক্ষেপ নিতে হবে। ঢাকায় নিযুক্ত ইইউ রাষ্ট্রদূতের সঙ্গে এ বিষয়ে তাঁর কথা হয়েছে। রাষ্ট্রদূত বলেছেন, বাংলাদেশের পক্ষ থেকে এ বিষয়ে লিখিত কোনো প্রস্তাব দেওয়া হয়নি। অর্থাৎ বাংলাদেশ ইইউর সঙ্গে এফটিএ করার বিষয়টি এখনও সেভাবে সংযুক্ত হয়নি। আগামী নির্বাচিত সরকারকে দ্রুতই এ বিষয়ে অগ্রাধিকার দিয়ে উদ্যোগ নিতে হবে।

গত মঙ্গলবার স্বাক্ষর হওয়া ভারত-ইইউ চুক্তিটি আগামী বছর কার্যকর হবে। এর আগে ইউরোপীয় কাউন্সিল, ইউরোপীয় পার্লামেন্ট ও ভারতের পার্লামেন্ট কর্তৃক যাচাই-বাছাইয়ের পর অনুমোদন করার বাধ্যবাধতা রয়েছে। এফটিএ কার্যকর হওয়ার পর ভারতীয় সব পণ্য রপ্তানিতে শুল্কমুক্ত সুবিধা ভোগ করবে। বস্ত্র ও পোশাকপণ্যের ওপরও কোনো শুল্ক থাকবে না; বর্তমানে যা ১২ শতাংশ। এতে ভারতীয় বস্ত্র ও পোশাক রপ্তানি ৭ বিলিয়ন ডলার থেকে বেড়ে ৪০ বিলিয়ন ডলার হতে পারে বলে ধারণা করা হচ্ছে।

এর আগে তৈরি পোশাক রপ্তানি বাণিজ্যে বাংলাদেশের প্রধান প্রতিযোগী ভিয়েতনামের সঙ্গে ইইউর অনুরূপ একটি এফটিএ হয়েছে, যা ২০২০ সালের ১ আগস্ট কার্যকর হয়। ইতোমধ্যে কিছু কিছু পণ্যে শুল্কমুক্ত সুবিধা শুরু হয়েছে। চুক্তির সাত বছরের মধ্যে পর্যায়ক্রমে ৯৯ শতাংশ পণ্যে শুল্ক প্রত্যাহার হবে। ভিয়েতনামের সঙ্গে ইইউর এফটিএ হওয়ার পর বাংলাদেশের পোশাক জোটের বাজারে বাড়তি প্রতিযোগিতার সম্মুখীন হয়।

১৯৭৫ সাল থেকে ইইউর দেওয়া বাণিজ্যিক সুবিধার ওপর ভর করে বাংলাদেশ চীনের পর ইউরোপের দ্বিতীয় বৃহত্তম পোশাক রপ্তানিকারক দেশে পরিণত হয়েছে। ডেনিম, ট্রাউজার্স ও টি-শার্টের মতো কিছু ক্ষেত্রে চীনকেও ছাড়িয়ে গেছে বাংলাদেশ। গত ২০২৪-২৫ অর্থবছরে বাংলাদেশের মোট পোশাক রপ্তানির ৫০ শতাংশের বেশি গেছে ইইউ দেশগুলোতে। গত বছর রপ্তানি কমে আসায় বাংলাদেশের মোট পোশাক রপ্তানিতে ইইউর হিস্যা দাঁড়িয়েছে ৪৯ দশমিক ৭২ শতাংশ।

তৈরি পোশাকের নিট ক্যাটেগরির পণ্য উৎপাদন ও রপ্তানিকারক উদ্যোক্তাদের সংগঠন বিকেএমইএর সভাপতি মোহাম্মদ হাতেম সমকালকে বলেন, ভারতের সঙ্গে এফটিএ করার খবরে জার্মানিভিত্তিক একটি ব্র্যান্ড প্রতিষ্ঠান তাঁকে ফোন করে বলেছে, বাংলাদেশের চেয়ে কম দামে ভারত থেকে পণ্য নেবে তারা। ভারতের সক্ষমতার প্রশ্নে ওই ক্রেতা প্রতিনিধি বলেছেন, এফটিএর পর ভারত আরও মনোযোগী হবে নিজেদের সক্ষমতা বাড়ানোর দিকে।

