

Dissertation

Topic: Post-Brexit UK Trade Policy and the Future of Bangladesh's Ready-Made Garment Sector: Assessing the Developing Countries Trading Scheme Through and Beyond LDC Graduation

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Chapter 1: Introduction

1.1 Background of the Study

Brexit, the British exit from the European Union (EU), had a major impact on the UK's trade policy, and now the UK must put together its own trade policy. Before Brexit, the UK had trade arrangements with developing countries which were based on the European Union's (EU) Generalised Scheme of Preferences (GSP). In June 2023, the UK exited the EU and implemented the Developing Countries Trading Scheme (DCTS) to replace the system in place before the UK left the EU. Its goal is to make trading rules simpler, facilitate market access and boost economic development by granting preferential tariff measures to eligible developing countries (Department for Business & Trade, 2023).

The export preference is one of the main benefits for Bangladesh, as the country is heavily dependent on the Ready-Made Garment (RMG) sector, as it accounts for more than 80% of the country's merchandise export earnings and provides jobs to approximately 4.22 million people (Haque & Bari, 2021). One of the major export markets is the United Kingdom, and garments account for 90% of the total exports to the UK (Department for Business & Trade, 2025). But with Bangladesh's upcoming change of Bangladesh from Least Developed Country (LDC) to developing country status in November 2026, the country will face challenges as the trade benefits of LDC status will gradually fade. Therefore, it has become a crucial academic and policy agenda to understand the potential impact of the UK's post-Brexit course of trade policy on the future competitiveness and sustainability of the Bangladeshi RMG industry.

Ready Made Garment (RMG) industry brings 80% export revenue of the country and employs approximately 4.22 million (60% women) people in the country. Garments are exported to the UK accounting for 90% of Bangladesh's total exports. But the industry is becoming increasingly competitive with Vietnam and Cambodia labour costs are increasing, and environmental compliance issues are getting tougher. Also, Bangladesh is going to become a developed country in November, 2026, and that would lead to the loss of some preferential trade privileges, affecting the competitiveness of garment exports unless other trade treaties are signed.

1.2 Research Problem

Although trade policy for the post-Brexit UK has become an increasing subject of discussion in the policy arena, there has been little academic literature to discuss the impact of UK trade policy on Bangladesh's RMG sector. Previous research on the impact of Bangladesh's graduation from LDC has mainly concentrated on the macroeconomic impact of graduation in general and more specifically on the EU market. There has been little literature that has examined the possible impact of the UK's independent trade policy on Bangladesh after Brexit.

In the same way, the majority of papers that deal with the Developing Countries Trading Scheme focus on the policy in general terms (either of trade or of development) and not on its effects on particular industries and/or particular beneficiary countries. Thus, there is still a lack of knowledge on the impacts of the DCTS on the garment exports of Bangladesh, especially when the country will be moving out of LDC status.

The importance of the UK market to Bangladesh's RMG exports, along with its employment and economic development aspect, creates a big knowledge gap. To fill this gap and better understand the opportunities and challenges that may arise in Bangladesh as part of the UK's changing trade landscape is vital.

1.3 Research Aim and Objective

Aim

The aim is to explore the impact of the Developing Countries Trading Scheme (DCTS) of the United Kingdom on Bangladesh's Ready-Made Garment industry before and after it becomes an LDC.

Research Objectives

- To explore the important elements of the UK's post-Brexit trade policy, including the Developing Countries Trading Scheme (DCTS).
- To examine the role of the Ready-Made Garment (RMG) industry in the economy of Bangladesh and as a trade partner of the United Kingdom.
- To assess the potential effect of the Developing Countries Trading Scheme (DCTS) on the Ready-Made Garment (RMG) industry in Bangladesh before, during and after the graduation from LDC status.

1.4 Research Question

How is post-Brexit UK trade policy—particularly the Developing Countries Trading Scheme (DCTS)—likely to influence the trajectory of Bangladesh's ready-made garment (RMG) sector during and after the country's graduation from Least Developed Country (LDC) status in November 2026?

1.5 Significance of the Study

The research is of both academic and practical importance. Thematically, it fits into the body of literature that is developing on post-Brexit trade policy, and investigates an area that has been less studied in the academic literature. In previous studies, the LDC graduation of Bangladesh or the Developing Countries Trading Scheme of the UK was studied independently, but only a few studies have studied the relationship between the two in the context of the garment industry in Bangladesh (Bhattacharya & Khan, 2019). This dissertation brings together these areas of research and therefore helps to gain a deeper insight into the current international trade policy.

The findings could be of value to policymakers, trade negotiators, industry organisations, exporters and development agencies from a policy point of view. The findings can be used by both Bangladesh and the UK's policymakers to assess the existing trade arrangements to sustain the economy. Similarly, garment producers and exporters can better understand the opportunities and potential challenges in the future if they change their tariff preferences, rules of origin, and market access requirements (Bowen, 2009).

1.6 Scope of the Study

This paper aims to discuss the UK's trade policy after Brexit in the years 2016-26, with a specific focus on the Developing Countries Trading Scheme (DCTS). It focuses on the probable effects of the DCTS on the Ready-Made Garment (RMG) industry in Bangladesh both before and after graduating from Least Developed Country (LDC) status. This research takes the qualitative documentary approach, analysing the development of trade policy and implications from government publications, policy documents, academic literature, industry reports and reports from international organisations (Bryman, 2021).

1.7 Structure of the Dissertation

This dissertation is organised into five chapters. The study is introduced in Chapter One, highlighting the background, research problem, aim, objectives, research question, significance and scope. This review of the related literature and theoretical framework is included in Chapter Two. The methodology of the research is explained in Chapter Three, which covers the research design, data collection, data analysis, ethical considerations and limitations. The results are presented and analysed in Chapter Four. Finally, Chapter Five talks about the findings, conclusions and recommendations, as well as future research.

Chapter 2: Literature Review

2.1 Introduction

The literature review offers a theoretical and empirical background to the study of the possible impact of the UK's new post-Brexit trade policy on Bangladesh's Ready-Made Garment (RMG) sector, both in the present and after Bangladesh is no longer a Least Developed Country (LDC). Since Brexit, the UK has established a separate trade policy to enhance its trade partnerships and to encourage economic development in eligible developing countries. The Developing Countries Trading Scheme (DCTS) is one of the largest post-Brexit changes to policies. The most important of these changes to policies after Brexit is the Developing Countries Trading Scheme (DCTS), which superseded the UK's Generalised Scheme of Preferences (GSP) in 2023. With Bangladesh's transition from LDC to Non-LDC status, the significance of the DCTS and its implications have grown in importance of policy makers, exporters and researchers.

