

# NEWSLETTER

新闻通讯

August 2022

**PADMA BRIDGE**  
The symbol of our national pride



বাংলাদেশ চায়না চেম্বার অব কমার্স এন্ড ইন্ডাস্ট্রি

**孟中商业工业协会**

BANGLADESH CHINA CHAMBER OF COMMERCE & INDUSTRY

[www.savorbd.com](http://www.savorbd.com)



## *A GATEWAY TO BUSINESS*

### Corporate Office

House-28(5<sup>th</sup> Floor), Road-7, Block-C, Niketon, Gulshan-1  
Dhaka-1212, Bangladesh. Tel: +88-02-9853016, +88-02-9853018  
Email: [info@savorbd.com](mailto:info@savorbd.com)

### Savor Liaison Offices



China  
+8615810808525



India  
+91 8089304450



Singapore  
(+65) 3135 1211



UAE  
+971509274743



Thailand  
(+66) 2513-1418



Malaysia  
(+603) 6151 9178

The logo for SAVOR EXPO, with "SAVOR" in blue and "EXPO" in green, both in a bold, sans-serif font.

SAVOR EXPO





## **Bangladesh China Chamber of Commerce & Industry (BCCCI)**

### **FROM THE GLORIOUS PAST TOWARDS A BRIGHTER FUTURE**

The trade links between ancient Bengal and China are a rich treasure of history by itself. Following earlier records of such links by the 14th-5th century the exchange of trade missions is evidenced in the chronicles of these trade relations. The first mission from Bengal came to China in 1404 during the reign of the independent Sultanate of Bengal. Thereafter in 1412 it was graciously returned by the first Chinese trade mission to Bengal. In tune with the trace of trade links between China and Bangladesh came into being the Bangladesh China Chamber of Commerce & Industry (BCCCI) which was formally established in 2003-an exclusive bilateral trade embodiment-with the aim of further promoting trade and investment in Bangladesh and China looking forward towards the potential scopes of trade and commerce and economic cooperation and to establish stronger business bonds between the two friendly countries. BCCCI negotiates with the common stakeholders for ensuring the best benefits from this business body to take Bangladesh-China trade and economic relations to a newer height.

Apart from extending economic and defence cooperation, China has all along lent its support for Bangladesh in different international forums. The Padma Bridge is the glaring example of China's whole-hearted cooperation in the development of Bangladesh. The BCCCI, incorporated itself as a member of the Joint Stock Companies and Firm, Bangladesh, on 13th May, 2003. Subsequently BCCCI also received affiliation from the Federation of Bangladesh Chambers of Commerce and Industry, FBCCI on 23rd June, 2003. BCCCI enjoys the status of an 'A' Class chamber with the FBCCI. The chamber aims to make positive contributions to the promotion of trade, commerce and industries between Bangladesh and China, and provides as much as logistical, technical and other supports to the investors of both the countries. It takes all possible pragmatic steps in fostering ties, particularly is striving to diversify China's business and investment in Bangladesh.

BCCCI serves with periodical publications of various economic and commercial character, publishes newsletter focusing bilateral trade issues and prospects, holds issue-based seminars and symposia, informing its members and the media about regulations in the field of economic activity, commercial usage, and about foreign currency issues and other related issues concerning export, import and investment.



## MESSAGE FROM THE

## HONORABLE PRESIDENT

I am and we at BCCCI are indeed delighted along with the entire nation to observe the historic occasion that would mark the making of yet another golden chapter of our history. The historic date was the 25th of June 2022 - the long awaited Inauguration Ceremony of the Padma Bridge, the symbol of our national pride and the dream of the Leader of the masses, the Honorable Minister Sheikh Hasina. This day is indeed her day, the day she was longing for, the day the entire nation as a whole was longing for. Padma Bridge indeed instills hopes and heralds the determination of Prime Minister Sheikh Hasina asserting once again that if a truly patriot statesman sticks to the determination for upholding the glory of the nation, it never remains unachieved. Both Honorable Prime Minister Sheikh Hasina and the Bridge itself would go down in history as the symbols of making the impossible possible.

Bangladesh China Chamber of Commerce and Industry (BCCCI) takes this auspicious occasion to heartily felicitate the Honorable Prime Minister having stood like granite in determination to go ahead with the dream for the Bridge, come what may. This in particular would stay privy to her strongest and staunchest political will and sagacity as the illustrious daughter of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman. I am, therefore, delighted to note that this issue of BCCCI Newsletter most appropriately brings the historic occasion of the historic Inauguration of the Padma Bridge on its cover page, marking the glory of the whole nation.

The 6.15 kilometer-long Bridge on the huge Padma River is of spectacular rejoice for BCCCI for another count i.e. the cooperation of the Government and the people of China. BCCCI being the bilateral chamber of Commerce & Industry with China takes immense pleasure in recalling the all-out support and cooperation of China in realizing the dream stand on its firm spans. I was extremely fascinated upon watching the movie 'The Bridge on the River Kwai,' where the hero the British Colonel Nicholson said, "One day the war will be over. And I hope that the people that use this bridge in years to come will remember how it was built and who built it." Lending from Col. Nicholson, I wish I would proclaim today that, "I hope the people that would use this bridge over the years to come will remember that the Leader of the Masses, the daughter of Bangabandhu, Sheikh Hasina, the Prime Minister of Bangladesh, had built this Bridge through many challenges and ultimately succeeded in turning her dream come true."

On this auspicious occasion I warmly share my thoughts on the outstanding glorification of the courage, commitment and uncompromising political will of the Honorable Prime Minister Sheikh Hasina in brushing aside all odds and obstacles on her way to the Padma Bridge - a *Ran des vous* with her glowing destiny.

Gazi Golam Murtoza MP  
President  
BCCCI





MESSAGE  
FROM  
THE

HONORABLE SECRETARY  
GENERAL

I am really proud of lending a few words in the July, 2022 issue of the NEWSLETTER of BCCCI is being brought out marking the great occasion of the inauguration of the Padma Bridge, the landmark of the pride of Bangladesh. I believe that the Bridge would not only link the past with the present, the South with the rest of the country, and the courage with the commitment of Honorable Prime Minister Sheikh Hasina, but also link the surface connectivity as part of the hallmark of success that Bangladesh is really proud of. Defying the odds and obstacles, denying the antagonism, defusing the uncertainties and denouncing the opposition – the Honorable Prime Minister roused a national zeal and zest to stand firmly on her commitment to complete the Bridge Project to the amazement of the world.

Here we recall the commitment and cooperation of the Government and the people of China in helping us bridging the mighty Padma span by span, girder by girder, yard by yard – stretching along the twin-tier 6.15 kilometers of rail-cum-road Bridge, the 11th longest Bridge in the world. Marking this historic occasion we have made the cover approach of this issue of BCCCI NEWSLETTER. This, I believe, would uphold the pride that we feel of the successful accomplishment of this magnificent infrastructure as the articulation of our national glory and perseverance.

The Bridge would revolutionize the connectivity across the country as well as straighten the surface access of the entire region. On this historic occasion of Inaugurating the Bridge on 25 June by the Honorable Prime Minister Sheikh Hasina BCCCI feels obliged to share its sincere felicitation to the builders of the Bridge and all that shed their sweat in working with the spirit and commitment of utmost national priority. BCCCI is equally obliged to convey its warm felicitation to the Government and the people of Great China, with whom we work shoulder to shoulder to augment the trade and commerce between our two friendly countries. We hope and do believe that this bridge would further connect the existing bonding between Bangladesh and China.

Long Live Bangladesh China friendship.

A handwritten signature in black ink, likely of Md. Shahjahan Mridha.

Md. Shahjahan Mridha  
Secretary General  
BCCCI



## China-Bangladesh Cooperation : “Bridge of Hope”

Mr. Li Jiming  
Ambassador of  
the People's Republic of China

On June 24, 2022, Chinese President Xi Jinping pointed out at the Global Development High-level Dialogue that only cooperation can achieve great things, good things and long-term things. The Bangladesh China Chamber of Commerce & Industry is a bridge to promote China-Bangladesh cooperation and the golden key to stabilize China-Bangladesh friendship. I am very happy to talk about China-Bangladesh cooperation.

Firstly, both China and Bangladesh have made important achievements in economic development recently. Bangladesh has been one of the world's fastest growing economies over the last decade. Bangladesh is not fully immune from the spill-over effects of economic losses caused by the COVID-19 and now coupled with the conflict in Ukraine, however, due to the timely decision, made by the government of Bangladesh under the leadership of the Hon. Prime Minister Sheikh Hasina, Bangladesh has turned around to previous high growth trajectory. Bangladesh Bureau of Statistics provisionally estimated the GDP growth to be 7.25 percent and the per capita income to be US\$ 2,824 in FY 2021-22. Considering restoration of lives and livelihood, operation of major infrastructure such as the Padma Bridge, Known as the Bridge of Hope, it is expected that the economy of Bangladesh will continue to grow at pace of growth path.

China's economy has grown by leaps and bounds as the country has shifted its focus to high-quality development under the leadership of President Xi Jinping, China accounts for over 18 percent of the global economy in 2021, as its GDP tops 114.4 trillion yuan (17.1 trillion U.S. dollars) in 2021, ranking second in the world. Furthermore, China has pushed its opening-up to a higher level, optimizing the business environment and ramping up Belt and Road cooperation. It has advanced the construction of 21 pilot free trade zones and signed Belt and Road cooperation documents with 149 countries and 32 international organizations.

Currently, both China and Bangladesh are at a critical stage of revitalization and development. China attaches great importance to the construction of economic and trade cooperation with Bangladesh.

Secondly, China-Bangladesh economic and trade cooperation has achieved remarkable results. Since the establishment of diplomatic relations, China and Bangladesh have developed robust bilateral cooperation based on mutual trust and interests. In 2016, Chinese President Xi Jinping visited Bangladesh, and China-Bangladesh relations were upgraded to a strategic partnership. China-Bangladesh economic and trade cooperation has been deepening and solid, bearing fruitful results.