বিকেএমইএ সভাপতি বলেন, এমনিতেই সরকারি নানা সুবিধায় ভারতীয় বস্ত্র ও পোশাক খাত সক্ষমতায় বাংলাদেশের তুলনায় এগিয়ে। এর ওপর জোটগত সবচেয়ে বড় বাজারে শুল্কমুক্ত সুবিধা বাংলাদেশকে প্রতিযোগিতায় অনেক পিছিয়ে দেবে। কারণ, ভারত যখন নীতিসহায়তা বাড়িয়েছে তখন বাংলাদেশ এলডিসির উত্তরণের দোহাই এবং আইএমএফের শর্তে রপ্তানি খাতে নগদ সহায়তা কমিয়ে প্রায় বন্ধ করে দিচ্ছে। তিনিও মনে করেন, প্রতিযোগী সক্ষমতা থাকতে চাইলে জরুরি ভিত্তিতে ইইউ এবং বাণিজ্যের জন্য অন্যান্য বড় দেশের সঙ্গে এফটিএ আলোচনা শুরু করতে হবে। তিনি জানান, ভিয়েতনাম এ মুহূর্তে ৪০ দেশের সঙ্গে এফটিএ সম্পন্ন করেছে।

The Daily Star

30 JAN 2026

EU-India trade deal: What does it mean for Bangladesh?

ABDUR RAZZAQUE

Dubbed the "mother of all trade deals," the EU-India free trade agreement, concluded after more than two decades of negotiation, appears to be the most consequential for Bangladesh among recent trade deals involving other countries. The agreement delivers market access gains for India in those sectors that have long underpinned Bangladesh's export success in Europe, notably textiles, apparel, leather, and footwear.

With Bangladesh set to graduate from LDC status in November 2026, and its preferential access to the EU market expected to erode after a three-year transition period, the timing of this deal could not be more unsettling. While trade agreements of other countries lie beyond Bangladesh's control, this one demands utmost seriousness in assessing how competitive conditions would reshape in its most important export destination, and what that implies for preparedness, policy priorities, and the sustainability of an export model built largely on preferential margins rather than enduring competitiveness.

For decades, Indian exports of garments, textiles, leather, and footwear entered the EU facing substantial tariffs. The EU-India FTA dismantles this constraint almost entirely. For instance, it would slash duties on footwear from 17 percent to zero, and apparel and textiles from 9-12 percent to zero, substantially strengthening India's competitiveness.

Therefore, in a twist of irony, the very advantages of preferential margins that once propelled Bangladesh's rapid ascent in the EU market are now eroding, just as key competitors secure permanent duty-free access through free trade agreements.

FROM PAGE B1

Moreover, given the safeguard provisions embedded in the EU's Generalised System of Preferences, there is a genuine risk that even if Bangladesh qualifies for GSP+ after graduation, its garment exports could still face full MFN tariffs, fundamentally altering the competitive balance in the EU market.

EU FTAs typically require double transformation for garments, a challenge for countries with weak backward linkages. While such requirements seem to have constrained Vietnam, they pose little difficulty for India, which has a deep and integrated textile base. This structural advantage is reinforced by India's explicit export strategy. India has set an ambitious target of $100 billion in textile and apparel exports by 2030, from currently around $40 billion, and backed it with a layered policy framework that combines output-linked subsidies, export rebate schemes that refund embedded taxes, input-side support, and extensive infrastructure and logistics investments. These measures reflect a sustained commitment to building competitiveness, scale, and upgrading capacity.

By leveraging LDC duty-free access while competitors such as India and Vietnam continued to face tariffs, Bangladesh was able to expand its share of the EU apparel market at a remarkable pace. As China's share of EU apparel imports declined from 45 percent in 2010 to 28 percent in 2025, Bangladesh's share rose sharply from about 7 percent to 21 percent.