The literature has extensively discussed the trade preference schemes, growth of export-oriented Bangladesh and the impact of LDC graduation. But, there is hardly any study focused on the linkage between the UK's new trading policy after Brexit and Bangladesh's RMG sector. This chapter examines the past studies on the topic of Brexit and UK trade policy critically, the Developing Countries Trading Scheme (DCMS), Bangladesh's garment industry and the country's LDC graduation. It also discusses the theoretical frameworks that have guided the research, such as: Trade preference theory, Global Value Chain (GVC) Theory, Structuralist trade theory, and discursive institutionalism. From this review, the chapter concludes that there is a gap in the research and sets the conceptual base for the current study.

2.2 UK Post-Brexit Trade Policy

The UK's decision to leave the European Union (EU) has rewritten the UK's trade policy. UK's exit from the European Union (EU) has redefined the nation's trade policy. Before Brexit, the UK was bound by the European Union's Common Commercial Policy, which regulated trade negotiations, tariff structure and preferential trade agreements with third countries (Gasiorek et al., 2023). The UK left the EU in January 2020, and has now full negotiating rights for trade agreements as well as the power to determine its own preferential trade policies. This was an

important change in how the British conducted trade, and provided an opportunity to rethink trade relations with both developed and developing countries.

After Brexit, the UK's trade policy focused on enhancing economic relations, making trade easier, and improving sustainable development and opportunities for overseas companies, according to the Department for Business & Trade (2023). The government has said that the UK would be better placed to address global economic issues and help developing nations through better access to UK markets if it had an independent trade policy. These goals are embodied in the Developing Countries Trading Scheme (DCTS), which offers preference for tariffs and streamlines rules for eligible countries.

However, academic commentators have doubted that Brexit has had a lasting impact on the UK's trade policy. Gasiorek et al. (2023) suggest that many aspects of the UK's new trade arrangement are similar to the previous European Union (EU) Generalised Scheme of Preferences (GSP). The overall framework of preferential market access has not changed significantly from previous periods, but several technical changes have been made. The framework of preferential market access has been largely unchanged from previous periods, although some technical changes have been introduced, such as the simplification of the rules of origin and broadening of the product scope. This indicates a more evolutionary process in policymaking, and not a fundamental change in the trade relationship between the EU and the UK after Brexit.

Other scholars point to the uncertainty brought by Brexit to developing countries. Gereffi & Fernandez-Stark (2016) state that BREXIT caused temporary uncertainty over tariff arrangements, customs processes and future access to the markets. In countries like Bangladesh, which rely heavily on export-driven growth, it is crucial to have certain and stable trade conditions to ensure its competitiveness in the world market. The post-Brexit trade policy of the UK needs to be a compromise between the interests of the UK economy and those of international development.

Consequently, conflicting views are found in the literature. The government's papers focus on Brexit as an opportunity for a "more flexible, development-led trade policy", and academic research indicates that many of the post-Brexit policy changes are more about tinkering than revolution (Grossman & Sykes, 2005). These conflicting opinions suggest that studies should be conducted to understand the impact of the UK's independent trade policy on specific sector

exports of developing countries, especially the Ready-Made Garment industry of Bangladesh. Bangladesh is on the verge of graduation from LDC status and continues to rely on access to international markets for preferential treatment, and so such analysis is important.

2.3 Bangladesh's Ready-Made Garment (RMG) Industry

Bangladesh is an export-driven nation, and the Ready-Made Garment (RMG) industry has been the most significant contributor to the country's economy and to the growth of exports in the last four decades. More than 80% of the total export earnings of the country come from this sector, and the employment in the sector is about 4.22 million, among which nearly 60% are women (Hoekman & Özden, 2006). The sector has not only contributed to poverty alleviation but also to women's empowerment, industrialisation, and economic development, while generating foreign exchange earnings. The United Kingdom is another big export market for Bangladesh, as garments and textile products make up approximately 90% of Bangladesh's exports to the UK (Department for Business & Trade, 2025). There have been benefits for Bangladeshi manufacturers in markets due to preferential market access, which has helped them to lower their export prices and improve their trade relationship with British retailers.

The RMG industry has done well, but has some challenges. Elaborating on the pressure on Bangladeshi exporters, including more competition from Vietnam and Cambodia, the rising cost of labour, environmental compliance, and the increasing demands for sustainability are some of the challenges they face (Razzaque, 2023). Moreover, the upcoming graduation from the category of Least Developed Country (LDC) from the United Nations (UN) in November 2026 is a significant challenge, too. While the graduation of Bangladesh is a good sign of the country's economic development and progress, it will also lead to the country's loss of many of the preferential trade benefits enjoyed under the international trade preference schemes (Akinmade et al., 2022). The elimination of duty-free market access would cut down the competitiveness of Bangladeshi garment exports in the international market, unless alternative trading mechanisms are put in place.

Razzaque et al. (2024) state that the effect of LDC graduation would rely on the capability of Bangladesh to maintain productivity, develop partnerships with foreign buyers, and adjust to the new trade regulations. Some of these challenges can be mitigated by continued preferential market access and ease of trading under the Developing Countries Trading Scheme (DCTS) of the United Kingdom. There is not enough academic proof that the DCTS will be enough to

keep Bangladesh competitive in the market of UK post the graduation from LDC. This is an area that needs further studies about future development of the Ready-Made Garment sector in Bangladesh in view of the UK Post-Brexit trade policy and Bangladesh's graduation from LDC status.

In spite of the success of the RMG sector, there are certain negative indications of the sector which are showing some signs of decline in the sector in the last few years in Bangladesh. Facing more competition from other lower-cost countries like Vietnam, Cambodia and Ethiopia, export growth has been reduced. The market experienced major disruption, such as with the COVID-19 pandemic, bringing about major order cancellations and structural vulnerabilities in the market. Competitiveness is further reduced with the rise in the cost of labour and the rise in sustainability compliance.

This is a decrease directly related to this study. This may make a difference to the competitiveness of the sector in the UK market, as the sector already has its problems and any post-graduation of preferential trade tariffs from the LDC tariff in 2026 could have a significant effect.

2.4 Bangladesh's LDC Graduation and Trade Implications

The milestone of graduation from the United Nations' Least Developed Country (LDC) category on 24 November 2026 is a major step in the economic development of Bangladesh. The graduation is an outcome of enhancing the country's Gross National Income (GNI), human assets, and economic resilience, showing the country's advancement towards a developing economy (United Nations Conference on Trade & Development, 2021). Although this milestone will boost the country's international image and investment opportunities, it will also pose significant problems to export industries, especially the Ready-Made Garment (RMG) industry.

