



Expanding and Diversifying exports to the UK Market

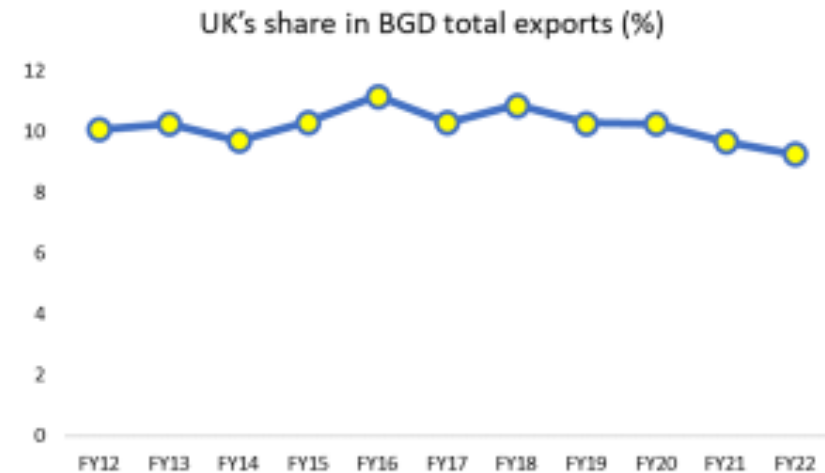
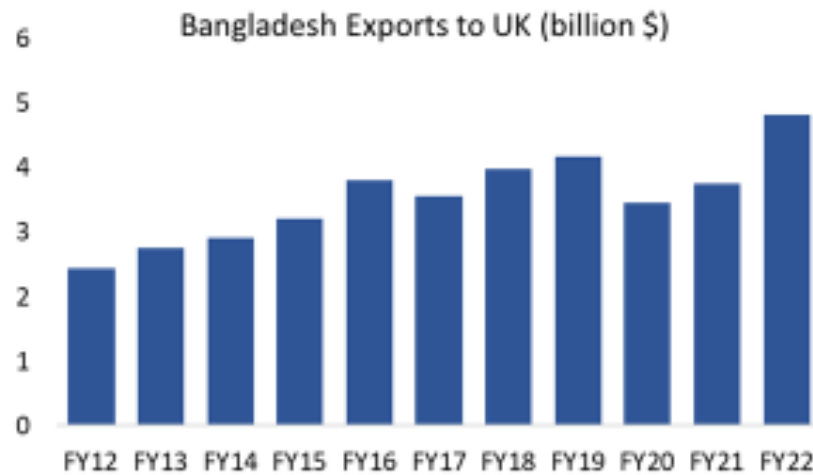
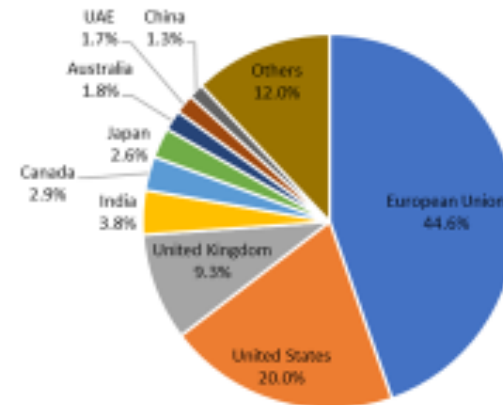
Stakeholder Consultation: Shrimp and Fish Industry



