In order to enhance trade, Bangladesh has associated with some Regional Trade Agreements as follows:

[**Asia Pacific Trade Agreement (APTA)**](http://mincom.portal.gov.bd/site/page/709d0594-53a0-4e27-b016-0162b3e3741f)

The Bangkok Agreement was established in 1975. Member countries are Bangladesh, India, Sri Lanka, China, the Republic of Korea and Lao People's Democratic Republic. The Bangkok Agreement has recently been revised and renamed as the Asia Pacific Trade Agreement (APTA). The APTA has come into force from 1 July 2006. The APTA contains consolidated list of tariff concessions granted by member countries to each other. Under this agreement, China has provided 100% tariff concessions to 83 items of Bangladesh at 8-digit level and Republic of Korea has provided 100% tariff concessions to 139 items at 10-digit level.

3rd round of trade negotiations under this preferential trading bloc was completed in 2006. The 4th round of preferential tariff negotiations has been kicked off according to the decision of the 2nd Ministerial Council held in Goa, India on 26 October 2007. In the 4th round tariff negotiations member countries negotiating on exchange on tariff concessions, Trade Facilitation, Trade in Services, Investment and Rules of Origin. Bangladesh is participating to the working groups on the framework agreements on Trade Facilitation, Trade in Services, Investment and Rules of Origin.

During the preferential tariff negotiations, Bangladesh had bilateral meetings with China, South Korea and Lao PDR. Bangladesh delivered the request list on tariff concession to Lao PDR but Lao PDR did not give any request list to Bangladesh. China offered tariff concessions at 50% on 1058 tariff lines, which they indicated will be applicable to all countries. In this offer list, no special concessions were made to LDCs. Bangladesh handed over its initial offer list to China reserving the right to alter /modify it if need be. The offer list of Bangladesh covered 78 products with margin of preference ranging from 30% to 70%. The Republic of Korea was not ready to exchange the offer list and hence Bangladesh did not handed over the offer list to Korea. It was agreed that Bangladesh and South Korea will exchange their offer lists before the thirty-second session of the Committee. Regarding the exchange of request lists between the Bangladesh, India and Sri Lanka, it was agreed in 30th session that since Bangladesh, India and Sri Lanka have been reducing the tariffs under SAFTA, there would be no necessary to exchange the tariff concessions among these three countries under the APTA.

Under the 4th round of preferential tariff negotiations six meetings were held. 34th Session of APTA will be held in Bangkok on 31October-01 November 2009. It is mentionable that APTA ministerial council is expected to be held on 15 December 2009 at Seoul.

**BIMSTEC Trade Negotiating Committee (TNC) meeting**

The BIMSTEC Framework Agreement was signed in June 1997 and Agreement on FTA concluded in February 2004. Member countries are Bangladesh, India, Myanmar, Sri Lanka, Thailand, Nepal and Bhutan. Under the Agreement, in case of First Track products, non-LDCs will open up their markets for the products of LDCs in 1 year and LDCs will do the same for non-LDCs in 5 years. On the other hand, for Normal Track products, non-LDCs will open up their market for the products of LDCs in 3 years and the LDCs will follow 10 year schedule in order to open up their markets for the products of non-LDCs. Least Developed Member Countries of BIMSTEC FTA will enjoy special and differential treatment.

A BIMSTEC Trade Negotiating Committee (TNC) has been constituted to conduct negotiations on trade in goods, trade in services and investment. The Committee has undertaken negotiations on trade in goods, trade in services and investment. The BIMSTEC FTA on trade in goods was scheduled to enter into force from 1 July 2006. Negotiations on trade in goods are yet to be completed due to divergence in opinion. It has already held 18 meetings. The 19th meeting of BIMSTEC Trade Negotiating Committee (TNC) is expected to be held in India 17-19 November 2009.