Bangladesh is an LDC and has enjoyed preferential trade provisions like duty-free and quota-free access to the major export markets. Such preferences have helped Bangladesh's garment exporters gain competitiveness and compete in the international markets. But after the graduation of the LDCs, the majority of these trade preferences will come to an end at the end of the transition period, leading to the possibility of increased tariffs and greater competition from other exporting countries (United Nations Conference on Trade & Development, 2023). According to Razzaque et al. (2025), preferential market access may be the reason for

Bangladesh's export competitiveness, and its loss will likely impact the country's exports unless alternative trade arrangements and domestic policy changes are put in place.

Even with all these concerns, several researchers suggest that the long-term impact of the graduation of LDCs can be managed. Bhattacharya & Khan (2019) argue that Bangladesh has fostered a good relationship with international buyers due to good quality of products, production capacity in large quantities, and enhanced adherence to international standards. Additionally, competitiveness has come to rely on other considerations, such as product quality, supply chain efficiency and reliability, as well as tariff preferences (Tamberi, 2024). Hence, the Developing Countries Trading Scheme (DCTS) by the United Kingdom could be a significant contributor to ensuring market access for the RMG sector of Bangladesh after Brexit. There have been limited studies to address the effect of the DCTS on export performance in Bangladesh before and after graduation from LDCs, and it requires further studies.

The nation's graduation from the Least Developed Country (LDC) category of the United Nations will be a significant milestone in the country's economic and social development, which will take place on 24th November 2026. The release of the graduation is in line with the steady growth of gross national income, human assets and economic resilience, and thus indicates Bangladesh's successful journey towards developing an economy (United Kingdom Government, 2023). This will boost the country's international brand and capacity for foreign investment, but there are great challenges for export-oriented sectors, especially for the Ready-Made Garment (RMG) sector.

Bangladesh is an LDC country, so it has enjoyed duty-free and quota-free access to most of the export markets, including the UK market. These preferences have been significant in enhancing the competitiveness of garment exports from Bangladesh, in terms of lessening trade costs and better market access. However, after the graduation of LDC, Bangladesh will be losing many of these preferential benefits after the transition period, which may lead to higher tariffs and more competition from other garment exporting countries (Liske, 2021). If trade preferences are withdrawn, then export competitiveness would likely suffer unless Bangladesh has effective trade strategies and better bilateral trade relations, argues Razzaque et al. (2025).

However, some research indicates that the effects of LDC graduation can be negative, but not always. Bhattacharya & Khan (2019) state that Bangladesh has built trust with international

buyers due to a competitive price tag, production capacity and enhanced conformity with international labour and environmental requirements. In addition, global buyers are increasingly looking at product quality, an efficient supply chain and sustainability as part of their sourcing decisions, along with tariff preferences (Antrás & Chor, 2022). The Developing Countries Trading Scheme (DCTS) in the United Kingdom could offer ongoing markets for Bangladesh's RMG exports, as it will continue to offer favourable market access following Brexit. But few empirical studies have investigated the effect of DCTS on the export competitiveness of Bangladesh in the process of LDC graduation as well as after graduation, which makes this study significant.

2.5 Theoretical Framework

The theories that underpin this study are four, which are complementary theories of Trade Preference Theory, Global Value Chain (GVC) Theory, Structuralist Trade Theory and Discursive Institutionalism. These theories can be used to develop a complete picture of the impact that the U.K. post-Brexit trade policy, especially the Developing Countries Trading Scheme (DCTS), could have on the Ready-Made Garment (RMG) industry of Bangladesh in the time period before and after it becomes a Least Developed Country (LDC).

2.5.1 Trade Preference Theory

Trade Preference Theory is the theory that explains economic development through the reduction or elimination of tariffs for developing countries in the form of preferential trade arrangements. These preferences enable better market access, boost export competitiveness, and provide a stimulus to economic development by enabling developing countries to be more competitive in international markets. The duty and quota preferences enjoyed by Bangladesh have been in existence for a long time, which have enabled the country to increase its trade volume with major markets such as the United Kingdom.

But there are some important caveats to the preferential trade schemes, according to researchers. Grossman & Sykes (2005) argue that trade preferences are completely determined by donor countries, and that so are the design and modification of trade schemes by benefactors. Likewise, Hoekman & Özden (2006) claim that the advantages of preferential trade diminish over time as world tariffs are lowered and more countries get the same level of market access. From these views, it is felt that while the DCTS is continuing to assist the export of Bangladesh, its long-term impact will rely on future trade policies, competition from other countries and

Bangladesh's export competitiveness, which has to be enhanced through other means outside of the DCTS.

2.5.2 Global Value Chain (GVC) Theory

Global Value Chain (GVC) theory is a concept used for understanding the global distribution of production activities in international value chains (IVCs). The garment industry is part of the buyer-driven value chain in which multinational retailers or global brands set the product specifications, quality standards, price and delivery dates (Khaled & Ansar, 2024). The process of manufacturing is the main activity of the manufacturer in developing countries, while the design, branding and marketing are under the control of international buyers.

Buyer-driven globalisation value chain is a typical case in Bangladesh, where the Ready-Made Garment industry is the centrepiece. The country has become competitive in manufacturing, but the competitiveness relies greatly on sustaining the linkages with the international buyers. Therefore, alterations in trade policy, tariff and rules of origin can have a marked impact on sourcing processes and production patterns (Rafique & Islam, 2025). The Developing Countries Trading Scheme (DCTS) of the UK thus provides an appropriate context for examining the impact it might have on Bangladesh's status in global apparel supply chains and export performance going forward.

2.5.3 Structuralist Trade Theory

According to Structuralist Trade Theory, the international trading system is one of unequal economic relations between developed and developing countries. Some developing nations are seen to be stuck in the export of low-value manufactured goods while the developed nations are in control of high-value manufactured industries, technology and international markets (Wallerstein, 1974). This is an asymmetrical situation which constrains the development opportunities available to developing countries in the long-term.

At the moment, in Bangladesh, the RMG sector has been very successful, but it is based on relatively low-value manufacturing activities. While preferential trade measures like the DCTS may help to reduce inequalities in market access and export competitiveness, they will not resolve structural inequalities in the global economy, according to Structuralist Trade Theory. Rather, sustainable economic growth must be the result of industrial upgrading, technological innovation, product diversification and a shift towards higher-value industrial activities

(Prebisch, 1950). The theoretical approach thus provides a better understanding of not only opportunities but also limitations of preferential trade policy in Bangladesh following graduation as LDCs.

2.5.4 Discursive Institutionalism

Discursive Institutionalism focuses on how public policies are influenced by the discourses, narratives and interpretations of various public policy actors as well as formal institutions. Governments, businesses, industry organisations and policymakers have different interpretations of the same policy based on their objectives and interests, as Schmidt (2008) has suggested. Thus, the impact and implementation of public policies rely on the understanding and application of these policies by different stakeholders.