This shift is particularly striking given that in 2005 Bangladesh and intensify the challenge. With US tariffs constraining India's export prospects, Indian exporters are likely to redirect efforts toward alternative markets. The EU-India FTA facilitates this shift, intensifying competition in Europe, with Bangladesh among those most exposed.

What do the numbers tell us?

The structure of exports to the EU differs sharply between India and Bangladesh. In 2024, India exported about $80 billion worth of goods to the EU from a diversified basket dominated by engineering goods, chemicals, minerals, pharmaceuticals, and agricultural products, with textiles and apparel accounting for less than 10 percent. Bangladesh's exports, by contrast, amounted to about $21.4 billion in FY25, more than 90 percent of which came from garments. Such concentration leaves Bangladesh particularly vulnerable to shocks in a single sector, with limited scope to offset losses through diversification.

Quantitative modelling exercises undertaken by Research and Policy Integration for Development (RAPID) reinforce these concerns. Partial equilibrium estimates, when the impact is assessed separately for individual products at the HS 6-digit level, suggest that, with Bangladesh's continuing LDC preferences, its garment exports would decline by $190 million due to the EU-India FTA, with marginal losses in textiles and footwear. The picture changes dramatically once LDC graduation is factored in. When erosion of LDC preferences is combined with India's duty-free access, Bangladesh's projected to fall by around 16 percent.

It must be noted that these model-based estimates inevitably rely on simplifying assumptions and abstract from important real-world constraints such as adjustment frictions and buyer–supplier relationships. Even so, they provide valuable insight into the direction and relative magnitude of competitiveness pressures Bangladesh is likely to face.

Beyond tariffs: the new sources of advantage for India

It is so easy to overlook the competitive implications of the EU–India agreement that extend well beyond the headline issue of tariffs and rules of origin. Provisions on customs facilitation, regulatory cooperation, and standards alignment are expected to reduce transaction costs, improve predictability, and shorten lead times. For Indian exporters, these measures reinforce existing strengths, including stronger backward linkages and a growing ecosystem of logistics and compliance services, deepening integration into European value chains. The agreement also needs to be viewed alongside the EU's tightening regulatory regime under instruments such as CBAM and the Corporate Sustainability Due Diligence Directive. While formally non-discriminatory, compliance capacity matters. India's institutional readiness and regulatory cooperation with the EU may ease adaptation, whereas for Bangladesh, rising compliance costs and weaker preparedness risk translating into higher effective trade barriers.

What options do we have?

The first and foremost priority is to competitiveness must be elevated to a national economic priority. This requires coordinated reforms across trade policy, energy pricing and reliability, logistics and ports, access to finance, skills development, and regulatory capacity.

Currently, the most visible policy action has been the withdrawal of export subsidies, driven largely by fiscal constraints and packaged as a move toward WTO compliance. While compliance with international rules is necessary, it should not lead to a passive retreat from export support. Expanding WTO-compliant mechanisms for export financing, technology upgrading, and compliance support is essential.

Persistent governance failures also continue to impose avoidable costs. Unresolved issues such as the Savar CETP, unreliable energy supplies, congested ports, and inefficient customs procedures directly undermine competitiveness. At the same time, non-price competitiveness related to sustainability and due diligence is receiving limited policy attention, despite its growing importance. Addressing these challenges will require state investment alongside private sector initiatives.

Finally, sustaining export growth without significantly higher foreign direct investment will be difficult. Targeted incentives for FDI into man-made fibres, leather, footwear, and other export-oriented sectors, supported by predictable policies and serviced industrial land, are critical for export competitiveness.

What is most troubling, however, is the persistence of inertia. As competition intensifies, and textile base. This structural advantage is reinforced by India's explicit export strategy. India has set an ambitious target of $100 billion in textile and apparel exports by 2030, from currently around $40 billion, and backed it with a layered policy framework that combines output-linked subsidies, export rebate schemes that refund embedded taxes, input-side support, and extensive infrastructure and logistics investments. These measures reflect a sustained commitment to building competitiveness, scale, and upgrading capacity.

By leveraging LDC duty-free access while competitors such as India and Vietnam continued to face tariffs, Bangladesh was able to expand its share of the EU apparel market at a remarkable pace. As China's share of EU apparel imports declined from 45 percent in 2010 to 28 percent in 2025, Bangladesh's share rose sharply from about 7 percent to 21 percent.