**SAARC Preferential Trading Arrangement (SAPTA)**

To promote and sustain mutual trade and the economic cooperation among the SAARC countries through exchanging concessions on trade measures SAARC Preferential Trading Arrangement (SAPTA) was signed in 11th April 1993 and operationalized in December 1995 to give limited preferential market access to exports of member countries. Since 1995 there were four rounds of negotiation for tariff concessions, the last of which was completed in December 2002. Negotiations were confined solely to the issue of tariff cuts. The issue of para-tariff and non-tariff measures was left out altogether. The member countries of the Agreement are Bangladesh, Bhutan, Maldives, India, Pakistan, Nepal and Sri Lanka. The basic principle of SAPTA was:

* SAPTA shall be based on the principle of overall reciprocity and mutuality of advantages in such a way as to benefit equitably all contracting states taking into account their respective levels of economic and industrial development, the pattern of their external trade, trade and tariff policies.
* SAPTA shall be negotiated step by step, improved and extended in successive stages with periodic review.
* The least developed contracting states shall favourable preferential treatment.
* SAPTA shall include all products, manufactures and commodities.

Negotiations were conducted on product-by-product basis (positive list approach). Concessions offered in the first SAPTA round were very modest. Only 226 products at HS 6-digit level were conceded in that round but the number of products offered concession accelerated in the second and the third rounds. At the end of the fourth round, a total of 6243 tariff line concessions were exchanged, of which 3942 were exclusively for the four LDCs - Bangladesh, Bhutan, Maldives and Nepal, as against 2301 for non-LDC members. The LDCs thus received relatively more favourable treatment in the exchange of tariff concessions. The depth of tariff concession offered to LDC members ranged between 5 and 100 percent. Tariff cuts offered by India were the deepest, varying between 25-100 percent.

The SAPTA rules of origin require non-LDC members to input at least 40 percent local material content. LDC members are required to input at least 30 percent.

[**The Agreement on South Asian Free Trade Area (SAFTA)**](http://mincom.portal.gov.bd/site/page/3772faa3-3036-49f8-a686-dff20c586424)

The Agreement on South Asian Free Trade Area (SAFTA) was signed on 6 January 2004 in Islamabad. SAFTA has entered into force from 1st January 2006 after completion of national ratification by all member countries. Tariff reduction under SAFTA has started from 1 July 2006. The member countries of the Agreement are Afghanistan, Bangladesh, Bhutan, Maldives, India, Pakistan, Nepal and Sri Lanka.

All member countries maintain a sensitive list. Products appearing in the sensitive lists will not enjoy tariff concessions. The sensitive lists of Bangladesh contain 1254 items for Non-LDCs and 1249 items for LDCs. The sensitive list of India contains 868 items for Non-LDCs and 480 items for LDCs; the list of Pakistan contains 1169 items, the list of Sri Lanka 1065 items, the list of Nepal 1299 items, the list of Maldives 671 items, the list of Afghanistan 1072 and the list of Bhutan 157 items.

Pakistan, India and Sri Lanka will bring down their tariff to 0-5 % for LDCs in 3 years. Such tariff reduction will be done by LDCs in 10 years. Tariff reduction (0-5%) will be accorded to those items which do not appear in the sensitive lists.

The general criterion of SAFTA Rules of Origin is CTH (Change of Tariff Heading) + 40% value addition for Non-LDCs and CTH + 30% value addition for LDCs. There is also a product specific rule for 191 items where general criterion does not apply. Under regional cumulation rules of SAFTA, there is the provision of value addition criterion only. In this case, the regional value addition is 50%, of which 20% has to be in the final exporting country.

India has provided to LDCs duty free market access to all products under SAFTA (excepting the products retained in their sensitive list) which has come into effect from 1 January 2008. Recently India has offered duty free tariff preferences (DFTP) scheme for all 50 LDCs. Bangladesh is considering the proposal of signing the letter of intent. Bangladesh may thank India for providing duty free access of 8 (eight) million pieces of apparel articles in one calendar year covered under the SAFTA Sensitive List of India without any conditionalities of sourcing of fabrics or port restrictions under a Memorandum of Understanding Signed between The Government of the People's Republic of Bangladesh & The Government of Republic of India on 16 September 2007.

India, Pakistan and Sri Lanka will extend technical assistance to LDC members for development of trade-related capacity. The technical assistance will be in the forms of training, study, seminar, workshop, export promotion projects, product development, trade policy formulation, etc.