This view is especially pertinent to the Developing Countries Trading Scheme. The DCTS is an initiative of the UK Government with a development focus, aimed at making it easier to trade, underpinned by a development agenda to improve market access for developing countries (Sturges, 2023). The interpretation of the policy, however, may vary among the industry organisations, exporters and academic researchers, as they would consider different issues like competitiveness, compliance cost, rules of origin and uncertainty after graduation of Bangladesh from LDC. This study therefore adopts a discursive Institutionalist approach to allow for a study of multiple narratives on the DCTS, as opposed to government official narratives (Scott, 1990).

In general, these four theoretical approaches have been used in complement to each other, and they provide different aspects of the research problem. The theories of trade preference, Global Value Chain Theory, Structuralist Trade Theory, and Discursive Institutionalism shed light on the market access dimensions of trade, Bangladesh's role in international value chains, broader trade inequalities, and how trade policy is understood by different stakeholders, respectively. They give a strong theoretical basis to analyse the possible effects of the United Kingdom's new trade policy after Brexit on Bangladesh's Ready-Made Garment industry (Knez et al., 2021).

2.5.5 Integrated Theoretical Framework

The four theoretical frameworks mentioned above are not mutually exclusive, but actually complement each other to provide support for the conceptual basis of this study. These together

offer a holistic perspective to analyse the effect of the post-Brexit trade policy of the UK on the RMG sector in Bangladesh.

The Trade Preference Theory is the theory which clarifies the effect of preferential tariff access under the DCTS on the export competitiveness of Bangladesh in the UK market. GVC Theory puts Bangladesh in the international context of apparel trade, and demonstrates how Bangladesh's access to and the nature of trade policy influence global buyer sourcing. Structuralist Trade Theory exposes the underlying actual presence of trade inequalities which limit the impact of preferential trade schemes on the benefit of the developing countries including Bangladesh. Finally, Discursive Institutionalism explains the differences in interpretation and reaction to the DCTS by different stakeholders – the UK government, Bangladeshi exporters and industry bodies.

This study can then explore the DCTS as a trade policy instrument, as well as a complex instrument which is part of unequal global structures, global value chains and competing discourses of actors, in combination. This is an integrated approach that will lead the research design, analysis of data and interpretation of results throughout this dissertation.

2.6 Research Gap

The study of Bangladesh's Ready-Made Garment (RMG) industry, Least Developed Country (LDC) graduation and the United Kingdom's post-Brexit policy has started, but there are still significant gaps. To date, the research conducted on the impact of Bangladesh's graduation from LDC status is either mostly on the overall economic impact or the potential impact on the EU's trade with Bangladesh. In comparison, less research has been conducted on the UK's autonomous trade policy after Brexit and its impact on the export trade of Bangladesh. Likewise, studies on the Developing Countries Trading Scheme (DCTS) tend to focus on the overall trade and development implications, rather than on a specific country or industry.

Additionally, there are not many studies that combine the impact of post-Brexit UK trade policy with the impact of Bangladesh's graduation from LDC status within the same time frame, given their substantial influence on bilateral trade. Moreover, the impact of post-Brexit UK trade policy has not been combined with the impact of Bangladesh's graduation from LDC status in the previous studies. Little research has been found on the effect of the DCTS on Bangladesh's competitiveness in the international apparel value chains once traditional LDC preferences

were removed. Little empirical and policy-based research exists, which creates a knowledge gap.

2.7 Chapter Summary

The literature reviewed in this chapter included the United Kingdom's post-Brexit trade policy, the Developing Countries Trading Scheme (DCTS), the Ready-Made Garment (RMG) industry of Bangladesh and what implications Bangladesh's graduation from LDC status means. It also explores four theoretical approaches which will serve as the conceptual basis for the study, namely: Trade Preference Theory, Global Value Chain Theory, Structuralist Trade Theory, and Discursive Institutionalism. During the review, it was found that there is a huge research gap on the issue of how the DCTS affects the economy of the RMG sector in Bangladesh after LDC graduation. In the next chapter, the research method used to address this gap and answer the research question is explained.

Chapter 3: Methodology

3.1 Introduction

This chapter describes the research methodology which was used to study the possibility of how the United Kingdom's post-Brexit trade policy, including the Developing Countries Trading Scheme (DCTS), will affect the Ready-Made Garment (RMG) sector in Bangladesh in the context of its upcoming transition from Least Developed Countries (LDC) status. A research methodology is crucial as it lends a structured approach to gathering, analysing and interpreting the data to answer the research question. This study is a qualitative study using the documentary analysis method because the study is not primarily concerned with collecting primary data from documents but is concerned with examining the existing policies, official documents, academic documents and industry documents. The chapter provides a discussion about the research philosophy, research approach and the research design used in the research and the reasons behind the choices for the research objectives.

3.2 Research Philosophy

Research philosophy is the philosophy which is adhered to in the process of the research and is the beliefs and assumptions of the researcher in the process of conducting research. Choosing an appropriate research philosophy is crucial as it impacts the research design, data collection techniques and the analysis of the research results.

This study's approach to research is interpretivist. Interpretivism is based on the assumption that reality is socially constructed and that observations of a phenomenon must be understood in terms of the meanings, experiences and perspectives of the people involved, not just by objective measurement (Bryman, 2021). For this research, the interpretivist approach is suitable because different groups, such as governments, policymakers, industry organisations, and research organisations, may interpret trade policies differently. The study aims to explore the nature of the UK's post-Brexit trade policy, and its possible impact on Bangladesh's RMG sector before and after graduation from LDCs.

Interpretivism allows one to get a deeper understanding of the process of policy development, institutional decision-making, and international trade relationships, as compared to the positivist philosophy, which emphasises measurable facts and statistical testing. This research uses documentary evidence from various sources to build up a comprehensive picture of

opportunities and challenges of the Developing Countries Trading Scheme (DCTS). So the philosophy of the interpretivist approach is appropriate to the aim of the study and answers the research question.

3.3 Research Approach

The research approach is a discussion that makes the connection between the theory and evidence throughout the research process. Saunders et al. (2023) state that there are two types of research approaches, that is, deductive and inductive. The deductive approach starts with existing theories and investigates whether it explains a given phenomenon, and the inductive approach is to build new theories from observations and collected data.

The approach used in this study is deductive research, as the study is based on the theories that have been developed, namely the theory of trade preference, Global Value Chain (GVC) theory, Structuralist Trade theory and Discursive Institutionalism. These theories are used to get a conceptual overview of the study on the linkage between the UK's post-Brexit trade policy and Bangladesh's Ready-Made Garment industry. Instead of proposing theories or developing new ones, the research is used to explain the documents and assess the impact of the Developing Countries Trading Scheme (DCTS) on Bangladesh's export competitiveness post graduation of LDC. The deductive approach, therefore, guarantees a focused, systematic and consistent analysis, in relation to the research objective.

