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IMPORT CONDITION AGAINST BANK GUARANTEES

BTMA seeks retention of 30pc value-addition rule

FE REPORT

The Bangladesh Textile Mills Association (BTMA) on Saturday urged the government to retain the existing 30 per cent value-addition requirement for the country's readymade garment (RMG) sector, opposing a budget proposal to withdraw the condition for importing raw materials against bank guarantees.

"If the existing 30 per cent value-addition condition is withdrawn for the import of raw materials against bank guarantees, the risk of misuse of bonded facilities, irregularities and unfair competition in the market will increase," BTMA President Showkat Aziz Russell said.

He made the remarks while addressing a post-budget press conference at Gulshan Club in the capital.

Mr Russell said retaining the condition was crucial for sustaining the country's backward linkage industries, strengthening export capacity in the post-LDC graduation period, and protecting local industries.

The textile millers' concerns stem from a proposal

Textile millers warn withdrawal could weaken backward linkages, fuel misuse of bonded facilities

in the FY2026-27 national budget to remove the existing 30 per cent value-addition requirement for exporting goods manufactured from duty-free raw materials imported against bank guarantees without a bond licence.

Responding to a question, the BTMA chief said value-addition thresholds could vary by sector, as raw material requirements and production processes differ across industries.

Despite having substantial local production capacity, Bangladesh imported yarn worth Tk 260 billion in FY2024-25, he noted.

Since 2019, some 234 textile factories have shut down, including 134 spinning mills, he said, alleging that many factories are currently operating at only 60-70 per cent of their capacity due to a range of challenges, including energy shortages.

The BTMA also demanded that the corporate tax rate for the primary textile sector be reduced to 10 per cent and maintained until 2030, from the current 27.5 per cent, to encourage domestic and foreign investment, enhance competitiveness and ensure tax parity within the value chain.

Considering the growing export potential of man-made fibre-based garments, the association also called for the withdrawal of the proposed 5.0 per cent import duty on polyester staple fibre.

Other demands included the complete withdrawal of tax deducted at source on cash incentives.

In the proposed budget, the tax deduction rate on cash assistance has been reduced from 10 per cent to 5.0 per cent.

However, the BTMA welcomed several budget measures, saying they would help promote investment, production, employment, export growth and ease of doing business.

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Brent set for 8% weekly fall

REUTERS, *Calgary*

Brent crude ticked higher on Friday, but stayed set for a weekly fall of around 8 percent, after Israel and Hezbollah agreed on a ceasefire in Lebanon but Iran set conditions for using the vital Strait of Hormuz.

Brent crude futures were up 66 cents, or 0.53 percent, at $80.38 a barrel by 1:30 p.m. ET, while US West Texas Intermediate crude was up 94 cents, or 1.23 percent, at $77.54 per barrel. Trading volumes were light due to a US federal holiday.

Gulf producers were preparing to raise exports after Israel and Hezbollah agreed to a ceasefire which began at 4 p.m. local time (1300 GMT) on Friday. At least four tankers carrying crude, oil products and liquefied petroleum gas entered the Strait of Hormuz on Friday, heading for Iraqi Gulf ports, MarineTraffic data showed.

Despite the uptick in activity, however, Iran signalled tighter control over shipping, with state TV reporting that vessels must coordinate transit

At least four tankers carrying crude, oil products and liquefied petroleum gas

68 countries, regions & organisations participated

560+ South Asian companies

10th edition of the expo

Bangladesh's largest participation so far

101 companies | **175** representatives

Strong visibility across sectors

- Fashion & handicrafts
- Leather goods
- Pharmaceuticals
- Lifestyle products

Business focus

- Expanding beyond traditional export markets
- Connecting with global buyers
- Building international brands

AI-assisted infographic

Bangladeshi firms eye global markets at Kunming expo

Parliamentary delegation calls for more Chinese investment

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BISINE
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MarineTraffic data showed.

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At least four tankers carrying crude, oil products and liquefied petroleum gas entered the Strait of Hormuz

with the Revolutionary Guards navy. In an undated advisory circulated to the maritime industry in the last 24 hours and seen by Reuters, Iran's Persian Gulf Strait Authority said "no vessel is permitted to pass through the Strait of Hormuz without a valid passage permit issued by the PGSA".

Concerns around Iran's conditions for using the strait helped push oil prices higher on Friday, said Rory Johnston, founder of the Commodity Context newsletter. "The market was pricing in a deal and pretty seamless execution, and that doesn't seem to be what we're getting thus far," Johnston said.

