BIDS-REF Study Series No.19-05

NEW AVENUES FOR EXPORT DIVERSIFICATION: A PRODUCT LEVEL ANALYSIS OF SOME SELECTED EXPORTING INDUSTRIES

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Published by

Bangladesh Institute of Development Studies
E-17 Agargaon, Sher-e-Bangla Nagar
GPO Box No.3854, Dhaka-1207

E-mail: publication@bids.org.bd
Fax: 880-2-58160410
Website: www.bids.org.bd

First Published December 2019

Price: Tk. 100.00; US$ 12

This report has been set by Md. Ahshan Ullah Bahar and Pinky Akter, Publication Assistant, BIDS and printed at Panguchi Color Graphics,117 Fakirapool, Dhaka.

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ACRONYMS

BDT	Bangladeshi Taka
BIDS	Bangladesh Institute of Development Studies
GDP	Gross Domestic Product
RCA	Revealed Comparative Advantage
REF	Research Endowment Fund
RMG	Readymade Garment
UK	United Kingdom
US	United States

FOREWORD

Bangladesh's export sector needs to be urgently diversified, away from a narrow base taken up almost entirely by the RMG sector. It is in this background that this study takes a hard look at six promising areas of export to investigate their comparative advantage, including leather, plastics, pharmaceuticals, shipbuilding, food products and bi-cycles.

The analysis was conducted at two stages. At first it tried to identify the industry products that enjoyed comparative advantage, using the Balassa index, at the four-digit level. The second part of the analysis was in terms of identifying the possible export destinations of these particular industries.

The study discusses the options before each of the six industries. It, however, concludes with the view that further work would be necessary at a greater level of disaggregation, in order to take into account the "heterogeneity and intensity of exports," which will serve to pinpoint specific policy areas for intervention.

This is an interesting study that has asked the right questions and paved the way for further research in a vital area that hopefully, other researchers would want to take up in the future. I commend the authors for the study that was funded under the BIDS Research Endowment Fund.

December 2019

Khan Ahmed Sayeed Murshid
Director General

ABSTRACT

Export diversification is crucial for Bangladesh. The need for diversification is acute as the GDP of the country depends heavily on the country's export sector, which in turn depends on the RMG sector. Focusing on six prominent industries, namely leather and leather Goods, plastic, pharmaceuticals, shipbuilding, processed and dry food products from the agro processed industries and bicycle and other non-motorized cycles from the light engineering products, the study tries to throw light on the diversification situation/possibilities and suggest policy recommendations based on two types of analysis. The first analysis is about identifying the industry products with comparative advantage and major export share of the six industries at four-digit level, using Balassa index. The second analysis is about prioritizing the export destinations of these particular industries by identifying the "Important,'' "Lost'' and "Emerging'' markets for each of them.

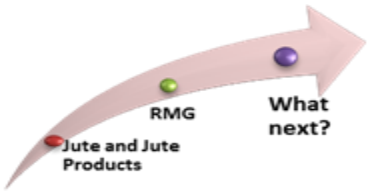
Two major recommendations are made: (a) the comparative advantage analyses of each industry should be conducted at the most disaggregated level, to capture the intra industry heterogeneity within the particular sector, and b) the intensity of exports of a particular industry should be analysed by exploring the pattern of demand of importing countries over time.

The analyses of the findings also suggest that government incentives i.e. cash incentives, duty drawback facilities, etc. should be based on the performance of the particular industry at the most plausible disaggregated level.

CHAPTER 1
INTRODUCTION

Export Diversification attributed to changes in a country's export basket is a very risky strategy that requires new skills, new technologies and new facilities. But, historically, it has proven to be a very useful tool for a country's economic nourishment and development. Countries like Taiwan, South Korea, Malaysia, Thailand, Singapore, China and India[1] have gone through the motions of export diversification in different time periods and have been highly benefitted. This is not an unchartered territory for Bangladesh as the country had experienced diversification in its export sector in the early 1980s when the concentration moved from the then well-established Jute sector to a very new and burgeoning RMG sector. As diversification buffers a particular sector from dramatic fluctuations in any other sector, it can be attributed to be the next stepping stone for expanding the country's export horizon.

Figure: 1.1 Prominent Phases of the Export Sector



1.1 Export Sector of Bangladesh

Bangladesh is the second fastest growing major economy of 2016 with a GDP of $245.20 billion (IMF 2016). Bangladesh has come a long way from earning a gross amount of $810.99 million in 1980 to earning a gross amount of more than $37.61billion in 2015-16. Adaption of export-oriented industrialisation policy in the 1980s played a major role in this overwhelming improvement of GDP within three decades. The last decade also experienced a rapid increment in GDP growth; from 6.4 per cent in 2004 to 7.1 per cent in 2016 and export was one of the prime driving factors of this GDP growth.

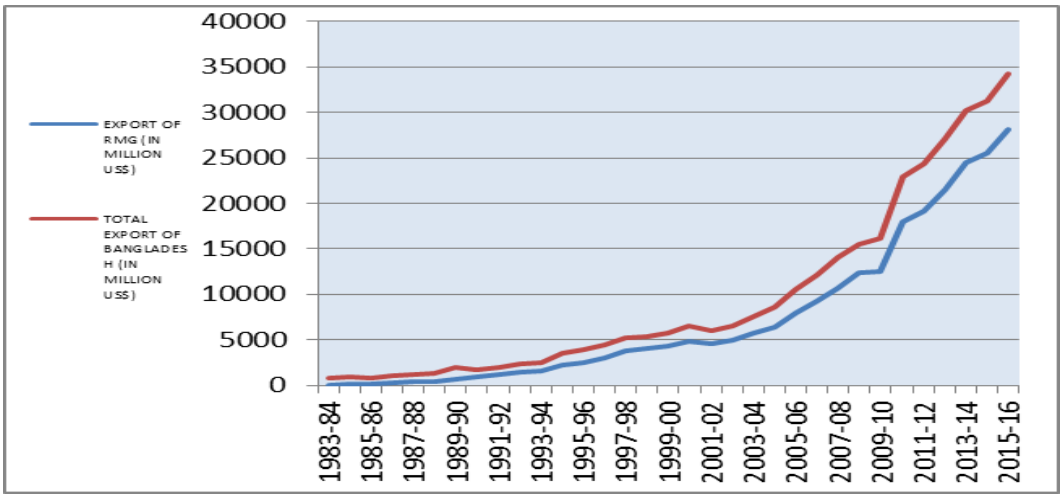
The major export sectors include RMG and textile, raw jute and jute products, leather and leather goods, frozen food, shipbuilding, fish and seafood, and self-sufficient industries like pharmaceutical, steel and food processing, and the major export destinations of Bangladesh include USA, Canada, Germany, UK, France, Spain and Italy. Export sector is composed with high concentration; RMG and textile sector alone contributes to about 82 per cent of the total export earnings of Bangladesh.

The concentration of the economy on the blooming RMG sector has become a crucial concern, as a simple nudge in this sector is likely to bring about a serious upheaval in the entire export arena of Bangladesh. Clearly, this kind of vulnerability is not acceptable in

[1]Taiwan and South Korea in the 1960s and 1970s, Malaysia, Thailand and Singapore in the 1970s, China in the 1980s and India in the 1990s had adopted export diversification strategy.

an export driven economy like Bangladesh. This issue seriously brings our attention to the need for diversification of the exporting commodities. In this regard, it is necessary to identify those exporting products other than the well-established RMG products that are in need of further appreciation.

Figure 1.2: Export of RMG and Total Export of Bangladesh



Source: BGMEA.

Leading Sectors	Thrust Sectors	Specialised Sectors
• RMG & textile (84%), • Leather and leather goods (4.2%), • Frozen food (1.8%), • Raw jute and jute products (2.8%),	• Extra value added RMG and garments accessories • Software and ICT enable services; ICT goods • Plastic goods • Pharmaceutical products • Shipbuilding industry • Shoe and leather goods • Jute products • Agro products and agro processed Goods • Home textile and terry towel • Furniture • Home furnishing • Luggage	• Jute products • Electric and electronic goods • Ceramic • Light engineering (including auto parts and bi-cycle) • Value added frozen meat • Dried bread • Printing and packaging • Uncut diamonds and jewelry • Rubber • Cosmetic and toiletries • Handloom fabrics • Paper and paper products • Coconut pulps • Lungi and other handloom products

Source: Export Policy, 2015-2018.

The government has categorised different export products according to priorities: leading sectors, thrust sectors and specialised sectors. There had been different incentive schemes/programmes provided by the government to these exporting industries. Cash incentives, duty drawbacks and bonded warehouse facilities are the three major incentives. These incentives are provided at different scale across different industries and the rate also changes over time. It is necessary to examine how these incentive packages are facilitating the recipient industries.

The process of export diversification should not only be limited to changing the composition of product basket but also be designed to focus on the diversification on the international demand (composition of top importing countries). In this regard, this study attempts to measure the comparative advantage of six industries: leather and leather goods, pharmaceuticals, plastic, ship building, agro-processing (processed and dry food products), and light engineering (bi-cycle and other cycles). The study also explores the pattern of demand by different importing countries of these six products through identifying the "Consistent", "Lost" and "Emerging" importing countries based on their consecutiveness of imports.

The study is organised as follows. Chapter 1 introduces the authors' intention by discussing the objectives and rationale of the study as well as the methodology. Review of available literature is carried out in chapter 2. While chapter 3 includes the exercise of calculating the comparative advantages of the six industries at disaggregate level (HS code four digit), country wise dissemination of export diversification is discussed in chapter 4. Chapter 5 concludes the discussion with some policy recommendations. This chapters also includes discussion on effectiveness of cash incentives[2] on the selected industries.

Comparative advantage (RCA) of the products (at 4-digit level) of the selected industries from 2001 to 2015 has been calculated by using the formula developed by Bela Balassa (1965).

Data on export earnings have been collected from UN Comtrade. Data on cash incentives have been collected from Foreign Exchange Policy Department of Bangaldesh Bank.

[2]Cash incentives in leather sector had been provided since 2001 and this provision had been irregular for the three other sectors from 2001 to 2015. Pharmaceuticals and plastic industries do not receive any cash incentives. For this, any empirical analysis was not possible due to unavailability of time series data.

CHAPTER 2
LITERATURE REVIEW

There are many literature on export diversification and the facilitation of this imperative and crucial notion. Researchers and policymakers all emphasize on the importance of diversification of export for the economic growth of a country, and so there has been a great interest in analysing the importance, facilitation and barriers of export diversification in recent years.

Akbar and Naqbi (2000) showed that the circulation of diversification in Pakistan from 1973 to 1998 has gone through several motions with being at its peak in the significant period, from 1979 to 1985 when the country's true comparative advantage was evident for some products. It was found that in this period the country moved from low value added and labour intensive primary products to high value added products. The role of import in the growth-export relationship was also found to be nonexistent.

Agosin (2009) investigated that the countries that have a diversified export basket have tend to achieve higher export growth in comparison to the countries that have a limited number of traditional export products. The study investigated the growth experience of some East Asian, Latin American and Caribbean countries, such as Republic of Korea, Taiwan, Province of China, Mauritius, Finland, China and Chile, that went through diversified export and resulted in economic growth in the period 1980 to 2003.

Minondo (2011) showed that a country's level of export diversification can be facilitated with the products that have comparative advantages for that particular country. In this study, the diversification possibilities for 91 countries were calculated for the period 1980 to 2000 and product proximity index was calculated for 2000. Data for SITC 4-digit level (775 products) were collected from NBER world trade database. Using parametric and non-parametric methods, it is established that the possibility of redeploying the skills and assets of a product with comparative advantage to the production of another product enables a country to acquire opportunities of diversification.

Hausmann and Klinger (2007) used data from United Nations Commodity Trade Statistics for the period 1962-2000 at SITC 4-digit level of disintegration (1006 Products) and showed that countries are likely to have comparative advantage in similar products from related sectors. Thus, the facilitation of discovery in the export sector can bring about new possibilities of export.

Balassa and Noland (1989) explored revealed comparative advantage (RCA) in Japan and United States and found that during the period 1967 to 1983, both countries increased their comparative advantage in high technology products. Japan's specialisation shifted from unskilled labour-intensive goods to human capital-intensive goods and had comparative disadvantage in natural resource intensive products. On the other hand, USA maintained specialisation in human capital and physical capital-intensive goods and increased comparative advantage in natural resource intensive products.

Batra and Khan (2005) analysed RCA for China and India and concluded that there are broad similarities in the structure of comparative advantage for India and China. Both India and China enjoy comparative advantage for labour and resource intensive sectors in the global market. Considering that both countries have similarities in their size and factor endowments, this study estimated the RCA using Balassa index for sectors (at 2-digit level) and commodities (at 6-digit level) of Harmonized System of classification. The results from these sectors and commodity level analysis show that a country that has comparative advantage in the industry level may not have that in a more disaggregated level and vice versa.

Startienėa and Remeikienėa (2013) evaluated RCA of Lithuanian industry in global markets and concluded that during 2007-2011, Lithuania enjoyed RCA in its food, chemicals, and wood and textile industries. The pre-crisis period in the country revealed comparative advantage is higher in these industries than the post-crisis period.

Hossain and Chowdhury (2012) found out that Bangladeshi export arena is undiversified and trade partnerships can come a long way in helping with the scenario. The country's failure to change its comparative advantage into its competitive is interfering with the growth in export and in turn with the growth of the country's economy. The authors also conclude that focusing on geographical diversification rather than product diversification should be more pertinent for the developing countries like Bangladesh.

Fakir *et al.* (2013) explored the significance of export processing zones in the economy of Bangladesh and emphasized on the buildup of strong backward linkages and upgradation of the export related legislations for the purpose of diversification.

Karaalp and Yilmaz (2013) analysed comparative advantage of textiles and clothing for Bangladesh, China, Germany and Turkey with respect to the US and the EU-15 textiles and clothing markets by employing Balassa's RCA index for the period 2000-2010. The results revealed that Bangladesh, China and Turkey have a strong comparative advantage in both the textile and clothing markets of the world, the US and the EU-15, while Germany, the 2nd largest textile and 4th largest clothing exporting country, has disadvantaged in textile and clothing production. It is also pointed out that the phenomena of having a disadvantageous textile and clothing market is quite natural for a developed economy like Germany, where there are greater shares of other products in their export basket. This finding coincides with the fact of textile and clothing industries having higher shares in the export baskets of lower-income countries than those of higher income countries.

Hossain and Nath (2013) found that Bangladesh has RCA in knitted garments, woven garments, jute and jute goods, other textile articles, frozen fish, leather, footwear and headgear and parts and, over the years, tea and leather have lost some of their previous comparative advantage.

Islam and Siddique (2014) used Balassa index to evaluate the RCA of Bangladeshi leather industry with selected Asian economies and found that Bangladesh has a comparatively high RCA in overall leather exports from 2004 to 2013 in comparison with

India, Pakistan and China. Though all the countries have high comparative advantage in these years, the RCA for China is gradually declining and the RCA for both the leather goods categories are less for India than those of Pakistan. For Bangladesh, the high RCA is driven by the very high advantage in raw hides and skins. It is concluded that higher advantage of raw hides and skins exports makes the possibility of specialisation quite lucrative for investors and policymakers.

Kathuria and Malouche (2016) focused on the prospects of creating export based job creation and found that shipbuilding industry, jute and jute based products, non-leather footwear, polo shirts, information technology, services, bicycles and pharmaceuticals are very high. A detailed action matrix was suggested with the help of a four pillar strategy that included: (i) breaking into new markets which focused on improving trade facilitation, custom processes, trucking, waterways and airfreight facilities; promoting economic integration, etc.; (ii) breaking into new products which focused on rationalising trade policy, reducing anti export bias, improving environment for domestic and foreign investment, etc.; (iii) improving employer and consumer welfare by improving skills and literacy, implementing labour and work safety guidelines, etc.; and (iv) building a supportive environment by sustaining sound macroeconomic fundamentals, improving policy formulation, etc.

As most of the literature is concentrated on either specific industries or specific year, this study observes how RCA changed over time across different industries, preferably the change of RCA across different industries over time (2001-2015). One of the uniqueness of this study is to carry out RCA analyses for Bangladesh at four-digit level. Moreover, the study focuses on exploring the international demand of these products by listing the top importing countries over time. One of the major striking features of this study is that this study investigates into some selected prioritized industries that play a pertinent role in the country's economic sector and the policy recommendations are specifically focused on the detailed analysis of the industries over 15-year time period.

CHAPTER 3

MEASURING THE COMPARATIVE ADVANTAGE: A BRCA APPROACH

3.1 Selecting the Sectors for Analysis

The export policies of Bangladesh designed in recent years to promote export earnings and strengthen the economy recognise two types of sector distinction: the highest priority sectors and the special development sectors. Highest priority sectors are the ones which have special export potentials, but such potentiality could not be utilised properly due to certain constraints, and more success is attainable if adequate support is rendered to them. Special development sectors include those which have export potentials but whose production, supply and export base are not well organised. Considering the initiatives taken by the government to encourage and benefit these sectors, it is important to take a note of the contribution and chances of further expansion of these priority sectors. In this study six industries--plastic industry, pharmaceuticals industry, leather and leather goods industry, shipbuilding industry, agro-processed goods (processed and dry products) and light engineering goods (bi-cycle)--are analysed to depict their possibilities in the export earnings of Bangladesh.

Table 3.1
Export Policies of Bangladesh (Highest Priority and Special Development Sectors)

Export Policy	Highest Priority Sectors	Special Development Sectors
2009-2012	1) Agro-products and agro-processing products 2) Light engineering products (Including auto-parts and bicycles) 3) Footwear and leather products 4) Pharmaceutical products 5) Software and ICT products 6) Home textile 7) Sea-bound ship building Industries 8) Toiletries products	1) Crushed and finished leather production 2) Frozen fish production and processing 3) Handicraft products 4) Electric and electronic products 5) Fresh flower and foliage 6) Jute and jute products 7) Hand-woven textiles from hill areas (Pahari taat bostro) 8) Uncut diamond 9) Producing herbal plants, medicine and medicinal products 10) Ceramic products and melamine 11) Plastic products 12) Furniture industries

Export Policy	Highest Priority Sectors	Special Development Sectors
2012-2015	1) Agro-products and agro-processed products 2) Plastic products 3) Footwear and leather products 4) Pharmaceutical products 5) Software and ICT products 6) Home textile 7) Ocean going ship building industries 8) Furniture industries 9) Terri towel 10) Tourism industries	(1) Light engineering products (including auto-parts and bicycles) (2) Electric and electronic products (3) Jute products (4) Handloom fabrics (5) Ceramic products (6) Frozen fish (7) Printing and packaging (8) Rubber (9) Uncut diamonds and jewelry (10) Cosmetics and toiletries
2015-2018	1) High value added readymade garment and garment accessories 2) Software and lT enable services, ICT products 3) Pharmaceutical products 4) Ship & ocean going fishing trawler 5) Footwear & Leather products 6) Jute products 7) Plastic products 8) Agro-products & agro-processed products 9) Furniture 10) Home textile & terry towel 11) Home furnishing 12) Luggage	1) Diversified jute products 2) Electric & electronic products 3) Ceramic products 4) Light engineering products (including auto -parts and bicycle) 5) Value added frozen fish 6) Pappadum 7) Printing and packaging 8) Rough diamond & jewelry 9) Paper & paper products 10) Rubber 11) Silk products 12) Handicrafts 13) Handloom products including lungi 14) Coir products

Source: Export Policies of Bangladesh (Export Policy 2009-12, 2012-2015 and 2015-2018).