3.4 Research Design

This research was qualitative in nature with a documentary research design. Qualitative research is suitable for this study because the study is interested in the meaning, context and implications of the trade policies and is not interested in measuring statistical relationships (Bryman, 2021). Documentary research is the systematic study and analysis of the written documents to address a research question (Bowen, 2009). This technique is useful for examining policy changes, institutional choices and international trade agreements, especially in these cases.

Secondary data have been used in this study from documentation published by the government, the Department for Business & Trade, parliamentary publications, international organisation publications, academic journal publications, policy papers and industry publications. The documents give a detailed description of the evolution of the post-Brexit trade policy of the

UK, the Developing Countries Trading Scheme (DCTS), the LDC graduation of Bangladesh and the Ready-Made Garment sector. Through the documentary analysis, the researcher can analyse the different views of the institutions and find commonalities in the issues concerning trade preferences, access to markets, rules of origin and competitiveness in export markets.

The qualitative documentary research design is used because this enables the researcher to undertake analysis of the policy developments that have taken place in the present time without having to gather primary data (Gasiorek et al., 2023). It also ensures that one can find credible and openly accessible information from authoritative sources, allowing for the development of an in-depth understanding of the research problem and ensuring the findings remain relevant, reliable and related to the research objectives.

3.5 Data Collection

The data used in this study are secondary data which is conducted by documentary method. Secondary data is suitable as it is a research that involves existing trade policies, institutional decisions and published evidence instead of gathering information from the participants. Documentary research is a valid and current approach to the information available on the trade policy of the United Kingdom after Brexit and the Ready-Made Garment (RMG) sector of Bangladesh (Bowen, 2009). The data sources are the UK Government's publications, the reports of the Department for Business & Trade, Parliamentary papers, those of international organisations (including the United Nations and UNCTAD), academic journal articles, policy reports and those of research institutions. The documents chosen were relevant, credible and contributed to the study aims. The use of more than one documentary source enables the study to provide a comparison of various views of the research problem and build a comprehensive picture of the problem.

3.6 Data Analysis

Thematic analysis, a common qualitative approach for identifying, analysing and interpreting patterns in textual data (Braun & Clarke, 2006), was used to analyse the data collected. This analysis proceeded in several steps: familiarisation with the documents, coding of significant information, identification of themes, theme reviewing and refinement, and interpretation of the results. Themes which emerged from the literature review and research objectives were four: trade preferences and tariff access, rules of origin, conditions that accompany preferential market access, and opportunities and challenges of Bangladesh's LDC graduation. By

categorising the findings under these themes, it was easier to compare information from various sources and interpret the UK's trade policy and its implications for the RMG sector in Bangladesh, after Brexit.

3.7 Ethical Considerations

This research study was not conducted on human beings, but all aspects of the research process were thoroughly observed in accordance with the ethical principles. All sources of documentation were retrieved from reputable and public sources. All authors and organisations have been appropriately recognised using appropriate Harvard referencing to ensure correct recognition without plagiarism. The researcher ensured that information was interpreted objectively and no misrepresentation of the original information or manipulation of the results. Moreover, only reliable and authoritative sources were utilised, ensuring academic integrity and boosting the credibility of the research (Gereffi & Fernandez-Stark, 2016).

3.8 Reliability and Validity (Trustworthiness)

The information from the various sources was chosen to ensure the credibility of the study, for example, from government publications, international organisations, peer-reviewed journal articles and recognised research institutions. Data triangulation and minimising of data bias were achieved by comparing the data found in various sources. Moreover, using a systematic documentary research process and thematic analysis added consistency and transparency to the research. In addition, theoretical frameworks and previous studies were employed to support the interpretation of the findings, which enhanced the reliability and validity of the study (Grossman & Sykes, 2005).

3.9 Limitations

There are a number of limitations in the study. First, it is based completely on secondary data and therefore does not include the perspectives or experiences of the policymaker, the exporter or the industry practitioner. Second, there can be variations in writers' interpretations of the same issues in academic publications, and institutional priorities can be different in government reports and policy documents (Haque & Bari, 2021). Lastly, the impacts of LDC graduation and the Developing Countries Trading Scheme (DCTS) can only be partly evaluated since these are recent developments in Bangladesh. The results therefore are about the potential consequences of the existing policies, and not about future effects.

3.10 Chapter Summary

The methodology used in the study was discussed in this chapter. It explained how the data were collected, how they were analysed, the ethical issues and steps taken to ensure reliability and validity of the research. The limitations of the documentary research and secondary data were also recognised in the chapter. Overall, the methodology used in this study is appropriate to explore the impact of the post-Brexit trade policy of the United Kingdom, especially the Developing Countries Trading Scheme (DCTS), on the Ready-Made Garment (RMG) Industry of Bangladesh in the context of its LDC graduation. The next chapter provides and analyses the results of the research.

Chapter 4: Findings and Analysis

4.1 Introduction

This chapter discusses the role of the post-Brexit UK trade policy (Developing Countries Trading Scheme (DCTS)) in affecting the ready-made garment (RMG) industry in Bangladesh both in the years leading to and following its exit of the Least Developed Country (LDC) status. It is analyzed in four themes, including trade preferences and tariff access; rules of origin; conditions that come along with preferential market access; and risks, as well as opportunities that come along with graduation.

The paper employs qualitative research in the form of documentary to define potential impacts of UK trade policy on the garment exports in Bangladesh. It does not purport that things that are going to happen are already there. Rather, it looks at the impact that tariffs, origin requirements and policy arrangements can have on the exporters, international purchasers and the industry as a whole, the garment industry.

4.2 Theme One: Trade Preferences and Tariff Access

4.2.1 Importance of the UK market

The RMG sector of Bangladesh is a big portion of its export economy. According to the research proposal, over 80 per cent of the exports in Bangladesh are garments and the industry hires about 4.22 million individuals, including about 59 per cent females (Raihan et al., 2023). It also reports that garments and textiles take up about 90 per cent of the exports to the UK, according to the Department for Business & Trade.

These data demonstrate the significance of market access in the UK. The alterations in the export cost might impact the supplier competitiveness, exportation purchases, manufacturing and labour. The magnitude of any effect would however, be dependent on the levels of tariffs, buyer behaviour, the cost of production and the capability of firms to change.

The UK market is integrated with the international production networks as well. The reaction to higher import prices may be that the buyers will accept the higher prices, negotiate reduced supplier prices or seek other sourcing locations (Hossain, 2022). These are not yet determined,

but potential answers. Their decisions may also be impacted by product quality, reliability of the delivery and the current relationships with buyers.