This shift is particularly striking given that, in 2005, Bangladesh and India held almost identical market shares in the EU, but over the next two decades, Bangladesh would be able to increase its share by threefold as against India's declining to 5 percent. During the same period, Vietnam's share rose from 1 percent to converge with India's before being further buoyed by the EU–Vietnam FTA that entered into force in 2020. Bangladesh's rise was driven not only by tariff advantages but also by favourable EU rules of origin for LDCs, notably the single transformation rule.

External developments further products, with textiles and apparel accounting for less than 10 percent. Bangladesh's exports, by contrast, amounted to about $21.4 billion in FY25, more than 90 percent of which came from garments. Such concentration leaves Bangladesh particularly vulnerable to shocks in a single sector, with limited scope to offset losses through diversification.

Quantitative modelling exercises undertaken by Research and Policy Integration for Development (RAPID) reinforce these concerns. Partial equilibrium estimates, when the impact is assessed separately for individual products at the HS 6-digit level, suggest that, with Bangladesh's continuing LDC preferences, its garment exports would decline by $190 million due to the EU-India FTA, with marginal losses in textiles and footwear. The picture changes dramatically once LDC graduation is factored in. When erosion of LDC preferences is combined with India's duty-free access, Bangladesh's garment exports are estimated to fall by more than $5.7 billion.

General equilibrium simulations using the GTAP model point in the same direction. In the scenario where Bangladesh faces post-LDC MFN tariffs, while competitors such as India and Vietnam enjoy duty-free access, Bangladesh's exports are found to decline by 36.5 percent.

Even under a less severe scenario, where post-LDC Bangladesh retains duty-free access but faces stricter rules of origin such as double-stage transformation, exports are still facilitation, regulatory cooperation, and standards alignment are expected to reduce transaction costs, improve predictability, and shorten lead times. For Indian exporters, these measures reinforce existing strengths, including stronger backward linkages and a growing ecosystem of logistics and compliance services, deepening integration into European value chains. The agreement also needs to be viewed alongside the EU's tightening regulatory regime under instruments such as CBAM and the Corporate Sustainability Due Diligence Directive. While formally non-discriminatory, compliance capacity matters. India's institutional readiness and regulatory cooperation with the EU may ease adaptation, whereas for Bangladesh, rising compliance costs and weaker preparedness risk translating into higher effective trade barriers.

What options do we have?

The first and foremost priority is to address the uncertainty surrounding post-graduation market access to the EU. Securing duty-free access for garments under GSP+, alongside workable rules of origin, should be treated as an urgent trade priority. Despite being identified in the Smooth Transition Strategy, progress on engagement with the EU remains limited. The UK's recent relaxation of rules of origin for garments under its Developing Countries Trading Scheme offers a precedent that Bangladesh should actively leverage.

Beyond market access, export and compliance support is essential.

Persistent governance failures also continue to impose avoidable costs. Unresolved issues such as the Savar CETP, unreliable energy supplies, congested ports, and inefficient customs procedures directly undermine competitiveness. At the same time, non-price competitiveness related to sustainability and due diligence is receiving limited policy attention, despite its growing importance. Addressing these challenges will require state investment alongside private sector initiatives.

Finally, sustaining export growth without significantly higher foreign direct investment will be difficult. Targeted incentives for FDI into man-made fibres, leather, footwear, and other export-oriented sectors, supported by predictable policies and serviced industrial land, are critical for export competitiveness.

What is most troubling, however, is the persistence of inertia. As competition intensifies and preferential margins erode with the approach of LDC graduation, the reform agenda remains largely confined to paperwork. Even from the time of the previous regime, there has been no shortage of reports and recommendations on building export competitiveness, however, the key results have yet to materialise. In a dynamic world, such inaction can yield anything but competitive strength.

The author is chairman of Research and Policy Integration for Development (RAPID), a think tank.

