Lifeline of the Economy

- Transforming in a time of change

Sector Perspective:

Textile

GREEN DELTA CAPITAL

Executive Summary

The garment industry has played a pioneering role in the development of industrial sector of Bangladesh. The textile and clothing sector now stands at a crossroads. Trade in RMG &Textile sector has undergone a fundamental change as MFA quota system has been out on December 31, 2004. Though it took a rather late start i.e., in 1976 but it soon established its reputation in the world market within a short span of time. Resultantly garment is now one of the main export items of the country. Besides, enriching the country's economy it has played a very important role in alleviating unemployment.

At present there are more than **4500 garment factories** in the country employing more than **3.6 million** labors. Once Sri-Lanka was leader in this field in South Asia and India was its competitor. After a bloody civil war resulting in the quick demise of the garments industry of Sri-Lanka and India, the international buyers and investors diverted their attention towards Bangladesh. As a result, the garments industry of Bangladesh expanded with unprecedented success. The Garment industry has been making crucial contribution in rebuilding the country and its economy with its continuing positive trend in export earnings, fueled by value-added products, government policy support and movement towards sustainable production process.

There is a significant effect of globalization on international textile and apparel trade. Today, the developed countries are hugely dependent on the developing nations for textile and garment manufacturing. At present, Bangladesh textile sector stands as the 2nd largest textile exporter in the world, right after China. This report illustrates the robust growth of this flagship sector over the years. Also, there are depiction of the impact of textile sector in Bangladesh economy so that the respective stakeholders, like the investors and other development partners can assess their strategy and implement the decision / any changes they need to make in time or, even better, ahead of time.

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1.0 Economic Backdrop of Bangladesh

Bangladesh stands as an emerging trade and investment destination with a continued average economic growth of nearly 7% in the last eleven years (2012-2022). A strong domestic demand, high export growth and continued expansion of infrastructural facilities attributed to the accomplishment of this accelerated growth. The income per capita was USD 2,824 in FY2021-22 and the GDP growth was 7.25%. With repeated success, Bangladesh is likely to graduate into a developing nation by the year 2026. The 8th Five Year Plan (FYP) aims to achieve a GDP growth rate of 8.5% by 2025 with a stable inflation rate of 4.6%. One of the core targets of 8th Five Year Plan is to make visible advancements toward Sustainable Development Goals (SDGs). Also, the plan focuses on long-term investment in the power sector to supply uninterrupted power to export-oriented manufacturing industries, considering the development of the clean power sector to promote industrialization.

Presently, 2.1% of the global population is Bangladeshi, with 74% are from working-age group (15 years and above). With such demographic advantage, Bangladesh aims to attain the status of developed country by 2041. Upgradation to middle class, better income level of common people and growing domestic demand have become important drivers of economic activity. Regional stability, cooperation, economic development through international and regional trade with its trade partners and an increasing flow of remittance by Bangladeshi expatriates have led the country to achieve and retain an impressive economic status.

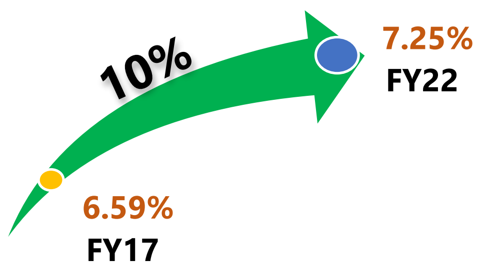
Indicators	FY18	FY19	FY20	FY21	FY22
GDP Size (USD billion)	321	351	374	416	465
GDP Growth Rate (%)	7.32%	7.88%	3.45%	6.94%	7.25%
Income Per Capita (in USD)	2,043	2,209	2,326	2,591	2,824
Inflation Rate (%)	5.78%	5.48%	5.65%	5.56%	6.15%
Current Account Balance (In USD million)	-9,780	-4,490	-5,435	-4,575	-17,732
Export (in USD billion)	36.6	40.5	33.6	38.7	52
Reserve (in USD billion)	32.9	32.7	36.03	46.3	41.8