4.2.2 UK trade policy after Brexit

The proposal characterizes the trade policy of the UK after Brexit, as something that was built at multiple phases. After the 2016 referendum, the UK initially retained arrangements which continued to grant extensive existing EU-related trade preferences. It was replaced by a UK-specific Generalised Scheme of Preferences and in June 2023, the DCTS came into force.

The UK government introduces the DCTS as a scheme aimed at streamlining trading regulations, increasing the product coverage and lowering the cost of importing goods to the UK companies (Khan, 2025). With its introduction, the UK had more power to determine its preference framework of trade without discontinuing the preferential access by eligible developing countries.

There is however no guarantee with formal policy continuity that all the commercial conditions will not change. The usefulness of a preference is based on the coverage of the products, eligibility and compliance terms. The analysis of Mostafiz et al. (2022) in the proposal implies that significant differences can be in technical regulations, but not the headline tariff rates.

Thus, not only the stated objectives but also the ability of exporters to employ the DCTS and its ability to deliver a beneficial impact in relation to other suppliers should be evaluated.

4.2.3 Possible implications of graduation

According to the proposal, Bangladesh will graduate LDC on 24 November 2026 and that there will be a transition period during which current preferences will be likely to persist until 2029. Before submitting these dates they should be compared with the existing official policy documents.

The key issue is that the preferential treatment that is linked to LDC status might not be indefinite. Unless some other agreement exists, exporters may find themselves subject to varying tariffs in Bangladesh, in case their qualifications change after the transition period. The proposal cites a study that indicates that some of the markets might be faced with competitiveness challenges by Bangladeshi clothing exports due to graduation (Raihan et al., 2024).

When the tariff spread is of commercial importance the price of the importation of Bangladeshi garments into the UK may rise. Buyers can afford a little higher price or negotiate lower prices with suppliers or can approach alternative sources. The effect would be determined by the type of products and reaction of companies and consumers.

This implies that the size and the period of preference, the products involved and flexibility by the exporters should be considered when accessing the markets (Rahman & Strutt, 2024). This does not necessarily imply that exports will become less as a result of graduation.

4.3 Theme Two: Rules of Origin and Global Value Chains

4.3.1 Importance of rules of origin

Rules of origin are used to identify a product that is to be treated to preferential tariffs. They are especially significant in the production of garments as the materials could be obtained in various countries and then the manufactured good is exported.

The proposal points out the rules of origin as one of the important characteristics of the DCTS. Not all shipments will be benefitted by a tariff preference: exporters have to fulfill the corresponding requirements and present the needed documents (Sytsma, 2022). Conformity can be based on the sourcing agreements, the administrative systems and familiarity with trade procedures.

The realistic value of a preference can be diminished in case the requirements of origin are hard or expensive to fulfill. Thus, the exporters should pay attention to the rate of tariff and the conditions to receive the tariff.

4.3.2 Bangladesh's garment supply chains

The RMG industry of Bangladesh is a part of global production systems. The Global Value Chain (GVC) theory is useful in describing the impact of international buyers on the production decision making, product quality, delivery time and sourcing (Zaman & Jenkins, 2024).

Origin rule can impact the source of purchases of fabrics and other inputs by manufacturers. When an exporter utilizes imported materials, it should take into consideration whether the end product (garment) can still be claimed as having preferential access. This can affect the relationship with the suppliers, sourcing decisions, and production scheduling.

The impact can vary among the firms. Companies possess a variety of supplier arrangements, merchandise, paperwork systems and bureaucratic ability. A company that has loose sourcing relations and documentation can be able to easily satisfy demand as compared to the company that has limited resources.

Rules of origin are thus seen to cause an interaction between production decisions and the trade policy (Uddin et al., 2023). Their impacts ought to be viewed in conjunction with tariff levels as opposed to a technical problem on its own.

4.4 Theme Three: Conditions Attached to Preferential Market Access

The country that offers the preference designs and administers the prefers trade schemes. The proposal is based on the works of Kiron et al. (2025), which clarifies that preference-giving nations still have a considerable influence in the design and continuation of a scheme. The exports will provide the countries that export with a chance to gain access to the market but at the same time face the risk of being subject to changes in policies.

The DCTS is thus meant to be taken as a tariff scheme as well as a policy scheme having eligibility terms and conditions. Government institutions and exporters must get acquainted with the regulations, track modifications and make sure that the requirements are fulfilled.

Another way of applying discursive Institutionalism is to look at the interpretation of trade policy by various actors (Nabi et al., 2023). The government of the UK can introduce the DCTS as a development-oriented project, whereas the industry bodies can emphasise the competitiveness, compliance expenses and accessibility in the future. These views are indicative of various institutional priorities.

In the case of Bangladesh, the question that lies is whether the scheme allows predictable and usable access. Exporters should have good information concerning the tariffs, eligibility, and documentation and future (Syed et al., 2024). The uncertainty can complicate the production, sourcing and investment planning of businesses.

The proposal however lacks a direct evidence of the way individual buyers or factories have reacted to uncertainty. This is one of the issues that should be investigated further.

4.5 Theme Four: Risks and Opportunities of LDC Graduation

4.5.1 Potential risks

The loss or decrease in preferential access is one of the key risks of graduation proposed. When the terms of the tariffs change after transition period to be unfavourable, then the cost of the Bangladeshi garments in the UK market would be increased (Syed & Mahmud, 2022).

Potential implications are that it will lead to a decrease in price competitiveness, supplier-margin pressure, price renegotiation and sourcing decision-alteration. Such impacts might vary in the sector (Ali et al., 2024). The competition among firms primarily based on price can be subject to various pressures of firms that manufacture higher-value or differentiated items.

The industry could also be susceptible to fluctuations in the trade terms and foreign purchasers due to its dependence on the key export markets and foreign consumers. Companies that have less alternative markets or low bargaining power can have more difficulties with the adjustment.

However, these risks do not necessarily happen. Their size would be influenced by the tariff adjustments, the reaction of buyers, productivity, quality of the products and the capability of the firms to diversify the markets.

4.5.2 Potential opportunities

Opportunities can also arise due to graduation. The proposal mentions that, on graduation, there is an indicator of the progress of development, and the studies have found risks as well as opportunities (Islam et al., 2024).

The shift can push companies and policy makers to pay more attention to productivity, product development, diversification of the market and enhanced facilitation of trade. The well-established garment production base and international buyer relationships of Bangladesh might offer some ground to make the necessary adjustments.

Nevertheless, graduation is not a definite way of enhancing competitiveness. The potential is to build the capabilities that can facilitate performance beyond tariff preferences such as consistent delivery, compliance, skills, infrastructure and access to new markets.