In the context of the global Covid-19 pandemic, the bilateral trade and investment have bucked the trend, fully demonstrating the resilience and vitality of China-Bangladesh cooperation in the crucial period. The bilateral trade volume grew to more than 25 billion dollars last year, registering a growth rate of 58%. China has become the largest trade partner in Bangladesh while Bangladesh has become one of the most important destinations for China's foreign investment and foreign contracting market. Several mega cooperation projects have been successfully completed. The bond of our bilateral relations is strengthened. For the mutual aim, China has also and already done a great deal.

The Bangabandhu Bangladesh-China Friendship Exhibition Center, as a gift of China to Bangladesh, is to improve trade-related infrastructure and promote export-oriented economic development, specially for Bangladesh.

The 8th Bangladesh-China Friendship Bridge, another gift of the Chinese government, completed last month, connects southern and southwest part of Bangladesh, helps to reduce logistics cost effectively.

The duty-free treatment of 97% tariff lines of Bangladeshi export to China has come into effect on July 1st of 2020. The documents for the duty-free treatment of 98% tariff lines goods have been signed. After related procedures, it will come into effect soon. Last year, Bangladesh's export to China exceeded 1 billion dollars for the first time, although we're expecting more.

Thirdly, China-Bangladesh economic and trade cooperation has bright prospects. As a good neighbour, good friend and good partner of Bangladesh, China sees the high growth potential of Bangladesh in the future, and maintaining such growth requires timely development of infrastructure and further improvement of the investment environment. China will continue to promote the infrastructure building in the region, while more and more Chinese investors will sincerely participate in the economic development of Bangladesh. At the same time, on economic and technological cooperation, China and Bangladesh have infinite potential to explore the cooperation in the fields of climate change, poverty reduction, public health, human resource development and so forth.

Belt and Road Initiative is that the accurate venue for tangible and intangible outcomes pertinent to innovative, harmonized, green, open, high-quality and shared developments, which consequently protects and maintains peace and promotes people's well-being in the post COVID-19 era. Bangladesh is an important participant in Belt and Road initiative, one of the first countries to respond to Belt and Road initiative, and one of the countries with the most cooperation and fruitful results under Belt and Road framework.

China's hyperscale market will become an important trust for Bangladesh's economic development. With a population of 1.4 billion, more than 400 million middle-income groups, and a per capita GDP of over US\$10,000, it is a solid foundation for my country's sustained and rapid development and accumulation, and it is also an important support for the economic recovery of neighboring countries, including Bangladesh.

President Xi Jinping has proposed that jointly building a global development partnership that is united, equal, balanced, and universally beneficial, so that no country or person will be left behind. The Chinese dream of the great rejuvenation of the Chinese nation and the "golden Bangladesh" dream coincide with each other. It is the right time for China and Bangladesh to strengthen economic and trade cooperation in various fields with broad prospects. More promising outcome is yet to be achieved. Then, it can be drawn, there are more work waiting to be done by us.

Finally, I would like to talk about exports to China. At present, the Federal Reserve keeps raising interest rates and shrinking its balance sheet, global demand is facing more uncertainty, inflation is rising, and foreign exchange account imbalances have become a problem for many developing countries. Strengthening exports to China has become a hot topic.

Welcomes Bangladesh to share development opportunities. Under the RCEP framework, many favorable policies, such as tariff reductions and the principle of accumulation of origin, have been implemented, which has gradually highlighted the comparative advantage of export growth between China and ASEAN. Data from the General Administration of Customs of the People's Republic of China shows that in the first five months of 2022, the total trade value between China and ASEAN reached 2.37 trillion yuan, up 8.1 percent. China and ASEAN continue to be each other's largest trading partners.

closer cooperation between business and enterprises of our two countries are promoted, such as BCCCI, FBCCI, DCCI and CEAB. The first "Session of China-Bangladesh Economic and Trade Cooperation Forum" was held successfully last September, and the second is due this Autumn. China is extending helping hands in all these areas and we have been trying all the time, together with our friend and good partner Bangladesh.

FTA or RCEP is promoted. FTA between China and Bangladesh would definitely help to make preferable arrangement between our two countries. And Bangladesh's position to RCEP agreement also draws attention, since many trade partners of Bangladesh, including China, are in it. Both bilateral FTA and multilateral trade agreement will facilitate our trade and investment cooperation fundamentally.

To pay attention to, financial cooperation is needed. As the Chinese economy is increasing its share in the world in different aspects, its currency RMB also becomes an important player benefiting from this as well. If we could have currency clearing arrangement between central banks of our two countries, the cross border payment and settlement of RMB will boost Chinese investment in Bangladesh and China's import of Bangladeshi goods in an unimaginable scale. And closer ties would be forged among areas, where RMB is now intensively used in trade, financing and capital exchanges, especially in BRI countries, many are also close trading partners of Bangladesh.

We're also trying to coordinate and persuade financial sectors of both sides to deepen our financial and currency cooperation. Voices of support from business circles will help to promote that too.

China and Bangladesh are both continuing to grow, and the future development is exciting. We are always standing together to enhance our economic and trade cooperation to a higher level, and working together for a shared future.



Mahbub-Uz-Zaman  
Ambassador of Bangladesh to  
the People's Republic of China

## Belt and Road Initiative (BRI) and Cultural Co-operation

The Belt and Road Initiative (BRI) aims at building a new platform for international cooperation and a creating new momentum of shared development. For this, it emphasizes on policy, infrastructure, trade, and financial and people-to-people connectivity. These "five connectivities" shed much light on understanding the BRI comprehensively.

In the article, I would focus on the relevant aspect of BRI that is Cultural Exchanges through the promotion of people-to-people contacts, friendship and cooperation.

Contacts and exchanges between China and Bangladesh had been existing since ancient times. In 1952 and 1957, Father of the Nation Bangabandhu Sheikh Mujibur Rahman visited China where he Met Zhou En Lai and Mao Tse Tung.

There is a tremendous amount of good will and trust for the people of China in Bangladesh. One may be surprised to learn that when I was a school student I became acquainted with China. The art pencil, the rulers and geometry box that most of our children used were Chinese. It said made in Harbin, China, Now a day's many Chinese literary works are being translated into Bengali. Ancient Chinese poems especially from the Tang Dynasty have been translated. In modern times, one will be happy to learn that the renowned book by President Xi Jinping "The Governance of China" has been translated into Bengali. The former Chinese Ambassador had translated the autobiography of Bangabandhu Sheikh Mujibur Rahman titled "The Unfinished Memoirs".

Asia is a region rich in culture, tradition and heritage. Ancient civilizations flourished in this continent. We can better understand each other through dialogue and exchanging each other's views and perspectives. Each civilization has its unique characteristics. We had in Beijing a Conference on Dialogue of Asian Civilizations. Our senior parliamentarians also attended the Dialogue. It served as a platform for civilizations in Asia and beyond to engage in dialogue and exchanges on an equal footing and to facilitate mutual learning. It promoted the theme 'Unity amidst diversity'.

Cultural links and people-to-people contracts were existing since ancient times between Bengal and China. The Chinese traveler Ma Huang gives an elaborate 15th Century account of Bengal. Ma Huan compiled a travel account titled Ying Yai Sheng Lan (a general account of the shores of the ocean). Ma Huan was an interpreter attached to the suite of Cheng HO who was sent to the various kingdoms of the Indian ocean by the Chinese Emperor Yung-Lo. During the voyages, the Chinese Missions came to Bengal and Ma Huan acquired firsthand knowledge about the country. Ma Huan writes about Bengal "it is an extensive country, they are Muhammadans and in their dealings are open and straightforward".

Bangladesh has welcomed the BRI initiated by China. After Chinese President Xi Jinping's visit to Bangladesh in 2016, the two countries established a strategic partnership. In the Joint Statement, it was stated that "Bangladesh is appreciative of China's initiative of the 'Silk Road Economic Belt' and the '21st Century Maritime Silk Road' (the Belt and Road Initiative) believing it will bring important opportunities for Bangladesh's goal of becoming a middle-income country by 2021 and a developed country by 2041. The two sides agreed to enhance the alignment of the development strategies of the two countries, fully tap the potentials of cooperation in various areas, work on the "Belt and Road Initiative", so as to realize sustainable development and common prosperity of the two countries.



During the visit of our Hon'ble Prime Minister Sheikh Hasina to China in July 2019, the Joint Statement stated that "the two sides shared the view that the Belt and Road Initiative (BRI) offers a model of international cooperation for all the participants and provides new opportunities for regional connectivity and economic integration. The two sides agreed to fully tap the potentials of cooperation in various areas and promote BRI development, so as to realize sustainable development and common prosperity of the two countries.

Under the vision proposed by the Belt and Road Initiative (BRI), cultural relations between Bangladesh and China are ever expanding. We have a Cultural Agreement with China that was signed on 28 May 2014. To increase people-to-people contacts and to expand cultural deepening, the following measures could be very much effective:

- (A) Exchange programme of cultural delegations;
- (B) Exchange programme on painting, handicrafts, books and photographs exhibitions;
- (C) Acrobatic training programme in China on a regular basis;
- (D) More educational opportunities for Bangladeshi students/professionals in China in science and technology fields.

Greater the connectivity the greater the possibility of cultural exchanges and cooperation amongst us. The BCIM Regional Forum is a modern version of the Silk Road and a revision of the 1999 Track – II initiative of the Kunming Initiative between BCIM countries. It seeks to improve connectivity and infrastructure, energy resources, trade and investment. According to Hon'ble Prime Minister Sheikh Hasina "the BCIM Corridor is a very encouraging development" and "once implemented it would bring our two peoples closer and help stimulate greater cooperation between our two countries in all spheres of our bilateral relations".

