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# Exports: focus on diversity



A view of Chittagong Port. The Export Promotion Bureau is working to introduce some non-traditional export items under its 'one district one product programme'.

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REFAYET ULLAH MIRDHA

**T**HE country's exports are still heavily dependent on garment items as little diversification has taken place over the years.

Bangladesh has much potential in exporting a number of other items across the globe, besides apparel.

Being a member of the least developed countries (LDCs), the country enjoys several preferential facilities in the export of goods. So far, the country has been able to exploit this fac-

ility only in the case of apparel.

In the dominance of apparel in exports, woven and knitwear products accounted for 78.14 percent or \$17.91 billion in fiscal 2010-11, rising from 77.12 percent or \$12.50 billion in fiscal 2009-10, Export Promotion Bureau (EPB) data showed.

The amount of contribution would be much more than 80 percent if all other apparel items like home textiles, specialised woven and knitted fabrics are included under the garment products.

After garment products, the export

of raw jute, jute products, jute yarn and jute sacks is growing at a fast rate, reaching \$1.12 billion last fiscal year.

Among other products, the government has increased cash incentives on the export of potatoes to 20 percent from 10 percent in the current fiscal year, in an effort to diversify exports.

Moreover, ocean going vessels have been performing well in the last couple of years as exporters found some markets, like Germany, Denmark and some African countries as destinations of their products.

The business community said the export basket has not diversified due to a lack of government initiatives, leading to heavy dependence on one or two products. However, EPB is trying to develop some non-traditional items to add to the export basket.

EPB, in collaboration with the respective ministries, has been working to bring some non-traditional export items along with the traditional products under its 'one district one product programme', said the body's Vice Chairman Jalal Ahmed.

At present, Bangladesh exports 'ator' (the essence of fragrant Agor trees) from Sylhet and Moulvibazar, rubber from Bandarban, earthen tiles from Satkhira, and 'papadums' from Dinajpur.

However, these items have officially not been referred to as traditional export items yet, said Ahmed.

He said some people from a village in Sylhet are exporting 'ator' over the years to different countries in the

Middle East. There is high demand for such fragrances among the well-off communities in the Middle East.

EPB is currently working to promote 12 exportable items like travel bags or luggage, paper, printed and packaging materials, ICT and software and toys, he said.

"We have already contacted people who make papadums in the Dinajpur district as the area is famous for this delicious food item," Ahmed said.

If this non-traditional item could make an entry into the export markets, Bangladesh will be able to export papadums worth \$400 million in a year only in the UK, as demand for the item is high there.

If the item gets an entry into Europe, it would generate employment for thousands of poor in the district, he said.

In the UK, several Bangladeshi-born British citizens own and run restaurants, where demand for papadums is high. Some restaurant owners are already importing papadums from Bangladesh in small quantities.

He said EPB is financing the poor, especially women in Dinajpur, through the SME Foundation so that they can export this item to the UK.

"I have already contacted a British restaurant owner to export papadums from Dinajpur. If the entrepreneur approves the item, then a new avenue will open for Bangladesh, as there are thousands of such restaurants over there," the EPB vice chairman said.

SME Foundation officials will visit Dinajpur on October 10 to observe

the overall situation of papadum exports and to talk to the makers, he added.

Even though product diversification is not taking place, the markets for Bangladeshi products are diversifying because of initiatives from private sector entrepreneurs.

Bangladesh discovered some export destinations over the last few years, beside the traditional EU, US and Canada.

Bangladesh's exports are currently growing to markets like Japan, China, India, Brazil, Mexico, Chile and South Africa.

Among the exportable items, tents, camera parts, golf shafts, bicycles, caps, wigs and human hair, dry foods, zippers have been added to the list of diversified items in the last few years.

Analysts have been suggesting both the government and exporters to diversify products and markets for sustainable international trade.

Ahsan H Mansur, executive director of Policy Research Institute (PRI), said many items do not get proper attention from the government.

One of the major causes of growth in the export of garments is that the sector enjoys different facilities for a long time whereas other sectors do not get such facilities, he said.

Moreover, the garments sector gets raw materials easily; raw materials for the other sectors are not readily available, he added. "Every sector needs special attention from the government for higher export growth," he said.

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# Exports of vegetables, fruits go up

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**T**HE export of vegetables is on the rise because of high demand from non-resident Bangladeshis as well as foreigners, say exporters. The export of the value added item is running high in countries like the UK, Saudi Arabia, Canada and US, as there

are more people from Bangladesh, India and Pakistan residing in those countries.

"More than 40 percent of Bangladeshi exportable vegetables are destined to the UK," said SM Jahangir Hossain, president of Bangladesh Fruits, Vegetables and Allied Products Exporters Association.

The export of beans, bitter gourds, gourds, red amaranths and aubergines

has increased, he said.

Bangladesh also exports the leaves of arums and gourds for soaring demand abroad, he said.

Hossain said the perennial problem in the export of vegetables from Bangladesh is a space limitation in the cargo carrying planes.

Mohammad Monsur, owner of Monsur

General Trading Company, said the export of fruits is also increasing in recent times to those countries. Demand for mangoes, blackberries, bananas and lemons are also high in those countries.

According to the data from state-owned Export Promotion Bureau (EPB), the export of vegetables grew by 20.92 percent in the first two months (July-

August) of the current fiscal year from the same time last year.

During this period, Bangladesh exported vegetables worth \$15.43 million. The export of such perishable items in fiscal 2010-11 stood at \$71.73 million, data showed.

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