Revealed Comparative Advantage RCA of the different products from the period 2001 to 2015 is calculated at four-digit level using the following formula developed by Bela Balassa (1965).

$$BRCAj^i = \frac{\left(\frac{Ej^i}{E^i}\right)}{\left(\frac{E_1}{E}\right)}$$

where,

E=Export of all commodities by all the countries

Ej =Total export of commodity j by all countries

Eji =Country i's export of commodity j

Ei = Country i's export of all commodities

Value of RCA	Comparative Advantage
RCA=0	Neutral
RCA>1	CA is "Revealed"
RCA<1	Comparative Disadvantage

3.2 Sector wise Analysis of Exports and Comparative Advantage

3.2.1 Leather and Leather Goods

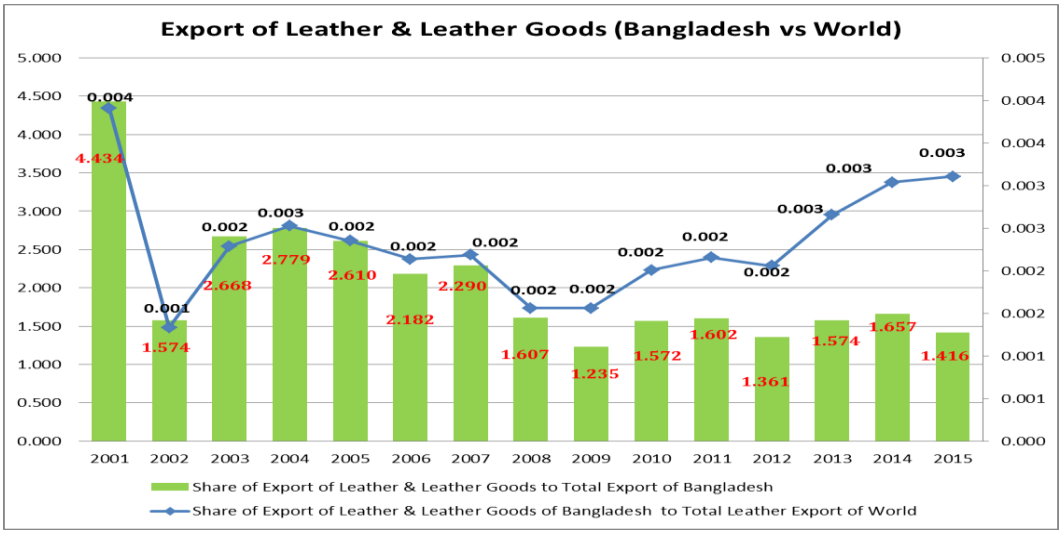
Leather and leather goods as an industry bloomed first in the 1970s. At present, it is the fifth potential export earning sector of Bangladesh but still this industry contributes to less than 1 per cent (actually 0.5 per cent) of the total supply of leather in the world market. Bangladesh exports about 95 per cent of its total leather and leather goods in the form of crushed leather, finished leather, leather garments, and footwear. Three major leather exporting countries[1] are moving away from this sector due to the increased labour cost that eventually broadens the exporting possibility of this sector in Bangladesh.

Exports of Leather and Leather Goods (Bangladesh vs. World)

Share of exports of leather and leather goods to total export of Bangladesh was higher (around 2.3 per cent) in the period 2001 to 2006 compared to the period 2008 to 2015 (around 1.4 per cent) (Figure 3.1). Share of export of leather and leather goods of Bangladesh to total world export of leather and leather goods remains in the vicinity of 0.003 per cent in this period. However, even though very sluggishly, the market share had been rising since 2009.

[1] China, Vietnam and Brazil.

Figure 3.1: Export Share of Leather and Leather Products in Total Export of Bangladesh

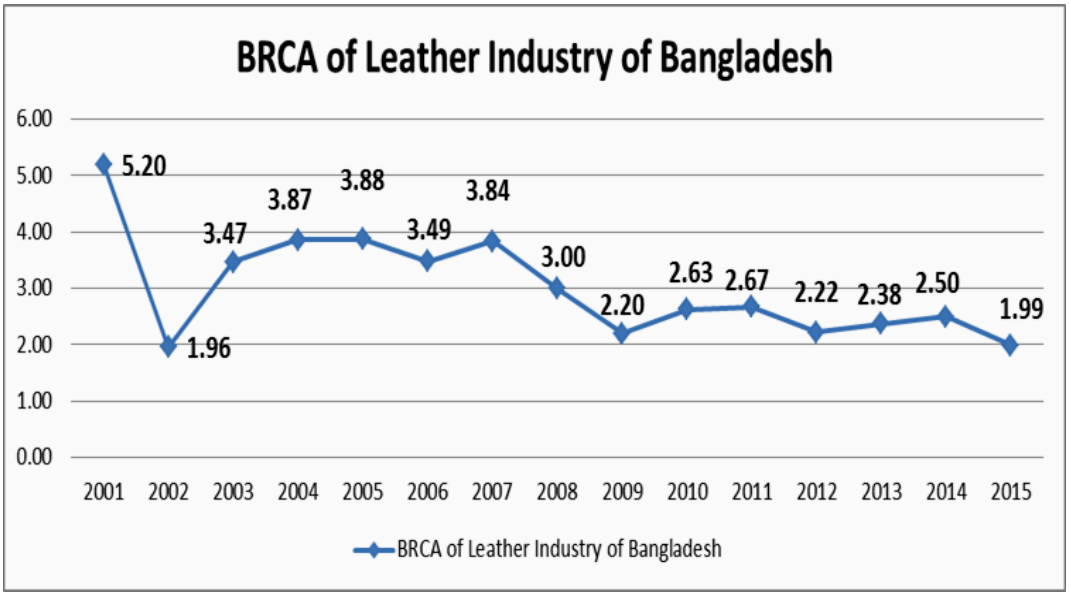


Source: Author's calculation (Source: ITC calculations based on UN COMTRADE Data).

Revealed Comparative Advantage of Leather and Leather Goods

The constant decline of export share of leather and leather goods might be a matter of concern. However, estimation of Balassa Revealed Comparative Advantage (BRCA) index depicts that the industry is in advantageous position since 2001 (Figure 3.2). However, the value of BRCA was more than 3.00 from 2003 to 2008, which then moved around below 2.50. The global financial shock in 2008 might be attributed to this declining trend.

Figure 3.2: Revealed Comparative Advantage of Leather Industry of Bangladesh



Source: Authors' calculation (Data source: ITC calculations based on UN COMTRADE Data).

The overall leather and leather industry can be disaggregated across three products at 4-digit HS code (Appendix).

RCA of Raw hides and skins (other than fur skins) and leather (Product code 41)

Raw hides and skins (other than fur skins) and leather has always enjoyed revealed advantage since 2001. However, the extent of advantage has declined after 2008 compared to the previous five years (2003 to 2008).

The analyses of this product into more disaggregated level can be extended into two dimensions:

- Computation of RCA of the products at 4-digit level (Table 3.1)
- Export share of these 4-digit level products to total exports of product 41 (Table 3.2)

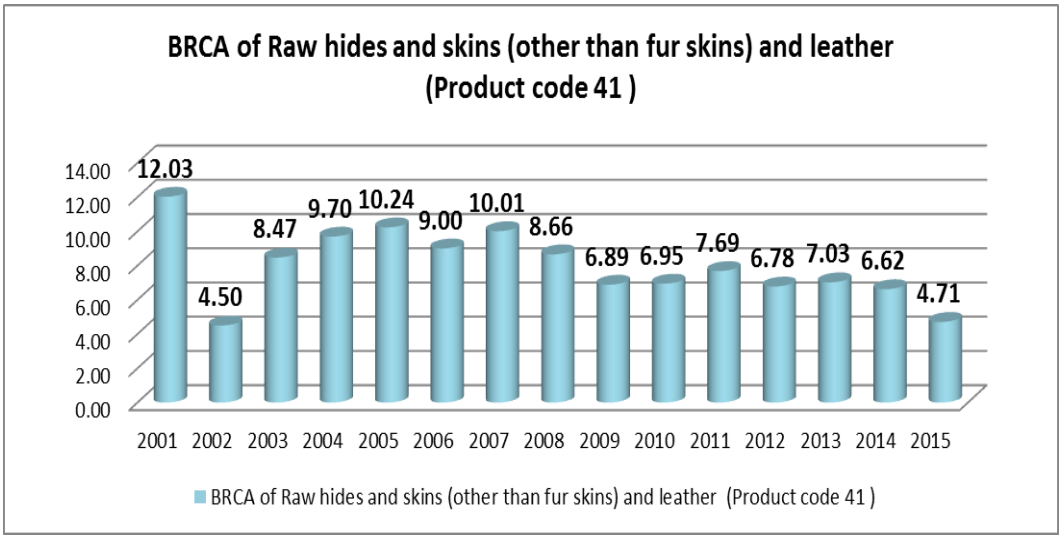
Raw hides and skins of bovine "incl. buffalo" or equine animals, fresh, or salted, dried, limed (4101); raw skins of sheep or lambs, fresh, or salted, dried, limed, pickled or otherwise preserved (4102); other raw hides and skins, fresh, or salted, dried, limed, pickled or otherwise preserved (4103); and chamois leather, incl. combination chamois leather (excluding glacé-tanned leather subsequently (4114) seem to be in disadvantageous position from 2001 to 2015. However, the export share of these products to total exports of product 41 is very negligible (below 0.5 per cent).

Tanned or crust hides and skins of goats or kids, pigs, reptiles and other animals (4106) is in advantageous position, and export share moved around 5 per cent to 13 per cent since 2001. The same scenario is depicted for leather further prepared after tanning or crusting "incl. parchment-dressed leather" of bovine (4107) where the export share is very high, moving around 35 per cent to 56 per cent since 2003. With little share (around 3 per cent to 6 per cent since 2003), leather further prepared after tanning or crusting "incl. parchment-dressed leather", of goats (4113) is also enjoying comparative advantage.

Except in the years 2001, 2002 and 2010, tanned or crust skins of sheep or lambs, without wool on, whether or not split (4105) has been experiencing revealed advantage since 2003. The export share was higher from 2005 to 2009 (between 1 and 3 per cent), but the share was below 1 per cent in the rest of the years.

The revealed advantage of product 41 is mainly driven by tanned or crust hides and skins of bovine "incl. buffalo" or equine animals (4104) as this product had been constantly enjoying a high RCA with a larger export share (between 30 and 55 per cent) since 2003.

Figure 3.3: Revealed Comparative Advantage of Raw Hide and Skin and Leather



Source: Author's calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

Table 3.2: RCA of Raw Hides and Skins (other than fur skins) and Leather (Product code 41) at Four Digit Level

Year	RCA - 4101 (Patent leather and patent laminated leather; metallized leather)	RCA-4102 (Raw skins of sheep or lambs, fresh, or salted, dried, limed, pickled or otherwise preserved)	RCA-4103 (Other raw hides and skins, fresh, or salted, dried, limed, pickled or otherwise preserved)	RCA - 4104 (Tanned or crust hides and skins of bovine "incl. buffalo" or equine animals, without hair)	RCA-4105 (Tanned or crust skins of sheep or lambs, without wool on, whether or not split)	RCA-4106 (Tanned or crust hides and skins of goats or kids, pigs, reptiles and other animals)	RCA-4107 (Leather further prepared after tanning or crusting "incl. parchment-dressed leather)	RCA-4113 (Leather further prepared after tanning or crusting "incl. parchment-dressed leather)	RCA-4114 (Chamois leather, incl. combination chamois leather (excluding glace-tanned leather)
2001	0.002	0.000	0.379	16.73	0.42	48.76	5.41	0.00	0.000
2002	0.000	0.034	0.761	13.98	0.97	29.47	0.18	0.48	0.000
2003	0.006	0.170	1.971	17.59	2.38	45.13	7.66	1.84	0.011
2004	0.037	0.292	0.584	14.47	4.02	26.66	12.70	7.16	0.000
2005	0.009	0.367	0.775	18.60	13.03	38.42	10.30	8.81	0.019
2006	0.009	0.252	0.747	15.50	13.39	41.87	9.31	6.22	0.007
2007	0.000	0.167	0.711	17.71	9.97	46.13	9.94	7.54	0.000
2008	0.029	0.074	2.153	17.38	5.54	40.12	8.15	5.27	0.000
2009	0.000	0.031	1.315	12.48	13.72	23.81	7.27	4.70	0.007
2010	0.003	0.000	0.377	17.01	0.71	13.20	7.50	2.27	0.350
2011	0.011	0.000	0.480	21.00	1.22	28.51	6.13	3.87	0.028
2012	0.195	0.000	0.203	10.71	2.70	16.53	9.40	4.99	0.270
2013	0.068	0.000	0.144	11.45	2.86	14.20	10.00	4.32	0.244
2014	0.056	0.000	0.569	13.61	1.72	25.45	7.36	2.56	0.048
2015	0.025	0.096	0.192	10.34	1.95	16.31	4.72	3.43	0.014

Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

Table 3.3: Share of Exports of Four Digit level Products to Total Exports of Product 41

Year	4101	4102	4103	4104	4105	4106	4107	4113	4114
	% of 4101 to 41	% of 4102 to 41	% of 4103 to 41	% of 4104 to 41	% of 4105 to 41	% of 4106 to 41	% of 4107 to 41	% of 4113 to 41	% of 4114 to 41
2001	0.003	0.000	0.042	84.260	0.272	13.665	1.758	0.000	0.000
2002	0.000	0.032	0.258	80.959	0.540	16.326	1.486	0.400	0.000
2003	0.012	0.080	0.362	53.160	0.591	9.564	35.296	0.888	0.004
2004	0.063	0.112	0.095	35.178	0.760	6.276	53.803	3.697	0.000
2005	0.014	0.109	0.169	43.934	2.178	7.377	41.230	4.872	0.005
2006	0.016	0.081	0.193	41.257	2.621	7.356	44.407	3.922	0.002
2007	0.001	0.055	0.120	41.732	1.766	9.552	42.029	4.615	0.000
2008	0.050	0.030	0.493	43.481	1.178	10.646	39.109	4.850	0.000
2009	0.000	0.016	0.362	37.925	3.572	7.888	44.708	5.384	0.003
2010	0.007	0.000	0.080	46.514	0.190	8.891	40.130	4.068	0.100
2011	0.028	0.000	0.121	54.343	0.372	10.199	31.160	3.622	0.008
2012	0.538	0.000	0.065	29.071	0.604	6.898	55.600	6.081	0.086
2013	0.186	0.000	0.048	31.458	0.583	5.313	56.709	4.353	0.069
2014	0.161	0.000	0.188	45.053	0.312	5.589	45.321	2.626	0.017
2015	0.099	0.061	0.079	45.225	0.649	5.777	43.190	3.869	0.008

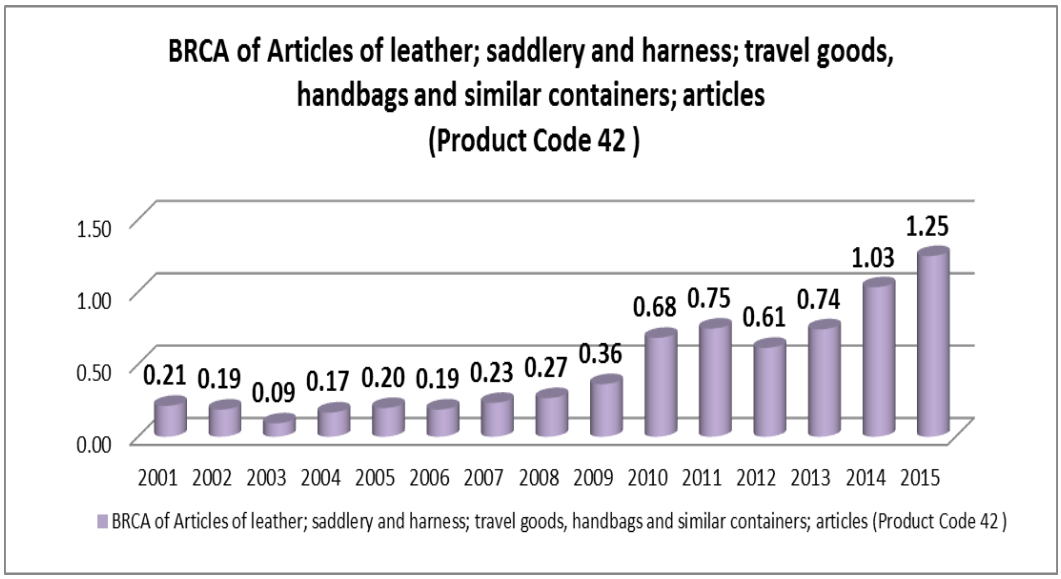
Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

RCA of Articles of leather, saddlery and harness, travel goods, handbags and similar containers, articles (Products Code 42)

Articles of leather, saddlery and harness, travel goods, handbags and similar containers, articles have never enjoyed comparative advantage since 2001 except for the years 2014 and 2015 (Figure 3.4). The advantageous position of this product in the last two years, therefore, depicts the importance of enhanced support for increased world market share.

The analyses of this product into more disaggregated level show that the products "Saddler and harness for any animal, incl. traces, leads, knee pads, muzzles, saddle cloths" (4201), trunks, suitcases, vanity cases, executive-cases, briefcases, school satchels, spectacle cases (4204), articles of gut, goldbeater's skin, bladders or tendons (excluding silkworm gut, sterile catgut" (4206) that had never enjoyed comparative advantage since 2001. These three products do not comprise much to the total export of product 42. Product 4201 only had the larger share (3 to 6 per cent) in total export of product 42 in 2003, 2004 and 2005. Otherwise, all these three products contribute very negligibly (below 0.5 per cent) to the total exports of product 42.

Figure 3.4: Revealed Comparative Advantage of Leather, Saddlery and Harness, Travel Goods, Handbags and Similar Containers



Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

"Articles of apparel and clothing accessories, of leather or composition leather (4203)" holds revealed advantage in the four years, 2009, 2010 and 2011 and 2015. This product contributed substantially to the total export of product 42 (39 to 47 per cent) in the years 2008, 2009 and 2010. This share declined in the rest of the years, moving around 5 per cent to 9 per cent.