Bangladesh has attained reasonable foreign currency reserves which currently stands at USD 37.06 billion (as of September 09, 2022). Alongside this, the citizens working abroad are expected to remit back home allowing the country's foreign currency reserve to reach USD 53.99 billion by the middle of 2023-24 fiscal year, which is about 12% increase on average in the inflow of remittance. In addition to that, Bangladesh experienced and overall growth of Foreign Direct Investment (FDI) in the previous five years. The gross FDI inflow from 2017 to 2021 stood at USD 18.48 billion. World Investment Report 2017 has ranked Bangladesh 16th among 74 FDI-recipient countries with a record USD 2.65 billion FDI inflow in 2019. This is the 5th time Bangladesh's FDI has exceeded the billion-dollar mark in a single year.

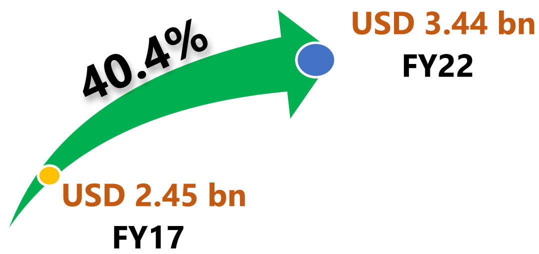
Despite multiple setbacks, Bangladesh has demonstrated remarkable resilience against Covid-19 pandemic and Russia-Ukraine war. In order to resolve the rising burden on the foreign exchange reserve, Bangladesh government has incorporated priority basis funding in order to save government spending. Projects which are due by 2022 will be given the maximum priority. The self-funded Padma bridge alone is an exceptional milestone which has already begun to change the economic momentum and create significant impact amidst uncertainties. The GDP growth is estimated to rise by 1.2% as a whole and by more than 2% in the southwestern region. Also, economic activities in the Mongla and Payra Sea-port will up rise due to the rise in regional connectivity, reducing overcrowding in the Chattogram Port. Agriculture and industry will benefit from new business opportunities from uncomplicated transportation. Employment opportunities will be created for a total of about 1 million people in the next 5 years and 1.5 to 2 million people in next 10 years in the southwestern part of the country. The Bangladesh Economic Zones Authority (BEZA) is developing 17 economic zones in the region to accelerate industrialization and economic growth. As per ADB, its long-term (31 years) benefit stood at USD 18.5 billion and total benefit at USD 25 billion.

Thus far, Bangladesh economy has been able to precede the estimation about its growth rate made in the recent past or present by ADB, IMF and World Bank, demonstrating how effectively economic downturns have been handled. This leads to drawing a more optimistic economic outlook of Bangladesh with more prosperity and stable growth.

Growth over 5 Years



GDP Growth Rate



Gross FDI Inflows

2.0 Textile sector of Bangladesh

" Made in Bangladesh with Pride"

2.1 Background

Clothing not only falls under one of the basic necessities of human being, but it also represents one's culture, moral standard and economic status. The sector that manufactures clothing is known as textile. Textile sector played one of the few most vital roles in building the industrial sector of Bangladesh and established an identity in the global arena. Additionally, it played a significant role in alleviating the unemployment from the economy. Bangladesh textile sector has made major contributions in the global textile market, especially through Ready-made garments (RMG). The RMG is simply a part of the textile and the entire process of textile revolves around spinning, weaving & dyeing and turning them into finished products.

When the only major export earner "the jute industry" started losing its golden days, it is the RMG sector that replaced it, and then overtook it. RMG is one of the major export items in Bangladesh. It is known to be the second largest apparel exporter in the world after China. RMG exports accounts about 84% of the country's total exports and 6.2% of global apparel market, aiming to reach 10% share by the year 2025. In Fiscal Year 2021-22, Bangladesh crossed the milestone with exported goods worth USD 52.08 billion, out of which, USD 42.61 billion was apparel exports. With vast population and abundance of labor, Bangladesh has a comparative advantage in producing labor intensive products. The competitive price, product quality, lead time and sustainability compared to other exporters in the world helped the sector to grab a significant share in the global market. Moreover, this sector has made progress in broadening its customer portfolio to manage risk and adapt to changing demand patterns in the global fashion market.