UK is an important trade partner

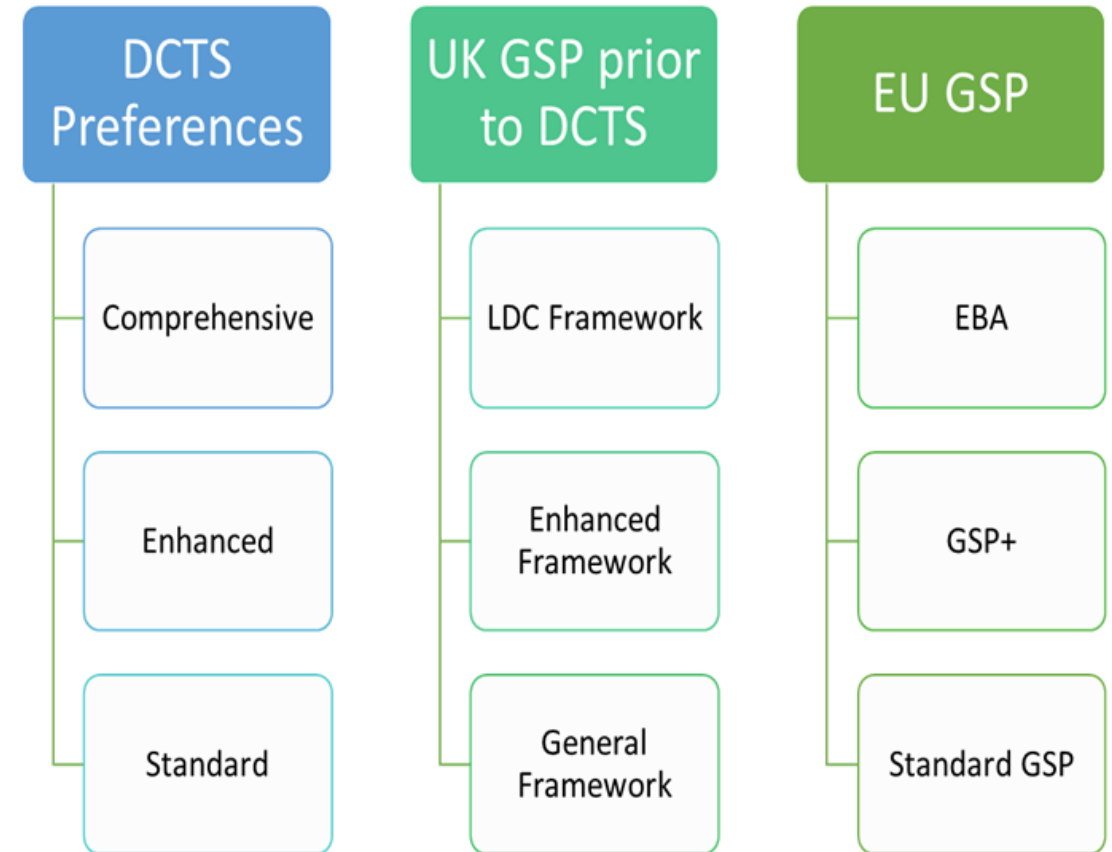
- Exports to the UK in 2021-22: \$4.8 billion
- 9.3% of Bangladesh goods exports

Bangladesh's exports to destination countries, 2021-22 (%)



The UK introduces a new GSP regime

- The UK has introduced its preferential trading schemes for developing countries.
 - After Brexit, the UK adopted an interim GSP regime pending the formulation of its own trade preferential scheme
 - A three-tier system with LDCs getting the most generous preferences followed at the same time incorporates significant variations.
- **Bangladesh will continue benefitting from Comprehensive preferences until 2029**



Changes incorporated into the DCTS

	DCTS Comprehensive	DCTS Enhanced	DCTS Standard Preferences
Eligibility criteria	Least developed countries as classified by the UN. ✓	Sustainable development criterion: To ratify and implement 27 int'l conventions (32 in proposed draft EU GSP) Vulnerability criteria: (i) Import share criterion - share in GSP-covered imports less than 6.5% of all GSP covered imports, (ii) Diversification criterion: at least 75% of its total GSP imports coming from the 7 largest sections of GSP-covered imports.	Low-income and lower-middle-income countries as classified by the World Bank
Tariff concession	Duty free for all products excluding arms and ammunition ✓	0% import tariffs on two-thirds of product lines <ul style="list-style-type: none"> ✓ Preferences for 156 new items ✓ 0 tariff in 85% tariff lines ✓ No product graduation ✓ Simplification of a few seasonal tariffs 	Reduced tariffs on two-thirds of product lines <ul style="list-style-type: none"> ✓ All 33 nuisance tariffs cut to 0 ✓ Product graduation at 6% of UK imports (in some cases at 1%)
Rules of origin	Single transformation for textile and clothing items. For other products, the general RoO is the minimum local value added of 30%. 25%	Double transformation for textile and clothing items. For all other products, the general RoO requires a minimum local value-added of 50%.	Double transformation for textile and clothing items. For all other products, the general RoO requires a minimum local value-added of 50%.