Table 3.4: RCA of Leather Products (Product Level 42) at Four Digit Level

RCA of Leather Products (Product Level 42) at Four Digit Level						
Year	RCA-4201	RCA-4202	RCA-4203	RCA-4204	RCA-4205	RCA-4206
2001	0.000	0.318	0.013	0.198	0.050	0.054
2002	0.010	0.285	0.007	0.039	0.046	0.162
2003	0.000	0.131	0.007	0.000	0.133	0.055
2004	0.304	0.219	0.008	0.046	0.206	0.000
2005	0.481	0.242	0.038	0.000	0.271	0.000
2006	0.533	0.233	0.026	0.000	0.136	0.000
2007	0.015	0.297	0.082	0.000	0.045	0.000
2008	0.031	0.239	0.228	0.000	0.926	0.000
2009	0.333	0.224	1.028	0.000	0.311	0.000
2010	0.007	0.281	1.784	0.000	4.545	0.151
2011	0.000	0.291	2.104	0.000	5.998	0.404
2012	0.432	0.639	0.283	0.000	1.277	0.692
2013	0.124	0.844	0.304	0.000	0.291	0.000
2014	0.209	1.140	0.699	0.000	0.322	0.000
2015	0.229	1.346	1.069	0.000	0.279	0.000

Source: Author's calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

The share of "Articles of leather or composition leather (excluding saddlery and harness bags; cases) (4205)" suddenly increased in 2009 and 2010. Moreover, the share of this product to total exports of product 42 does not follow any systematic pattern throughout the years. On the other hand, this product only enjoyed revealed advantage in the years 2010, 2011 and 2012 only.

The lion share of total export of product 42 had comprised the exports of product "trunks, suitcases, vanity cases, executive-cases, briefcases, school satchels, spectacle cases (4202)" since 2001. However, the product only enjoyed revealed advantage in the last two years, 2014 and 2015.

Table 3.5: Share of Exports of Four Digit level Products to Total Exports of Product 42

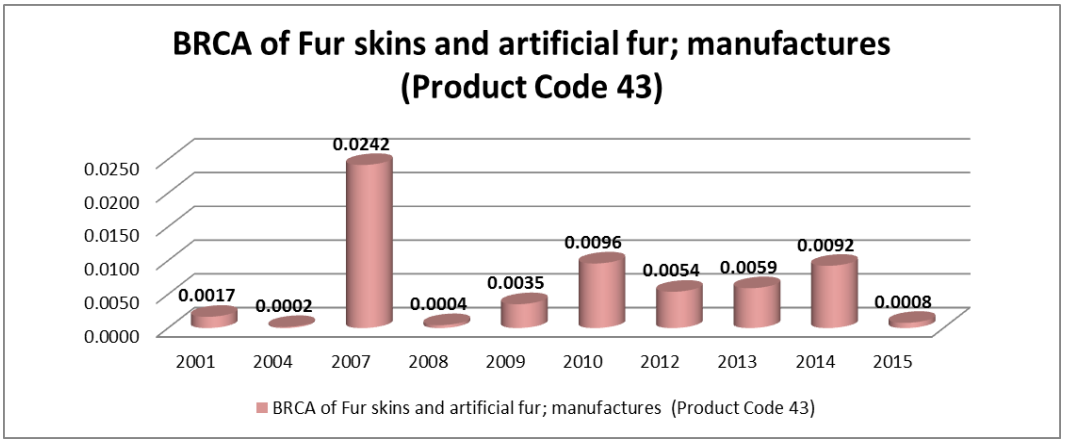
	4201	4202	4203	4204	4205	4206
Year	0.00	96.82	1.71	0.41	1.02	0.04
2001	0.10	97.36	1.02	0.10	1.27	0.15
2002	0.00	89.14	2.11	0.00	8.66	0.09
2003	3.76	86.49	1.17	0.04	8.53	0.00
2004	5.03	81.36	4.65	0.00	8.96	0.00
2005	6.04	86.32	2.93	0.00	4.71	0.00
2006	0.13	91.92	6.82	0.00	1.12	0.00
2007	0.23	67.58	15.07	0.00	17.12	0.00
2008	1.83	47.57	46.91	0.00	3.69	0.00
2009	0.02	32.36	39.33	0.00	28.28	0.01
2010	0.00	31.50	38.64	0.00	29.83	0.03
2011	1.24	85.02	5.87	0.00	7.82	0.06
2012	0.29	93.05	5.18	0.00	1.47	0.00
2013	0.38	89.86	8.48	0.00	1.27	0.00
2014	0.35	89.27	9.43	0.00	0.95	0.00

Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

RCA of Furskins and artificial fur; manufactures (Product Code 43)

Articles of leather, saddlery and harness, travel goods, handbags and similar containers, articles (Product Code 43) has never enjoyed comparative advantage since 2001 (Figure 3.5). Moreover, there had been no export of these products in the years 2002, 2003, 2005, 2006 and 2011.

Figure 3.5: Revealed Comparative Advantage of Fur Skins and Artificial Fur



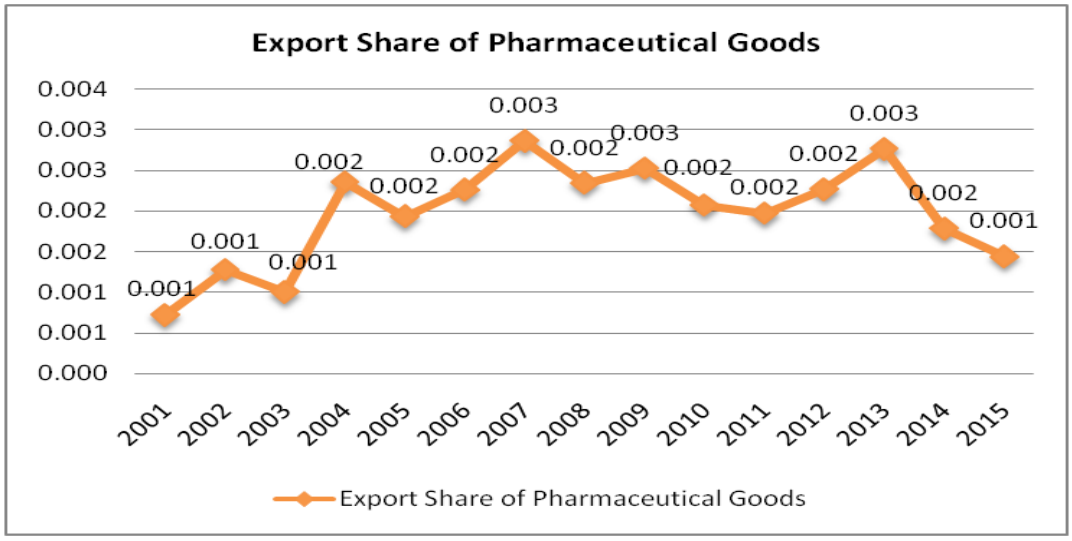
Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

3.2.2 Pharmaceuticals Industry

Pharmaceuticals industry in Bangladesh is one of the most technologically improved (high tech) industries. This industry is the second largest contributing industry to the export of Bangladesh among other manufacturing industries (after RMG). After meeting almost 95 per cent[2] of the local demand, this industry is well ahead in the game of becoming "self-sufficient." With globally approved and compliant products including regular medicinal products like tablets, capsules and syrups, etc. and specialised products like HFA inhalers, CFC inhalers, suppositories, nasal sprays, injectables, IV infusions, etc., this industry has come a long way in proving its worth in the export sector of Bangladesh. Drug Control Ordinance 1982 played to act as the major breakthrough for the pharmaceuticals industry of Bangladesh. Now Bangladesh exports Pharmaceutical products to 79 or more countries.

The total export earning of the pharmaceuticals industry has been on the rise since 2001 and reached the highest point in 2013 before showing a declined rate in 2014 and 2015 (Appendix). The total export share of this industry to the country's total export was 0.001 per cent in 2001 and then the share showed a fluctuating but increasing pattern till 2013 (Figure 3.6). The share of this industry then showed a decline in 2014 and 2015.

Figure 3.6: Export Share of Pharmaceutical Products in Total Export of Bangladesh



Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

Of all the six products (Appendix) under pharmaceuticals industry, product 'medicaments consisting of mixed or unmixed products for therapeutic or prophylactic uses' (HS Code 3004) has the largest share in the whole industry and the rest five products constitute the remaining share (Table 3.6). 'Dried glands and other organs for organo-therapeutic uses, whether or not powdered; extracts **...**' (HS Code 3001) has the smallest share in the total export of pharmaceuticals industry.

[2]The rest of the local demand is met with exports from other countries of the world. These products mainly include cancer drugs, vaccines for viral diseases, hormones, etc.

Table 3.6: Share of Exports of Four Digit Level Products to Total Exports of Pharmaceuticals Industry (HS Code 30)

Share of Exports of Four Digit level Products to Total Exports of Product 30						
Year	3001	3002	3003	3004	3005	3006
2001	0.000	0.001	0.062	0.937	0.000	0.000
2002	0.000	0.000	0.020	0.977	0.002	0.000
2003	0.000	0.000	0.031	0.932	0.037	0.000
2004	0.000	0.000	0.031	0.967	0.002	0.000
2005	0.000	0.000	0.044	0.954	0.002	0.000
2006	0.000	0.002	0.052	0.944	0.001	0.001
2007	0.000	0.011	0.104	0.882	0.002	0.001
2008	0.000	0.017	0.117	0.864	0.001	0.000
2009	0.000	0.039	0.106	0.855	0.000	0.000
2010	0.000	0.021	0.141	0.836	0.001	0.001
2011	0.000	0.033	0.132	0.788	0.000	0.046
2012	0.000	0.000	0.011	0.779	0.000	0.210
2013	0.000	0.000	0.017	0.679	0.000	0.304
2014	0.000	0.002	0.024	0.936	0.001	0.038
2015	0.000	0.001	0.025	0.950	0.000	0.024

Source: Authors' calculation (Source: ITC calculations based on UN COMTRADE Data).

The estimation of RCA for the pharmaceuticals industry at four-digit level shows that none of the six products under this industry has comparative advantage in the years 2001 to 2015 (Table 3.7). It is also evident that 'Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic uses, put **…**' (HS Code 3004) product that has been majorly contributing to this industry since 2001 till 2015 also suffers from comparative disadvantage over the years. 'Pharmaceutical preparations and products of subheadings 3006.10.10 to 3006.60.90' (HS Code 3006) product showed an inkling of moving towards having somewhat comparative advantage in 2013 but then proceeded towards having comparative disadvantage in 2014 and 2015.

Table 3.7: Revealed Comparative Advantage of Pharmaceutical Goods (at HS code 4-digit level)

Product Code	Estimated Value of BRCA														
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
3001	0	0.003	0	0	0	0	0.001	0.006	0	0.002	0	0	0	0	0
3002	0	0	0	0	0	0.001	0.009	0.011	0.017	0.008	0.013	0	0	0.001	0
3003	0.072	0.041	0.045	0.116	0.148	0.2	0.511	0.466	0.386	0.403	0.386	0.039	0.069	0.076	0.053
3004	0.044	0.066	0.048	0.114	0.095	0.111	0.131	0.109	0.088	0.084	0.086	0.102	0.108	0.092	0.069
3005	0	0.005	0.086	0.013	0.011	0.007	0.019	0.009	0.002	0.003	0.002	0	0.002	0.004	0.001
3006	0	0	0	0	0.001	0.003	0.002	0.001	0	0.002	0.113	0.569	0.998	0.079	0.039

Source: Authors' calculation (Source: ITC calculations based on UN COMTRADE Data).

3.2.3 Plastic Industry

Plastic Industry of Bangladesh is recognised as one of the priority sectors in the export arena. Though Bangladesh is one of the lowest plastic consuming countries of the world[3], it supplies a somewhat significant amount to the global market. This industry emerged in the 1960s with a little amount of production and with the increasing consumption of plastic[4], improvement of modern technology, emergence and improvement of recycling agencies, etc. the future prospect of export of this industry is quite high.

From 2001 to 2015, the export earnings of this sector have been fluctuating constantly but increasing too (Appendix C). The export share of plastic industry to the country's total export was 0.13 per cent in 2001 and it showed a steep rise after 2003 and reached the highest peak (0.53 per cent) in 2005 (Figure 3.7). After that the share of this industry in the country's total export decreased to 0.36 per cent and again showed a gradual increase in the upcoming years till 2008. The export share of plastic industry to the total export of Bangladesh has then showed a gradual fluctuation till 2015.

Figure 3.7: Export Share of Plastic Goods in Total Export Earning of Bangladesh

Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

There are 26 products (Appendix) under the plastic industry at HS code 4-digit level and Bangladesh exports all these products to approximately 122 countries of the world. Among the 26 products 'Articles for the conveyance or packaging of goods, of plastics; stoppers, lids, caps and others' (HS Code 3923), 'Articles of plastics and articles of other materials of heading 3901 to 3914, n.e.s.' (HS Code 3926) and 'Waste, parings and scrap,

[3]At present the per capita consumption of plastics in Bangladesh is 5 kg/year as compared to world average of 20 kg.

[4]In 1990, the consumption of plastics in Bangladesh was 15,000 tons and after 20 years this amount became 750,000 tons, showing an increase of 50 times.

of plastics'(HS Code3915) contribute to most of the export earnings of the whole industry (Table 3.8). The share of other four-digit level products is quite negligible. The share of the products 'Articles for the conveyance or packaging of goods, of plastics; stoppers, lids, caps and others' (HS Code 3923) and 'Articles of plastics and articles of other materials of heading 3901 to 3914, n.e.s.'(HS Code 3926) have quite consistently been comprising the lion share of plastic industry.

Table 3.8: Share of Four Digit Level Products in Plastic Industry (HS Code 39)

Share of Exports of Four Digit level Products to Total Exports of Product 39																									
Year	3901	3902	3903	3904	3905	3906	3907	3908	3909	3910	3911	3912	3913	3914	3915	3916	3917	3918	3919	3920	3921	3922	3923	3924	3925	3926
2001	0.000	0.000	0.000	0.000	0.000	0.000	0.003	0.000	0.000	0.000	0.000	0.000	0.207	0.000	0.000	0.060	0.002	0.000	0.012	0.000	0.000	0.000	0.656	0.016	0.000	0.045
2002	0.000	0.001	0.002	0.012	0.000	0.010	0.000	0.000	0.005	0.000	0.005	0.000	0.077	0.000	0.003	0.145	0.026	0.003	0.002	0.001	0.005	0.000	0.574	0.016	0.000	0.113
2003	0.001	0.004	0.000	0.000	0.000	0.001	0.008	0.000	0.007	0.000	0.002	0.001	0.014	0.000	0.059	0.040	0.006	0.000	0.000	0.004	0.009	0.000	0.637	0.056	0.002	0.149
2004	0.037	0.003	0.000	0.001	0.000	0.022	0.002	0.000	0.000	0.000	0.007	0.000	0.000	0.001	0.228	0.016	0.006	0.001	0.004	0.003	0.000	0.001	0.484	0.017	0.002	0.162
2005	0.111	0.004	0.000	0.000	0.000	0.021	0.001	0.000	0.000	0.000	0.005	0.000	0.001	0.000	0.167	0.011	0.004	0.000	0.001	0.010	0.003	0.000	0.386	0.010	0.070	0.197
2006	0.013	0.013	0.000	0.002	0.000	0.027	0.000	0.000	0.000	0.000	0.001	0.000	0.000	0.000	0.158	0.003	0.004	0.000	0.001	0.011	0.001	0.000	0.495	0.004	0.000	0.266
2007	0.001	0.003	0.000	0.012	0.002	0.018	0.002	0.002	0.000	0.000	0.000	0.000	0.001	0.000	0.211	0.003	0.040	0.000	0.001	0.035	0.002	0.000	0.488	0.004	0.000	0.172
2008	0.010	0.008	0.000	0.000	0.000	0.029	0.001	0.001	0.000	0.000	0.000	0.000	0.001	0.000	0.214	0.004	0.003	0.000	0.012	0.002	0.000	0.000	0.527	0.003	0.000	0.183
2009	0.026	0.015	0.003	0.000	0.000	0.024	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.232	0.009	0.003	0.001	0.003	0.002	0.001	0.000	0.549	0.007	0.001	0.126
2010	0.035	0.008	0.000	0.000	0.000	0.032	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.394	0.000	0.000	0.000	0.002	0.001	0.000	0.000	0.490	0.008	0.000	0.028
2011	0.035	0.012	0.001	0.002	0.000	0.035	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.494	0.000	0.001	0.000	0.005	0.003	0.000	0.000	0.363	0.008	0.000	0.039

(Contd. Table 3.8)

Share of Exports of Four Digit level Products to Total Exports of Product 39																									
Year	3901	3902	3903	3904	3905	3906	3907	3908	3909	3910	3911	3912	3913	3914	3915	3916	3917	3918	3919	3920	3921	3922	3923	3924	3925	3926
2012	0.018	0.000	0.000	0.003	0.001	0.001	0.015	0.000	0.000	0.00	0.000	0.000	0.000	0.000	0.477	0.001	0.005	0.000	0.000	0.004	0.001	0.000	0.351	0.041	0.003	0.077
2013	0.016	0.002	0.002	0.002	0.000	0.001	0.000	0.000	0.000	0.000	0.000	0.001	0.000	0.000	0.369	0.000	0.006	0.000	0.001	0.002	0.003	0.000	0.414	0.088	0.006	0.087
2014	0.032	0.001	0.001	0.001	0.000	0.001	0.012	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.353	0.000	0.007	0.000	0.001	0.002	0.002	0.001	0.413	0.074	0.005	0.095
2015	0.037	0.000	0.001	0.000	0.000	0.000	0.020	0.000	0.001	0.000	0.000	0.000	0.000	0.000	0.273	0.000	0.004	0.000	0.002	0.003	0.002	0.000	0.416	0.121	0.009	0.111

Source: ITC calculations based on UN COMTRADE Data.

The RCA estimation at four-digit level shows that, apart from the product 'Natural polymers, e.g. alginic acid, and modified natural polymers, e.g. hardened proteins…' (HS Code 3913) which had comparative advantage in only 2001 and product 'Waste, parings and scrap, of plastics' (HS Code 3915) which had been enjoying comparative advantage from 2004 to 2015, and all the other four digit level products under this industry have comparative disadvantage throughout the years 2001 to 2015 (Table 3.9). The products with HS Code 3923 and HS Code 3926, which contribute to major share of the earnings of this industry, suffer from comparative disadvantage too.