2.2 Sector Highlights

More than 13%
Of GDP of Bangladesh is contributed by the RMG (as per BTMA)

Bangladesh is the 2nd largest apparel exporter with 6.3% share of global market

Created employment of around 4.5 million out of which 60% are female

Bangladesh has 171 LEED Certified green RMG factories

Total export of the country USD 52 billion (FY2021-22), out of which USD 38.8 billion came from Textile & Clothing export

84%
of the country's total exports earnings come from RMG

Around
USD 15 billion
investment in the Primary Textile Sector

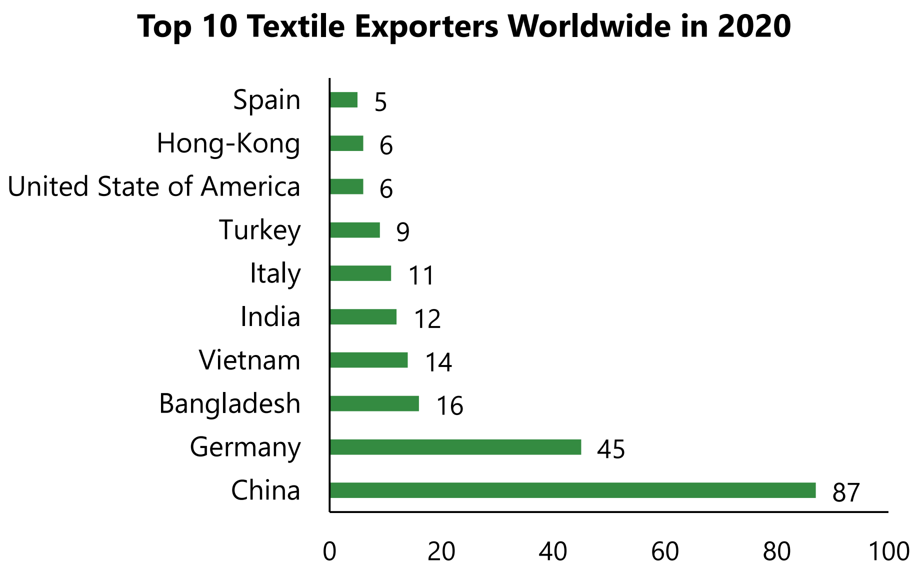
Total export of the country USD 52 billion (FY2021-22), out of which USD 38.8 billion came from Textile & Clothing export

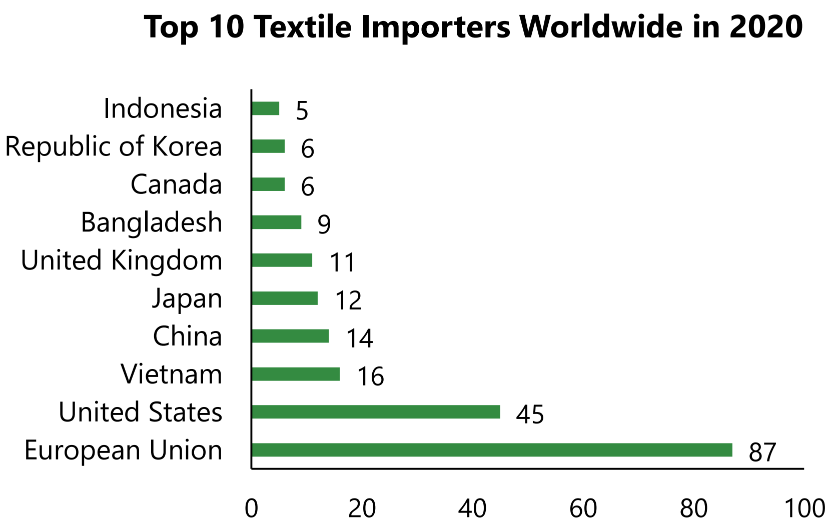
Around 85-90% yarn demand for knit RMG & 35%-40% yarn demand for woven RMG are met by Primary Textile Sector (PTS)

The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) aims to achieve a target apparel export of
USD 100 billion by the year 2030

It is estimated that the country's share in apparel exports in the global market would exceed 10% by 2025 as there had been a number of initiatives taken to ensure a sustainable supply chain

2.3 Top 10 Exporter and Importers worldwide





The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) estimated that the global market shares of the Bangladesh apparel industry increased to **8%** in 2021 from 6.26% in 2020. Apparel exporters have set a target to raise the annual export volume to **USD 100 billion by 2030**. If that target is achieved, Bangladesh's share in the global apparel market will be **14%**.

