I am thankful indeed to the Bangladesh Institute of International and Strategic Studies and the German Embassy in Bangladesh for providing me with the opportunity to share some insight with you all on the "Experiences of Trade and Investment Co-operation between Bangladesh and Germany".

Since its birth, Bangladesh has always been actively involved in developing cordial trade relations with the global community, as a whole, on the basis of friendship to all and malice to none. Gradually, Bangladesh has liberalised its macro economic and trade policies, thus, succeeded in creating congenial relationships with its trading partners. In setting the pace, the private sector has spearheaded the momentum of development and co-operation with considerable thrust. The inflow of foreign aid and investment has certainly made a considerable contribution to our economic growth.
Germany has always been and still is one of the major partners in progress of Bangladesh. Bangladesh as one of the bilateral trading partners of Germany exported goods worth DM922.9 (US$494.6) million during 1998. Conversely, Bangladesh imported from Germany goods worth DM194.7 (US$104.3) million during 1998. Further, the trade figures during Jan-May 1998 of German exports to Bangladesh stood at DM77.6 million (US$49.0) which declined to DM64.9 (US$34.8) million in Jan-May 1999. On the other hand, German import from Bangladesh during Jan-May 1998 was DM376.0 (US$201.5) million against DM370.9 (US$198.8) million during Jan-May 1999. Clearly, the trade balance is in favour of Bangladesh yet the trend is negative. I also feel that the trade volume is still far below it’s potential. This may be because many potential sectors such as high value added ready made garments, knitwear, frozen food, leather & leather goods, specialised textile, ceramic tableware, telecommunication, handicrafts, IT solutions & databases, light engineering, etc. are still under developed or yet virtually untapped.

The main export items from Germany to Bangladesh during 97-98 have been machinery and mechanical appliance, electrical equipment and parts thereof (25% of total exports), ships, boats and other floating structures (23% of total exports), iron & steel (18% of total export), chemical products (12% of total exports), base metals & products thereof (12% of total export).
Whereas, the main import items from Bangladesh to Germany during 97-98 have been textile and textile articles (92% of total import), raw jute and jute products (2.2% of total imports), fish, fresh & frozen (2% of total import), raw hides & skin and footwear (1.8% of total import).

Certainly, the bulk load of Bangladesh's export is carried by the textile sector, which is inseparably linked, to the ready-made Garment sector. In order to boost up the level of trade, other potential sectors should be developed up to the German consumers' preferences in terms of quality. Needless to say, in support is much needed from Germany.

One clear way to further strengthen bilateral relations lies in joint venture projects. Currently there are some joint venture projects operative in Bangladesh. Though many companies have registered themselves with the Board of Investment (BOI), only seven or so are in operation. Other known investments are German subsidiaries - 3, firms under expatriate ownership - 3, firms at their initial stage of joint ventures - 4, sponsor share holder - 1. There are also a number of firms that represent German concerns as local agents or distributors in Bangladesh.

Germany has also been contributing as a technical co-operation partner and aid donor in the public as well as private sectors. Among many such projects, GTZ (German Technical Co-operation) in co-operation with DCCI (Dhaka Chamber of Commerce and Industry) has been implementing a special project entitled "Business Advisory Services (BAS)" for
development of Small & Medium Enterprises (SMEs). Wider initiative of the private sector may be encouraged at this point to develop more such projects. More visits of delegations, exchange of information and publication certainly will help to identify project areas and economic co-operation in order to initiate joint technical projects and trade co-operation with an ultimate aim of expanding trade and economic co-operation between the two countries.