Table 3.9: Revealed Comparative Advantage of Plastic Goods (at HS code 4-digit level)

Product Code	Estimated Value of BRCA														
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
3901	0.000	0.000	0.000	0.036	0.154	0.012	0.001	0.010	0.019	0.026	0.028	0.014	0.010	0.021	0.021
3902	0.000	0.001	0.003	0.006	0.009	0.021	0.005	0.014	0.020	0.010	0.016	0.000	0.002	0.001	0.000
3903	0.000	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.007	0.001	0.003	0.001	0.003	0.003	0.001
3904	0.000	0.011	0.000	0.004	0.001	0.005	0.040	0.000	0.000	0.000	0.006	0.009	0.006	0.002	0.000
3905	0.000	0.000	0.000	0.004	0.001	0.000	0.021	0.000	0.001	0.000	0.001	0.010	0.003	0.000	0.000
3906	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3907	0.001	0.000	0.004	0.002	0.001	0.000	0.002	0.001	0.000	0.001	0.000	0.016	0.000	0.012	0.016
3908	0.000	0.000	0.000	0.003	0.000	0.002	0.012	0.008	0.000	0.000	0.000	0.001	0.000	0.000	0.000
3909	0.000	0.008	0.014	0.000	0.001	0.001	0.000	0.001	0.000	0.000	0.000	0.002	0.000	0.001	0.002
3910	0.000	0.000	0.000	0.000	0.000	0.000	0.005	0.005	0.000	0.003	0.000	0.001	0.002	0.000	0.002
3911	0.000	0.008	0.005	0.039	0.041	0.004	0.003	0.000	0.000	0.000	0.003	0.000	0.000	0.000	0.000
3912	0.000	0.000	0.003	0.000	0.000	0.000	0.000	0.000	0.000	0.005	0.000	0.000	0.005	0.000	0.001
3913	2.217	0.613	0.175	0.000	0.027	0.002	0.038	0.051	0.001	0.002	0.000	0.000	0.000	0.005	0.000
3914	0.000	0.000	0.000	0.011	0.000	0.000	0.000	0.011	0.000	0.000	0.001	0.000	0.000	0.000	0.000
3915	0.000	0.014	0.378	2.677	2.560	1.531	2.064	2.317	1.643	2.883	4.020	3.770	2.744	2.800	1.903
3916	0.241	0.455	0.174	0.151	0.158	0.028	0.035	0.048	0.076	0.004	0.003	0.006	0.000	0.000	0.000
3917	0.003	0.026	0.008	0.019	0.019	0.012	0.120	0.008	0.006	0.000	0.003	0.012	0.014	0.017	0.008
3918	0.000	0.012	0.001	0.010	0.007	0.000	0.001	0.003	0.007	0.003	0.001	0.005	0.000	0.001	0.001

(Contd. Table 3.9)

Product Code	Estimated Value of BRCA														
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
3919	0.018	0.002	0.000	0.015	0.005	0.003	0.002	0.048	0.009	0.004	0.014	0.001	0.002	0.002	0.004
3920	0.000	0.000	0.002	0.003	0.016	0.012	0.041	0.003	0.002	0.000	0.004	0.005	0.002	0.002	0.002
3921	0.000	0.004	0.010	0.000	0.010	0.003	0.005	0.000	0.001	0.000	0.001	0.003	0.006	0.004	0.004
3922	0.000	0.000	0.001	0.018	0.000	0.000	0.000	0.000	0.000	0.000	0.001	0.001	0.001	0.016	0.004
3923	0.281	0.204	0.329	0.566	0.705	0.629	0.658	0.781	0.564	0.552	0.462	0.417	0.414	0.438	0.347
3924	0.025	0.022	0.108	0.077	0.064	0.017	0.020	0.018	0.026	0.035	0.039	0.191	0.316	0.248	0.289
3925	0.000	0.000	0.006	0.011	0.636	0.000	0.001	0.000	0.003	0.000	0.000	0.020	0.028	0.027	0.035
3926	0.014	0.030	0.059	0.145	0.287	0.277	0.198	0.233	0.111	0.026	0.040	0.067	0.064	0.075	0.068

Source: Author's calculation (Source: ITC calculations based on UN COMTRADE Data).

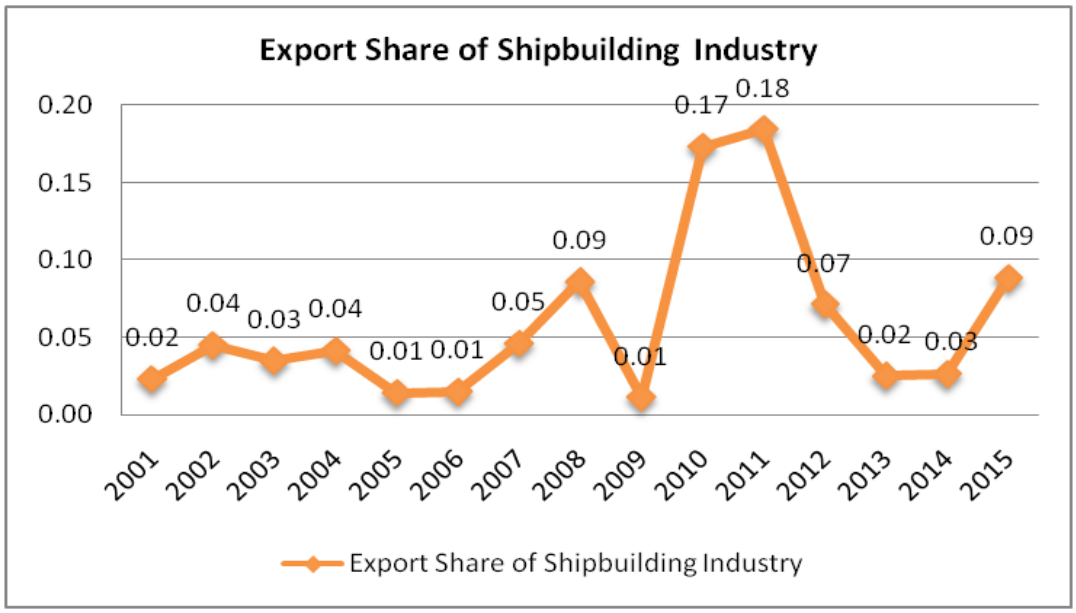
3.2.4 Shipbuilding Industry

The history of shipbuilding industry is quite fascinating for Bangladesh as this country was a major competitor of European shipbuilding industries in the early 15th century. Even before the independence of this country, Bangladesh had a modern shipyard[5] and the country built ships and small and large inland vessels. But, after the independence it took a while for the country to start its export of products of ships and the like. The country became a ship exporting one in 2008 though the shipbuilding industry has always been able to meet local demand by making, breaking and repairing almost all inland, coastal or bay ships. Ferries, cargo vessels, and ocean-going multi-purpose ships worth more than $500 million (£320 million) were exported in the first year. Abundance of labour, cheap labour and export opportunities can play a vital role in making the country more competent and help it get more solid footing in exporting small and medium vessels in the world market.

The share of shipbuilding industry in total export of Bangladesh was 0.02 per cent in 2001, which increased to 0.04 per cent in 2002 (Figure 3.8). After a decline of the share in 2003, this industry showed a fluctuating trend and in 2009 the share of this industry to the country's total export reached 0.01 per cent (the lowest share till date). The share of this industry dramatically rose up to 0.17 per cent in 2010 and 0.18 per cent in 2011. Then its share fell down to 0.02 per cent in 2013. As of 2015, the share of shipbuilding industry was 0.09 per cent, showing a rising tendency again.

[5]Dockyard and Engineering Works Ltd. was established in 1922.

Figure 3.8: Export Share of Shipbuilding Industry in Total Export of Bangladesh



Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

There are eight products (Appendix) at HS Code four-digit level under the shipbuilding industry and among the products the share of 'Cruise ships, excursion boats, ferry-boats, cargo ships, barges and similar vessels for the **...' (**HS Code 8901),'Vessels and other floating structures for breaking up' (HS Code 8908), 'Light-vessels, fire-floats, dredgers, floating cranes, and other vessels the navigability of **...'** (HS Code 8905) and 'Rafts, tanks, coffer-dams, landing stages, buoys, beacons and other floating structures (excluding **...**' (HS Code 8907) have been contributing more to the export earnings of the shipbuilding industry (Table 3.10). Though, in recent years, the contribution of 'Cruise ships, excursion boats, ferry-boats, cargo ships, barges and similar vessels for the **...'** (HS Code 8901) and 'Vessels and other floating structures for breaking up' (HS Code 8908) are comparatively higher than the other products. So, these products under this industry bear greater significance over others.

Table 3.10: Share of Exports of Four Digit Level Products to Total Exports of Shipbuilding Industry (HS Code 89)

Share of Exports of Four Digit level Products to Total Exports of Product 89								
Year	8901	8902	8903	8904	8905	8906	8907	8908
2001	0.00	0.00	0.01	0.24	0.00	0.59	0.00	0.16
2002	0.00	0.00	0.00	0.79	0.01	0.00	0.00	0.20
2003	0.01	0.00	0.00	0.35	0.53	0.00	0.01	0.10
2004	0.00	0.00	0.00	0.03	0.46	0.21	0.08	0.21
2005	0.10	0.00	0.04	0.00	0.00	0.00	0.15	0.71
2006	0.15	0.02	0.06	0.00	0.00	0.00	0.39	0.38
2007	0.01	0.00	0.14	0.00	0.62	0.00	0.09	0.14
2008	0.84	0.00	0.04	0.00	0.01	0.01	0.03	0.06
2009	0.00	0.00	0.28	0.00	0.00	0.04	0.08	0.60
2010	0.69	0.00	0.03	0.00	0.18	0.02	0.05	0.03
2011	0.99	0.00	0.01	0.00	0.00	0.00	0.00	0.00
2012	0.99	0.00	0.01	0.00	0.00	0.01	0.00	0.00
2013	0.98	0.00	0.01	0.00	0.00	0.00	0.00	0.00
2014	0.58	0.00	0.02	0.00	0.00	0.00	0.00	0.39
2015	0.75	0.00	0.00	0.00	0.00	0.00	0.00	0.24

Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

The estimated RCA shows that product 'Vessels and other floating structures for breaking up' (HS Code 8908) enjoyed comparative advantage from 2001 to 2010 (Table 3.11). This product, after having comparative disadvantage in 2011, 2012 and 2013, again enjoyed comparative advantage in 2014 and 2015. Except the years 2002 and 2003 for product 'Tugs and pusher craft' (HS Code 8904) and 2004 for product 'Vessels, incl. warships and lifeboats (excluding rowing boats and other vessels of heading **...**'(HS Code 8906), all the four-digit level products in all the years have comparative disadvantage in the export market.

Table 3.11: Revealed Comparative Advantage of Shipbuilding Industry (at HS code 4-digit level)

Product Code	Estimated Value of BRCA														
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
8901	0.000	0.000	0.001	0.000	0.003	0.004	0.001	0.111	0.000	0.144	0.260	0.122	0.055	0.039	0.143
8902	0.000	0.000	0.000	0.000	0.000	0.044	0.000	0.023	0.000	0.000	0.000	0.000	0.000	0.000	0.000
8903	0.003	0.000	0.000	0.000	0.004	0.007	0.057	0.028	0.036	0.064	0.018	0.008	0.005	0.008	0.000
8904	0.833	4.941	1.002	0.118	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
8905	0.000	0.008	0.310	0.210	0.000	0.000	0.382	0.011	0.000	0.192	0.000	0.000	0.000	0.000	0.000
8906	0.401	0.000	0.001	1.029	0.003	0.002	0.001	0.056	0.017	0.112	0.017	0.018	0.001	0.003	0.003
8907	0.013	0.009	0.022	0.548	0.343	0.825	0.459	0.338	0.088	0.937	0.001	0.010	0.011	0.012	0.011
8908	6.637	11.897	3.340	11.642	19.261	12.338	15.436	6.061	3.272	7.606	0.294	0.000	0.000	4.163	17.197

Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

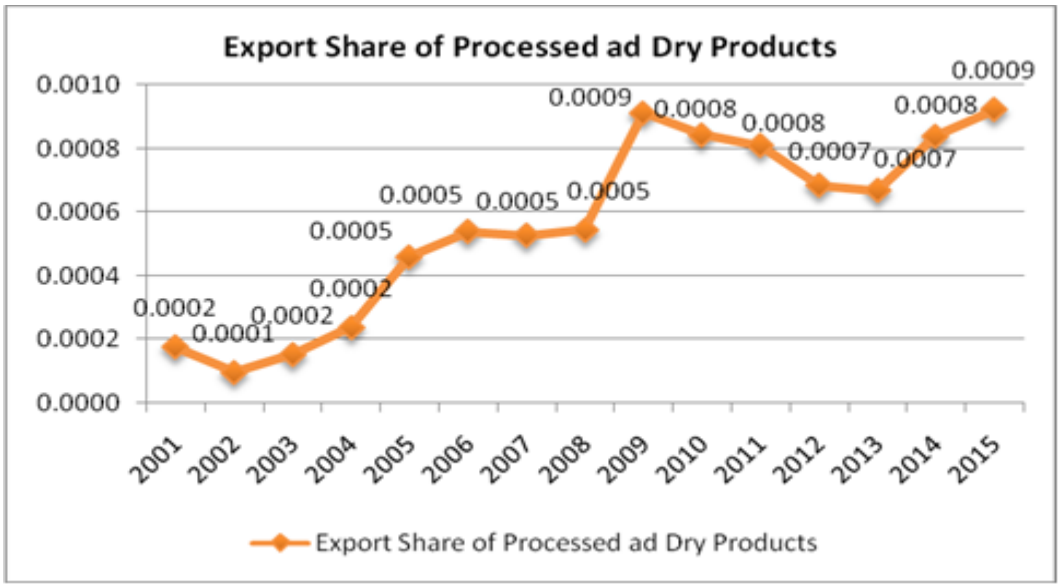
Considering the concurrent increasing interest and increasing export of the processed and dry products (HS Code 19) under agro processed goods industry and bi-cycle (HS Code 8712) under the light engineering industry in Bangladesh, analysis of these particular product 'bunches' have been included in this study.

3.2.5 Agro Processed Goods- Processed and Dry Products

Bangladesh agro-products and agro-processed industry is of major importance to the export sector of Bangladesh for its high potential. The products of this industry include food processing plant, poultry farm, dairy farm, fish freezing/processing industries, fruit processing industry, processing of agro products such as tea, salt, rubber, rice, edible oil, spices, jute and jute products, seed, dry products, etc. and sectors like frozen foods, jute and dairy, etc. Considering its recent skyrocketing export, processed and dry products sector is analysed in this study.

The export of processed and dry products under agro-processed goods in Bangladesh has been rising consistently since 2001(Figure 3.9). Apart from two dips in the export of these products in 2009 and 2014, the products' export has observed great advances. Moreover, the export scenario suggests possibility of further rise in the export amount of these products.

Figure 3.9: Export Share of Processed and Dry Products in Total Export of Bangladesh



Source: ITC calculations based on UN COMTRADE statistics.

There are five products under the Processed and Dry food Products category of Ago-Processed Industry from which Bangladesh export four Products (Appendix). The products under this sub-sector of agro-processed goods industry contribute considerable amount to this industry instigating the rising export of this sector (Table 3.12).

Table 3.12

Share of Exports of Four Digit Level Products to Total Exports of Processed and Dry Foods Products (HS Code 89)

Share of Exports of Four Digit level Products to Total Exports of Product 19				
Year	1901	1902	1904	1905
2001	0.05	0.00	0.77	0.18
2002	0.45	0.00	0.48	0.07
2003	0.31	0.03	0.31	0.35
2004	0.34	0.04	0.25	0.38
2005	0.25	0.03	0.32	0.39
2006	0.14	0.02	0.34	0.51
2007	0.41	0.01	0.13	0.45
2008	0.58	0.01	0.17	0.24
2009	0.11	0.03	0.37	0.48
2010	0.26	0.03	0.31	0.40
2011	0.32	0.03	0.32	0.32
2012	0.21	0.02	0.43	0.34
2013	0.37	0.03	0.26	0.34
2014	0.01	0.06	0.28	0.65
2015	0.39	0.03	0.17	0.41

Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

The estimation of RCA shows comparative advantage for the product 'Prepared foods obtained by the swelling or roasting of cereals or cereal products, e.g. corn flakes; cereals (other than maize "corn") in grain form or in the form of flakes or other worked grains (except flour, groats and meal), pre-cooked or otherwise prepared, n.e.s.' (HS Code 1904) from 2009 to 2015 (Table 3.13). The other products under this sector seemed to have comparative disadvantage throughout the years (from 2001 to 2015).

Table 3.13

Revealed Comparative Advantage of Agro Processed Goods (at HS code 4-digit level)

Product Code	Estimated Value of BRCA														
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1901	0.01	0.11	0.09	0.17	0.21	0.13	0.52	0.99	0.12	0.36	0.47	0.31	0.52	0.01	0.80
1902	0.00	0.00	0.01	0.03	0.05	0.03	0.02	0.02	0.06	0.08	0.08	0.07	0.09	0.11	0.14
1903	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1904	0.49	0.27	0.21	0.29	0.64	0.71	0.40	0.75	0.96	1.03	1.19	1.82	1.20	0.74	1.13
1905	0.02	0.01	0.05	0.09	0.17	0.23	0.29	0.22	0.29	0.30	0.26	0.30	0.30	0.33	0.54

Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

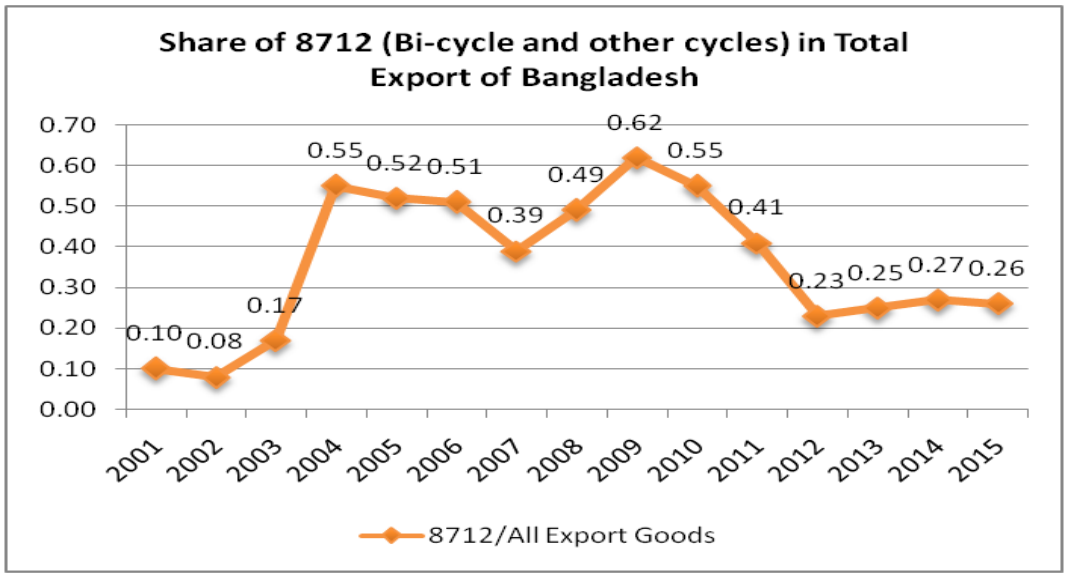
3.2.6 Light Engineering Product: Bi-cycle and Other Cycles

Light engineering industry falls under engineering goods industry in Bangladesh. The country started its export of bi-cycles in 1999 when the first consignment of bi-cycles was sent to the European market. Bangladesh stands as the fifth largest exporter of bi-cycles to the global market. Low wage rate, labour availability and open opportunities for exporting this product had helped the flourishing of export of this particular sector. Attracting foreign direct investment through making the country a lucrative one for bi-cycle exports can further promote this sector.