Through the arrangement of various cultural programmes and events, we have celebrated the 100-year Birth Anniversary of the Father of the Nation of Bangladesh Bangabandhu Sheikh Mujibur Rahman. During Mujib Year 2020, series of cultural activities were implemented to observe the occasion in a befitting manner. In 2021, we also celebrated the 46 years of the establishment of our diplomatic relations and the 50th Year of our independence.

Although there are some challenges to the implementation of BRI given the diversity and range of the countries and difference in perceptions, it has the potential of creating a win-win situation and promoting mutual advancement and growth. The hurdles and obstacles need to be overcome through discussion and collaboration as said by Chinese President Xi Jinping. There also needs to be a clear idea of the benefits that are in hand of the participating countries.

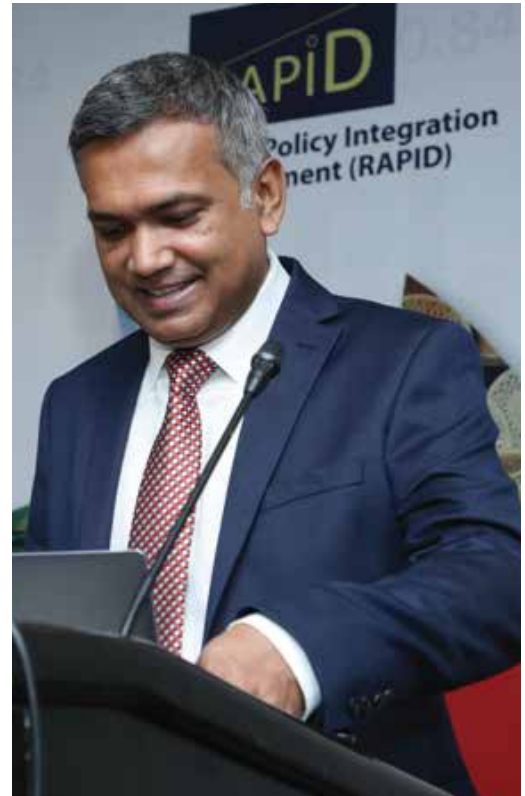
# Making the Most of Market Access in China: What Needs to be Done?

Full text of the keynote presentation by Mohammad Abdur Razzaque, PhD on 8 June 2022

China has emerged as a global economic powerhouse, having achieved remarkable transformations of its economy and in the process becoming the world's largest exporter. With a GDP of about \$20 trillion, China is the world's second-biggest economy. When GDP is measured in purchasing power parity terms, China has already become the largest economy in the world. China is now the second-largest importer of merchandise goods with a market of \$2.7 trillion.

Over 100 cities in China have more than one million residents with considerable purchasing power. The country is set to be the world's most crowded retail marketplace very soon. In addition, its 700 million-strong online community is the largest globally. A large majority of Chinese consumers demand high-quality goods.

China is the centre of the globe's supply chains in manufacturing. Partnering with Chinese companies can provide access to funding, new markets, and cutting-edge technologies.



Since 2021, China has provided Bangladesh duty-free market access in almost 98 per cent of tariff lines. Prior to that, Bangladesh used to get similar market access in 61 per cent of Chinese tariff lines. Nevertheless, Bangladesh's exports to China have seen set backs coinciding with the Covid-19 outbreak. After reaching a peak of \$950 million, exports to China fell to \$680 million in FY21. China accounts for less than 2 per cent of Bangladesh's total exports. This is in sharp contrast to its accounting for about a quarter of Bangladesh's imports.

Bangladesh mostly exports readymade garments, jute and jute products, fish and some basic leather items to China. Bangladesh's share in total Chinese goods import is a minuscule 0.04 per cent. Raising this share to just 1 per cent could lead to \$27 billion worth of additional exports for Bangladesh.

## Why are Bangladesh's exports not picking up?

Despite enjoying duty-free market access, Bangladesh's exports to China are not picking up. There are several reasons for it:

- The imported apparel market in China is quite small: about \$10 billion. This is in comparison with \$180 billion in the EU, and almost \$90 billion in the USA.

- The Chinese domestic market size for clothing is worth \$330 billion, catered for highly competitive domestic manufacturers. Due to the small import market for apparels, it is difficult for Bangladesh to achieve export success in this market based on clothing items only. It is worth noting that China is also the largest exporter of apparel, shipping more than 140 billion worth of garment items in 2021 and capturing almost 30 per cent of the world apparel market.
- While Bangladesh's export is concentrated on RMGs, China mainly imports electrical machinery and equipment (25% of total imports), mineral fuels (15%), ores, slag and ash (10%), mechanical appliances (9%), plastics (3%). Competitor countries, including India, Malaysia, Myanmar, and Vietnam, have done well in China by diversifying their export items.
- Bangladesh enjoys more attractive tariff margins elsewhere and this makes other markets more lucrative than the Chinese one. While the average tariff margin for apparel in China is in between 6 and 8 per cent, it is 12 per cent in the EU and 17–18 per cent in Canada.
- Furthermore, other comparator countries, including Cambodia, Laos PDR, Myanmar, the Philippines, and Vietnam, have duty-free access to the Chinese market under ASEAN-China FTA, causing Bangladesh to be less competitive.

---

**Less integration with retailers and lack of participation in marketing, sales and after-sale services are major barriers to export success in the Chinese market. Research and Development, design, branding; manufacturing; distribution; marketing; sales, and after-sale services are different stages of the value chain.**

---

- The extended duty-free access was provided in July 2020. It is too early to assess the impact of such preferential coverage as export supply response can take time. Since receiving the extended preferential coverage, the covid-19 pandemic wreaked havoc on global exports. China continues to maintain a zero-covid policy, and as such, no export promotional measures can be undertaken.
- Less integration with retailers and lack of participation in marketing, sales and after-sale services are major barriers to export success in the Chinese market. Research and Development, design, branding; manufacturing; distribution; marketing; sales, and after-sale services are different stages of the value chain. Bangladesh operates at the manufacturing stage of the value chain. Lower integration with the local agents and retailers, insufficient network on the ground, etc. hamper export promotion.
- Cultural and language barriers have posed a severe challenge in boosting exports. When exporting to China, it is essential to communicate with customers and handle logistics and clearance through Chinese customs in Mandarin.
- China's stringent labeling and packaging regulations are of major concern. The Product Quality Law (2009 Amendment) mandates that labels on products and packaging in China must display confirmation of product quality inspection certification and all labeling requirements in Chinese language.

- Chinese growing middle-class and upper-middle-class consumers demand high-quality goods. Chinese products are of higher quality across major export items (apparel, leather, footwear and plastics) than that of Bangladesh. It is difficult for Bangladesh to compete in China with the existing quality.

## Way forward for Bangladesh

- China will soon overtake the United States to be the largest importing country. Bangladesh must recognize the significance of the Chinese market for export success. Over the past decades, several half-hearted attempts have been made to establish trade and investment relationships with China. Bangladesh should develop a long-term strategy for export promotion to the Chinese (as well as to the Indian) market.
- Bangladesh should consider signing a trade agreement to boost Chinese investment-backed export expansion. Signing a trade agreement with China could help Bangladesh's exports grow faster. As China is a developing country member, even without a free trade agreement (FTA),

---

**As part of the trade agreement, China can consider Bangladesh a regional manufacturing hub to supply to other markets. Chinese investors can invest in sectors that heavily depend on imports from China, opening a huge market for them. Also, by investing in Bangladesh, China can make use of the duty-free market access in Canada, the EU, the UK and other export destinations.**

---

there is enormous room for a more productive and meaningful PTA. The trade agreement with China must be complemented with trade and investment facilitation. Under a trade agreement, Bangladesh can negotiate to continue the current market access while opening the Bangladeshi market with a longer implementation period. A GTAP based simulation shows that a Bangladesh-China FTA might enhance Bangladesh's exports by about a quarter. It would quadruple if the FTA is supported by 10 per cent trade facilitation.

A trade agreement promotes business-to-business (B2B) and government-to-government (G2G) collaborations. This will create an opportunity to engage with Chinese businesses to invest in Bangladesh. China has a high interest in diversifying its production and supply chain. Chinese investors can significantly increase the profit margins by taking advantage of the low cost of labor and potentially the large-scale supply capacity. Bangladesh is a country that can offer economies of scale in production, given its large labor force. As part of the trade agreement, China can consider Bangladesh a regional manufacturing hub to supply to other markets. Chinese investors can invest in sectors that heavily depend on imports from China, opening a huge market for them. Also, by investing in Bangladesh, China can make use of the duty-free market access in Canada, the EU, the UK and other export destinations.

China's duty-free benefit for Bangladesh will expire with its graduation in 2026. As comparators have duty-free access in this market, the preference erosion will significantly impact exports and competitiveness. Bangladesh must request an extension of LDC preferences. With an extended LDC preference period, the country can negotiate a trade agreement.