Source: Statista and FIBRE2FASHION

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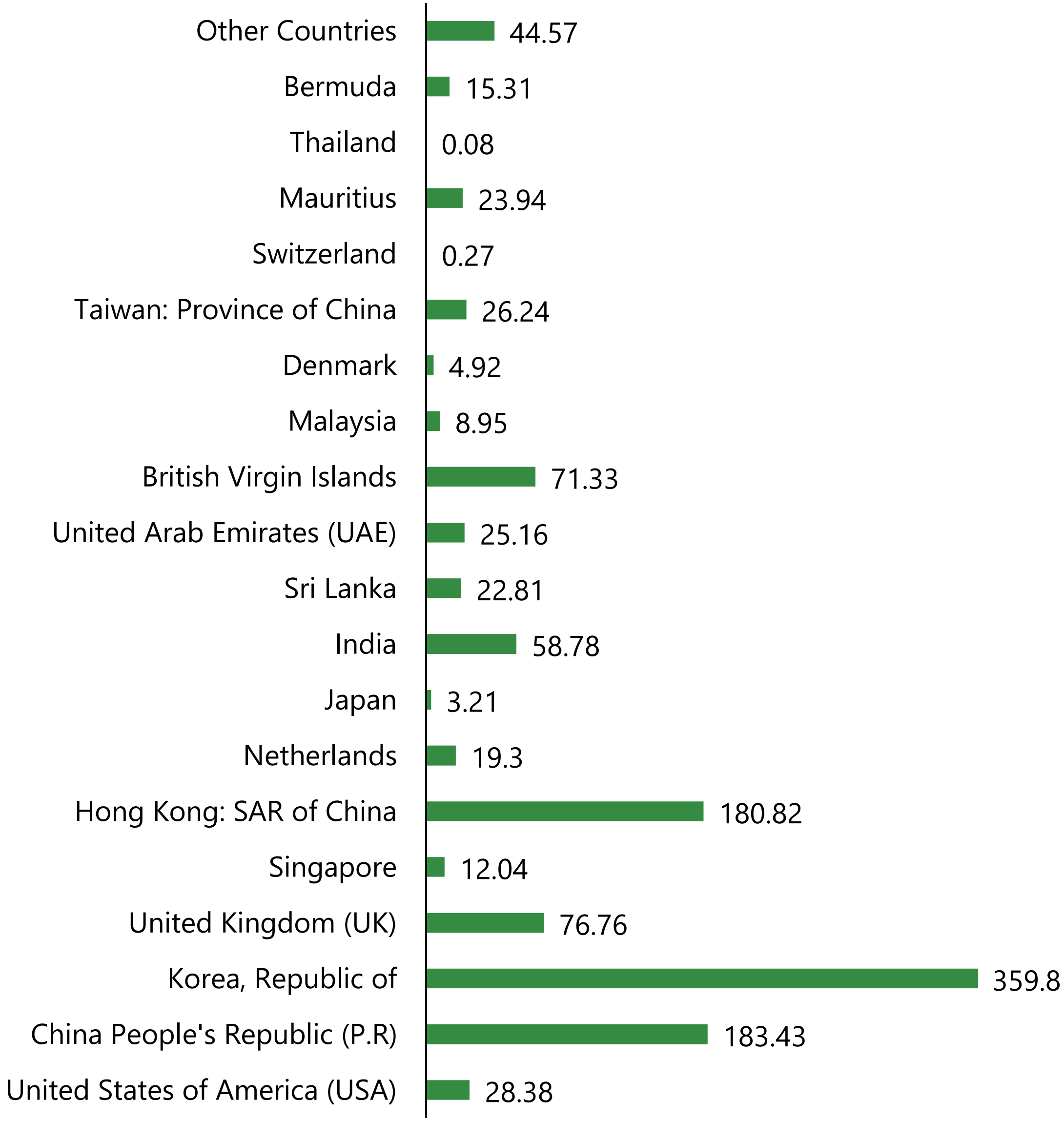
2.4 FDI Gross Inflows classified by Major Countries during FY2021-22