It is important to notice that, in recent years, the export of bi-cycle and other cycles has been increasing (since 2001) in Bangladesh (Appendix). Although, in 2012, the export of bi-cycles had dropped by quite a substantial amount, it regained its glory in 2013 and had been on the rise since then.

The share of bi-cycle product to the total export of Bangladesh was 0.10 per cent in 2001, which dropped to 0.08 per cent in 2002 (Figure 3.10). After 2003, this share rose steeply and reached 0.55 per cent. From 2003 to 2009, the share of bi-cycle to the country's total export was quite steady. But, in 2010, this share started to fall and from 2012 to 2015, this share increased steadily.

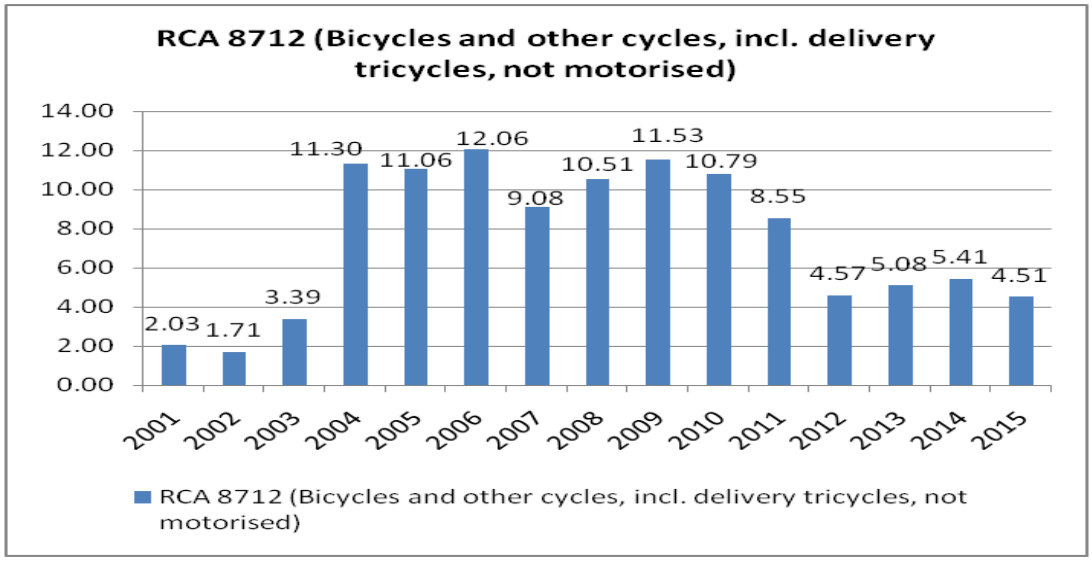
Figure 3.10: Export Share of Light Engineering Good-Bi-cycle in Total Export of Bangladesh



Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

The estimation of RCA for this particular product shows quite fascinating result, as unlike most products exported from Bangladesh, this product shows consistent comparative advantage (Figure 3.11). The share of this sector in country's export seemed to be in tune with its comparative advantage result.

Figure 3.11: Revealed Comparative Advantage of Light Engineering Good-Bi-cycle (at HS code 4-digit level)



Source: Authors' calculation (Data Source: ITC calculations based on UN COMTRADE statistics).

CHAPTER 4

COUNTRY WISE DISSEMINATION OF EXPORTS OF THE SELECTED INDUSTRIES

For the purpose of analysing the country wise distribution of all the six industries under scrutiny, the countries have been sorted in terms of their orientation and percentage of export to the countries' total export to the world and these countries have then been listed as in three major categories which are: Important Importing Markets, Inconsistent or Lost Markets and Emerging Markets.

- Important Importing Markets are the ones that play a substantial and important role (in terms of higher export percentage and being in the list of top importers for the products over the years)
- Inconsistent or Lost Markets are the countries that showed prospective of higher export in some years (consecutive or random) but did not carry on doing so for long.
- Emerging Markets are the ones that are showing signs of prospective import scenario.

4.1 Leather Industry

Hong Kong, China has been importing leather from 2001 to 2015 and had been the top importer from 2002 to 2015 and 2nd top importer in 2001. Italy had been importing from 2001 to 2015 and had been the top importer in 2001, 2nd top importer from 2002 to 2009, 3rd top importer from 2010 to 2013 and 4th top importer in 2015. Spain had been a constant importer from 2001 to 2015. The same is applicable to Japan that had been importing from 2001 to 2015, Korea that had been importing from 2001 to 2015, Taipei, Chinese that had been importing from 2001 to 2015, Vietnam that had been importing from 2001 to 2015, Brazil that had been importing from 2001 to 2003, China that had been importing from 2001 to 2015 (the 2nd top importer in 2015), and India that had been importing from 2004 to 2015. Apart from these countries Area Nes have made it to the top 10 list of importers for Bangladesh.

Table 4.1

Export of Leather and Leather Goods to Different Countries

Export of Leather & Leather Goods to Different Countries (TOP 10 from Ascending to Descending order)													
2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2015
Italy	Hong Kong, China	Hong Kong, China	Hong Kong, China	Hong Kong, China	Hong Kong, China	Hong Kong, China	Hong Kong, China	Hong Kong, China	Hong Kong, China	Hong Kong, China	Hong Kong, China	Hong Kong, China	Hong Kong, China
Hong Kong, China	Italy	Italy	Italy	Italy	Italy	Italy	Italy	Italy	Korea, Republic of	Korea, Republic of	Korea, Republic of	Korea, Republic of	China
USA	USA	Japan	Korea, Republic of	Korea, Republic of	Korea, Republic of	Korea, Republic of	Korea, Republic of	Korea, Republic of	Italy	Italy	Italy	Italy	Korea, Republic of
Spain	Japan	Korea, Republic of	Japan	Japan	China	Japan	French Southern and Antarctic Territories	Japan	Japan	Japan	China	China	Italy
Japan	Taipei, Chinese	Taipei, Chinese	Vietnam	Spain	Japan	Spain	Japan	China	India	China	Japan	Japan	Japan
Korea, Republic of	Korea, Republic of	Spain	Taipei, Chinese	Vietnam	Spain	China	China	India	China	Spain	Spain	Spain	Vietnam
Taipei, Chinese	Spain	Vietnam	China	China	Vietnam	Vietnam	Spain	Spain	Spain	Vietnam	Vietnam	Vietnam	Taipei, Chinese
Vietnam	China	China	Spain	Taipei, Chinese	Taipei, Chinese	India	India	Taipei, Chinese	Taipei, Chinese	Taipei, Chinese	Taipei, Chinese	Taipei, Chinese	Spain
Brazil	Vietnam	Brazil	Poland	Poland	India	Taipei, Chinese	Vietnam	Vietnam	Vietnam	India	Area Nes	India	India
China	Brazil	Mexico	India	India	Poland	Mexico	Taipei, Chinese	Area Nes	Area Nes	Area Nes	India	Area Nes	Area Nes

Source: Author's calculation.

To summarise from the analysis of export percentage and orientation of the importing countries[1] from 2001 to 2015, the countries noted as being 'Important markets' included Hong Kong, China, Italy, Spain, Japan, Korea, Taipei, Chinese, Vietnam, Brazil, China and India and the countries noted as being 'Inconsistent or lost markets' were USA, Mexico, Poland and Area Nes. The countries that showed inconsistency include USA, which imported in 2001 and 2002 and was the 3rd top importer; Mexico, which imported in 2003 and 2007 only; and Poland, which imported in 2004, 2005 and 2006 (three consecutive years) only and had been absent from the market since then.

4.2 Pharmaceuticals Industry

USA was the top importer of pharmaceuticals products in 2001 and the second top importer in 2002. But then it altogether was lost from the list except for the years 2007 and 2009. Vietnam was the second top importer in 2001 and fourth highest importer in 2003. Then from the year 2007 to 2015, this country remained in the top 10 list of pharmaceutical importing countries of Bangladesh. Pakistan was among the top 10 pharmaceutical importing countries for Bangladesh for four consecutive years (from 2001

[1] Frequency of importing years (2001-2015): Hong Kong 14, Italy 14, USA 2, Spain 14, Japan 14, Korea 14, Taipei, Chinese 14, Viet Nam 14, Brazil 3, China 14, Mexico 2, Poland 3, India 11, French Southern and Antarctic Territories 1 (4th top importer in 2008), Area Nes 6.

to 2004), but the country did not make it to the list after 2004. Myanmar can be said to be a very prominent country for importing pharmaceutical products from Bangladesh, as this country remained in the top 10 list from 2001 to 2015 with being the highest pharmaceutical importing country from 2010 to 2015. Sri Lanka is another important country for the export of pharmaceutical products from Bangladesh as this country had been apparent in the top 10 list from 2001 to 2015 with being the second highest pharmaceutical exporting country for Bangladesh from 2011 onwards. Yemen and Hong Kong were in the list in 2001 and 2002, but not till then. Though India was the top pharmaceutical importing country in 2002, the country vanished from the list later on. Brazil has been a constant country among the top 10 pharmaceutical importers from 2002 to 2010 apart from the year 2009 and was absent from the list from 2011 to 2015. From 2002 to 2005, Netherlands Antilles had been in the top 10 list and had not been in the list since 2006. Other than in the years 2006 and 2008, Kenya had been among the top 10 pharmaceutical importing countries for Bangladesh, from 2003 to 2015. Belgium was in the list in 2004 and 2011 only. Spain made to the list in 2004 and 2005 only. Greece and Finland were in the list in 2004 only. Slovenia imported pharmaceutical products from Bangladesh in 2005 and 2006 and had been among the top 10 pharmaceutical importing countries for Bangladesh from 2011 to 2015. Poland was in the list in 2005 only. From 2005 to 2011, Austria was among the top 10 pharmaceutical importing countries for Bangladesh with being the top importer from 2006 to 2009. But the country had not been in the list till then. From 2004 to 2008, Germany was among the top 10 with being the top importer in 2005. But the country had been absent from the list till 2015. UK was in the list in 2006 and 2013 only. From 2006 to 2012, Panama was in the list, but had been out of it till then. Denmark was in the list in 2006 only. Guatemala was in the list from 2007 to 2009. Afghanistan had been in the list from 2008 to 2015. Philippines had been in the list from 2009 to 2015. Countries like South Africa, Venezuela, Bulgaria, Cambodia and Ecuador are somewhat new countries to enter in the top 10 importing country list, where South Africa was showing better futuristic signs.

Table 4.2

Export of Pharmaceuticals to Different Countries

Export of Pharmaceuticals to Different Countries (TOP 10 from Ascending to Descending order)													
2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2015
USA	India	Brazil	Brazil	Germany	Austria	Austria	Austria	Austria	Myanmar	Myanmar	Myanmar	Myanmar	Myanmar
Vietnam	USA	Sri Lanka	Belgium	Slovenia	Slovenia	Germany	French Southern and Antarctic Territories	Myanmar	Austria	Sri Lanka	Sri Lanka	Sri Lanka	Sri Lanka
Pakistan	Brazil	Netherlands Antilles	Spain	Myanmar	Germany	Myanmar	Myanmar	Sri Lanka	Sri Lanka	Vietnam	Afghanistan	Vietnam	Philippines
Myanmar	Sri Lanka	Myanmar	Netherlands Antilles	Netherlands Antilles	Myanmar	Sri Lanka	Guatemala	Panama	Afghanistan	Afghanistan	Vietnam	Philippines	Vietnam
Sri Lanka	Pakistan	Vietnam	Myanmar	Poland	Sri Lanka	Panama	Sri Lanka	Vietnam	Kenya	Kenya	Philippines	Afghanistan	Kenya
Yemen	Myanmar	Pakistan	Greece	Sri Lanka	Brazil	Brazil	Panama	Guatemala	Vietnam	Philippines	Kenya	South Africa	Afghanistan
Mexico	Netherlands Antilles	Thailand	Finland	Austria	UK	Kenya	Germany	Afghanistan	Panama	Panama	Slovenia	Slovenia	Slovenia
Nepal	Norway	Sweden	Germany	Brazil	Panama	Vietnam	Afghanistan	Philippines	Philippines	Belgium	Panama	Kenya	South Africa
United States Minor Outlying Islands	Yemen	Nepal	Sri Lanka	Spain	Denmark	Guatemala	Brazil	Kenya	Brazil	Slovenia	Bulgaria	UK	Cambodia
Hong Kong, China	Hong Kong, China	Kenya	Pakistan	Kenya	Netherlands	USA	Vietnam	USA	Venezuela, Bolivarian Republic of	Austria	Ghana	Venezuela, Bolivarian Republic of	Ecuador

Source: Authors' calculation.

To summarise from the analysis of export percentage and orientation of the importing countries[2] from 2001 to 2015, the countries noted as being 'Important markets' were Myanmar, Sri Lanka, Vietnam, Afghanistan, Philippines, Kenya and Slovenia, the countries noted as being 'Inconsistent or lost markets' were Brazil, India, Austria, Germany, and Panama and the countries noted as being 'Emerging markets' included South Africa, Venezuela, Bulgaria, Cambodia and Ecuador.

4.3 Plastic Industry

Over the years (from 2001 to 2015), the orientation of plastic export from Bangladesh to different countries has changed. In 2001 and 2002, USA was the top importer of plastic from Bangladesh, which then gradually reduce importing from

[2]Frequency of importing years (2001-2015): USA 4, Vietnam 10, Pakistan 4, Myanmar & Sri Lanka 14, Mexico 1(2001), Nepal 2(2001 & 2003), United States Minor Outlying Islands 1(2001), Hong Kong 2, Yemen 2, India 1(2002), Brazil 8, Netherlands Antilles 4, Norway 1(2002), Thailand 1(2003), Sweden 1 (2003), Kenya 9, Belgium 2, Greece & Finland 1 (2004), Slovenia 6, Poland 1 (2005), Austria 7, Germany 5, UK 2, Panama 7, Denmark 1 (2006), Guatemala 3, Afghanistan 7, Philippines 6, Bulgaria, Cambodia and Ecuador 1 (2014 and 2015).

Bangladesh till 2004 and ceased to import during 2005 to 2009. After 2010, the country again ascended towards importing more plastic from Bangladesh. From 2002 to 2015, Germany had remained to be among the top 10 plastic importing countries from Bangladesh. Though Iran was the second plastic importing country for Bangladesh in 2001, this country was nowhere near the top 10 list in the next 14 years. Except the years 2007, 2009, 2010 and 2013, UK had remained to be among the top 10 importers of Bangladeshi plastic. Starting from 2002, except 2011 and 2012, Netherlands had been one of the top 10 plastic importing countries for Bangladesh. In 2002 and 2003, Kenya was among the top 10 plastic importing countries for Bangladesh. Then the country was lost from the top 10 list. Except the 2008 and 2010, Belgium had been among the top 10 importing countries since 2003. France had been among the top 10 countries since 2003 except the years 2005 and 2006. From 2003 to 2015, Poland had remained to be among the top 10 plastic importing countries from Bangladesh. Hong Kong was among the top 10 plastic importing countries in 2006 and from 2010 to 2012. China was the fourth plastic importing country in 2003. Then in 2004, this country became the highest importer of plastic for Bangladesh and the second highest importer from 2005 to 2009. Then from 2010, this country had remained to be the highest importer of plastic from Bangladesh. Though Ukraine was a country that constantly imported plastic, among the top 10 importing countries from Bangladesh, from 2003 to 2008, this country ceased to be in the top 10 list after 2008. Except the year 2008, starting from 2004, India had been among the top 10 plastic importing countries for Bangladesh. From 2003 to 2015, Bangladesh had exported plastic to Area Nes. It had been the highest contributor to the export earnings in those years.

Table 4.3

Export of Plastic to Different Countries

Export of Plastic to Different Countries (TOP 10 from Ascending to Descending order)													
2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2015
USA	USA	Poland	China	Area Nes	Area Nes	Area Nes	Area Nes	Area Nes	China	China	China	China	China
Iran, Islamic Republic of	UAE	Area Nes	Area Nes	China	China	China	China	China	Area Nes	Area Nes	Area Nes	Area Nes	Area Nes
UK	UK	Belgium	Poland	India	India	Poland	French Southern and Antarctic Territories	Germany	Germany	India	Germany	Germany	India
Australia	Singapore	China	Belgium	Sudan (before 2012)	Germany	Germany	Poland	Australia	India	Germany	India	USA	USA
Spain	Germany	UK	India	Poland	Poland	India	Germany	UAE	Poland	Poland	Poland	Belgium	Germany
Canada	Australia	USA	Ukraine	Germany	Ukraine	Belgium	Australia	Netherlands	Australia	Belgium	USA	Poland	Poland
Singapore	Qatar	Kenya	Germany	Belgium	Belgium	Australia	UK	Belgium	Netherlands	USA	Belgium	France	Belgium
South Africa	Netherlands	France	UK	Ukraine	UK	Ukraine	Netherlands	India	USA	Hong Kong, China	Hong Kong, China	India	France
Nepal	Kenya	Germany	France	UK	Hong Kong, China	Netherlands	Ukraine	Poland	France	France	France	Netherlands	Netherlands
Korea, Republic of	Korea, Republic of	Ukraine	USA	Pakistan	Sri Lanka	France	France	France	Hong Kong, China	UK	Australia	Spain	UK

Source: Authors' calculation.