- Joining the Regional Comprehensive Economic Partnership (RCEP) can be an alternative to FTA with China. The RCEP, being the largest trade block, can help Bangladesh promote export and welfare by trade and investment facilitation. Results from GTAP simulation suggest that Bangladesh's overall exports could increase by 20 per cent by joining RCEP.
- Consumers in China are becoming more concerned about the quality of their purchases. According to a recent study, 60 per cent of Chinese consumers like to buy high-end products, and 49% prefer to purchase premium products from overseas retailers through online. Therefore, improving product quality is a prerequisite for export success in the Chinese market. It is high time for Bangladesh to step up the quality ladder and improve product standards and quality.
- Bangladesh should adapt aggressive export promotion strategies targeting the Chinese market. Setting up export pavilions in China (Vietnam and other comparable countries have pavilions in China), forging more business-to-business (B2B) collaborations, engaging Bangladesh Embassy in China in export promotions, and establishing links with retailers are some of the strategies Bangladesh can deploy. Additionally, Bangladesh can participate in and host trade fairs with the government's support.
- Unlike other destination countries, it is difficult to gain export success in China based on garments only. Bangladesh should focus on other sectors to boost exports to the Chinese market. Diversifying exports through electrical equipment, leather and footwear, plastics, light engineering, and electrical components can be a potential area for export success. China expanded the duty-free benefit for leather and leather products from Bangladesh in FY 2022. This opens an opportunity to increase leather exports.
- China is the largest e-commerce market in the world. The digital economy accounts for 38% of China's GDP. China accounts for more than half of the world's e-commerce retail sales - bigger than the combined total of Europe and the US. In 2021, there were 842 million mobile online shoppers. E-commerce participation in the Chinese market can help boost exports. Bangladeshi exporters can establish linkages with Chinese e-commerce organizations, delivery channels, and logistics suppliers. Bangladesh can target many e-commerce platforms, including Taobao, JD.com, Tmall, and Alibaba.
- Having a local presence on the ground with native Chinese speakers is essential to build sales in China. The language and cultural differences can be offset by establishing relationships with local agents, distributors and other local partners. Because of the size of the market, exporters should consider having more than one agent or distributor.

### Concluding remarks

**Traditional LDC-style duty-free market access alone will not be enough to promote exports to China. A trade agreement can help boost investment-backed export promotion. To stimulate the supply response, Bangladesh must attract Chinese investment. Due to the growing geopolitical competition, China must also diversify its supply networks. With the support of Chinese finance, Bangladesh must expand its product line beyond apparel. Bangladesh could also take additional measures to increase exports to China. For export success in China, aggressive export promoting activities, building a solid B2B linkage, establishing a local presence, participating in online sales etc., can help boost exports to China.**



## Sino-Bangla relationship in present context

M S Siddiqui  
Legal Economist & Adviser  
Bangladesh Competition Commission

Repeated lockdowns under zero-COVID tolerance policies have periodically disrupted manufacturing and transportation. Tightened border controls have curtailed two-way goods and services trade, tourism, and student and business travel. Weak domestic demand and debt pressures, particularly in the property sector, are also constraining growth.

Further, Chinese economy has faced major disruptions through 2021 due to the ongoing China-U.S. trade war, COVID-19 restrictions, and power shortages. While the economy may continue to suffer from the ongoing trade war and possible COVID-19 resurgences, new issues are likely to rise to the forefront of economic problems in 2022.

On the other hand, the World Bank has set China's 2022 growth forecast to 5.1 percent, a much slower pace of growth than China averaged in previous decades. The Chinese government targets 5.5% growth for 2022, while the International Monetary Fund (IMF) projects 4.8% growth. Some economists assess China may struggle to meet these targets due to domestic constraints and global economic pressures with Russia's invasion of Ukraine.

There are political as well as geographical factors that contributed to this growing proximity. For Bangladesh, China has been an important partner over the years, with areas of cooperation spanning diplomacy, economy, and defense. Bangladesh-China bilateral trade has let our consumer to taste Chinese manufactured products of different types starting from machineries for production process to daily use belongings. Chinese products have competitive pricing strategy and they do not feel stiff competition from other products coming from other countries in Bangladesh.

Recently, China has emerged as the largest source of foreign investments into Bangladesh with the net FDI inflows from China reaching \$1.16 billion (28.5% of the total FDI) in 2018–19. The stock of Chinese FDI, however, remains very small at around \$2 billion. Most of these investments came in such sectors as agro-processing, banking, power and energy, and textile and clothing. It is important to attract investment in export-oriented sectors. Relocation of Chinese firms, as a result of economic transformation that is taking place in China, into Bangladesh can greatly boost supply-side capacities and export response.

China is also a prominent force in global supply chains, forming networks of cross-border suppliers. It offers favourable market access to LDCs and has now become an important source of technical and financial assistance, particularly in developing large-scale infrastructures.

As Chinese manufacturers already have good backward linkage in this business, they can contribute to substantial export gains by Bangladesh. Through the relocated firms, local entrepreneurs can gain important insights into China's high value-added premium quality apparel items.

China adopted a policy of non-interference in the domestic Bangladeshi politics. At the same time, irrespective of the political developments taking place within Bangladesh, Beijing has refrained from issuing any public statements, as has Bangladesh regarding Chinese internal issues. Thus, all the political forces within Bangladesh have been willing to promote closer ties with Beijing.

Bangladesh can immensely benefited from an extended economic cooperation with China through technology transfer. China is already one of the most important sources of capital goods used by Bangladeshi firms. Chinese entrepreneurs and private businesses can also contribute to the skill development of Bangladesh's labour force. This can be very timely as the shortage of skilled workers has become a major problem for business enterprises in Bangladesh.

From Bangladesh's perspective, BCIM is the gateway to other regional trading arrangements. BCIM members are also signatories to big regional arrangements such as ACFTA, APTA, ASEAN, BIMSTEC, and SAFTA. FDI inflow and infrastructure development through BCIM can be a potential game-changer for Bangladesh.

The BRI could have 'significant impact on Bangladesh from an economic and connectivity perspective and the Chittagong Port can act as a central hub to connect Northeast India, Myanmar, Southeast China, Bhutan, Nepal, and Bangladesh'. Bangladesh through its land and water routes sees itself as a natural corridor between South and South-East Asia.

At a primary stage, BRI will facilitate trade with good infrastructure and leads to industrial transfers, boosting such activities as manufacturing, mining, agro-processing, and commercial logistics. BRI will 'lead to greater financial integration and facilitate greater Chinese portfolio investment in the Bangladesh Stock market.' They are optimistic that Bangladesh will also have an opportunity to access China's equity (globally 2nd largest) and bond markets (globally 3rd largest) through this initiative. There is an upbeat mood about Chinese loans and investments in general in Bangladesh.

China is the largest source of imports, accounting for more than 22 per cent of Bangladesh's total merchandise import payments. Bangladesh imports almost half of its raw materials and capital goods from China. China is the largest sourcing destination for Bangladesh, which buys \$14 billion worth of industrial raw materials and food items every year.

Despite the duty-free market access for 97 per cent goods, Bangladesh could not seize the opportunity for most of last year because of a lack of diversified goods and may be the fallouts of the coronavirus pandemic. China has announced a tariff exemption for 97% of Bangladeshi products to be effective from July 1, 2020. Given the limitation of our product basket, we would only be able to take more benefits of the duty-free access to China if we can diversify products, or enhance our exports within the duty-free covered items which is already happening. It would be important to increase Research and Development to meet the new requirements of 40% value addition to capture the full benefits of the opportunity. Retaining the existing level of market access through an FTA is also an option but it comes with reciprocity (i.e., offering a similar preferential treatment to China). The fast-growing domestic market in Bangladesh and China's already dominant position as the most important source of import makes the latter interested in a bilateral trade deal.

Bangladesh exporting only few products to China and other market. It has exported plastic worth 100.52 USD Million in the FY19-20 and China was the fourth largest recipient of these products for Bangladesh.

If Bangladesh can strengthen the bilateral trade, exploiting the potential in other member countries of the Regional Comprehensive Economic Partnership (RCEP) will also be possible as China is leading the trade bloc. At the same time, as proposed by China for bilateral FTA, Bangladesh must give top priority to sign FTA with China.

We are struggling to enter with few low technology product to enter into Chinese market. In order to increase the new products for export and to increase quality standard of existing eligible products, Bangladesh should proactively seek Chinese investment along with technological knowhow.

Bangladesh hasn't generated a brand image among the consumers of China. In order to enhance the brand image, the big brands of Bangladesh need to open their outlets and offices in China and invest in marketing, promotion, advertisement, cultural exchange, both online and onsite.

Every year, China imports \$2.1 trillion worth of goods from all over the world and the amount is expected to double within the next seven to 10 years. Bangladesh's contribution to China's annual import is only 0.05 per cent compared to 3 per cent of Vietnam. If Bangladesh can increase our export contribution to China to 1 per cent, Bangladesh's export to China will be \$26 billion in a year.

Bangladesh and China relationship has grown over the past three decades. Given the sustained development of Bangladesh-China ties shall continue to grow for the mutual benefits on strategic reasons.

## China plans to expand duty-free access for Bangladeshi goods



China plans to expand duty-free access to 99 percent of Bangladeshi goods and services from 98 percent now, a major win for the local exporters during Foreign Minister Wang Yi's Dhaka visit.

Yi discussed the decision during a bilateral meeting with Bangladesh Foreign Minister AK Abdul Momen on Sunday.

"It's good news for Bangladesh as we have a thriving economy based on exports," said State Minister for Foreign Affairs Shahriar Alam. "We already had duty-free access for 98 percent of items exported to China. The remaining 2 percent, like any other bilateral trade, has been important and sensitive. Now, they have offered duty-free access to 1 percent more from Sept 1."

The state minister said the new tax advantage is likely to include garments and woven products and other products that had previously faced some restrictions.

"We'll get the list [of the products] in the evening. The councillor of commerce said he would provide the list to the press," he said.

The decision is the biggest success of the visit by the Chinese foreign minister, said Shahriar Alam. He also said China mentioned the possibility of a joint feasibility study regarding the Preferential Trade Agreement (PTA) between the two countries.

While discussing Chinese investment and technology support to the economic zones in Bangladesh, China said they would help Bangladesh, particularly to establish more Chinese factories and provide more technology in the Chinese Economic Zone to be set up in Anowara.

"China requested us to begin operations in the special economic zone soon," the state minister said.

A new memorandum of understanding regarding PPP cooperation is likely to be signed between the two countries, Alam said, citing the Chinese foreign minister.

"It's a new proposal and we'll discuss it further," he said.

When asked, the state minister said the new memorandum of understanding is not likely to be related to BRI.

Direct flights with China will ensure more connectivity between the people in Bangladesh and China, Alam said, citing Yi.

"Our foreign minister [AK Momen] promised on behalf of Prime Minister Sheikh Hasina that we would work together to increase foreign direct investment. He said it is important to reduce the balance in the trade deficit."