According to the country-wise statistics given by Bangladesh Bank, it demonstrates that the maximum share of Foreign Direct Investment (FDI) worth **USD 359.8 million** came from the country South Korea while China being the second highest (**USD 183.43 million**) in the Fiscal Year 2021-22. The total size of the investment in textile sector of Bangladesh that year was USD 1166.1 million.

Currently, Bangladesh is the world's second largest garment exporter in the world after China. The South Asian country also enjoys **tariff-free market** access in the EU, Canada, Australia and other major textile and garments markets. An increasing number of international investors and famous fashion brands, such as Zara, H&M, Gap and Levi's, are already manufacturing and importing clothes from Bangladesh.

In order to further increase the FDI in the sector, the Government of Bangladesh is promoting investment opportunities not only in the textile sector but also in the allied energy and infrastructure sectors, which will help boost volumes in the textile trade. Meanwhile, industrial associations are improving the health of their business environments, training more skilled workers, improving social compliance status, and improving coordination among manufacturers, exporters and importers.



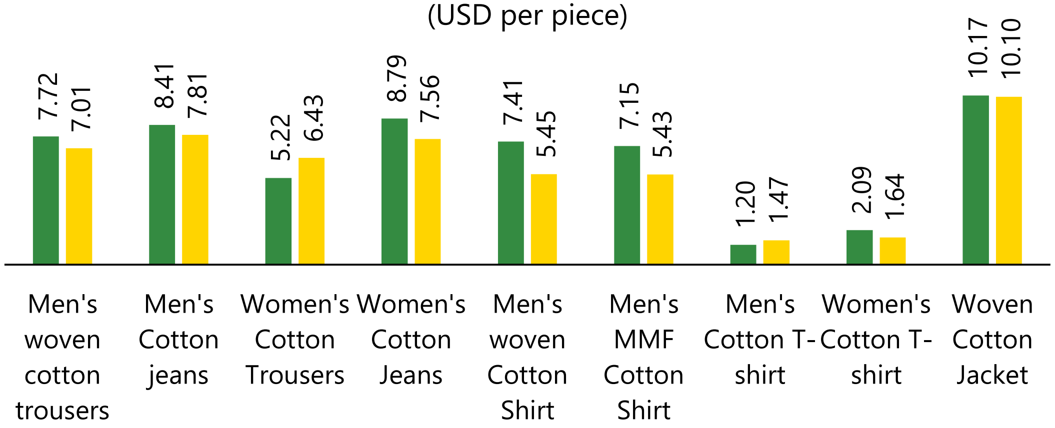
FDI Values in USD Million

Source: Bangladesh Bank

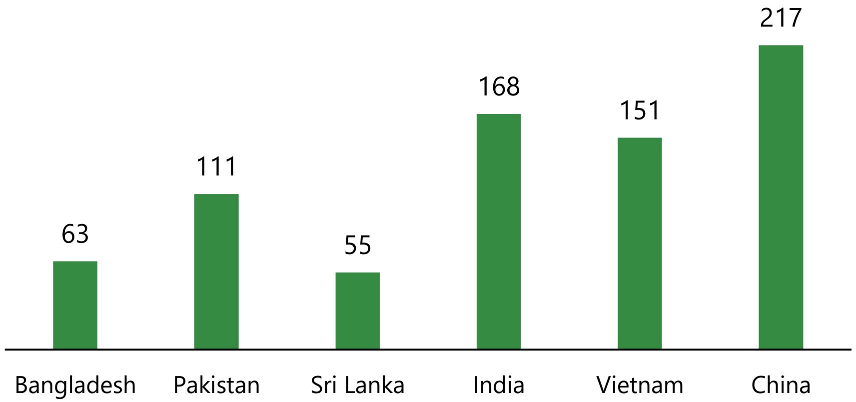
2.5 Comparative Advantage

Bangladesh has an upper hand in terms of pricing of garment products compared to its competitors due to its comparative advantage over lower cost of production. International buyers are consistently paying lower than the global average price to apparel suppliers in Bangladesh but higher to some of the country's competitors, according to the International Trade Centre (ITC). As a matter of fact, local garment manufacturers receive rates that are **32% to 83%** lower than the highest prices paid to the suppliers in other countries.