3rd SAFTA COE and 3rd SAFTA Ministerial Council meeting was held in New Delhi on 1-2 and 3 March 2008 respectively. Bangladesh delegation took part in the SAFTA COE meeting and honourable advisor for commerce attended the ministerial council meeting. Bangladesh position was firmed up through an inter-ministerial meeting held on 18 February 2008 under the chairmanship of Secretary Ministry of Commerce.

* Protocol of accession of Islamic Republic of Afghanistan to Agreement on South Asian Free Trade Area was signed during the 15th SAARC Summit held in Colombo on 2-3 August 2008 and a summary was sent to the cabinet committee on 15.10.08 for post facto approval and ratification of the protocol. The cabinet committee approved the approval and ratification proposal of the protocol on 26 October 2008 and this decision has been communicated to Ministry of Foreign affairs for onward transmission to SAARC Secretariat.
* The 5th SAFTA COE and 4th Expert Group meeting on SAARC Framework Agreement on Trade in Services (SAFAS) followed by SAFTA Ministerial council will be held in Nepal on 24-28 October 2009.

**SAARC Framework Agreement on Trade in Services (SAFAS)**

The south Asian trading bloc SAFTA has attempted to expand its coverage through inclusion of trade in services in to the agreement. As per decision of the 13th SAARC Summit held in Dhaka in 2005 &14th SAARC Summit held in New Delhi in 2007 and SAFTA Ministerial Council a regional Study on Potential for Trade in Services under SAFTA Agreement was conducted by the Research and Information System for Developing Countries (RIS), India with the inputs from National experts of each SAARC countries. The Study report was submitted at the Third meeting of the SAFTA Ministerial Council held in March 2008, which requested the RIS to draft an Agreement on Trade in Service under SAARC and established an Expert Group on Trade in Service.

The RIS submitted the Draft Agreement in August 2008 and the Expert Group held its first meeting in November 2008. In the draft Agreement on Trade in Service contains Preamble and 33 Articles. Most of the Articles are similar to GATS Agreement. So far, two rounds of negotiations were concluded. The First Meeting of the Expert Group on SAARC Framework Agreement on Trade in Services was held at the SAARC Secretariat, Kathmandu, Nepal on 6-7 November 2008 and second meeting was held at the same venue on 20-21 January 2009. The next Meeting of the Expert Group on SAARC Framework Agreement on Trade in Services will be held on 24-25 October 2009 at the SAARC Secretariat, Kathmandu, Nepal.

**Bilateral FTA with India, Pakistan and Sri Lanka**

An inter-ministerial meeting was held to firm up Bangladesh's position regarding bilateral FTA with India, Pakistan and Sri Lanka under the chairmanship of honourable Commerce adviser in August 2008. Along with other decisions, it was decided that a Core group will be formed headed by CEO of BFTI Dr. Mohammad Ali Taslim with representatives from different relevant stakeholders. The committee has already submitted its report to Secretary, MoC recently.

**Standing Committee for Economic and Trade Cooperation (COMCEC)**

* Bangladesh along with fifty seven (57) countries is the members of OIC.
* Standing Committee for Economic and Trade Cooperation (COMCEC) was established in pursuant to the resolution adopted by the 3rd Islamic Summit Conference held in Makkah, the Kingdom of Saudi Arabia in January 1981.
* The committee was given the mandate to follow up the implementation of Islamic resolution in the economic and trade fields, explore possible means of strengthening cooperation between Islamic countries, and prepare programmes and proposals for improving capacities of Islamic states'.
* COMCEC was established to expand intra-OIC trade. In this direction, Framework Agreement on Trade Preferential System among the OIC Member Countries (TPS-OIC) was finalized in 1990. Bangladesh signed the Agreement in 1997 and ratified it in 2004.

**Trade Preferential System Among the OIC Members (TPS-OIC)**

* TPS-OIC launched First Round on Trade Negotiations under TPS-OIC in April 2003.
* First Round was concluded in November 2005 with finalization of a protocol on Preferential Tariff Schemes for TPS-OIC (PRETAS). Bangladesh signed TPS-OIC (PRETAS) on 26th November 2006.
* The Ratification Process of the TPS-OIC (PRETAS) is in Progress.
* Presently COMCEC is working on Trade Preferential Scheme which is known as TPS-OIC.