The bilateral meeting also focused on the Rohingya issue and China said it would work continuously to resolve the issue politically, as the internal challenges in Myanmar are troubling not only Bangladesh but also other countries.

"Our foreign minister strongly reiterated that Chinese cooperation is needed on this issue. China has progressed on resolving the Rohingya issue and we need the situation to come to an end," Alam said.





## Alternative Dispute Resolution (ADR): A critical need for Bangladesh

Muhammad A. (Rumee) Ali  
Vice Chairman,  
Bangladesh International Arbitration Centre (BIAC).

In a recent World Bank survey Bangladesh was placed at 174th out of 189 countries on the basis 'Ease of doing Business'. It was not a 'breaking news' nor did it make us stop and think. It almost appeared that we expected no better. If that is indeed, we feel, what our ranking in such an index should be, is it surprising that we are one of the lowest recipient of foreign direct investment (FDI)? Does this low rating stop at restricting FDI only? Not really, we pay a bigger price in the 'risk perception' it creates. A manifestation of the fact is that we pay 450 to 500 basis points over LIBOR for LC confirmations. Much more, than what our neighboring countries, pay. Overall, it is responsible for a negative image of the country in the international commercial world. As a reaction, our media presence always tends to take a defensive stands. For example, we often start by saying, "We are no longer the basket case...etc".

What are the factors behind the low rating for Bangladesh? Which are the critical factors that kept us behind 173 countries out of 189, in spite of the fact we are the 44th largest economy in the world with a GDP of around \$200B and growing at a healthy 6% plus? Our middleclass is projected to be 30 million with an income of \$5000 per annum which makes a target population for many businesses larger than many country economies.

Why is that in a recently held Bangladesh Development Forum meeting in Dhaka, one of the issues identified and singled out by our development partners was 'competitiveness'? This, in spite of the fact, that we have one the most welcoming legal framework for foreign capital and have one of the lowest cost of labour in the world.

One of the answers to these vexing questions can be found in the World Bank Doing Business Rankings : <http://www.doingbusiness.org/data/exploreeconomies/bangladesh>

This ranking is a composite number and is derived from several activities that one needs to do to set up a business. Out of the nine critical items that make up this composite score there are three important ones in which we are placed in the last five out of 189 countries surveyed. These three are:

Registering Property 185th out of 189 countries

Enforcing Contracts 188th out of 189 countries

Getting Electricity 189th out of 189 countries

If we look closely at three factors, we will find that Getting Electricity is clearly a capacity issue which will be resolved over the next few years as the both private and public sector gear up production. Particularly due to the boost, this sector has received in the last 5/6 years.

Issues with Registering Property again are a capacity and a governance issue that will ease with the digitization process that has been started by the government in the Land Records Department. This will bring greater transparency and accountability in the process and will to a large extent, free it from the governance issues, bureaucratic delays and disregard for public service one faces in this area.

The one factor in which improvement may remain a major struggle is the time it takes to Enforcing Contracts through a judicial process. The survey puts the number of days taken for this at 1442 days or around 4 years compared to 538 days in OECD countries. The other factor is cost. While in OECD countries it costs Tk. 21.10 to realize a Tk. 100.00 claim, in Bangladesh you are out of pocket, Tk. 66.80. This means you only recover Tk. 33.20 for every Tk. 100.00 (it is 30.5% for rest of South Asia). These two factors are interlinked and the cost is to a large extent, due to the long time it takes to settle the dispute.

If we look at reasons why it takes this long to settle disputes here, we will find that it is not the judicial processes. In fact the judicial processes are considered favorably with an index 7.5 (OECD 11.0). It would have fared much better in the Survey, if we had scored a little better on 'automation in the process' which received a very low score of 0.5 out of a possible score of 4.0. Therefore the intrinsic quality of the judicial processes were not in question, the score reflected the fact that it was a manual process which may be, in theory, susceptible to governance issues.

It is important and perhaps a priority for Bangladesh, to improve its performance on this ranking which adds to the negative risk perception of the country to the potential investor and to the global financial industry. It diverts away from the country massive amounts of potential FDI and adds to cost of imports by increasing financial intermediation cost where none or little cost is required.

The main barrier to any positive change appears to be the number of cases in our commercial courts that are outstanding and the net number of new cases that get added to this every year. 2013 Figures available to us, suggests that there are 3.1 million cases outstanding out of which 1.3 million are civil cases. Here are few more statistics.

Average Resolution Time (IFC/World Bank Study 2008-9)

Civil (Appeal & Revision) Cases	15.3 years
Writ Cases	3.6 years
Civil (Original jurisdiction) Cases	5.8 years



If 'justice delayed is justice denied' it is even more so in commercial cases which all have monetary underpinnings. We know the time value of money is interest which keeps ticking over every second.

In the case of Money Loans Court (MLC) the picture is similar.

Although the law says all disputes must be resolved in 90 days the reality is far from it. The average time for the MLC is 5.8 years.

The total outstanding cases is 125,000 (appx) and the amount under litigation is Tk. 54,000 Crores (appx). The opportunity cost at bank rate (5%) (for \*1442-538 days = \*considering 1442 days as Bangladesh average and 538 days a global best practice (OECD) for resolution of civil cases, as reported by WB Survey 904 days) is Tk.6669 Crores! If we take the other estimate of 5.8 years the cost escalates to Tk. 11,340 Crores!

What then, is the way out of this impasse? There is no silver bullet but we can get wheels in motion using global best practices. Most countries have realized that the courts must not be the beginning of a dispute resolution but the last resort. To quote Justice Sandra Day O'Conner of the US Supreme Court:

"The courts of this country should not be the places where resolution of disputes begins. They should be the places where the disputes end after alternative methods of resolving disputes have been considered and tried." Malaysia has achieved impressive results by using ADR to reduce backlog of civil cases. In 2012 Malaysia's High Court brought down their pre 2009 outstanding cases 44,873 to 335. The Sessions Court during the same period brought down the backlog from 61,659 to 6 during the same period. In both cases the reduction was by 99%. Both mediation and arbitration was used to reduce the case backlog.

We know that in Bangladesh we have the same problem but do we have the legal framework to make ADR work. In fact, we do. We have the following Laws and Procedures to enable and facilitate ADR:

- Arbitration Act 2001
- Artha Rin Adalat Ain 2003 (amended in 2010)
- Civil Procedure Code 1908 (amended in 2012)
- ADR in Customs, VAT, Income Tax laws
- Bangladesh Energy Regulatory Commission Act 2003
- Real Estate Development & Management Act 2010
- and a few other laws

But in reality ADR is at best used very little used and at worst unknown. The result is almost all commercial disputes start with litigation, instead of being the 'last resort'. This has resulted in accretion of outstanding cases and thereby evolving into a capacity issue.

In Bangladesh, as in Hong Kong, Singapore, India and other countries in the region, ADR facilitating centers has been set up, either as a public or private sector or a combined private and public sector initiative. In all cases they are non profits with a mission driven objective of facilitating out of court settlement of disputes either through negotiations, mediation or arbitration. In most countries it has helped in bringing down the burden of the judicial system and delivering 'enforcement of contract' more speedily.

In Bangladesh, the International Chamber of Commerce, together with the Dhaka and the Metropolitan Chambers has set up the Bangladesh International Arbitration Centre (BIAC) in 2011, as a non-profit with the mission of bringing the best practices of ADR to the country.

This national institution can play a vital role in addressing the issues we discussed in helping us improve our competitiveness and our rank as place for doing business. By addressing the issue of 'enforcing contracts' we can make this critical difference for Bangladesh as an investment destination. Of course, this has to be done in concert with addressing issues of energy sufficiency and improving governance in our land management system so that property registration is 'user friendly', through digitization.

Going back to the two issues of 'ease of doing business' and 'competitiveness' that are critical to our national ambition of becoming a middle income country by 2020, the case for Alternative Dispute Resolution and Bangladesh International Arbitration Centre's critical role cannot be ignored by policy makers. We need to embrace that which has worked elsewhere if we are committed to change. Indeed,

"You can never change things by fighting the existing reality. To change something, build a new model that makes the old model obsolete". – Buckminster Fuller

# Cooperation between China and Bangladesh for Agricultural Development



Dr. F H Ansarey  
Managing Director, ACI LTD

China's agriculture has a long history of farming, is endowed with rich agricultural resources, and places a high importance on agricultural growth. They have succeeded in producing one fourth of world's grain and feeding one fifth of world's population with less than 10 percent of world arable land. China ranks first in the world in terms of the production of cereals, cotton, fruit, vegetables, meat, poultry, eggs and fishery products. Not only this, China has been actively providing assistance to other developing countries in support of local agricultural development, Bangladesh is one of them. Over the past 45 years, the relationship between China and Bangladesh has been developing, with mutual cooperation and friendship on both sides.

In many areas for Bangladesh's agricultural growth, China supports and works alongside us. The adoption of hybrid seed varieties is playing a vital role in rice production of Bangladesh that is almost to meet the demand of staple food. Utilization of Chinese end to end production machineries & technological solutions give Bangladesh production efficiency and effectiveness. Bangladesh now exports a sizable number of agricultural goods to China, and it is likely to permit the entry of a dozen more, including aromatic rice, potatoes, mango, jackfruit, and guava. China invests in agricultural processing firms to ensure farmers are paid fairly and invests in urea fertilizer plants to ensure supply of agricultural inputs, including a total of 280 million US dollars for the upgrading of Bangladesh's jute mills.

To achieve more profitability and efficiency, Bangladesh needs China to get more environmentally friendly agricultural technologies and sustainable farming practices. China's investment in agricultural education will substantially enhance our understanding of and ability to agricultural development more. In addition, given that Bangladesh is susceptible to the effects of climate change, China might offer its assistance in introducing various agricultural production projects against environmental shocks to increase resilience of farmers.