Comparison of Garment Prices (as of October, 2022)
(USD per piece)



Minimum Wage (ILO 2019 - in USD)



Competitive Minimum wage in comparison with peer countries

The monthly minimum wage varies significantly across nations. While China and Vietnam are the two largest apparel suppliers for the U.S. market, the minimum wage level for garment workers in these two countries have exceeded most of their competitors in Asia.

In terms of taming production cost, Bangladesh is way ahead of its prime competitors. Lower wage rate has been a blessing behind the robust growth of the textile sector of Bangladesh. This translates into lower price for apparels in the international market thus making other country’s products less competitive.

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3.0 Raw Materials for Textile and Garment Sector

3.1 Cotton – The potential raw material for spinning mills

Bangladesh had global renown for producing cotton from the phuti karpas variety. Till the 1900s, this particular cotton yarn was used in weaving the world-famous muslin. Although muslin became extinct long ago, Bangladesh has reemerged in the global cotton market in a different way. As per United Nation, Bangladesh will play a major role in the global cotton market by the year 2030.

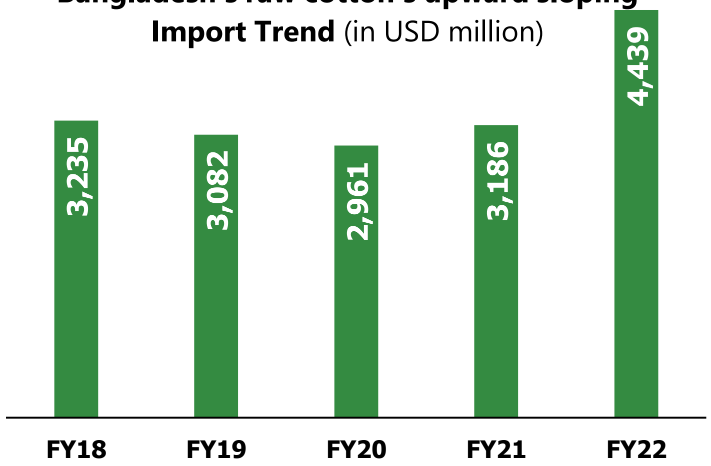
In the fiscal year 2021-22, Bangladesh imported the highest amount cotton worth USD 4,439 million. The total consumption of cotton for the marketing year (MY) 2021-22 was 8.5 million bales and is forecasted to reach about 9.31 million bales in MY2022-23. The country currently produces less than 0.2 million cotton bales (1 bale equals roughly 480 pounds) a year. Against the backdrop of high demands, Bangladeshi textile and spinning mills and other users import cotton from India, the United States, several African and Central Asian nations, Australia, Brazil and Pakistan.

Cotton is mainly sown in the July-August period and harvested in between December and January and currently its cultivation is spread over 45,000 hectares while the figure was 31,500 hectares in 2009-10. Over the past one decade the production volume nearly doubled since it was less than 100,000 bales in 2009-10. Raw or seed cotton production was about 2,000kg per hectare in 2009-10 which now stands at 4,000kg per hectare with the introduction of high yielding and hybrid varieties.

In the last 15-20 years, a secondary market for cotton has developed locally. Imported and locally produced cotton have contributed to this development. Many importers are meeting the demand of a significant number of spinning mills by bringing in cotton from abroad. The local cotton market is making a significant contribution to the yarn production of many mills and is also playing a positive role in the expansion of textile industry.