**Preferential Trade Agreement (PTA) among D-8 Countries (D-8)**

* D-8, also known as Developing-8, is an arrangement for development cooperation among the member countries: Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey.
* D-8 was officially established by the Summit of Heads of State/Government in Istanbul on June 15, 1997 (Istanbul Declaration). The objectives of D-8 are to improve positions of the developing countries' in the world economy, diversify and create new opportunities in trade.
* Bangladesh signed Preferential Trade Agreement (PTA) Among D-8 Countries in 2006.
* Presently Rules of Origin (RoO) of D-8 PTA and its Operational Certification Procedures (OCP) negotiations are in progress. Bangladesh has submitted its product list for D-8 PTA to the Secretary General of D-8 Countries.
* Bangladesh is negotiating for special and differential treatment as Least Developed Country (LDC) under this agreement.

**Bangladesh Foreign Trade Institute (BFTI)**

* Bangladesh Foreign Trade Institute (BFTI) was set up as a national trade policy think tank with pubic - private partnership in May 2003. The objective is to professionalize foreign trade management and promote exports by generating, analyzing and disseminating data, and conducting training and research.
* BFTI is an independent, research-led, non-political and not-for-profit institution. The Board of Directors is comprised of the public and the private sector institutes. Hon’ble Minister of Commerce is the Chairman of the Board of Directors.
* The Institute is working as a think tank providing research support to the Government and Private Sector on International Trade issues for the Negotiation on bilateral, regional and multilateral trade. Activities shall also encompass in providing training to public as well as private sector officials, Businessmen and professionals. It also provides information and advice to Ministry of Commerce on WTO Agreements and formulation of trade policy.
* At the onset Ministry of Commerce put in 2.3 crore taka as an endowment fund and the private sector bodies e.g. FBCCI, BGMEA contributed 95 lakh taka to the fund.

**International Trade Centre (ITC)**

* ITC focuses on issues that influence the international competitiveness of developing and transition economies.
* The objective is to contribute to effective decision making on export development strategy.
* ITC provides Technical Assistance Bangladesh and other developing countries.

**United Nations Conference on Trade and Development (UNCTAD)**

* The mandate of UNCTAD is to help the developing countries on the trade related issues. UNCTAD cooperation is focused on capacity building.
* It organizes training courses for the trade negotiators and academia to enhance knowledge about international trade policy and WTO agreements. 12th session of UNCTAD was held in Accra, Ghana 20-25 April, 2008.

**United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)**

* UNESCAP is the regional UN organization in Asia and the Pacific operates in trade and investment with the purpose to promote regional economic cooperation.
* It is carried out through a combination of multi-stakeholder and government-to-government policy dialogues, research and analysis, advisory services and training.
* Bangladesh would benefit from capacity building services in the development areas of UNESCAP, such as, Poverty Reduction, Environment and sustainable development and Information and Communication.

**Canadian International Development Agency (CIDA)**

* Ministry of Commerce signed a protocol with CIDA titled “MOC-CIDA Trade Related Technical Assistance” in 2004.
* Under this agreement CIDA provides equipment, website for the ministry. CIDA also provided training to the officials of MOC on trade negotiation and trade related issues.

**European Commission (EC)**

* Commercial Cooperation Agreement between EC and Bangladesh was signed on May, 2000 and Bangladesh -EC Joint Commission (JEC) was formed under article 12 of the agreement. Bangladesh has excellent bilateral trade relationship with EU member countries. Our total export to EU countries is increasing significantly over the years.
* EC supported Bangladesh in the areas of Trade Capacity Development. The projects funded by EC are: (a) Bangladesh Trade Support Programme (7.8 million Euros), (b) Small Project Facilities (SMF) (3 million Euros). (c) Quality Support Programme (10 million Euros).
* EC is supported Bangladesh Trade Policy Support Programme which is expected to commence from in 1 July 2009. The project components are: component-1: Ministry of Commerce, component-2: Bangladesh Foreign Trade Institute, component-3: Export Promotion Bureau.