The Daily Star
30 JAN 2026

Packaging makers see $10b export potential

Industry leaders say stronger policy support and infrastructure could expand overseas sales

STAR BUSINESS REPORT

The local plastic and flexible packaging sector, which now earns $2.2 billion a year from direct and indirect exports, has the potential to grow to $10 billion and emerge as a major export earner with targeted policy support, according to industry leaders.

They highlighted the sector's growing role as a critical backward linkage to export-driven industries such as readymade garments, food, pharmaceuticals and fast-moving consumer goods.

"Bangladesh's flexible packaging industry has significant potential to become a high-value export sector with the right policy and infrastructure support," said Md Anisur Rahman, deputy executive director of Premiaflex Plastics Limited of ACI PLC.

He made the remarks at a seminar titled "Packaging Export Potentiality and Identification", jointly organised by the Plastic Products Business Promotion Council (PPBPC) and the Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA).

The event was held yesterday at the International Convention City Bashundhara in Kuril on the occasion of the International Plastics, Printing and Packaging Industry Fair.

Presenting the keynote paper, Rahman said flexible packaging used in food, pharmaceuticals, garments and FMCG has become a vital backbone of the country's export ecosystem.

The sector has an estimated market size of Tk 3,500 crore and an annual production capacity of 115,000 tonnes, supported by more than 100 manufacturers. Yet only about 3 percent of locally produced packaging materials are exported directly.

Rahman pointed to skilled manpower and competitive production costs as key strengths but said the sector remained constrained by the lack of bonded warehouse facilities, limited export incentives and inadequate certification services.

He also stressed the need for stronger support for eco-friendly packaging and suggested introducing a national label, "Produced and Packaged in Bangladesh", to improve branding in global markets.

The sector has an estimated market size of Tk 3,500 crore and an annual production capacity of 115,000 tonnes

Md Obaidur Rahman, secretary of the Ministry of Industries, said plastic packaging held immense export potential, especially as Bangladesh seeks to diversify beyond garments.

"Plastic packaging is no longer just a support industry; it has the potential to become a billion-dollar export sector," he said.

The secretary urged closer collaboration between industry stakeholders, policymakers and development partners, adding that Bangladesh could tap a global market worth up to $10 billion in plastic packaging exports.

Md Nuruzzaman, additional secretary at the Ministry of Industries, called for stronger engagement between the public and private sectors.

"Oftentimes, policies are made without direct input from the business community. But seminars like this allow us to better understand your challenges and align our policies accordingly," he said.

Highlighting the changing role of packaging, he said, "Packaging is no longer just a supportive sector; it is essential. Without proper packaging, even the best products fail to attract consumers, both locally and globally."

"We must bring novelty to the packaging sector so our products stand out and meet evolving market demands," he said.

Hafizur Rahman, former head of the WTO Cell at the commerce ministry, said packaging plays an important role in export competitiveness.

"Packaging is not just about carrying products; it determines shelf life, quality, and global competitiveness," he said.

He noted that weaknesses in the domestic packaging sector contribute to post-harvest losses of up to 30 percent and called for bonded warehouse facilities and lower tariffs on imported packaging materials to support exporters.

"Packaging can transform our exports with the right policy support," he said.

Kazi Anwarul Haque, vice-president of BPGMEA, highlighted growing global demand for PP woven and FIBC bags and urged local manufacturers to look beyond the domestic market.

He said reusable and recyclable packaging products offer strong export prospects if producers focus on quality, compliance and market access.

The session was moderated by Shamim Ahmed, president of BPGMEA. Senior vice-president KM Iqbal Hossain and vice-presidents Md Enamul Haque and Quazi Anwarul Haque of the association also spoke at the event.

The Financial Express

30 JAN 2026

3 RMG factories get LEED certification

HAMS Garments Ltd sets global record

FE REPORT

Three more local garment factories have received LEED (Leadership in Energy and Environmental Design) certification from the US Green Building Council (USGBC), with one achieving the highest score globally, taking Bangladesh's total to 273 LEED-certified factories.

HAMS Garments Ltd, located in Sreepur, Gazipur, achieved LEED Platinum certification, scoring 108 out of 110 points - the highest score recorded globally under this category.

