**Pakistan-Bangladesh trade prospects**

[Pathik Hasan](https://dailytimes.com.pk/writer/pathik-hasan/)

February 8, 2022

Bangladesh and Pakistan together make up 5 percent of the world’s population. The Possibilities of market value in the case of export and import between these two states are inevitably huge. But the trade between the two countries of 39 crore people is now only 6-7 hundred million dollars. This is a very small share in the exports of both countries. In 2019-20, only 50 million worth of goods went from Bangladesh to Pakistan. It has the potential to grow exponentially. The industrial sector of both countries has expanded tremendously in the last 50 years. The industrialists of the previous generation knew the details of each other’s people and markets. The next generation of industrialists is unable to make use of that historical experience due to a lack of political action.

India and China have been in the midst of a war frenzy for the past year. But in the meantime, it has done business worth about 109 billion dollars. The example of Pakistan-India may be more relevant in this regard. The two countries exchange gunfire every week. There have been three large-scale battles between them. But in the meantime, they are selling products. In the 2019-20 fiscal year, goods worth 300 million US dollars went from India to Pakistan. Last year it was almost four times more. They may go back to the previous state in the future. If Pakistan-India can continue to trade despite the fragility of political relations, Bangladesh can do the same with both countries. You need to be able to. Building a market in South Asia is becoming more urgent for Bangladesh to escape the European-American political caution.

Pakistan has put Bangladeshis on the priority list for visas since 2019. Both countries can make it easier to boost export trade. This will increase the market of jute, tea and tobacco in Bangladesh, Pakistan will also increase the export of yarn, sugar, etc. However, to make the current trade balance more favourable for Bangladesh, policy support from Pakistan is needed. After a long hiatus, Pakistan has already shown diplomatic interest in developing relations by sending an ambassador to Bangladesh. They have to go further. Islamabad has a lot of responsibility to heal the historical wounds of Bangladesh. Many Pakistani policymakers want Bangladesh to forget the 1971 Independence war and move forward. But it is not easy on the part of Bangladesh; Not even possible. Rather, it would be convenient in practical terms to solve the problems arising from the seventy-first chapter quickly. It is high time for Pakistan to realize the situation. Those are not to be avoided. Pakistan wants to increase trade relations with Bangladesh. The Canada-based International Forum for Rights and Security, a think tank, recently published a report on Bangladesh and Pakistan. It has been shown there that Bangladesh is ahead in all areas of the index. Many Western economists have called on all countries to follow the Bangladesh model in the development of South Asia.

Building a market in South Asia is becoming more urgent for Bangladesh to escape the European-American political caution.

According to Bangladeshi Media, Bangladesh Commerce Minister Tipu Munshi has said that Pakistan is keen to boost trade and economic ties by maintaining good relations with Bangladesh on January 26, 2021. He said there were problems in some areas in trade with Pakistan. If they are removed, the trade will increase further. Both countries have huge potential to increase trade and commerce. This opportunity can be used. He made the remarks during an exchange of views with Pakistan’s High Commissioner to Dhaka Imran Ahmed Siddiqui at his office in Dhaka on Wednesday (January 26th, 2021).

The Commerce Minister of Bangladesh said Bangladesh’s trade with Pakistan is ongoing. Tea, pharmaceutical products, readymade garments, ceramic products, shoes, leather and jute products are exported from Bangladesh to Pakistan.

There is an opportunity to further increase these exports. Under the leadership of Prime Minister Sheikh Hasina, Bangladesh is advancing rapidly in all fields including economic and social. The development of Bangladesh is now visible. Bangladesh’s capacity in international trade has increased.

He said Pakistan had recently imposed anti-dumping on hydrogen peroxide exports. Such measures hinder the development of trade. Any existing problem can be solved through discussion. The problems can be identified and resolved at a meeting of the Joint Economic Commission (JEC) between the two countries. Traders have an important role to play in increasing trade. Traders can increase trade by visiting each other’s countries. Necessary cooperation can be given in this case.