To summarise from the analysis of export percentage and orientation of the importing countries[3] from 2001 to 2015, the countries noted as being 'Important markets' included China, Area Nes, Poland, France, Germany, Belgium, France, India, UK and USA and the countries noted as being 'Inconsistent or lost markets' were Australia, Hong Kong and Ukraine.[4]

4.4 Shipbuilding Industry

Sri Lanka was the top shipbuilding products importing country for Bangladesh in 2001 and ninth one in 2002. After that it didn't make to the list. India was the second highest importer of shipbuilding products in 2001, tenth one in 2002, then the top importer in 2006 and consecutively made it to the list for the next four years till 2010. After not making the list in 2011, the country again entered the top 10 list in 2012, but had been absent from it from then. Other than the years 2002 and 2008, Singapore had been among the top 10 shipbuilding product importers for Bangladesh from 2001 to 2010. The country didn't make it to the list till then. USA had been among the top 10 shipbuilding product importers from 2001 to 2006 except the year 2005. UAE had been in the list from 2001 to 2009, except the years 2002 and 2008. After that period the country again entered the list in 2013, but not after that. Japan had made the list a total of seven times from 2001 to 2013. Apart from first three consecutive years (2001 to 2003), the country's entry in the list had been random at most. Greece had been in the top 10 list for 10 times from 2001 to 2015 (except the years 2002, 2005, 2010 and 2013). Denmark made it to the list in 2001, 2008 (top importer), 2010, 2012 and 2013 (top importer). Qatar was in the list in 2001 only where the country was the top importer. Taipei, Chinese made it to the list in 2002 and 2009 only. Korea made it to the list randomly five times in the years 2002, 2004, 2005, 2008 and 2010. UK made it to the list 2002, 2004 and in 2011. Hong Kong made the list in 2002 and 2013. China was the top importer in 2003 and 2004 and the second highest importer in 2010, 2012 and 2013. The country made to the top 10 list in 2006. The country had shown variability in its import of shipbuilding products from Bangladesh. Netherlands had been a constant fixture in the top 10 shipbuilding importing country list from 2003 to 2015 with being the highest importer in 2009. Italy was among the top 10 importing countries in 2003, 2005 and 2011. Turkey made it to the list in 2003, 2004, 2005, 2006 and 2009. Thailand made it to the list in 2005, 2012 and 2015. Pakistan made it to the list two times from 2001 to 2015. The first time in 2005 and the second time the country made it to the top importer place in 2012. Poland was among the top 10 countries from 2008 to 2015 for seven consecutive years. Germany was in the list in three consecutive years 2009, 2010 (top importer) and 2011 (2nd highest importer). Australia was in the list in 2011, 2012 and 2013. Some new countries entered the top 10 list in the last years and those are New Zealand, Saudi Arabia, Ecuador, Uganda, Sudan (after 2007 and 2008), Sweden (after 2008), and Thailand (after 2005 and 2012).

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[3]Frequency of importing years (2001-2015): USA 9, UK 10, Australia 6, Belgium 10, Singapore 2, Korea 2, Germany 13, Spain, Nepal and Canada 1, Kenya 2, France 10, Poland 12, Hong Kong 4,China 12, Ukraine 6, India 10, Qatar 1 (2002), Pakistan 1(2005) and Sri Lanka 1 (2006).

[4] Ukraine imported for six consecutive years i.e. from 2003 to 2008.

Table 4.4

Export of Shipbuilding Products to Different Countries

Export of Shipbuilding Products to Different Countries (TOP 10 from Ascending to Descending order)													
2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2015
Sri Lanka	Qatar	China	China	Greece	India	India	Denmark	Netherlands	Germany	Europe Other. Nes	Pakistan	Denmark	New Zealand
India	Japan	Netherlands	Korea, Republic of	Singapore	Maldives	Malaysia	French Southern and Antarctic Territories	Greece	China	Germany	China	China	Ecuador
Singapore	Taipei, Chinese	Japan	UAE	Thailand	Greece	Sudan (before 2012)	Netherlands	Singapore	Denmark	Netherlands	India	Netherlands	Saudi Arabia
USA	Korea, Republic of	Italy	Greece	UAE	Netherlands	Netherlands	India	Taipei, Chinese	Finland	Poland	Greece	Poland	Sudan
France	UK	Greece	Singapore	Netherlands	UAE	Singapore	Greece	UAE	Singapore	Japan	Denmark	Australia	Uganda
UAE	Russian Federation	UAE	Viet Nam	Italy	USA	Greece	Sweden	Poland	Netherlands	Italy	Netherlands	Area Nes	Netherlands
Japan	USA	Singapore	Turkey	Turkey	China	UAE	Sudan (before 2012)	Germany	Korea, Republic of	Area Nes	Poland	Hong Kong, China	Greece
Philippines	Hong Kong, China	USA	Netherlands	Pakistan	Japan	Peru	Nigeria	India	Poland	Australia	Australia	Saudi Arabia	Sweden
Greece	Sri Lanka	Area Nes	USA	Area Nes	Singapore	Area Nes	Korea, Republic of	Turkey	Japan	UK	Area Nes	UAE	Poland
Denmark	India	Turkey	UK	Korea, Republic of	Turkey	Panama	Poland	Indonesia	India	Egypt	Thailand	Japan	Thailand

Source: Authors' calculation.

To summarise from the analysis of export percentage and orientation of the importing countries[5] from 2001 to 2015, the countries noted as being 'Important markets' included Netherlands, Poland, Japan (random), and China (random), the countries noted as being 'Inconsistent or lost markets' were UAE, India, Sri Lanka, Singapore, USA, Greece, Denmark, Qatar, China, Pakistan, and Germany; and the countries noted as being 'Emerging Markets' were New Zealand, Saudi Arabia, Ecuador, Uganda, Sudan (after 2007 and 2008), Sweden (after 2008), and Thailand (after 2005 and 2012).

4.5 Agro Processed Goods: Processed and Dry Products

USA had been importing from 2001 to 2015. It was the top importer in 2001 and 2006, 2nd top importer in 2003, 2005 and 2007, 3rd top importer in 2002, 2004 and 2008, 4th top importer from 2009 to 2013, and 5th top importer in 2015. UAE had been importing from 2001 to 2015. It was the top importer in 2003, 2nd top importer in 2001

[5] Frequency of importing years (2001-2015): Sri Lanka 2, India 8, Singapore 8,USA 5, France 1(2001), UAE 8, Japan 7, Philippines 1 (2001), Greece 10, Denmark 5,Qatar 1 (2001), Taipei, Chinese 2, Korea 5, UK 3, Russian Federation 1(2002), Vietnam 1 (2004), Turkey 5, Italy 3, Thailand 3, Netherlands 12, Pakistan 2, Maldives 1(2006), Malaysia 1 (2007), Per and Panama 1 (2007), Poland 7, Nigeria 1 (2008), Indonesia 1 (2009), Germany 3, Finland 1 (2010), Australia 3, New Zealand, Ecuador and Saudi Arabia 1 (2015).

and 2002 and from 2010 to 2013, 3rd top importer in 2009 and 2015 and 4th top importer from 2004 to 2006. After importing from Bangladesh in 2001 and 2002 and being on the list of top 10 countries, Oman again made it to the list in the years i.e. 2012 to 2015. Singapore had been importing for 11 years from 2001 to 2015, except three consecutive years i.e. 2003 to 2005. Malaysia had been importing from 2001 to 2015 (except from 2002 to 2004) and Kuwait from 2001 to 2015 (except 2004). UK had been importing from 2002 to 2015 and was the top importer in 2004, 2005, 2007, 2009 and 2010, 2nd top exporter in 2006 and 2008, 3rd top importer from 2011 to 2013 and 4th top importer in 2003 and 2015. Italy was in the top 10 list from 2004 to 2012 and after that, the country was absent from the list. Malaysia had been among the top 10 processed and dry products importing country for Bangladesh from 2001 to 2015, except in the years 2002, 2003 and 2004. Except the year 2004, Kuwait had been among the top 10 processed and dry products importing country for Bangladesh from 2001 to 2015.

Table 4.5: Export of Processed and Dry Products to Different Countries

Export of Processed and Dry Products to Different Countries (TOP 10 from Ascending to Descending order)													
2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2015
USA	Saudi Arabia	UAE	UK	UK	USA	UK	Saudi Arabia	UK	UK	Saudi Arabia	Saudi Arabia	Saudi Arabia	Saudi Arabia
UAE	UAE	USA	Area Nes	USA	UK	USA	UK	Saudi Arabia	UAE	UAE	UAE	UAE	Singapore
Saudi Arabia	USA	Bhutan	USA	Saudi Arabia	Saudi Arabia	Saudi Arabia	USA	UAE	Saudi Arabia	UK	UK	UK	UAE
Oman	Singapore	UK	UAE	UAE	UAE	Italy	Singapore	USA	USA	USA	USA	USA	UK
Bhutan	UK	Saudi Arabia	Saudi Arabia	Italy	Canada	Malaysia	French Southern and Antarctic Territories	Singapore	India	Singapore	Singapore	Singapore	USA
Singapore	Oman	Hong Kong, China	Ukraine	Sri Lanka	Italy	UAE	UAE	Italy	Malaysia	Malaysia	Malaysia	Malaysia	Malaysia
Malaysia	Korea, Republic of	Kuwait	Canada	Malaysia	Malaysia	Kuwait	Italy	Malaysia	Singapore	Italy	Kuwait	Oman	Oman
Syrian Arab Republic	Japan	Japan	Italy	Kuwait	Kuwait	Canada	Kuwait	Kuwait	Italy	Kuwait	Oman	Kuwait	Kuwait
Kuwait	Kuwait	Singapore	Japan	Japan	Australia	Australia	Malaysia	Canada	Kuwait	Canada	Italy	Qatar	Qatar
India	Bahrain	Area Nes	India	Qatar	Qatar	Singapore	Australia	Qatar	Canada	Qatar	Bahrain	Canada	India

Source: Author's calculation.

To summarise from the analysis of export percentage and orientation of the importing countries[6] from 2001 to 2015, the countries noted as being "Important markets" were

[6] Frequency of importing years (2001-2015): Sri Lanka 2, India 8, Singapore 8, USA 5, France 1(2001), UAE 8, Japan 7, Philippines 1 (2001), Greece 10, Denmark 5, Qatar 1 (2001), Taipei, Chinese 2, Korea 5, UK 3, Russian Federation 1(2002), Vietnam 1 (2004), Turkey 5, Italy 3, Thailand 3, Netherlands 12, Pakistan 2, Maldives 1(2006), Malaysia 1 (2007), Per & Panama 1 (2007), Poland 7, Nigeria 1 (2008), Indonesia 1 (2009), Germany 3, Finland 1 (2010), Australia 3, New Zealand, Ecuador and Saudi Arabia 1 (2015).

USA, UAE, Oman, Singapore, Malaysia, Kuwait, and UK, and the countries noted as being "Inconsistent or lost markets" included Saudi Arabia, Bhutan, Japan, Canada, Italy, India, Qatar, and Australia.

The countries that fall into the "Inconsistent or lost markets" included Saudi Arabia that was in the top 10 list in 2001 and was the 3rd top importer in that particular year; Bhutan that was in the top 10 list from Bangladesh in 2001 and 2003 where it was the 3rd top importer; Japan that was among the top 10 importing countries from 2002 to 2005 (four consecutive years); Canada that was in the top 10 list in the years 2004, 2006 and 2007, and from 2009 to 2011 and 2013; Italy that was in the top 10 list from 2004 to 2012; India that was in the top 10 list in four random years 2001, 2004, 2010 and 2015; Qatar that was in the list in 2005, 2006, 2009, 2011, 2013 and 2015; and Australia that made it to the list in 2006, 2007 and 2008 but had been lost from the list since then.

4.6 Light Engineering Product: Bi-Cycle and Other Cycles

UK had been importing from 2001 to 2015. It was the top importer in all those years. Belgium was in the list from 2001 to 2015 except in the years 2002 and 2003. Except in 2002, Ireland was among the top 10 bi-cycle importers for Bangladesh from 2001 to 2015. Denmark made it to the list from 2001 to 2003 and from 2009 to 2015. Except the year 2015, Netherlands was in the top 10 list from 2003 to 2013. Germany had been importing from 2001 to 2015. It was the 3rd top importer in 2009 and 2nd top importer from 2010 to 2015. Spain is fairly a recent addition to the top importer's list that had been importing from 2012 to 2015. Austria was another entry in the list importing in 2011, 2012 and 2013. Norway was in the list in 2001, 2002 and 2012. Sweden was among the top 10 in 2001, 2010, 2011 and 2015. Except the years 2002 and 2003, Malaysia was not in the list of top 10 importers of bi-cycle. Italy was in the list in the years 2002, 2003 and from 2007 to 2009. France made it to the list of top 10 bi-cycle importing countries in 2002 and 2003 and from 2007 to 2009. Except in 2002 and 2003, Belgium was among the top 10 bi-cycle importing countries for Bangladesh from 2001 to 2015. Taipei, Chinese was in the list in 2001 and 2002. Japan was in the list in 2002 and 2003 only. Ukraine was in the list in 2004, 2005 and 2010 (random years).

Table 4.6: Export of Bi-cycle to Different Countries

Export of Bi-cycle to Different Countries (TOP 10 from Ascending to Descending order)													
2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2015
UK	UK	UK	UK	UK	UK	UK	UK	UK	UK	UK	UK	UK	UK
USA	Denmark	Italy	Netherlands	Ireland	Ireland	Ireland	Belgium	Belgium	Germany	Germany	Germany	Germany	Germany
Taipei, Chinese	Malay-sia	Nether-lands	Ukraine	Nether-lands	Belgium	Belgium	French Southern and Antarctic Territories	Germany	Belgium	Belgium	Belgium	Belgium	India
Norway	USA	Ireland	Portugal	Canada	Nether-lands	Germany	Germany	Ireland	Ireland	Ireland	Ireland	Italy	Belgium
Germany	France	USA	Ireland	Belgium	Germany	Portugal	Ireland	France	Italy	Sweden	Denmark	India	Sweden
India	Japan	Denmark	Belgium	Portugal	Canada	Italy	Netherlands	Czech Republic	Greece	Denmark	Austria	Denmark	Ireland
Belgium	Taipei, Chinese	Germany	Area Nes	Germany	Niger	Greece	Italy	Italy	Denmark	Portugal	Italy	Ireland	Denmark
Sweden	Norway	Malaysia	Canada	Iran, Islamic Republic of	Iran, Islamic Republic of	Netherlands	Greece	Greece	Sweden	Netherlands	Spain	Spain	Spain
Ireland	Germany	Japan	Germany	Italy	Portugal	Area Nes	France	Netherlands	Netherlands	Austria	Netherlands	Netherlands	Italy
Denmark	India	France	Iran, Islamic Republic of	Ukraine	Hungary	France	Iran, Islamic Republic of	Denmark	Ukraine	Italy	Norway	Austria	Finland

Source: Author's calculation.

To summarise from the analysis of export percentage and orientation of the importing countries[7] from 2001 to 2015, the countries noted as being "Important markets" included UK, Belgium, Ireland, Denmark, Netherlands, Germany, Spain and Austria and the countries noted as being "Inconsistent or lost markets" were USA, India, Portugal, Canada, Iran, and Greece.

The inconsistent markets included USA that was among the top 10 countries in 2001, 2002 and 2003; India that was in the list in 2001 and 2002 and after a long break in 2013 and 2015; Portugal that was among the top 10 bi-cycle importing countries for Bangladesh from 2004 to 2007 and again made it to the list in 2011; Canada that was in the list in 2004, 2005 and 2006; Iran that was in the list in 2004, 2005, 2006 and 2008; and Greece that was in the list from2007 to 2010.

Table 4.7 summarises the countries that are marked as Important, Inconsistent and Emerging markets and also provides an overall remark based on the analysis of these markets for each of the six industries under consideration.

[7] Frequency of importing years (2001-2015): UK 14, USA 3, Taipei, Chinese 2 (2001 and 2002), Norway 3, Germany 14, India 4, Belgium 12, Sweden 4, Ireland 13, Denmark 9, Italy 5, Netherlands 11, Japan 2, France 5, Ukraine 3, Portugal 5, Canada 3, Iran 4, Niger and Hungary 1 (2006), Greece 4, French Southern and Antarctic Territories 1 (3rd top importer in 2008), Spain 3, Austria 3.

Table 4.7

Lists of Markets identified as Important, Inconsistent and Emerging Markets for Different Industries

Industry	Important Markets	Inconsistent/Lost Markets	Emerging Markets	Comment
Leather & Leather Goods	Hong Kong, China, Italy, Spain, Japan, Korea, Taipei, Chinese, Viet nam, Brazil, China and India	USA, Mexico, Poland and Area Nes	-	There is not much change in the top importing countries for Bangladesh in the case of leather industry
Pharmaceuticals	Myanmar, Sri Lanka, Vietnam, Afghanistan, Philippines, Kenya, Slovenia.	Brazil, India, Austria, Germany, and Panama	South Africa, Venezuela, Bulgaria, Cambodia and Ecuador	Somewhat unstable in recent years with the entry of newer countries in this scenario
Plastic	China, Area Nes, Poland, France, Germany, Belgium, France, India, UK, USA.	Australia, Hong Kong and Ukraine	-	Stable in recent years which is helping the expansion of export earnings from this sector
Shipbuilding	Netherlands, Poland, Japan (random), China (random)	UAE, India, Sri Lanka, Singapore, USA, Greece, Denmark, Qatar, China, Pakistan, Germany, New Zealand, Ecuador and Saudi Arabia.	New Zealand, Saudi Arabia, Ecuador, Uganda, Sudan (after 2007 & 2008), Sweden (after 2008), and Thailand (after 2005 & 2012)	Increasing exports to newer countries entering in this scenario is helping the restoration of higher export earnings
Agro: Processed & Dry Products	USA, UAE, Oman, Singapore, Malaysia, Kuwait, UK	Saudi Arabia, Bhutan, Japan, Canada, Italy, India, Qatar, and Australia	-	Stable export to some identified countries is helping the betterment of export scenario in recent years for these products
Light Engineering: Bi-cycle	UK, Belgium, Ireland, Denmark, Netherlands, Germany, Spain, Austria	USA, India, Portugal, Canada, Iran, and Greece	-	Long term import-export partnership with some countries is helping the increase of export share of bi-cycles in Bangladesh

CHAPTER 5

POLICY SUGGESTIONS AND CONCLUSIONS

The discussion so far reveals the prevalence of intra heterogeneity within particular sectors. The analyses draw two major findings: the comparative advantage analyses of each industry should be exercised at most disaggregate level to capture the heterogeneity and the intensity of exports of particular industry should be analysed by exploring the pattern of demand by importing countries over time. Analyses of comparative advantage at most disaggregate level depict the weighted importance of different products (4-digit level) across specific industry (2-digit level) that will eventually specify the areas of policy interventions.

Apart from the analyses of comparative advantage, the study also shows the trend of demand of different products in global market. Policy implications toward export diversification need to be designed according to consistency of global demand of particular product. Consistency of global demand can be identified by observing the volume of imports by top importing countries and their degree of consecutiveness. Hence, policy implications must focus on the countries that import at larger share and at definite consecutive years. Also, the new and emerging importing countries should also be listed to attract their willingness to import from Bangladesh. The study has identified "important and consistent markets", "lost markets" and "emerging markets" in each of the six industries.