The other two units - Ecotrims Bangladesh Ltd (Unit 1) in Telihati union, Gazipur, and NAFA Apparels Ltd (Unit 1) in Kaliakoir, Gazipur - achieved Gold certification, scoring 70 and 65 points, respectively.

Out of the total 273 LEED-certified factories in Bangladesh, 115 are Platinum-rated and 139 are Gold-certified, said Mohiuddin Rubel, former director of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Bangladesh continues to dominate global rankings, hosting 69 of the world's top 100 highest-rated LEED-certified factories, reaffirming the country's leadership in sustainable and environmentally compliant apparel manufacturing, he added.

The BGMEA has organised an appreciation ceremony for HAMS Garments Ltd tomorrow to recognise its record-breaking LEED Platinum score, setting a global benchmark for sustainable manufacturing and further strengthening the "Made in Bangladesh" brand.

munni_fe@yahoo.com

The Business Standard

30 JAN 2026

Cash incentives or bond suspension – govt weighs options to boost local yarn use

TEXTILE – BANGLADESH

REYAD HOSSAIN

Textile mill owners postpone shutdown from 1 Feb

The government is considering either offering cash incentives for the use of locally produced yarn or temporarily suspending bonded import facilities to help ease the ongoing crisis in the country's spinning and textile mills.

The policy alternatives were discussed during a meeting in the capital yesterday, chaired by the Commerce Adviser and attended by leaders from the readymade garment (RMG) and textile sectors.

While the commerce ministry is exploring several relief measures, a final decision is expected to be reached on 3 February following a meeting with the finance adviser, officials told TBS. I SEE PAGE 2 COL 1

CONTINUED FROM PAGE 1

Mahbubur Rahman, secretary of the commerce ministry, said, "We are considering incentives for local yarn use or temporarily withdrawing bonded facilities for imports. Another alternative is also under review. One of these options may be implemented after the meeting with the finance division on 3 February."

He added that both the garments and textile sectors are critical for the economy and any decision must protect their interests.

Spinners postpone shutdown

Following assurances of the government's positive stance, the Bangladesh Textile Mills Association has postponed its decision to shut down textile mills from 1 February.

In a statement yesterday, the association said, "In view of the government's assurances and the constructive progress of discussions, and considering the broader national context, including the upcoming national election and referendum, the BTMA has decided to temporarily suspend its previously announced programme to shut down all textile mills from 1 February 2026."

It added, "The commerce adviser acknowledged the validity of the concerns raised by industry stakeholders and underscored the strategic importance of the spinning sector in Bangladesh's export competitiveness and industrial value chain."

Industry representatives noted that a cash incentive scheme of up to Tk5,000 crore was discussed, though funding constraints currently limit implementation.

An alternative proposal involves reallocating the existing 0.30% cash incentive given to the readymade garment sector to support local yarn usage. Experts estimate that the annual allocation of around Tk2,000 crore for this incentive could be supplemented to offer targeted rewards for local yarn consumption.

RMG exporters oppose removal of bonded facilities

However, garment exporters have opposed the removal of bonded facilities, warning that such a move would increase production costs and hinder the competitiveness of Bangladesh's $40 billion apparel export industry.

Fazlee Shamim Ehsan, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association, said, "The government should provide incentives to support the textile sector, but the raw material supply chain must not be disrupted."

Earlier, on 12 January, the commerce ministry recommended to the National Board of Revenue that bonded facilities for yarn imports be withdrawn.

The proposal prompted strong objections from exporters, as it would subject imported yarn to nearly 37% duty, significantly raising input costs. Following the backlash, the government postponed implementation of the measure.

The Business Standard
30 JAN 2026

Trade deal set to cut tariff, get duty-free access for RMGs made with US cotton

TRADE – BANGLADESH

ABUL KASHEM

Trade agreement will be signed in Washington on 9 February

Garments made in Bangladesh using American cotton are likely to receive duty-free access to the US market, while the country's reciprocal tariff rate is set to fall from the current 20%, officials said.

A trade agreement incorporating these benefits will be signed in Washington on 9 February, Commerce Secretary Mahbubur Rahman told The Business Standard, adding that Bangladesh will need to meet several conditions to secure the concessions.