For LDCs only:

- ✓ Liberal PSRs
- ✓ Alternative PSRs
- ✓ Minimum VA of 25%
- ✓ Extended cumulation with DCTS, UK-EPAs (with 95 countries)

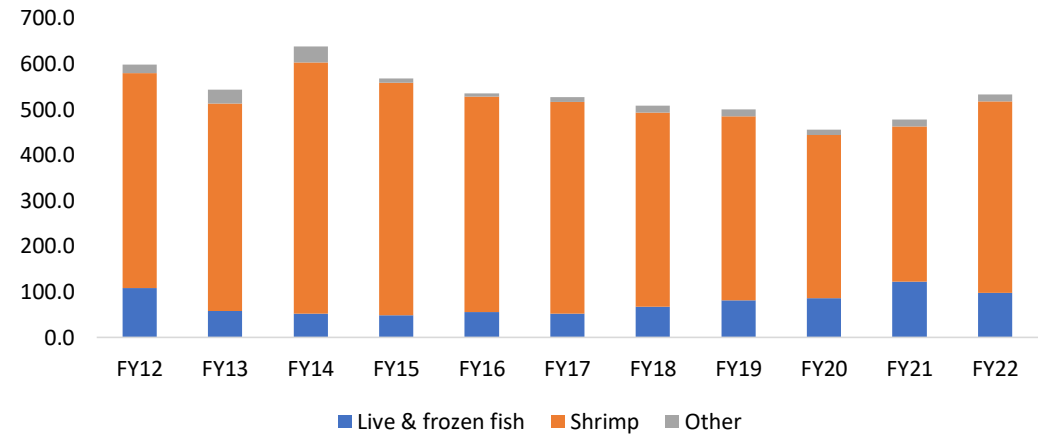
Objectives of this RAPID Project

- Undertake comprehensive study on challenges to exports and develop policies to support, expand and promote exports from Bangladesh to the UK
 - Identify priority products with potential to increase export volumes to the UK
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- **Based on comprehensive quantitative analysis, more than 100 products at HS 6-digit level have been identified with high export potential.**
 - **A number of fish and shrimp items have been identified.**

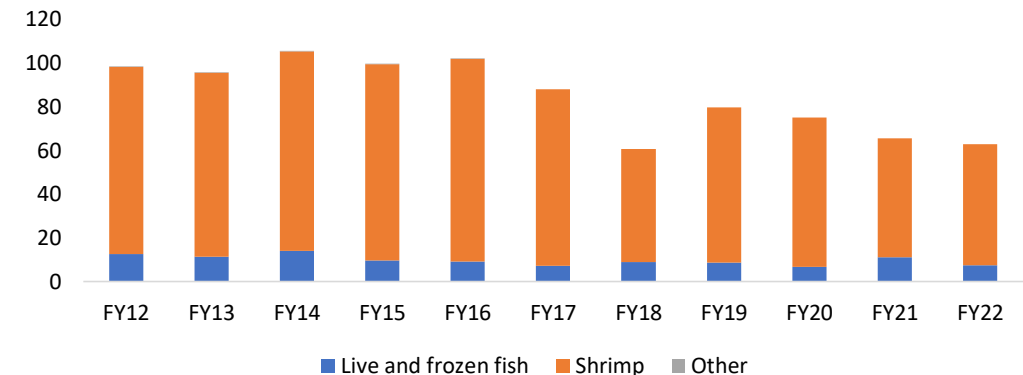
Despite having comparative advantage, Bangladesh's presence in the UK's fish and shrimp products market is negligible.

