

First Preferential Trade Agreement of Bangladesh

December 9, 2020

In news

Recently, Bangladesh signed its first Preferential Trade Agreement (PTA) with Bhutan

Key highlights

- After Independence, Bangladesh signed its first Preferential Trade Agreement (PTA) with Bhutan allowing duty free access to a range of goods between the two countries. This is the first PTA Bangladesh has signed with any country in the world
- The agreement was signed on Sunday between Bangladesh Commerce Minister and Economic Affairs Minister Bhutan.
- The agreement was signed on the occasion marking the 50 years of diplomatic ties between the two countries.
- **In 1971, Bhutan was the first country in the world, followed by India as the second, to recognize Bangladesh as an independent country.**

Key features of the agreement

- Under the PTA 100 Bangladeshi products will get duty free access to Bhutan. At the same time, 34 items from Bhutan will get duty free access into Bangladesh.
- Further items can be added in the list later on the basis of discussion between the two countries.
- Goods like Jute and Jute products, baby clothes and accessories, men's trousers, jackets and blazers are among the 100 items from Bangladesh which will get duty free access to Bhutan.
- On the other hand fruit juice, natural honey, wheat flour jams, jellies and lime stone, quartzite etc from

Bhutan will have duty free access to Bangladesh.

- The trade volume between the two countries is approximately 50 million dollars with 7.56 million of export and 42.09 million import into Bangladesh.