## SEMINAR ON Making the Most of Market Access in China : What needs to be done



The Seminar on “Making the Most of Market Access in China – What needs to be done” – was held on 8th June 2022 at the Pan Pacific Sonargaon, Dhaka, presided over by Mr Gazi Golam Murtoza, the Hon’ble President of BCCCI. The Seminar was attended by the Honorable Minister for Commerce Mr. Tipu Munshi MP as Chief Guest, while His Excellency Mr Li Jiming, the Ambassador of the People’s Republic of China to Bangladesh and the Vice Chairman of Export Promotion Bureau (EPB) A.H.M. Ahsan were present as special guests. The Acting Secretary General Al Mamun Mridha delivered the welcoming address in the seminar. Dr. M A Razzaque one of the country’s leading trade economists presented the keynote paper and Dr. M Abu Eusuf, Executive Director of RAPID moderated the function. The Hon’ble members of BCCCI and dignitaries were present at the seminar.



A partial view of the audience at the Seminar



Gazi Golam Murtoza, the Honorable President of BCCCI delivering the vote of thanks.



Al Mamun Mridha, the Honorable Acting Secretary General, BCCCI, delivering the welcoming address in the seminar.

## BCCCI- RAPID seminar on ‘Making the Most of Market Access in China: What Needs to be Done?’

Despite getting duty-free market access, Bangladesh yet to reap full benefits of Chinese market facilities Dhaka: Despite obtaining almost 98 per cent duty-free market access in China, Bangladesh can't take the opportunities properly yet due to lack of aggressive export promoting activities, building a solid B2B linkage, establishing a local presence, and participating in online sales. Experts suggested focusing on product quality and diversification, and signing a trade agreement to boost Chinese investment-backed export expansion.

The observations that came up at the seminar on ‘Making the Most of Market Access in China: What Needs to be Done?’ jointly organized by Bangladesh China Chamber of Commerce and Industry (BCCCI) and Research and Policy Integration for Development (RAPID) at Pan Pacific Sonargaon in Dhaka on 8 June 2022. Speaking at the event, Ambassador of China to Bangladesh Li Jiming hoped that Bangladesh would be member of Regional Comprehensive Economic Partnership (RCEP) soon which will help Bangladesh to promote export and welfare by trade and investment facilitation.

**“Despite obtaining zero-tariff market access facility to most products, Bangladesh’s exports to China remain rather modest. Since 2021, China has provided Bangladesh duty-free market access in almost 98 per cent of tariff lines”**



Chairman of RAPID Dr. Mohammad Abdur Razzaque presenting the Key-note paper of the Seminar,





*The Chief Guest Honorable Minister for Commerce Mr Tipu Munshi MP. is being given the crest by Gazi Golam Murtoza, the Honorable President of BCCCI. The special Guest H.E. the Ambassador of China is seen on the left.*

Despite obtaining zero-tariff market access facility to most products, Bangladesh's exports to China remain rather modest. Since 2021, China has provided Bangladesh duty-free market access in almost 98 per cent of tariff lines. Prior to that, Bangladesh used to get similar market access in 61 per cent of Chinese tariff lines. Bangladesh exported to China worth US\$680 million in fiscal 2021 while Bangladesh imports worth around \$13 billion from China each year. Bangladesh's potential exports to China should be at least \$3 billion. China is leading in science and technology. It imports products from different countries every year worth around \$2.7 trillion dollars. So, it has a huge market. The relationship between Bangladesh and China is well in trade and investment. However, with our LDC graduation in 2026, our duty-free benefits will end. Bangladesh should negotiate a trade agreement with China. As part of the agreement, China can consider Bangladesh as a regional manufacturing hub to supply to other markets,

The Chinese consumers are focusing more on high-quality products. Bangladesh should develop a long-term strategy for export promotion to Chinese as China will soon emerge the world largest retail market.

**“Bangladesh exported to China worth US\$680 million in fiscal 2021 while Bangladesh imports worth around \$13 billion from China each year. Bangladesh's potential exports to China should be at least \$3 billion. China is leading in science and technology. It imports products from different countries every year worth around \$2.7 trillion dollars. So, it has a huge market. The relationship between Bangladesh and China is well in trade and investment. However, with our LDC graduation in 2026, our duty-free benefits will end.”**

BCCCI Acting Secretary General Al Mamun Mridha said a special relation has been existing between Bangladesh and China for long. The trade gap should be reduced. Bangladesh can take the opportunities through product value addition. Shipping cost should be reduced to facilitate trade. He also urged Chinese investors to invest more in Bangladesh's potential sectors like e-commerce and agriculture.



*(Guests, BCCCI Board of Directors and Participants in the Seminar)*

Vice Chairman of Export Promotion Bureau (EPB) AHM Ahsan said they scrutinise the matters how to increase Bangladesh's export volume. "Our main exportable item is RMG. Our export growth is low in Chinese market despite obtaining more tariff facilities there. We have to work as per the demand of Chinese market," he added. Despite getting almost 98 per cent duty-free market access in China, Bangladesh can't take the opportunities properly due to lack of aggressive export promoting activities, building a solid B2B linkage, establishing a local presence, and participating in online sales.

Experts suggested signing a trade agreement to boost Chinese investment-backed export expansion, and focusing on diversified and quality products. The observations which came up at the seminar on 'Making the Most of Market Access in China: What Needs to be Done?' jointly organized by Bangladesh China Chamber of Commerce and Industry (BCCCI) and Research and Policy Integration for Development (RAPID) on 8 June 2022 at Pan Pacific Sonargaon in Dhaka.

Speaking at the event, H.E. the Ambassador of China to Dhaka Li Jiming hoped that Bangladesh would be member of Regional Comprehensive Economic Partnership (RCEP) soon which will help Bangladesh to promote export and welfare by trade and investment facilitation. "Chinese commercial bank can be set up in Bangladesh for financial cooperation and enhancing trade relationship between China and Bangladesh," he also said.

Presenting the key-note paper, RAPID Chairman Dr. Mohammad Abdur Razzaque said despite obtaining zero-tariff market access facility to most products, Bangladesh's exports to China remain rather modest. There are estimates to suggest that Bangladesh's potential exports to China should be at least \$3 billion. However, since 2021, China has provided Bangladesh duty-free market access in almost 98 per cent of tariff lines. Prior to that, Bangladesh used to get similar market access in 61 per cent of Chinese tariff lines.

Commerce Minister Tipu Munshi, Vice Chairman of Export Promotion Bureau (EPB) A.H.M. Ahsan, and BCCCI Acting Secretary General Al Mamun Mridha spoke in the seminar while RAPID Executive Director and also Dhaka University professor Dr. M Abu Eusuf moderated the function and BCCCI president Gazi Golam Murtoza chaired the function.





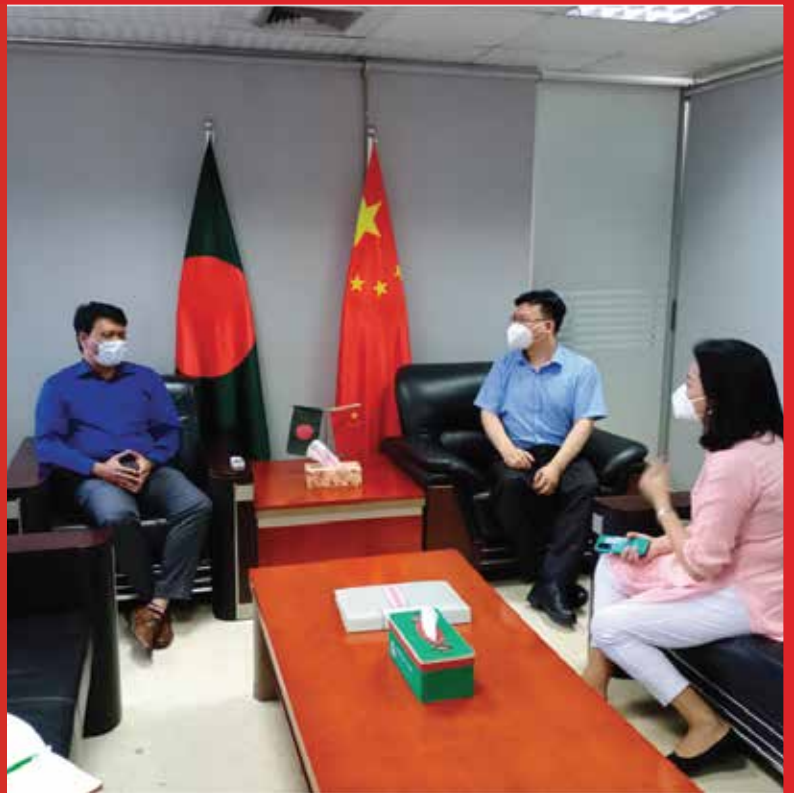
## Bangladesh China Chamber of Commerce & Industry (BCCCI) and Research and Policy Integration for Development (RAPID) signed a MoU for Research Collaboration

On 6 April 2022 at BCCCI office premises BCCCI and RAPID signed a Memorandum of Understanding (MOU) to promote mutual collaboration between the two organizations in different aspects to foster timely and action-oriented research, evidence-based policy advocacy, and awareness building to promote Bangladesh-China trade and economic cooperation to boost the development process in Bangladesh while benefiting the private sector.

Specifically, both the parties have agreed to collaborate on promotion of joint research, publications, hosting of seminars, conferences and symposia on relevant and contemporary issues; and, the extension of mutual support to the Programme of Bangladesh-China bilateral trade and investment issue.

On behalf of BCCCI the Acting Secretary General Mr. Al Mamun Mridha signed the MoU, which was reciprocated by the Executive Director of RAPID, Dr. Mohammed Abu Eusuf on behalf of RAPID in the presence of Dr. Abdur Razzaque, the Chairman of RAPID. Mr. Badrul Alam Khan, Vice President, Ms. Meherun Nessa Islam, Director and Mr. Syed Aminul Kabir, Director of BCCCI were present in the occasion.