In spite of Friday's gains, Brent was down about 8 percent week-over-week, reflecting a significant easing of supply concerns in the wake of the US-Iran deal to end the war. "Though (oil prices) haven't got to the point to where they were before the war started, it looks like we're headed in that direction," said Phil Flynn, senior analyst with Price Futures Group, adding more supply is expected to flow in coming days.

Bangladeshi firms eye global markets at Kunming expo

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Parliamentary delegation calls for more Chinese investment

MAHMUDUL HASAN, *back from Kunming*

This is the third time Ayesha Boutique, a well-known business from Mirpur Benarasi Palli, has showcased Benarasi saris and traditional clothing at the China-South Asia Expo in Kunming, Yunnan Province.

"We received a very good response at the previous two editions of the expo," said the boutique's Managing Director Nasimuddin, adding that buyers from markets such as Hong Kong had shown interest.

Like Ayesha Boutique, other Bangladeshi businesses used the six-day 10th China-South Asia Expo, which began on June 11 at the Dianchi International Convention and Exhibition Centre, to present their products while aiming to expand beyond traditional markets, connect with global buyers, and build stronger international brands.

The event brought together participants from 68 countries, regions and international organisations, including more than 560 South Asian companies targeting China's large consumer market and wider trade opportunities.

Bangladesh recorded its largest-ever participation, with 101 companies and 175 representatives attending as the theme country, giving local businesses strong visibility.

Across the Bangladesh pavilion, companies from fashion, leather, pharmaceuticals and handicrafts highlighted a growing shift towards markets beyond domestic and traditional export destinations.

However, communication remained a challenge for many exhibitors. "Language is one of the biggest barriers in connecting with buyers," said Nasimuddin.

To address this, his son Arif Rana joined him at the event. "I use translation apps to communicate with buyers. It has made things much easier," Rana said.

The experience showed how translation tools are helping smaller Bangladeshi businesses overcome language barriers and reach global markets more effectively.

This reporter, attending the expo on an invitation extended to The Daily Star by the International Communication Centre for South and Southeast Asia, spoke with around a dozen Bangladeshi businesses taking part.

BUSINESS EXPANSION GOALS

For many companies, the expo served as a strategic platform for expansion.

Bangladesh earned six awards at the expo including Outstanding Exhibition Organiser for Export Promotion Bureau, Best Exhibitors for Aarong, Sustainable Bangladesh, Clay Image, plus Best Pavilion and Booth Design recognition

"The main purpose is to introduce Armadea to global clients and establish direct communication with buyers, as we are increasingly focused on exports," said Alauddin Sohel, owner of Armadea, a Hemayetpur-based leather goods manufacturer producing bags, wallets, belts, jackets and gloves.

Corium Bangladesh, a leather footwear and accessories maker, also joined with similar goals.

"We mainly export to Europe and supply corporate buyers," said founder Shakil Ahmed. "Sourcing foreign customers and business expansion are key goals here."

The pharmaceutical companies used the expo to explore new partnerships. Belsen Pharmaceuticals displayed its range of cardiac, gastric, dental and calcium-related treatments. "We want to connect with foreign partners and explore possible partnerships with Chinese investors and others," said Nairita Nahrin Barisha, assistant chief marketing officer of the company.

"We want to create stronger connections between Bangladesh and China to produce better medicines," she added.

Bangladesh's retail giant Aarong took part in the expo for the first time, showcasing items ranging from handcrafted brass rickshaws to clothing and lifestyle products.

"We want to introduce our products to international visitors and better understand the Chinese market," said Mohammad Minhaz Uddin, assistant general manager of Aarong. Sustainable Bangladesh, a natural fibre-based products company, returned after strong demand last year.

"We mainly export to European markets," said proprietor Rafi Sarjil. "But last year we saw strong local sales in Kunming, which encouraged us to bring a much larger product range this year."

STRENGTHENING ECONOMIC DIPLOMACY

Bangladesh's participation went beyond business, as policymakers also used the platform to strengthen economic diplomacy with China.

The expo was inaugurated by Commerce, Industries, Textiles and Jute Minister Khandakar Abdul Muktadir alongside Yunnan Governor Wang Yubo.

Muktadir reaffirmed Bangladesh's commitment to stronger bilateral ties based on mutual respect, sovereignty, equality and shared prosperity. "The government is sincere in building sustainable relations that deliver tangible benefits for the people of both countries," he said.

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He added, "Today is a special day for us as we celebrate 'Bangladesh Day' in the hospitable and warm city of Kunming," calling it a symbol of growing friendship and trust between the two countries.