Pakistan’s High Commissioner Imran Ahmed Siddiqui said the Pakistani government wants to move forward by developing trade relations with Bangladesh. There is ample opportunity to enhance trade and economic relations between the two countries. Pakistan is keen to enhance trade and economic ties while maintaining good relations between the two countries. Ceramic products made in Bangladesh are being widely used in various government departments of Pakistan.

Envoy Imran requested that visas for visits to Bangladesh be made easier for Pakistanis for personal and business purposes and that Dhaka-Karachi direct communication is introduced for the transportation of goods. He also called for a single country fair for Bangladeshi products in Pakistan and stressed holding the 9th meeting of the Joint Economic Commission (JEC).

In the last fiscal year 2019-2020, Bangladesh exported goods worth. 50.54 million to Pakistan. During the same period, it imported goods worth 543.90 million US dollars. If trade complexities are removed in some cases, the export of Bangladeshi products to the Pakistani market will increase further. Bilateral trade between Pakistan and Bangladesh for the year 2020-21 was $721.67 million. Of which Pakistan’s exports to Bangladesh in that time were $650.21 million while imports stood at $71.45 million. Bangladesh is one of the top 10 export destinations for Pakistani products. (Data are collected from reports of various media outlets).

According to recent media reports ( based on the data of the ‘State Bank Of Pakistan ), Pakistan’s goods and services trade with Bangladesh witnessed a surplus of 46.65 per cent during the first six months of the financial year (2021-22) as compared to the corresponding period of last year. The overall exports to Bangladesh were recorded at $399.408 million during July-December (2021-22) against exports of $ 274.246 million during July-December (2020-21), showing growth of 45.63 per cent, SBP data revealed. Meanwhile, on a year-to-year basis, exports to Bangladesh during December 2021 also increased by 52.01 per cent, from US $ 54.433 million to the US $82.746 million. Similarly, on a month-on-month basis, exports of Bangladesh were rose by 14.38 per cent during December 2021 in comparison with exports of US $ 72.339 million in November 2021, SBP data said.

Bangladesh and Pakistan can indeed profit by growing business relations. Pakistan can export cotton, yarn, fabric, leather, inorganic chemicals, vegetables and electronics (fan), halal foods to Bangladesh. There is a high demand for these products in Bangladesh. On the other hand, Bangladesh can export its world-class medicines, apparel, agro-products, halal foods, ceramics, etc. Bangladesh can benefit from using Pakistan’s Gwadar port and China-run CPEC. Bangladeshi products can be exported to Central Asia and imported from the region easily. As a result, Pak-BD ties would boost up more. Both sides can also work in promoting cooperation in the areas of science and technology, information technology, health care, digital cooperation, SME [Small and medium-sized enterprises] development, tourism, etc. Bangladesh has vast experience in dealing with refugees, tackling climate change approach, countering terrorism, human resource development. Pakistan has experience in the sector of religious tourism. Both countries can exchange these advantages.

According to some reports of the media outlets and data of Pakistan’s central bank, in the first three months of the current financial year, the trade volume between Bangladesh and Pakistan is growing day by day. Bangladesh is now at the top of Pakistan’s foreign trade list. Although having some political problems between Pakistan and Bangladesh but the bilateral relationship between the two South Asian countries is growing. According to those reports, Bangladesh-Pakistan trade in the goods and services sector increased by about 37 per cent (36.90 per cent) in the first three months of the 2021-22 fiscal year compared to last year. The import of Pakistan from Bangladesh has increased by about 44 per cent (43.96 per cent) this year. From July to September of the 2020-21 fiscal year, Pakistan imported goods worth just over 12 million. Which stood at 17 million at that time in the 2021-22 fiscal year. It is true that bilateral trade is increasing between Bangladesh and Pakistan. Pakistan and Bangladesh should reap the benefits from growing their trade ties.

However, there are many potentials in economic relations between Bangladesh and Pakistan. But this should be realized by the government of Pakistan for its interest. Because they need Bangladesh’s help and support in reviving their fragile economy and raising various regional issues at all international forums. The sooner the Pakistani government realizes this, the better for them. Pakistan and Bangladesh can gain by growing trade ties.

*The writer is a Dhaka-based activist, researcher and freelance columnist with a particular interest in international issues.*