"The reciprocal tariff will be reduced from 20%, though the exact rate cannot be disclosed at this stage. It will be formally announced after the agreement is signed," he said.

Senior commerce ministry officials indicated that the tariff could be lowered to around 15%.

To qualify for the reduced tariff, Bangladesh has agreed to increase imports from the United States, refrain from imposing tariffs on e-commerce, withdraw export subsidies on fisheries products, comply with US intellectual property requirements, and support Washington's proposals for reforms at the World Trade Organization (WTO), the secretary said.

Before finalising the US deal,

SEE PAGE 2 COL 1

CONTINUED FROM PAGE 1

Bangladesh will sign an Economic Partnership Agreement (EPA) with Japan in Tokyo on 6 June, he added.

E-commerce tariffs

Commerce officials added that under current WTO rules, imports of goods and services via e-commerce are tariff-free. This status will expire after the WTO's 14th Ministerial Conference, scheduled in Yaoundé, Cameroon, during 26–29 March.

Several ministry officials and international trade experts said the US has submitted a proposal to the WTO to ensure e-commerce remains permanently tariff-free.

Under this proposal, even services purchased online and downloaded cannot be subjected to tariffs. WTO member states will vote on the measure at the ministerial conference.

Mostafa Abid Khan, former member of the Bangladesh Trade and Tariff Commission, told TBS that the US seeks a permanent moratorium on e-commerce tariffs. A similar proposal has been made by the OACPS group, representing 79 countries in Africa, the Caribbean, and the Pacific Islands.

Bangladesh applies tariffs selectively on some e-commerce goods and services under WTO rules. If e-commerce becomes fully tariff-free, government revenue from these imports will decline, he said.

"However, Bangladesh will retain the right to set annual spending limits per individual or company on e-commerce purchases," Abid Khan added.

Md Hafizur Rahman, former director general of the WTO Cell at the commerce ministry, said US conditions will not affect other e-commerce laws or regulations. "Tariffs may simply not be applied to goods and services imported via e-commerce, reducing revenue but causing no other concerns," he added.

Intellectual property rights

A commerce ministry official said Bangladesh will need to make significant concessions on intellectual property rights (IPR) to secure duty-free access for garments produced from US cotton.

Speaking on condition of anonymity, an official told TBS that Bangladesh's existing patent laws allow some flexibility, but the US conditions will require revisions to make them stricter.

Apparel exports to US

Under WTO rules, Bangladesh, as a least-developed country, is entitled to duty-free benefits. However, while the US provided Generalised System of Preferences (GSP) benefits on some non-traditional products, these were suspended for garments following the 2013 Rana Plaza tragedy.

Although the US indicated that GSP benefits could be reinstated if Bangladesh implemented its action plan, the country was unable to meet the conditions.

Mohammad Hatem of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) told TBS that Bangladesh has already increased cotton imports from the US.

He added that duty-free access for garments produced from US cotton would be mutually beneficial, boosting both US cotton imports and RMG exports from Bangladesh.

Reciprocal tariff

In July last year, the Trump administration proposed an additional 35% reciprocal tariff on Bangladesh, along with 90 other countries.

Subsequently, after several rounds of negotiations covering 100 US products, duty-free access, and increased imports, Washington reduced Bangladesh's reciprocal tariff rate to 20%, effective from 1 August.

The move coincided with Bangladesh's decision to increase imports of wheat, soybeans, maize, cotton, 25 Boeing aircraft, LNG, and other goods and services from the US.

Negotiations continued to secure further tariff reductions and duty-free access for garments produced from US cotton, culminating in the agreement to be signed on 9 February.

According to the Export Promotion Bureau, the US remains Bangladesh's largest export market.

Last fiscal year, exports to the US amounted to \$8.69 billion, including \$4.95 billion in woven garments (27.21% of total woven exports) and \$2.60 billion in knitwear (12.27% of total knitwear exports). Home textiles exports reached \$150 million, while cap exports stood at \$259 million.

According to BTMA, Bangladesh imported \$346 million worth of US cotton in FY25, up from \$278 million in the previous fiscal year. US cotton accounted for 10% of Bangladesh's total cotton imports last fiscal.