Referring to "Destination Bangladesh -- A Unique Land of Potential," he said it is more than a slogan and serves as an invitation for global investors and business leaders to engage with Bangladesh's growing economy.

A parliamentary delegation led by Deputy Speaker Barrister Kayser Kamal also visited the expo, calling for stronger bilateral cooperation and increased Chinese investment in infrastructure and strategic sectors.

Bangladesh's participation was recognised with six awards in four categories. The Export Promotion Bureau received the "Outstanding Exhibition Organiser" title, while Aarong, Sustainable Bangladesh and Clay Image were named Best Exhibitors. Bangladesh also won awards for Best Pavilion and Best Booth Design.

~~The Business Standard~~
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21 JUN 2026

Textile millers oppose scrapping 30% value-addition rule

STAR BUSINESS REPORT

Textile millers have urged the government not to withdraw the 30 percent value-addition requirement on imports of garment raw materials such as yarn, warning that the move could harm the domestic primary textile sector.

The withdrawal would encourage garment exporters to import yarn instead of sourcing it locally, potentially flooding the domestic market with imported products, they said.

In its proposed budget for FY2026-27, the government has proposed scrapping the 30 percent value-addition requirement in the domestic market to facilitate business operations.

If implemented, the measure could undermine the primary textile sector, which has attracted investments of around $23 billion, said Showkat Aziz Russell, president of the Bangladesh Textile Mills Association (BTMA), at a press conference held at the Gulshan Club in Dhaka yesterday.

He said the proposal runs counter to efforts to preserve the country's competitiveness and sustain local

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Textile millers oppose

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industry ahead of Bangladesh's graduation from the Least Developed Country (LDC) category.

Citing various studies, Russell said Bangladesh could lose $17.5 billion in exports, mainly apparel shipments, following LDC graduation. He also said that 114 of the 234 spinning mills owned by BTMA members had shut down since 2019.

The remaining mills are operating at only 60 percent to 70 percent of capacity due to inadequate gas supplies and the growing dominance of lower-cost Indian yarn in the domestic market, he added.

According to BTMA data, imports of Indian cotton yarn rose 22.07 percent year-on-year to $1.79 billion in FY2024-25, with import volumes reaching 556.12 million kilogrammes.

In FY2023-24, imports of Indian cotton yarn stood at $1.48 billion, with volumes of 455.57 million kilogrammes, registering annual growth of 1.04 percent, the association said.

Russell said Indian suppliers are able to offer yarn at lower prices because of extensive government support.

He said the Indian government also provides a 15 percent capital investment subsidy, an 8 percent interest subsidy, infrastructure support, and 15 percent assistance for technology upgradation and modernisation.

Another concern is the risk of supply disruptions, he said, noting that Indian exporters may prioritise other markets without prior notice.

Russell cited a recent instance when India increased yarn exports to China, leaving Bangladeshi importers facing shortages and higher prices as local demand surged.

In the post-LDC era, Bangladesh may need to meet double-transformation requirements to retain trade benefits, which would require greater use of locally produced yarn, he said.

Therefore, the capacity of domestic spinning mills and the broader primary textile sector should not be reduced, particularly when the country needs to strengthen preparations for LDC graduation, he added.

প্রথম আলো

21 JUN 2026

কাঁচামাল আমদানিতে মূল্য সংযোজনের শর্ত বহালের দাবি

বিটিএমএর সংবাদ সম্মেলন

নিজস্ব প্রতিবেদক, *ঢাকা*

আগামী ২০২৬-২৭ অর্থবছরের প্রস্তাবিত জাতীয় বাজেটে ব্যাংক নিশ্চয়তার বিপরীতে কাঁচামাল আমদানির ক্ষেত্রে বিদ্যমান ৩০ শতাংশ মূল্য সংযোজনের শর্ত প্রত্যাহারের ঘোষণা দেওয়া হয়েছে। তবে স্থানীয় শিল্পের সুরক্ষায় এই শর্ত বহাল রাখার দাবি জানিয়েছে বস্ত্রকলমালিকদের সংগঠন বাংলাদেশ টেক্সটাইল মিলস অ্যাসোসিয়েশন (বিটিএমএ)।

সংগঠনটি বলছে, এই শর্ত প্রত্যাহার করা হলে বন্ড-সুবিধার অপব্যবহার এবং বাজারে অসম প্রতিযোগিতা বেড়ে যাবে। এতে দেশীয় বস্ত্র খাত ধ্বংস হয়ে যাবে। তাই স্বল্পোন্নত দেশ (এলডিসি) থেকে উত্তরণ-পরবর্তী রপ্তানি সক্ষমতা এবং স্থানীয় শিল্পের সুরক্ষায় ৩০ শতাংশ মূল্য সংযোজনের শর্ত বহাল রাখা আবশ্যক।