- Exports of fish and shrimp products stood at \$533 million in 2021-22
- Export of same products to the UK was around \$60 million
- Shrimp accounts for 88% of exports
- UK's market size was \$3 billion (ITC,2023)
- Bangladesh's market share is just 2.1%
- Market share for RMG is around 20%

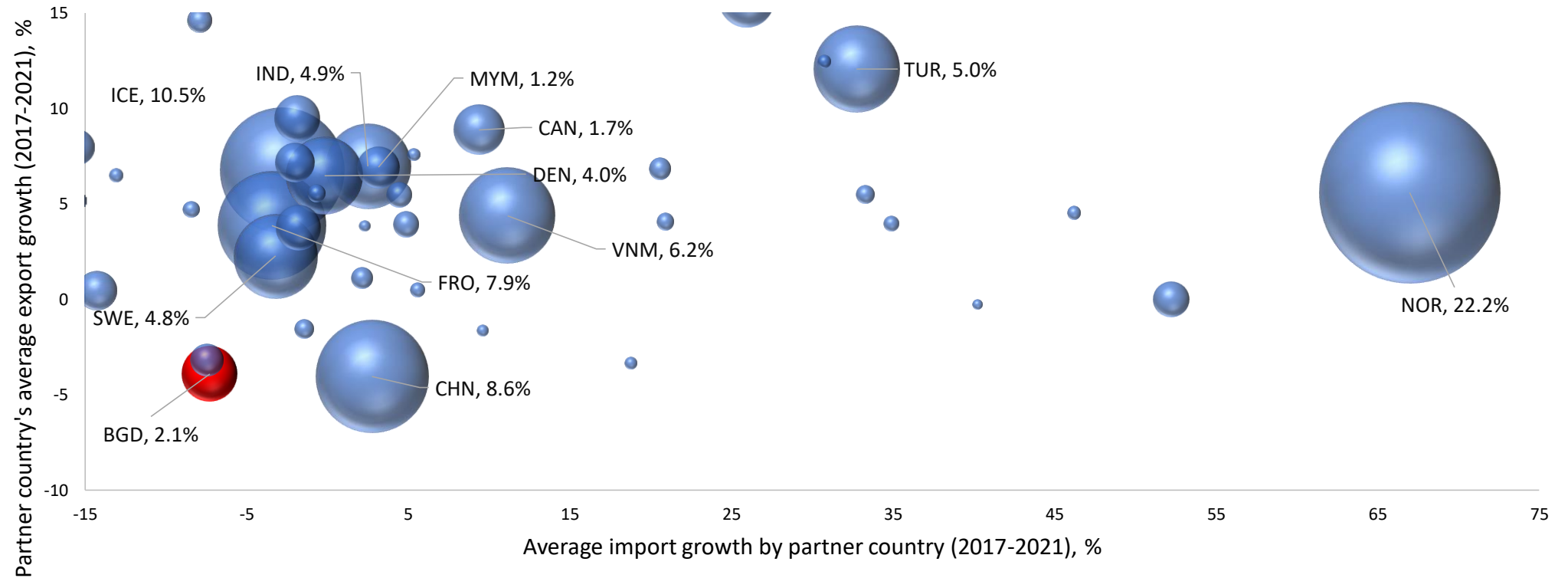
Bangladesh's overall fish and shrimp products exports (million \$)



Fish and shrimp products exports to the UK (million \$)



Export prospects of fish and shrimp in the UK market: Market size \$3 billion





Key issues to discuss

- Barriers and constraints to Bangladesh's export of fish and shrimp items to the UK market
- Quality and standards requirements for exports of fish and shrimp in the UK vis-à-vis existing standards and testing facilities in Bangladesh
- The regulatory and legal framework of operation for fish and shrimp industries in Bangladesh. Main regulatory gaps hindering export growth
- Business competitiveness and areas of productivity improvement
- What are the policy support and incentives needed to make the fish and shrimp industries in the UK, including infrastructure, access to finance, market information dissemination, technology transfer, labor training, security, facilities for testing and quality control, easing regulations and legal barriers, etc.