**Mr. Liwen Yue Honorable Cultural Counsellor & Ms. Lang Lang Second Secretary of the China Embassy in Bangladesh paid a courtesy visit to BCCCI office on 25 April 2022 to sharing their views and in-depth perception of potential augmentation in cultural and educational exchange programs between Bangladesh and China. Mr. Al Mamun Mridha, Honorable Acting Secretary General of BCCCI underscored the need to set up a China Corner at BCCCI Office so that the visitors can gather the knowledge of various Chinese trade, cultural and educational attributes of China at a glance.**



## BCCCI and BIDA to work together for enhancing Chinese investment



*MOU between BIDA and BCCCI being signed by the Executive Member of BIDA Mr. Avijit Chowdhury and BCCCI Acting Secretary General Mr. Al Mamun Mridha*

A MoU was signed between Bangladesh China Chamber of Commerce & Industry (BCCCI) and Bangladesh Investment Development Authority (BIDA) in a signing ceremony held at BIDA Conference Hall, chaired by Mr. Md. Sirajul Islam, the Honorable Chairman of BIDA. The MoU, aimed to enhance Chinese investment in Bangladesh, was signed between Mr. Avijit Chowdhury, the Executive Member of BIDA and Mr. Al Mamun Mridha, the Acting Secretary General of BCCCI on behalf of their respective organizations.

The MoU signed between Bangladesh China Chamber of Commerce & Industry (BCCCI) and Bangladesh Investment Development Authority (BIDA) will remain as a historic occasion in that it was the first such Memorandum of Understanding BIDA has ever signed with any bilateral Chamber of Commerce & Industry, said BIDA Executive Chairman Md. Sirazul Islam.

Mr. Al Mamun Mridha, the Acting Secretary General of BCCCI in his speech noted that this day in particular is a day of great rejoice for BCCCI as from today we would work more close together as investment partners, which would focus on private Chinese investment in Bangladesh. He said, Chinese investment keeps on the increase and all the 700 members of BCCCI are working for attaining this objective. The meeting was attended by high officials of both BIDA and BCCCI, including the BCCCI Honorable President Mr Gazi Golam Murtoza, Sr. Vice President of BCCCI Brig. Gen. Shah Md. Sultan Uddin Iqbal, BP, ndc,psc (ret'd) and ATM Azizul Akil.





## Certificate Giving Ceremony of Bangladesh Lion and Dragon Dance Sports Association (BLDDSA)

The Certificate Giving Ceremony of Bangladesh Lion and Dragon Dance Sports Association (BLDDSA) was held on 17 March 2022 at 1 Siddeswary Lane, Dhaka jointly organized by BLDDSA, Embassy of the People's Republic of China in Bangladesh and Bangladesh China Chamber of Commerce & Industry (BCCCI). After successful completion of the lion and dragon dance training, certificates were awarded to the participants. Mr. Yue Liwen, Honorable Cultural Counsellor of the China Embassy in Bangladesh was the chief guest. Mr. Shahjahan Mridh Benu, Honorable Secretary General of BLDDSA, Mr. Al Mamun Mridha, Honorable Joint Secretary of BLDDSA and Mr. Anwarul Rasel, National Coach of Wushu & Lion Dragon were also present at the certificate giving ceremony.







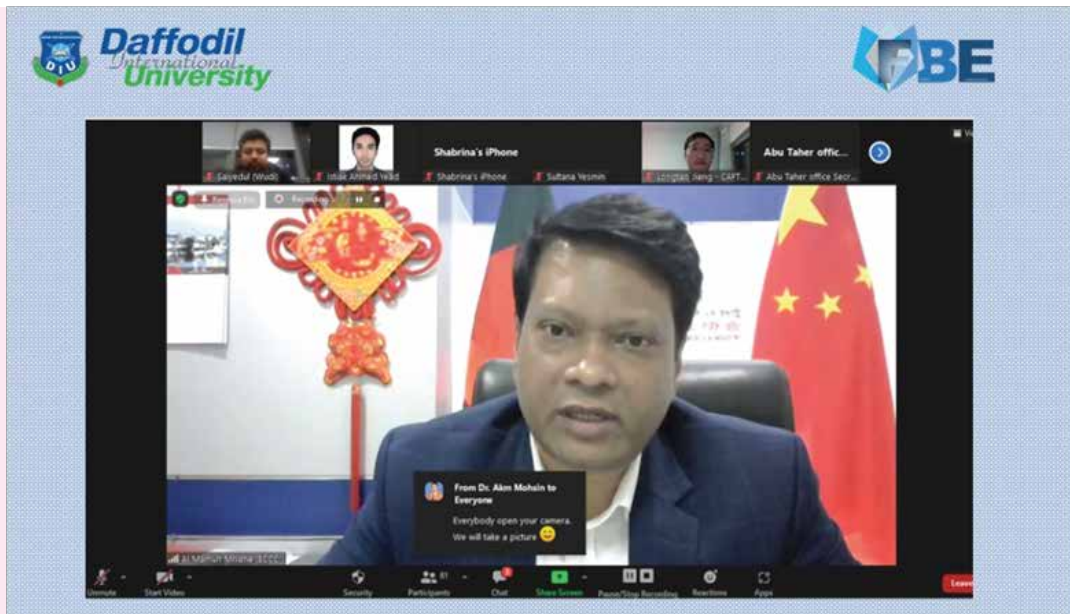
**‘The government is looking for ways to enhance exports to China by removing barriers and providing the requisite support.’**

Mr. Al Mamun Mridha, the acting Secretary General of Bangladesh China Chamber of Commerce & Industry (BCCCI) speaking online discussion and match-making Conference on Sourcing Bangladesh Leather and Leather Products in China organized by Bangladesh Embassy in China, which was co-organized by BCCCI held on 31 May 2022. Mr. Mahbub Uz Zama, Honorable ambassador of Bangladesh to China spoke as the Chief Guest of the prestigious event. In the webinar Bangladeshi Exporters of leather and leather goods have underscored the need for quality enhancement of leather and leather goods and undertake an aggressive marketing strategy to raise exports to China, where a vast market potential lies untapped. The government is looking for ways to enhance exports to China by removing barriers and providing the requisite support. The Conference was attended by the Honorable Vice Chairman of Export Promotion Bureau (EPB), the President of Leather goods & Footwear Manufacturers & Exporters Association of Bangladesh (LFMEAB), participants from various leading Bangladeshi and Chinese organizations and companies belonging to the same sector and other dignitaries.

The Conference recommended, among other issues, for lowering value-addition requirements from 40% now to 25% by deriving more benefits from the duty-free facilities given by China, rationalizing tax regime (because despite duty-free facility, after export, China has to pay 15% VAT, provincial tax and the total tax comes 26% to 30%), appointing dealers in China and aggressive marketing in China in Chinese language and for setting up outlets for high quality leather goods and footwear brands of Bangladesh in China.

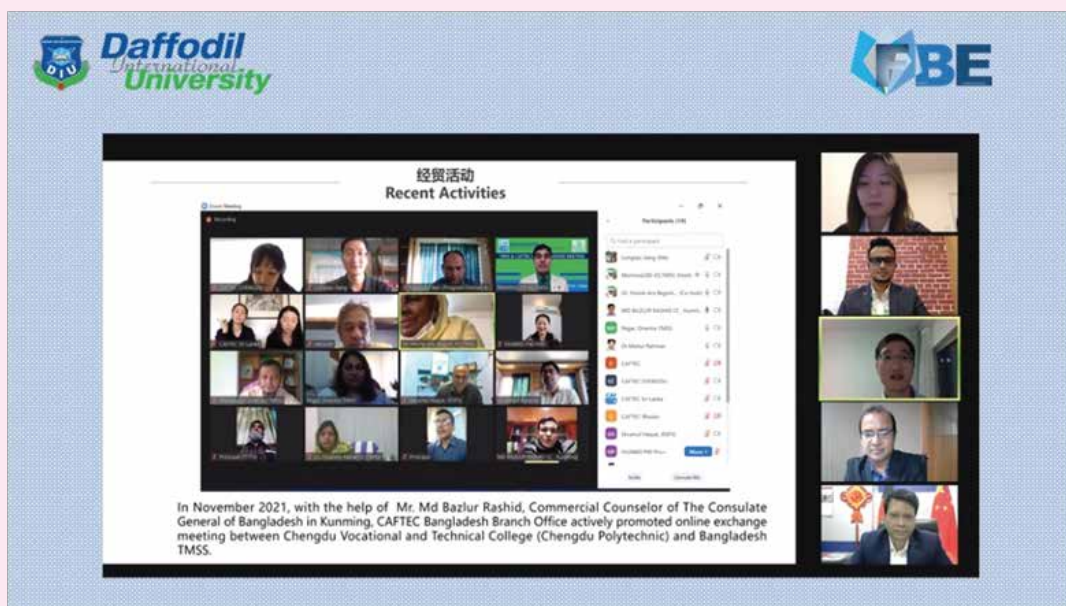
**‘The Conference recommended, among other issues, for lowering value-addition requirements from 40% now to 25%’**





## “China-Bangladesh Trade Relations: A Search for New Opportunities under the Belt and Road Initiative”

The first organization of its kind in Bangladesh dedicated to understanding the BRI, The Daffodil International University Belt & Road Research Center (DIUBRRC) hosted a webinar on 28 February 2022 to discuss what opportunities might arise for Bangladesh under the **Belt & Road Initiative**. Mr. Al Mamun Mridha, the Honorable Joint Secretary General of BCCCI attended as a special guest and outlined the strength of our bilateral ties with China. He said “We look forward to working with DBRRC in the future and wish them success.”