These two major findings also provide the scope of effectiveness in allocation of government incentives, such as cash incentives. The following discussion describes some major findings across the six different industries and the plausible impact of cash incentives on export earnings.

5.1 Policy Implications

5.1.1 Leather Industry

Leather industry had been in advantageous position even at two-digit product level. However, the declining share of leather industry to total exports raises the need of RCA analyses at 4-digit level. It is the fact that international market of this industry seems to be quite consistent in comparison with other five industries. Hence, policy implications must be oriented with probing new destinations of exports.

Table 5.1

Leather and Leather Goods at a Glance

Product Code	Product Name	RCA	Export Share	Comment
4101	Raw hides and skins of bovine "incl. buffalo" or equine animals, fresh, or salted, dried, limed	Disadvantaged	Negligible (below 0.5%)	No concern
4102	Raw skins of sheep or lambs, fresh, or salted, dried, limed, pickled or otherwise preserved			
4103	Other raw hides and skins, fresh, or salted, dried, limed, pickled or otherwise preserve			
4114	Chamois leather, incl. combination chamois leather (excluding glacé-tanned leather subsequently			
4106	Tanned or crust hides and skins of goats or kids, pigs, reptiles and other animals	Advantaged	High (Between 5% and 13%)	Can be more promoted
4107	Leather further prepared after tanning or crusting "incl. parchment-dressed leather", of bovine (4107)	Advantaged	High share (35% to 56% since 2003)	Can be more promoted
4113	leather further prepared after tanning or crusting "incl. parchment-dressed leather", of goats (4113)	Advantaged	little share (around 3% to 6% since 2003)	Can be more promoted
4105	tanned or crust skins of sheep or lambs, without wool on, whether or not split	Advantaged	Increasing trend (1%-3%) from 2005 to 2009	Can be more promoted
4104	Tanned or crust hides and skins of bovine "incl. buffalo" or equine animals share	Highly Advantaged	Large share (between 30% and 55% since 2003)	Major product for driving RCA of product 41
4201	"Saddler and harness for any animal, incl. traces, leads, knee pads, muzzles, saddle cloths"	Disadvantaged	Negligible (below 0.5%)	No concern
4204	"Trunks, suitcases, vanity cases, executive-cases, briefcases, school satchels, spectacle cases"			
4206	"Articles of gut, goldbeater's skin, bladders or tendons (excluding silkworm gut, sterile catgut"			
4203	"Articles of apparel and clothing accessories, of leather or composition leather ()" holds the revealed advantage in the four years; 2009, 2010 and 2011 and 2015. This product contributed substantially to the total export of product 42 (39% to 47%) in the years 2008, 2009 and 2010. This share declined in the rest of the years; moved around 5% to 9%.	Revealed Advantage only in 2009, 2010, 2011 and 2015	Substantial share (39% to 47%) in 2008, 2009 and 2010 but share declined and moved around 5% to 9% in the rest of the years	Sudden Increase in export share and RCA in some specific years need investigation

(Contd. Table 5.1)

Product Code	Product Name	RCA	Export Share	Comment
4205	"Articles of leather or composition leather (excluding saddlery and harness bags)	Revealed Advantage only in 2010, 2011and 2015	No systematic pattern of export share; sudden increase in 2009 and 2010	Need investigation
4202	Trunks, suitcases, vanity cases, executive-cases, briefcases, school satchels, spectacle cases	Revealed Advantage only in 2014 and 2015	More than 85% from 2001 to 2006 and from 2011 to 2014. Between 32% and 68% from 2008 to 2010.	Concern: Lion share but no revealed advantage, investigation why the export declined from 2008 to 2010.
43	leather; saddlery and harness; travel goods, handbags and similar containers; articles	Disadvantaged		

5.1.2 Pharmaceuticals Industry

This industry is moving with rapid growth without any government incentives. 'Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic uses' (HS code 3004) comprises more than 70 per cent export share of this industry but hds never enjoyed comparative advantage since 2001. Overall, the global market of this industry seems to experience a number of shifts; six new (Vietnam, Myanmar, Kenya, Slovenia, Sri Lanka and Afghanistan) countries had been enlisted as top ten importing countries, while the industry lost six top importing (Pakistan, Netherlands, Panama, Brazil, Austria and Germany) countries (importing more than four consecutive years). Hence, incentives mechanism might facilitate the industry to move progressively given the present inconsistent but contributing performance. The government must focus on Emerging Markets (South Africa, Venezuela, Bulgaria, Cambodia and Ecuador) to address the prevailing inconsistency.

Table 5.2

Pharmaceuticals Industry at a Glance

Product Code	Product Name	RCA	Export Share	Comment
3001	Dried glands and other organs for organo-therapeutic uses, whether or not powdered; extracts ...	Disadvantaged	Negligible (Below 0.5%)	No concern
3002	Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera ...	Disadvantaged	Little share (1% to 4% between 2007 and 2011)	Can be promoted

(Contd. Table 5.2)

Product Code	Product Name	RCA	Export Share	Comment
3003	Medicaments consisting of two or more constituents mixed together for therapeutic or prophylactic ...	Disadvantaged	Little share from 2001 to 2006 and 2012 to 2015 (Between 2% and 6%) and substantially increasing trend from 10% to 14% between 2007 and 2011)	The substantially increasing export share pattern should be investigated with the possibility of emerging markets
3004	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic uses, put ...	Disadvantaged	Above 93% from 2001 to 2006. A gradually significant drop to 68% in 2013 from 94% in 2006. Again, a sudden rise to 93% in 2014 and then 95% in 2015.	As the lion export share comes from this product, this type of drop and rise should be investigated
3005	Wadding, gauze, bandages and the like, e.g. dressings, adhesive plasters, poultices, impregnated ...	Disadvantaged	Negligible (Below 0.5%) except in 2003	Can be promoted
3006	Pharmaceutical preparations and products of subheadings 3006.10.10 to 3006.60.90	Disadvantaged	Negligible from 2001 to 2011, little share (4%, 3% and 2%) in 2011, 2014 and 2015 and a relatively large share, 21% in 2012 and 30% in 2013	The reason behind why the large share trends could not continue in 2012 and 2013 should be investigated

5.1.3 Plastic Industry

The products, ‘Articles for the conveyance or packaging of goods, of plastics; stoppers, lids, caps and others’ (HS Code 3923), and ‘Articles of plastics and articles of other materials of heading 3901 to 3914, n.e.s.’ (HS Code 3926), which comprises more than half of the total export of this industry, have yet to gain an advantageous position.

The only product Waste, parings and scrap, of plastics' (HS Code 3915) with comparative advantage faced a gradual increase in its share which sustained up to 2013. However, the share tends to decline in the last three consecutive years (2013 to 2015), implying the possibility of "lost markets."

The industry raises the concern as USA, one of the consistent markets up to 2004, reduced its import which eventually led to enlisting the country as "lost market" up to 2010. Even though the export to USA increased after 2010. These ups and downs reveal the absence of adequate knowledge regarding the destination market. Iran, Kenya and Ukraine had been lost from the list despite their large import share.

Table 5.3

Plastic Industry at a Glance

Product Code	Product Name	RCA	Export Share	Comment
3901	Polymers of ethylene, in primary forms	Disadvantaged	Very little share (Between 1% and 4%) except 11% share in 2005	No concern
3902	Polymers of propylene or of other olefins, in primary forms	Disadvantaged	Very little share over the years	No concern
3903	Polymers of styrene, in primary forms	Disadvantaged	Negligible (Below 0.5%)	No concern
3904	Polymers of vinyl chloride or of other halogenated olefins, in primary forms	Disadvantaged	Mostly negligible (Below 0.5%) except very little share (1%) in 2002 and 2007	No concern
3905	Polymers of vinyl acetate or of other vinyl esters, in primary forms; other vinyl polymers, **...**	Disadvantaged	Negligible (Below 0.5%)	No concern
3906	Acrylic polymers, in primary forms	Disadvantaged	Mostly negligible (Below 0.5%) and very little share (1% to 2%) from 2004 to 2011	Export in some years should be investigated
3907	Polyacetals, other polyethers and epoxide resins, in primary forms; polycarbonates, alkyd resins, **...**	Disadvantaged	Mostly negligible (Below 0.5%) and very little share(1% to 2%) in 2012, 2014 and 2015	Export in recent years should be investigated

(Contd. Table 5.3)

Product Code	Product Name	RCA	Export Share	Comment
3908	Polyamides, in primary forms	Disadvantaged	Negligible (Below 0.5%)	No concern
3909	Amino-resins, phenolic resins and polyurethanes, in primary forms	Disadvantaged	Negligible (Below 0.5%)	No concern
3910	Silicones in primary forms	Disadvantaged	Negligible (Below 0.5%)	No concern
3911	Petroleum resins, coumarone-indene resins, polyterpenes, polysulphides, polysulphones and other **...**	Disadvantaged	Negligible (Below 0.5%)	No concern
3912	Cellulose and its chemical derivatives, n.e.s., in primary forms	Disadvantaged	Negligible (Below 0.5%)	No concern
3913	Natural polymers, e.g. alginic acid, and modified natural polymers, e.g. hardened proteins, **...**	Disadvantaged (Revealed Advantage in 2001 only)	Negligible (Below 0.5%) except 20% share in 2001 and 7% share in 2002	Sudden and discontinued increase in export share and comparative advantage should be investigated
3914	Ion-exchangers based on polymers of heading 3901 to 3913, in primary forms	Disadvantaged	Negligible (Below 0.5%)	No concern
3915	Waste, parings and scrap, of plastics	Revealed Advantage from 2004 to 2015	Substantially significant share from 2004 to 2015 and large share in 2011 and 2012	Major product for driving RCA of product 39
3916	Monofilament of which any cross-sectional dimension > 1 mm, rods, sticks and profile shapes, **...**	Disadvantaged	Little to Negligible share (Below 0.5%) over the years except from 2001 to 2003	Should be looked into
3917	Tubes, pipes and hoses, and fittings therefor, e.g. joints, elbows, flanges, of plastics	Disadvantaged	Little to negligible Share over the years	No concern

(Contd. Table 5.3)

Product Code	Product Name	RCA	Export Share	Comment
3918	Floor coverings of plastics, whether or not self-adhesive, in rolls or in the form of tiles; **...**	Disadvantaged	Negligible (Below 0.5%)	No concern
3919	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics, whether **...**	Disadvantaged	Mostly negligible (Below 0.5%)	No concern
3920	Plates, sheets, film, foil and strip, of non-cellular plastics, not reinforced, laminated, **...**	Disadvantaged	Mostly negligible (Below 0.5%)	No concern
3921	Plates, sheets, film, foil and strip, of plastics, reinforced, laminated, supported or similarly **...**	Disadvantaged	Negligible (Below 0.5%)	No concern
3922	Baths, shower-baths, sinks, washbasins, bidets, lavatory pans, seats and covers, flushing cisterns **...**	Disadvantaged	Negligible (Below 0.5%)	No concern
3923	Articles for the conveyance or packaging of goods, of plastics; stoppers, lids, caps and other **...**	Disadvantaged	Very large export share	Concern: Though these products have majority shares in the export of the industry, there is no comparative advantage, which is a major concern and needs to be investigated
3924	Tableware, kitchenware, other household articles and toilet articles, of plastics (excluding **...**	Disadvantaged	Little to negligible export shares over the years	No concern
3925	Builders' ware of plastics, n.e.s.	Disadvantaged	Mostly negligible export share (Below 0.5%) and very little export share (7%) in 2005	No concern
3926	Articles of plastics and articles of other materials of heading 3901 to 3914, n.e.s.	Disadvantaged	Little export share (between 4% and 26%) over the years	No major concern

5.1.4 Shipbuilding Industry

Only one, 'Vessels and other floating structures for breaking up' (HS Code 8908) out of eight products had been enjoying comparative advantage persistently since 2001. But the export share of this product to total export (ranging from 6 per cent to 60 per cent) of the industry does not show any definite trend. One the other hand, Cruise ships, excursion boats, ferry-boats, cargo ships, barges and similar vessels for the **...'**(HS Code 8901) had never been in advantageous position despite its largest export share of more than 70 per cent. The industry depicts intensive variations in terms of sustaining the pattern of global market. The list with the "lost market" is quite large that eventually had led to drastic fall of export share of this industry to total exports of the country since 2013. This fall might be attributed to the "lost market" of India, Singapore and UAE since 2013. The policy intervention must be focused on the random entry of some countries (Japan and China) and emerging markets such as New Zealand, Saudi Arabia, Ecuador, Uganda, Sudan (after 2007 and 2008), Sweden, and Thailand. It is also very interesting to notice here that newest entries in the list i.e. New Zealand, Ecuador and Saudi Arabia are the top three shipbuilding products importing countries respectively. The exploration of export share of shipbuilding industry to total country export and disbursed cash incentives depict a positive relation. The sudden surge in its export share (Figure 3.8) in 2010 compelled the government to initiate the cash incentives provision in the consecutive year. The cash incentive was initiated in the sector in 2011 with BDT 23.15 crore. However, this cash incentive was dramatically reduced in the three consecutive disbursements, with BDT 6.1 crore, BDT 1.5 crore and BDT 1.15 crore in 2012, 2013 and 2015 and the export share of this industry also followed a declining path during this period. Even though this positive relation cannot be validated with empirical evidence, this analysis involves the scope for policy suggestions. The export earnings in the upcoming years must be observed with a view to adjusting the disbursement of cash incentives. The demand from the top importing countries in recent years must be accounted accordingly; the consistency in the demand by those countries should be the concern in providing incentives in the upcoming years.

Table 5.4

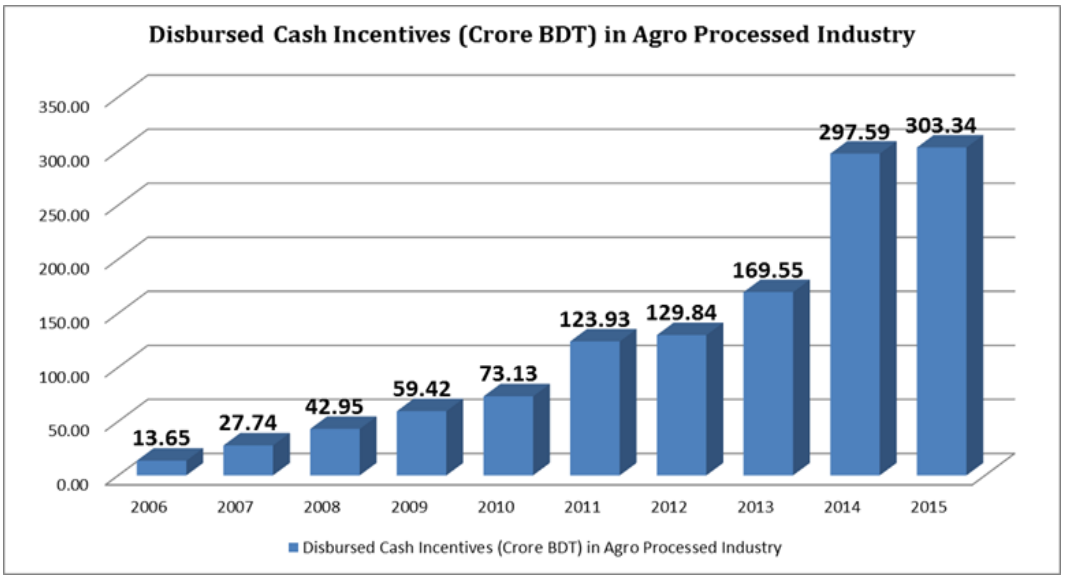
Shipbuilding Industry at a Glance

Product Code	Product Name	RCA	Export Share	Comment
8901	Cruise ships, excursion boats, ferry-boats, cargo ships, barges and similar vessels for the **...**	Disadvantaged	Little share (10% and 15%) in 2005 and 2006 Substantially large share in 2008 and from 2010 to 2015	Should be investigated to further promote the scope of exports as lion share of exports comes from these products in recent years
8902	Fishing vessels; factory ships and other vessels for processing or preserving fishery products **...**	Disadvantaged	Negligible (Below 0.5%)	No concern
8903	Yachts and other vessels for pleasure or sports; rowing boats and canoes	Disadvantaged	Very little share (between 1% and 6%) over the years except a substantial share in 2009 (28%) and 2007 (14%)	The sudden increase in export shares in 2007 and 2009 should be investigated
8904	Tugs and pusher craft	Disadvantaged (Revealed Advantage in 2002 and 2003)	Very little share except 79% in 2002 and 35% in 2003	Sudden increase in export share and RCA in two specific years need investigation
8905	Light-vessels, fire-floats, dredgers, floating cranes, and other vessels the navigability of **...**	Disadvantaged	Very little share except 2003, 2004, 2007 and 2010	Sudden increase in export shares in some particular years should be investigated
8906	Vessels, incl. warships and lifeboats (excluding rowing boats and other vessels of heading **...**	Disadvantaged (Revealed Advantage in 2004)	Very large share (59%) in 2001 and substantially large share (21%) in 2004 Little share in other years.	Sudden increase in export share and RCA in two specific years need investigation
8907	Rafts, tanks, coffer-dams, landing stages, buoys, beacons and other floating structures (excluding **...**	Disadvantaged	Substantially large share (39%) in 2006 and little share in other years	The sudden increase in export share in 2006 should be investigated
8908	Vessels and other floating structures for breaking up	Revealed Advantage (Except from 2011 to 2013)	Substantially significant share from 2001 to 2007, 2009, 2014 and 2015 No export from 2011 to 2013	Major product for driving RCA of product 89. Sudden drop of export share and absence of comparative advantage in some particular years should be investigated

5.1.5 Agro-Processed Industry (Processed and Dry Products)

The product 'Prepared foods obtained by the swelling or roasting of cereals or cereal products, e.g. corn flakes; cereals (other than maize "corn") in grain form or in the form of flakes or other worked grains (except flour, groats and meal), pre-cooked or otherwise prepared, n.e.s.' (HS Code 1904) had been enjoying comparative advantage since 2009. However, the export share of this product to total industry export declined in the last three years compared to the years before then. Unlike other industries, this sustenance of "consistent market" is quite intensive, both in terms of number of countries and consecutiveness of imports by these countries.

Figure 5.1: Cash Incentives (disbursed) in Agro Processed Industry



Source: Bangladesh Bank.

Cash incentives in this sector had been provided since 2006 and the incentives were associated with rapid growth in each of the consecutive disbursements; starting from BDT 13.7 crore in 2006 to BDT 303.3 crore in 2015. This upsurge in disbursement contributed to higher export earnings as well as higher export shares, implying the possible facilitating effect of cash incentives on the industry. At present, the government is providing 20 per cent cash incentives over the sectors total export earnings. Government can experiment with consecutive improvement of this rate in order to explore the possibility of reaping the full benefits of cash incentives in this industry.