4.6 Chapter Summary

The results show that there are four related problems. Bangladesh has an interest in preferential tariff access to the RMG sector due to its external access to the international markets, including UK. The rules of origin can be the determining factor of whether the exporters can enjoy the preferences and may play a role in sourcing decisions. The DCTS works in a policy framework, the terms of which and the direction its future take are of interest to exporters. Lastly, LDC graduation both poses risks and opportunities, which will be determined by future arrangements, as well as the reaction of firms, buyers and policymakers.

The results fail to determine the precise magnitude of changes in exports, employment or competitiveness in the future. They can determine potential mechanisms and give the foundation to the discussion in Chapter 5.

Chapter 5: Discussion

5.1 Introduction

The chapter explains the potential effect of the UK trade policy, especially the DCTS on Bangladesh RMG sector both during and after the LDC graduation. It relates the findings with the trade preference theory, Global Value Chain theory, structuralist trade theory and Discursive Institutionalism. The argument is that the effect of the DCTS is most likely not to be explained by tariff cuts. It relies on the formal trade regulations, structure of production, international consumers and the ability of Bangladesh to adapt.

5.2 Trade Preferences and Competitiveness

Trade preference theory is the reason why preferential treatment is important to the developers-country exporters. The reduced tariffs may give a competitive edge to other products that are subject to high tariffs. In the case of the RMG sector in Bangladesh, competitiveness in a market where price is a factor can be gained thanks to this advantage.

But preferential treatment does not exist indefinitely and is not totally under the control of the exporting state. The country in which benefits are offered sets up preference schemes as Yasmin (2025) posit. The exporters of Bangladesh are hence reliant on the UK decisions regarding eligibility, terms and arrangements in future.

The worth of a preference also may vary with time. The practical value of preferences according to Julie et al. (2024) as cited in the proposal may diminish because of decreased levels of wider tariffs or because other nations receive the same preferential treatment. The presence of a preference does not imply that it offers a big or sustained competitive advantage.

In the case of Bangladesh the question is does the DCTS give any substantial commercial value over its competitors? This necessitates an interest in the rates of applicability of the tariffs, coverage of the products, rules and arrangements concerning the origin after graduation.

The expiry of preference would not necessarily result in the falling exports. The buyers can face a few new expenses, exporters can enhance their productivity or companies can change their product and market strategies. The research fails to establish the magnitude of these

reactions, but it demonstrates why tariff adjustments and performance of exports ought to be regarded as interrelated yet not the same.

5.3 Rules of Origin and Global Value Chains

The GVC theory can be used to understand why the technical requirements of the DCTS may be important. The garment industry in Bangladesh is interlinked with global consumers and suppliers and the decisions to manufacture products are dictated by the price, quality, delivery and sourcing needs (Alaofin, 2023).

Rules of origin may influence the materials used by exporters, and the organisation of production. Preference can be of no use when a company is not able to fulfill the requirements of the origin or give the necessary evidence.

This policy can thus yield varying results to various businesses. With well-documented systems and a flexible sourcing system, a manufacturer could easily utilize a preference compared to a company with a small administrative capability (Mohsin, 2023).

This implies that both policy and firm level assessments of the DCTS should be done. Policies set rules of a formal eligibility at the policy level. At the firm level, the capability to comply will either mean that the preference can be utilized or not.

The international buyers are also highlighted by the GVC theory. In case cost is raised by change in tariffs, buyers can negotiate with suppliers or can resort to alternative sourcing. The way that the extra costs are distributed among buyers and suppliers might impact the impact on Bangladeshi factories.

But there are no interviews or firm level information in the study. It is not able to determine the manner in which buyers will react or even the way costs are to be allocated (Raihan et al., 2023). Plausible mechanisms are found in the theory, although more evidence is necessary to quantify the significance of these mechanisms.

5.4 Structuralist Trade Theory and Development

Structuralist trade theory helps us in explaining the position of Bangladesh better in the global economy. This proposal relies on Hossain (2022) and Khan (2025) to explain about inequalities

in the world trading system and the location of the countries which rely on export-based production.

In this sense, the trade preferences can help to decrease certain drawbacks by enhancing access to the market. Nevertheless, they do not always alter the organization of production and the distribution of value in the international supply chains.

The RMG industry in Bangladesh relies partially on the foreign markets and foreign consumers. Preferential tariffs can help to maintain competitiveness, but not to ensure increased productivity, increase in domestic value addition or bargaining power (Mostafiz et al., 2022).

LDC graduation is thus a development milestone as well as a transition which might involve increased dependency on productive and institutional abilities. It begs the question on how Bangladesh can enhance competitiveness in the face of evolving trade environment.

This does not imply that graduation will definitely have adverse outcomes. When companies become productive, create more value products and diversification of markets, the industry might be less reliant on a particular taste. The degree of such development has to be proved (Raihan et al., 2024).

5.5 Discursive Institutionalism

Discursive Institutionalism can be used to understand the interpretation of trade policy by various actors. The UK government can introduce the DCTS as a scheme with an orientation towards development whereas exporters and industry organisations can concentrate on the costs of tariffs, compliance and uncertainty in the future.

These views are the priorities of different orientations. Policy objectives and design are described in government publications, and commercial impacts might receive focus in industry publications (Rahman & Strutt, 2024). The interconnection between the mentioned goals and potential economic ramifications may be investigated with assistance of academic research.

It is not the DCTS that should be judged by official statements of its objectives. It is also important due to its practical needs and the assurance that it gives to exporters. Compared sources should be used instead of considering one source as a full account of the government, industry and academic documents.

5.6 Implications for Bangladesh's RMG Sector

There are a number of implications in the discussion. To begin with, the exporters should have clear information regarding tariff treatment during and after the transition period of graduation. Second, the rules of origin must be taken into account together with the tariff rates since companies must satisfy the requirements for products (Sytsma, 2022). Third, productivity, quality, reliability of delivery, and product diversification may become more important as a determinant of competitiveness. Fourth, trade relationship between the UK and Bangladesh should be perceived as dynamic as opposed to stagnant.

Likely, the effects will vary among businesses. Firms differ in terms of size, the type of products that they deal in, sourcing scheme and buyer relationship. These differences cannot be determined by a documentary study, but these are the areas that are significant to conduct a further study (Zaman & Jenkins, 2024).

5.7 Chapter Summary

As the discussion reveals, more than tariff preferences determine the effect of the DCTS that is likely to occur. The trade preference theory is used to discuss the limitations and significance of preferential access. GVC theory emphasizes on relations with buyers and origin. Structuralist trade theory puts the problem in broader forms of economic dependence whereas Discursive Institutionalism explains various viewpoints of the institutions.

Combined, these theories indicate that there is a risk and opportunity of graduation. It will be determined by the magnitude of the effect of future trade agreements and how Bangladesh can adapt.