রাজধানীর গুলশান ক্লাবে গতকাল শনিবার দুপুরে আয়োজিত সংবাদ সম্মেলনে বিটিএমএর পক্ষ থেকে এ দাবি জানানো হয়। সংবাদ সম্মেলনে উপস্থিত ছিলেন বিটিএমএ সভাপতি শওকত আজিজ রাসেল, সাবেক পরিচালক রাজীব হায়দার, সাবেক সহসভাপতি আবদুল্লাহ আল মামুন এবং তৈরি পোশাকশিল্পের প্রয়োজনীয় সরঞ্জাম ও মোড়কপণ্য সরবরাহকারী কারখানার মালিকদের সংগঠন বিজিএপিএমইএ সভাপতি মো. শাহরিয়ার।

সংবাদ সম্মেলনে দেশের বস্ত্রশিল্প রক্ষা এবং এ খাতের অস্তিত্ব টিকিয়ে রাখতে সরকারের কাছে চারটি দাবি জানায় বিটিএমএ। এসব দাবির মধ্যে রয়েছে-ব্যাংক নিশ্চয়তার মাধ্যমে কাঁচামাল আমদানিতে ৩০ শতাংশ মূল্য সংযোজনের বাধ্যবাধকতার শর্ত বহাল, করপোরেট করহার কমিয়ে ১২ শতাংশ নির্ধারণ, পলিয়েস্টার স্ট্যাপল ফাইবার আমদানিতে আরোপ করা ৫ শতাংশ শুল্ক ও নগদ সহায়তার ওপর উৎসে কর সম্পূর্ণ প্রত্যাহার।

সংবাদ সম্মেলনে বিটিএমএ সভাপতি শওকত আজিজ রাসেল বলেন, 'সরকার অর্থনীতি চাঙা করতে ৬০ হাজার কোটি টাকা প্রণোদনা ঘোষণা করেছে। এই ৬০ হাজার কোটি টাকা কাকে দেওয়া হবে, কেন দেওয়া হবে, কীভাবে দেওয়া হবে, তার কোনো পথনকশা এখনো আমরা দেখিনি। সরকারকে আমরা বলার চেষ্টা করেছি, পণ্যের চাহিদা নেই বা কম, এমন খাতে প্রণোদনা বা অর্থায়ন করে খুব একটা সুফল পাওয়া যাবে না। বরং সে ক্ষেত্রে টাকার অপচয় হবে।'

সংবাদ সম্মেলনে জানানো হয়, ২০২৪-২৫ অর্থবছরে দেশে ২৬ হাজার কোটি টাকার সুতা আমদানি হয়েছে। এই সুতা দেশেই উৎপাদন করা যেত। কিন্তু ২০১৯ সালের পর থেকে এ পর্যন্ত ২৩৪টি কারখানা বন্ধ হয়ে গেছে। অনেক কারখানা ৬০-৭০ শতাংশ সক্ষমতায় উৎপাদন করছে। ফলে প্রণোদনার অর্থ বিতরণের জন্য বস্ত্র খাত সবচেয়ে বড় দাবিদার বলে জানান শওকত আজিজ রাসেল।

এনবিআরের প্রজ্ঞাপন অনুযায়ী, ব্যাংক নিশ্চয়তার বিপরীতে বন্ড লাইসেন্স ছাড়াই শুল্কমুক্ত কাঁচামাল আমদানি-সুবিধার আওতাভুক্ত কয়েকটি খাত আছে। খাতগুলো হলো—আসবাব, ইলেকট্রনিকস, খাদ্য প্রক্রিয়াজাতকরণ, হালকা শিল্প, স্টিল-জাত দ্রব্য, প্লাস্টিক পণ্য, চামড়াজাত পণ্য, তৈরি পোশাক, মোটরসাইকেল, মৎস্য প্রক্রিয়াজাতকরণ, হস্তশিল্পজাত পণ্য, বৈচিত্র্যপূর্ণ পাটজাত পণ্য, ডায়াপার ও স্যানিটারি ন্যাপকিন, ক্রোকারিজ সামগ্রী, তাঁবু, টেরি টাওয়েল, রিসাইকেল কটন ব্যাগ (প্রয়োজনীয় অ্যাকসেসরিজসহ) ও স্পিডবোট।