Table 5.5
Agro Processed and Dry Food Products at a Glance

Product Code	Product Name	RCA	Export Share	Comment
'1901	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing < 40% by weight of cocoa calculated on a totally defatted basis, n.e.s.; food preparations of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir, and similar goods of heading 0401 to 0404, not containing cocoa or containing < 5% by weight of cocoa calculated on a totally defatted basis, n.e.s.	Disadvantaged	Substantially large share from 2002 to 2005, 2007, 2008, 2010 to 2013 and 2015	The reason behind the declines in export share in some particular years should be investigated
'1902	Pasta, whether or not cooked or stuffed with meat or other substances or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared	Disadvantaged	Little share (between 1% and 6%) from 2003 to 2015	No concern
'1904	Prepared foods obtained by the swelling or roasting of cereals or cereal products, e.g. corn flakes; cereals (other than maize "corn") in grain form or in the form of flakes or other worked grains (except flour, groats and meal), pre-cooked or otherwise prepared, n.e.s.	Disadvantaged (Revealed advantage in 2009 to 2013 and 2015)	Substantially large export share from 2001 to 2014, except in 2007, 2008 and 2015	Concern: Though having higher share in export did not have advantage in most years and so there should be some major investigation
'1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products	Disadvantaged	Substantially large export share from 2003 to 2015	Concern: Despite the consistently large export shares, these products did not have any advantage and so there should be some investigation

5.1.6 Light Engineering Industry (Bi-cycle and Other Cycles)

This industry is unique among all other industries for sustaining the advantageous position persistently from 2001 to 2015. However, the export share followed a declining trend since 2010.

The provision of cash incentives was irregular initiating in 2009. The disbursed cash incentives were BDT 0.0166 crore, BDT 0.0004 crore, BDT 0.2416 crore and BDT 0.113 crore in 2009, 2011, 2012 and 2013 respectively. Given the provision of cash incentives in only these four years, the effect of cash incentives on export earnings could not be validated.

Table 5.6

Bicycle and Other Cycles Industry at a Glance

Product Code	Product Name	RCA	Export Share	Comment
8712	Bicycle and Other Cycles	Revealed Advantage from 2001 to 2015	Substantially large share from 2004 to 2011 but the share ratio is fluctuating. Little share (10% to 17%) from 2001 to 2003 and substantial share (23%) 2012 on wards	Higher Share and Higher Comparative Advantage (Exceptionally high advantage from 2004 to 2010). These years should be investigated for keeping the level of comparative advantage steady

The above discussion shows that increased (decreased) disbursement cash incentives do not necessarily lead to higher (lower) export earnings. But this absence of the correlation should not raise questions about the effectiveness of the government intervention. At present, government fixes a specific rate of cash disbursement upon the export earnings of any industry. Except leather industry, this rate remained constant for the three (ship building, agro processing and bi-cycle) industries over time.

Cash incentives in any particular industry are provided on the basis of exports earnings made in previous years. This lagged effect must be considered while analysing the efficiency of this intervention. At present, there is no clear-cut policy for fixing the rate of cash incentives, resulting in inefficient allocation of resources. The present scenario shows that industries with persistent negative growth of export earnings are also receiving incentives while industries with higher international demand and progressive export earnings remain out or are receiving little of the incentives provision. Government must provide the incentives to those products which have high international demand but cannot flourish due to resource constraints. International demand should be assessed through consistency of import intensity of top importing countries. Moreover, to capture the lagged effect of disbursed incentives, the practice of maintaining constant rate over a longer time frame can be replaced with periodical change (decreased or increased) based on the export performance in every three or five years.

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Appendixes

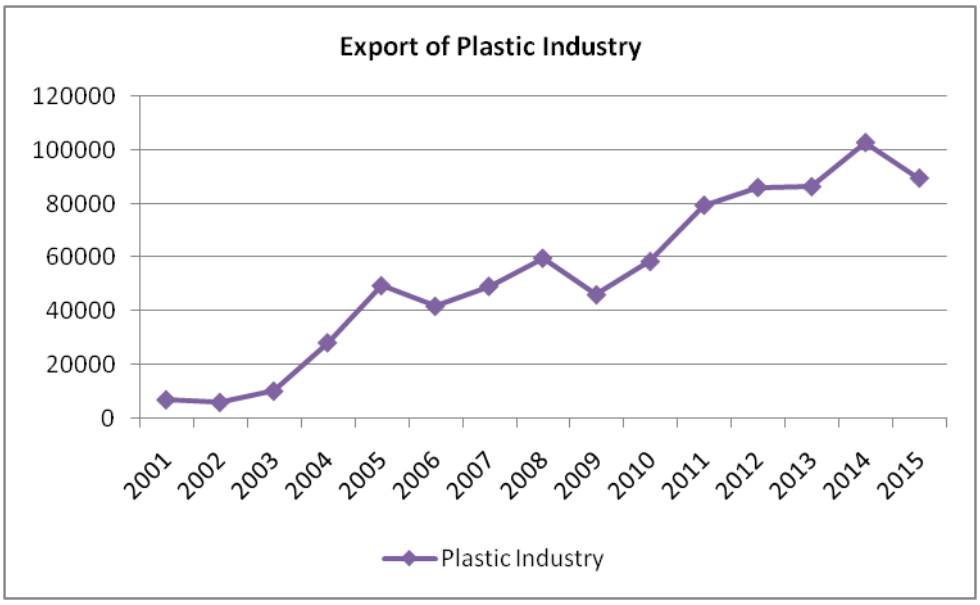
Appendix A: Export Earning of Leather and Leather Goods in Bangladesh

Source: ITC calculations based on UN COMTRADE Data.

Appendix B: Products under Leather and Leather Goods Industry at HS Code Four-Digit Level

Products Code : 41 **Raw hides and skins (other than fur skins) and leather**	
'4101	Raw hides and skins of bovine "incl. buffalo" or equine animals, fresh, or salted, dried, limed, ...
'4102	Raw skins of sheep or lambs, fresh, or salted, dried, limed, pickled or otherwise preserved, ...
'4103	Other raw hides and skins, fresh, or salted, dried, limed, pickled or otherwise preserved, ...
'4104	Tanned or crust hides and skins of bovine "incl. buffalo" or equine animals, without hair on, ...
'4105	Tanned or crust skins of sheep or lambs, without wool on, whether or not split (excluding further ...
'4106	Tanned or crust hides and skins of goats or kids, pigs, reptiles and other animals, without ...
'4107	Leather further prepared after tanning or crusting "incl. parchment-dressed leather", of bovine ...
'4112	Leather further prepared after tanning or crusting "incl. parchment-dressed leather", of sheep ...
'4113	Leather further prepared after tanning or crusting "incl. parchment-dressed leather", of goats ...
'4114	Chamois leather, incl. combination chamois leather (excluding glacé-tanned leather subsequently ...
'4115	Composition leather with a basis of leather or leather fibre, in slabs, sheets or strip, whether ...
Products Code :42 **Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles**	
'4201	Saddlery and harness for any animal, incl. traces, leads, knee pads, muzzles, saddle cloths, …
'4202	Trunks, suitcases, vanity cases, executive-cases, briefcases, school satchels, spectacle cases, ...
'4203	Articles of apparel and clothing accessories, of leather or composition leather (excluding ...
'4204	Articles for technical use, of leather or composition leather
'4205	Articles of leather or composition leather (excluding saddlery and harness bags; cases and ...
'4206	Articles of gut, goldbeater's skin, bladders or tendons (excluding silkworm gut, sterile catgut, ...
Products Code : 43 **Furskins and artificial fur; manufactures**	
'4301	Raw furskins, incl. heads, tails, paws and other pieces or cuttings suitable for use in furriery ...
'4302	Tanned or dressed furskins, incl. heads, tails, paws and other pieces, scraps and remnants, ...
'4303	Articles of apparel, clothing accessories and other furskin articles (excluding gloves made ...
'4304	Artificial fur and articles thereof (excluding gloves made of leather and artificial fur, footware ...
	Sums

Appendix C: Export Earning of Plastic Industry in Bangladesh



Source: ITC calculations based on UN COMTRADE Data.

Appendix D: Products under Plastic Industry at HS Code Four-Digit Level

Plastic Industry (HS Code 39)	
HS Code	**Product Name**
3901	Polymers of ethylene, in primary forms
3902	Polymers of propylene or of other olefins, in primary forms
3903	Polymers of styrene, in primary forms
3904	Polymers of vinyl chloride or of other halogenated olefins, in primary forms
3905	Polymers of vinyl acetate or of other vinyl esters, in primary forms; other vinyl polymers, **...**
3906	Acrylic polymers, in primary forms
3907	Polyacetals, other polyethers and epoxide resins, in primary forms; polycarbonates, alkyd resins, **...**
3908	Polyamides, in primary forms
3909	Amino-resins, phenolic resins and polyurethanes, in primary forms
3910	Silicones in primary forms
3911	Petroleum resins, coumarone-indene resins, polyterpenes, polysulphides, polysulphones and other **...**
3912	Cellulose and its chemical derivatives, n.e.s., in primary forms
3913	Natural polymers, e.g. alginic acid, and modified natural polymers, e.g. hardened proteins, **...**
3914	Ion-exchangers based on polymers of heading 3901 to 3913, in primary forms
3915	Waste, parings and scrap, of plastics
3916	Monofilament of which any cross-sectional dimension > 1 mm, rods, sticks and profile shapes, **...**
3917	Tubes, pipes and hoses, and fittings therefor, e.g. joints, elbows, flanges, of plastics
3918	Floor coverings of plastics, whether or not self-adhesive, in rolls or in the form of tiles; **...**
3919	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics, whether **...**
3920	Plates, sheets, film, foil and strip, of non-cellular plastics, not reinforced, laminated, **...**
3921	Plates, sheets, film, foil and strip, of plastics, reinforced, laminated, supported or similarly **...**
3922	Baths, shower-baths, sinks, washbasins, bidets, lavatory pans, seats and covers, flushing cisterns **...**
3923	Articles for the conveyance or packaging of goods, of plastics; stoppers, lids, caps and other **...**
3924	Tableware, kitchenware, other household articles and toilet articles, of plastics (excluding **...**
3925	Builders' ware of plastics, n.e.s.
3926	Articles of plastics and articles of other materials of heading 3901 to 3914, n.e.s.

Appendix E: Export Earning of Pharmaceuticals Industry in Bangladesh

Source: ITC calculations based on UN COMTRADE Data.

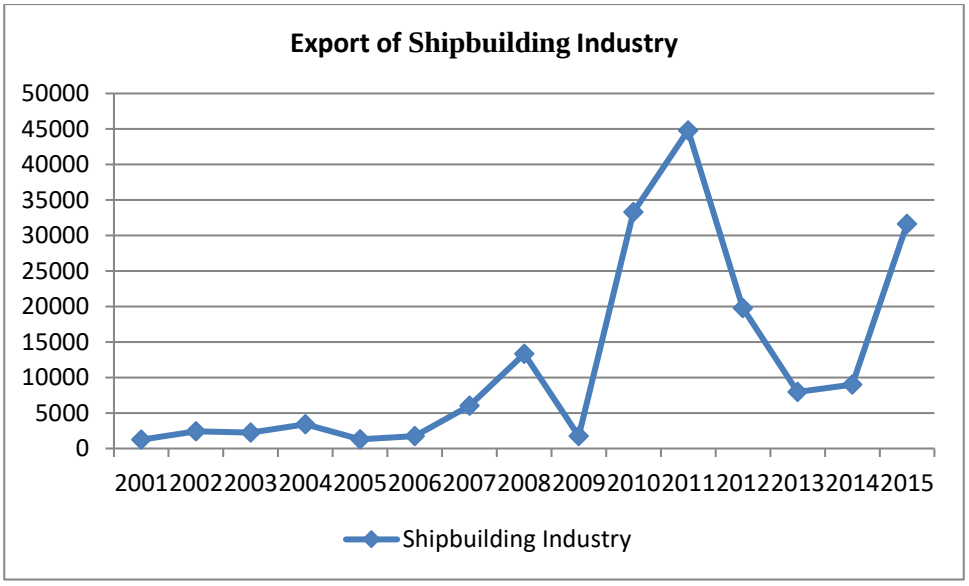
Appendix F: Products under Pharmaceuticals Industry at HS Code Four-Digit Level

Pharmaceuticals Industry (HS Code 30)	
HS Code	**Product Name**
3001	Dried glands and other organs for organo-therapeutic uses, whether or not powdered; extracts **...**
3002	Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera **...**
3003	Medicaments consisting of two or more constituents mixed together for therapeutic or prophylactic **...**
3004	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic uses, put **...**
3005	Wadding, gauze, bandages and the like, e.g. dressings, adhesive plasters, poultices, impregnated **...**
3006	Pharmaceutical preparations and products of subheadings 3006.10.10 to 3006.60.90

Appendix G: Products under Leather and Leather Goods Industry at HS Code Four-Digit Level

Leather and Leather Goods (HS Code 41) **Raw hides and skins (other than fur skins) and leather**	
HS Code	**Product Name**
'4101	Raw hides and skins of bovine "incl. buffalo" or equine animals, fresh, or salted, dried, limed, ...
'4102	Raw skins of sheep or lambs, fresh, or salted, dried, limed, pickled or otherwise preserved, ...
'4103	Other raw hides and skins, fresh, or salted, dried, limed, pickled or otherwise preserved, ...
'4104	Tanned or crust hides and skins of bovine "incl. buffalo" or equine animals, without hair on, ...
'4105	Tanned or crust skins of sheep or lambs, without wool on, whether or not split (excluding further ...
'4106	Tanned or crust hides and skins of goats or kids, pigs, reptiles and other animals, without ...
'4107	Leather further prepared after tanning or crusting "incl. parchment-dressed leather", of bovine ...
'4112	Leather further prepared after tanning or crusting "incl. parchment-dressed leather", of sheep ...
'4113	Leather further prepared after tanning or crusting "incl. parchment-dressed leather", of goats ...
'4114	Chamois leather, incl. combination chamois leather (excluding glacé-tanned leather subsequently ...
'4115	Composition leather with a basis of leather or leather fibre, in slabs, sheets or strip, whether ...
Products Code :42 **Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles**	
'4201	Saddlery and harness for any animal, incl. traces, leads, knee pads, muzzles, saddle cloths, …
'4202	Trunks, suitcases, vanity cases, executive-cases, briefcases, school satchels, spectacle cases, ...
'4203	Articles of apparel and clothing accessories, of leather or composition leather (excluding ...
'4204	Articles for technical use, of leather or composition leather
'4205	Articles of leather or composition leather (excluding saddlery and harness bags; cases and ...
'4206	Articles of gut, goldbeater's skin, bladders or tendons (excluding silkworm gut, sterile catgut, ...
Products Code : 43 **Fur skins and artificial fur; manufactures**	
'4301	Raw furskins, incl. heads, tails, paws and other pieces or cuttings suitable for use in furriery ...
'4302	Tanned or dressed furskins, incl. heads, tails, paws and other pieces, scraps and remnants, ...
'4303	Articles of apparel, clothing accessories and other furskin articles (excluding gloves made ...
'4304	Artificial fur and articles thereof (excluding gloves made of leather and artificial fur, footware ...
	Sums

Appendix H: Export of Shipbuilding Industry in Bangladesh



Source: ITC calculations based on UN COMTRADE Data.

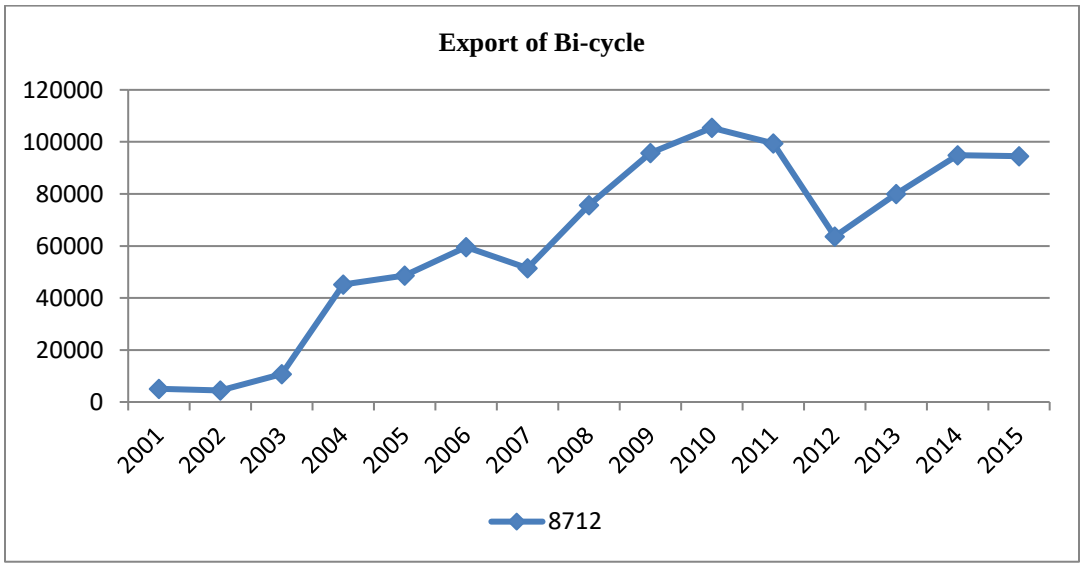
Appendix I: Products under Shipbuilding Industry at HS Code Four-Digit Level

HS Code	Product Name
8901	Cruise ships, excursion boats, ferry-boats, cargo ships, barges and similar vessels for the **...**
8902	Fishing vessels; factory ships and other vessels for processing or preserving fishery products **...**
8903	Yachts and other vessels for pleasure or sports; rowing boats and canoes
8904	Tugs and pusher craft
8905	Light-vessels, fire-floats, dredgers, floating cranes, and other vessels the navigability of **...**
8906	Vessels, incl. warships and lifeboats (excluding rowing boats and other vessels of heading **...**
8907	Rafts, tanks, coffer-dams, landing stages, buoys, beacons and other floating structures (excluding **...**
8908	Vessels and other floating structures for breaking up

Appendix J: Products under Processed and Dry Foods Products at HS Code Four-Digit Level

HS Code	Product Name
'1901	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing < 40% by weight of cocoa calculated on a totally defatted basis, n.e.s.; food preparations of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir, and similar goods of heading 0401 to 0404, not containing cocoa or containing < 5% by weight of cocoa calculated on a totally defatted basis, n.e.s.
'1902	Pasta, whether or not cooked or stuffed with meat or other substances or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared
'1904	Prepared foods obtained by the swelling or roasting of cereals or cereal products, e.g. corn flakes; cereals (other than maize "corn") in grain form or in the form of flakes or other worked grains (except flour, groats and meal), pre-cooked or otherwise prepared, n.e.s.
'1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products

Appendix K: Export of Bi-cycle in Bangladesh



Source: ITC calculations based on UN COMTRADE Data.