Chapter 6: Conclusion and Recommendations

6.1 Introduction

This chapter is the last one in the dissertation as it summarises the key findings and answers the research question. The paper has investigated the impacts that the post-Brexit UK trade policy, especially the DCTS, can have on the RMG industry in Bangladesh in the short and long term, following the LDC graduation.

In the study, qualitative documentary analysis was applied. Since the transition to graduation is an ongoing process, the conclusions are based on the probable implications, not stating that they are going to determine the future.

6.2 Summary of Findings

The initial result is that preferential tariff access is still significant, as garments and textiles constitute a big portion of Bangladesh's exports to the UK. Any tariff treatment changes can influence the business environment in which Bangladeshi garments are introduced to the market.

The second conclusion is that both tariff provisions and rules of origin should be used to measure the DCTS. The capacity of exporters to comply with the origin conditions can dictate whether or not the exporter can utilise preferential access, and this can affect sourcing and production choices (Uddin et al., 2023).

The third conclusion is that the DCTS is a component of the overall post-Brexit trade policy of the UK. Its practical implications are subject to specific detailed rules and responsiveness by the exporters as well as buyers. The issue of predictability is of critical concern, especially in the transition of graduation in Bangladesh.

The fourth observation is that graduation brings about risks and opportunities. Less favourable treatment of tariffs, pressure of costs and uncertainty are some of the potential risks (Kiron et al., 2025). The opportunities that can be leveraged are increased motivation to be more productive, diversify products and markets and become less dependent on preferences.

The results are not that graduation will necessarily lead to a decrease in exports or employment. The future trade agreements, the ability of the firms, the choice of buyers and the overall market will determine the outcomes.

6.3 Conclusion

The research question posed was how a post-Brexit UK trade policy, specifically, the DCTS, is bound to affect the RMG sector in Bangladesh, both in the run-up and after the LDC graduation.

The paper finds that the DCTS is likely to be still relevant as it influences the tariff and regulatory environment that regulate access to the UK market. Nevertheless, it is not possible to comprehend its effects with tariff rates (Nabi et al., 2023). Regulations of origin, regulations of administration, relationship with buyer and the future arrangements can also affect competitiveness.

The graduation of Bangladesh is an important transition. It might diminish the access to some preferential benefits following the applicable transition period, however, the specific ramifications will rely on the provisions that are in place at that moment. The shift can cause stress on those firms that depend on price competition the most and stimulate the advancements in terms of productivity, quality and market diversification.

The impacts would tend to be different in the RMG industry since companies have different production capacity, sourcing set-ups, documentation and buyer relationship. There would be no single forecast on the whole sector to indicate these differences (Syed et al., 2024).

In general, the DCTS is not a single significant factor of the future competitiveness of the RMG sector of Bangladesh but is one of the factors that define its competitiveness. The success of the UK trade policy, the ability of Bangladesh to produce and the ability to sell to the international market in the long run will be based on this interaction.

6.4 Recommendations

6.4.1 Recommendations for Bangladesh

Enhance information and advice. The government agencies and industry organisations are to present the up-to-date information about tariff treatment within the UK, the rules of origin, and

documentation, which should be clear. Guidance related to the products may assist exporters to know what is required to have preferential access.

Strengthen compliance capacity. Exporters need to examine their systems of sourcing and documentation to make sure that they are able to prove that they are in compliance with the relevant regulations. The firms could be assisted by industry associations, in terms of training and technical advice.

Become competitive outside tastes. The policy measures that firms and policymakers ought to take into consideration are those that enhance productivity, the quality of the products, reliability in delivery as well as product diversification (Syed & Mahmud, 2022). Such abilities can assist companies to react to the fluctuating tariff situations and consumer needs.

Support smaller exporters. Smaller businesses might lack the resources to track changes in policies, or to maintain documentation. Available education and mentoring might be used to decrease variations in administrative capacity.

Encourage market diversification. Bangladesh ought to keep expanding to a broader market and consumers (Islam et al., 2024). Diversification can diminish the risks of being affected by a change in one destination, but needs to be invested in and understand other trade needs.

6.4.2 Recommendations for UK Trade Policy

Provide clear information. The UK authorities need to make sure that exporters and importers are provided with valuable advice concerning the eligibility of DCTS, tariff treatment and rules of origin.

Communicate future arrangements. Potential changes in preferences or transition arrangements would be more beneficial to the business when timely information is provided to help them plan on how to produce, source and invest.

Consider practical implementation. The success of preferential access is partly based on whether or not exporters are able to comprehend and utilize the scheme (Ali et al., 2024). Small steps towards accessibility of procedures and guidance can be used to help achieve its targeted goals.

Provide further communication with Bangladesh. Continued involvement may be used to note the difficulties in implementing them, as well as to enhance knowledge of the commercial implications of the change in trade policy (Akter et al., 2024).

These suggestions are informed by these problems that were outlined in the documentary analysis. They do not assert that certain policy reforms have been already implemented.

6.5 Research Limitations and Future Research

There are a number of limitations to the study. To start with, it is based on documentary sources and does not involve the interviews with policymakers, exporters, factory owners or buyers. These participants would be in a position to give first hand information regarding how the firms perceive and react to the DCTS.

Secondly, the government, industry and academic documents can be biased by various institutional perspectives. The analysis should thus take into consideration the context and purpose of each source.

Third, the graduation process and trade in the UK between Bangladesh and the UK are still in their development. The long-term impacts on exports, on employment and investment are yet to be determined. Any conclusions that are arrived at should be regarded as an evaluation of probable implications as opposed to forecasting.

Lastly, the research fails to measure potential impact of tariffs on a product or a company. Further studies might utilize product-level tariff data, export data and firm-level data. The exporters, buyers and policymakers could be interviewed to investigate distributing the costs and the altering sourcing decisions. The risks and opportunities found in this dissertation could be evaluated using longitudinal research post-graduation to determine whether the risks and opportunities are reflected in real export, employment and investment patterns.

6.6 Final Conclusion

This dissertation has explored how the post-Brexit UK trade policy in relation to the DCTS and the RMG sector in Bangladesh relate to the LDC graduation transition. It discovered that preferential access is important, however, the value of preferential access is limited to the tariff treatment, rules of origin, compliance capacity and international buyer behaviour.

The change brings about uncertainty and possibilities of adapting. The future competitiveness of Bangladesh in the RMG sector in terms of trade preference will be determined not just by trade preference but also by productivity and compliance, as well as market diversification and the capacity to adjust to emerging needs.

The paper finds that the DCTS plays a significant role in the UK-Bangladesh trade relationship, and cannot solely dictate the future of the Bangladesh garment industry. The result in the long term will be based on the interaction between the trade policy, global value chains, and the adaptability of Bangladesh.

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