## BCCCI signs MoU with BIAC to resolve commercial disputes



A Memorandum of Understanding (MoU) was concluded on Wednesday, 10 August 2022 at a simple ceremony between Bangladesh International Arbitration Centre (BIAC) and Bangladesh China Chamber of Commerce and Industry (BCCCI) at BIAC Secretariat in Dhaka. The MoU was signed by the Chief Executive Officer of BIAC, Kaiser A. Chowdhury and the Acting Secretary General of BCCCI, Al Mamun Mridha on behalf of their respective organisations.

Under the terms of the MoU, BCCCI will recommend BIAC as a forum for Arbitration and Mediation to its members for resolving any dispute arising out of trade, commerce and investment made in Bangladesh and/or in China as well as contractual and other related matters. BIAC, under its own Rules of Arbitration and Mediation, will assist in the resolution of commercial disputes outside the courts. Moreover, Members of BCCCI would be in a position to avail the benefit of International Standard ADR mechanisms through BIAC. Further, the MoU will enable the Parties to exchange information and publications of mutual interest in the field of ADR and organise Seminars, Webinars, Conferences, Awareness and Training programmes on Mediation, Arbitration and other methods of ADR.

Senior Vice President, ATM Azizul Akil David, Director, Meherun Nessa Islam, Office Secretary, Md. Abu Taher from BCCCI and Mahbuba Rahman, General Manager, Priyanka Roy, Assistant Counsel and Khushnuma Khan, Intern from BIAC were also present in the signing ceremony.



**Vision of BCCCI**

Accelerate the economic momentum of Bangladesh through harnessing the huge Chinese market and investment potentialities through trade and economic cooperation.

**Mission Statement of BCCCI**

With the valuable expertise of the honorable members from different business fields from both the countries, BCCCI is committed to provide assistance and facilitation to the business community of Bangladesh and China at every possible step of promoting trade and investment for economic prosperity of both the countries.

**Aims & Objectives**

1. To promote and protect the trade, commerce, mercantile & industrial relations between Bangladesh & China
2. To foster a spirit of co-operation among all members so that they may work together for the development of economic, business, commercial, industrial and financial ties between Bangladesh and China.
3. To render to government or other authorities including media about such assistance, information and advisory services with an aim to enable them to promote commerce, trade and industry.
4. To watch over and protect the general commercial interests of all members.
5. To collect and circulate to members of the Chamber statistics and other information relating to trade, commerce, industry and manufactures.
6. To develop commercial activities and economic co-operation between Bangladesh and China.
7. To promote business, trade, commerce, science, industry, service and technology of Bangladesh and China.
8. To promote educational and cultural bondage in all spheres and development of export and import business between Bangladesh and China.
9. To develop congenial atmosphere for further growth and development of China and Bangladesh.
10. To assist members to explore new business areas and establish joint venture business between China and Bangladesh.
11. To exchange ideas with government and other trade bodies.
12. To maintain liaison with the Federation of Bangladesh Chamber of Commerce and industry.
13. To exchange delegations and business information between Bangladesh and China on commerce, trade and industries at govt. level and people's level.
14. To hold seminars, symposium, trade fair, trade exhibition, for the promotion of trade and commerce between Bangladesh and China.
15. To set up multistoried buildings for marketing Bangladesh products in Dhaka, Chittagong, Rajshahi, Khulna, Sylhet, Rangpur step by step.
16. To exchange delegations between Chambers of Commerce, Trade & Industries of different organizations of Bangladesh and China.
17. To promote Direct Foreign Investment in different business sectors in Bangladesh and China through exchange of foreign investors exchange program.
18. To organize a trade fairs of Chinese products primarily in Dhaka and Chittagong every year.
19. To organize a trade fairs of Bangladesh products in Beijing, Shanghai, Guangzhou or other cities of China every year.
20. To try to solve all disputes between Bangladeshi and Chinese companies through friendly constant exchange of views, negotiations and mutual understanding.

**Merits of BCCCI Membership****1. Special Benefits:**

- 1 Trade Fair: BCCCI members will get the opportunity to participate in Trade Fairs organized by BCCCI (both in Bangladesh and in China) at a discounted rate.
- 2 Seminars/workshops: BCCCI members will get the priority to join the Seminars/workshops organized by BCCCI at special rate along with other facilities.
- 3 Information Services: BCCCI members will be provided with important business information services.



**4 Export/Import Benefits:**

- \* For Bangladeshi Exporters, BCCCI provides related information about Chinese importers and necessary market information of China.
- \* For Bangladeshi importers, BCCCI provides related Information about Chinese Exports.

**5 Investment Benefits:**

- \* For interested companies who are looking for a joint Venture with Chinese Company, BCCCI will provide all possible relevant information on potential Chinese investors.
- \* For companies who are interested to invest, relocate or FDI in Bangladesh, BCCCI will provide information about Bangladeshi investment climate and Investment procedure.

**4. Communication Benefits:**

- With the support of BCCCI, the Members will be assisted in meeting with the Embassy of China in Bangladesh.
- \* BCCCI will assist its members visit to China for business purpose.
  - \* Through BCCCI, Members will get the opportunity of closer interaction with other Chinese Chambers as well as Bangladeshi Chambers for business purpose.

**Eligibility of BCCCI Membership:****1. General Members:**

Open to any firm/company/organization/institution which has Bangladeshi or Chinese registration/incorporation and is presently engaged in business / manufacturing/other activities involving these two countries.

The Board may invite any distinguished and reputed person to become Honorary Member of BCCCI.

Membership Fees for General Members

Entry Fee Tk. 35,000/- (Thirty Five Thousand Taka)

Annual Fee Tk. 20,000/- (Twenty Thousand Taka)

**Membership Procedure:**

- \* Interested Business persons/companies /organizations can collect Membership Application Form from the BCCCI office/website: [bccci-bd.org](http://bccci-bd.org) and submit the same along with required membership fee (Tk.35,000/- as entry fee).
- \* Interested Business Persons/companies/organizations have to submit the following supporting documents (if applicable) along with the application for General Membership:
  - \* Passport size photo
  - \* Visiting card
  - \* Copy of Trade License
  - \* Copy of Certificate of Incorporation
  - \* Copy of TIN
  - \* Copy of Banker's Certificate
  - \* Copy of the Memorandum and Articles of Association, duly signed by all the Subscribers (if the company is a Limited Company)
  - \* Name of the Partners and Photocopy of Partnership Deed/ Certificate of Registration duly signed by all the partners (if the company is a Partnership Company)
  - \* The application should be proposed & supported with seal and signature of two existing members of the BCCCI.
  - \* The membership is subject to approval by the Board of Directors of BCCCI.

**Ongoing Activities**

- \* To organize Bangladesh Trade Fair in China for promoting bilateral trade and investment.
- \* To send Trade and Investment Delegation from Bangladesh to China and to organize Bangladesh Investment Seminar/Business Forum over there to encourage more Chinese Investment and widening tradelinks in Bangladesh.
- \* To continue the membership drive.



বাংলাদেশ চায়না চেম্বার অব কমার্স এন্ড ইন্ডাস্ট্রি  
**孟中商业工业协会**  
BANGLADESH CHINA CHAMBER OF COMMERCE & INDUSTRY

Eunoos Center, 12th Floor,  
52-53 Dilkusha C/A, Motijheel,  
Dhaka-1000, Bangladesh.

Mobile: 01710520242

E-Mail: [info@bccci-bd.org](mailto:info@bccci-bd.org)

[bccci2015@gmail.com](mailto:bccci2015@gmail.com)

Website: [bccci-bd.org](http://bccci-bd.org)

# Lumbini Limited

(A Hundred Percent Export Oriented Sweater Factory)

Committed to the welfare of the People of Chattogram Hill Tracts

## **Factory:**

Lumbini Limited  
Meghla, Bandarban  
Bandarban Hill District

## **Head Office:**

House-130, Road-5, Mohakhali New DOHS  
Mohakhali, Dhaka-1226  
Phone: 01730026554



# nazabi

www.nazabigroup.com



## Products

Automobile  
Vehicle RE-Building Engineering  
Packing & Processing & Distribution  
Interior - Exterior Solution  
Specialized Vehicles  
EEE  
IT Solution  
Life-Style  
Specialized Machines  
Electric Vehicle Solution  
Construction, Container House  
& Civil Engineering

## ABOUT NAZABI

Nazabi Group is a combination of industry, industrial solutions and import-export business. Nazabi is a top known importer and wholesaler company in BANGLADESH. We specialize in products area automobile spare parts, specialized vehicles, electronics, lifestyle products and IT solutions.

Our achievements in the Primary and secondary market for brand goods and collaboration in BANGLADESH have made us the most trusted name in the business. Our unique solution and service among the roles we fulfill are import, wholesaling, manufacturing, semi-assembling and distribution with after sales service and warranty. NAZABI has significant key strengths that makes the difference for our clients to crack the market demand. NAZABI has wide experience in business nationally and internationally with capacity of R&D facility. Nazabi has core focus on automobile and electrical-electronics sector for long 9 years.

Eventually Nazabi has extended its area in vehicle engineering, modification, spare parts, tools, re-building engineering, electric vehicle development solution, electronics, solar solution, construction materials, IT products and lifestyle products as well.

NAZABI has long experience of work with many international brands from USA, CHINA & India. In gist Nazabi has proved its capacity in above sector with the name of trust and confidence.

We've started our journey from 2011 which was renamed as NAZABI from 2015 and it has many experience with domestic reputed companies and MNCs. Nazabi team has vast experience on international & domestic market as well. It is serving very well to Bangladesh domestic market as well to international business.



## Services

It Service  
Communications  
Clearing & Forwarding  
Electrical & Mechanical Engineering Services  
Consultancy Manufacturing & Assembly Plant



www.nazabigroup.com

43, Sher-E-Bangla Road, Hazaribagh, Dhaka-1209   
+88 02-44612182 Cell: 01819-864534, 01841-615168   
info@nazabiindustries.com, Sales@nazabiindustries.com