- Bangladesh is the **5th largest** raw cotton consumer in the world
- Bangladesh imports raw cotton from Uzbekistan, India, USA, other CIS and African countries
- In 2021, Bangladesh imported about 8.5 million bales of cotton worth more than USD 3 billions

Bangladesh's raw cotton's upward sloping Import Trend (in USD million)

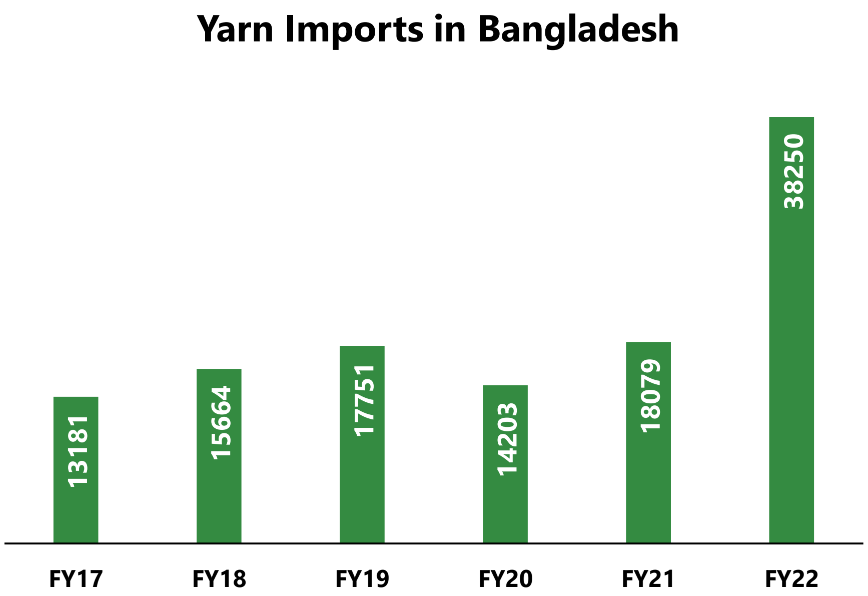


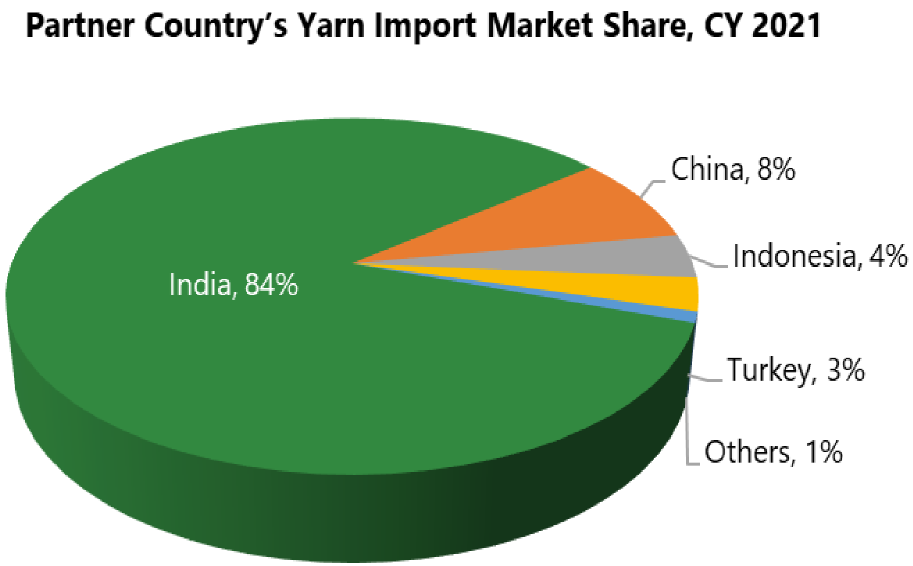
3.2 Yarn

Although Bangladesh relies on imported cotton, it is gradually becoming the fastest major source of yarn and fabrics.

Yarn manufacturers both export and sell their yarn domestically, and Bangladesh also imports yarn to meet local demand. According to Trade Data Monitor, LLC (TDM), the value of Bangladesh's yarn exports in CY 2021 was USD 34.9 million, up 120% over the previous year. In CY 2021, the value of yarn imports was up 150% over CY 2020 to a record USD 2.1 billion. After recovering from the first wave of COVID-19 pandemic in late 2020, the Bangladesh RMG industry received a large amount of work orders in 2021, which increased yarn demand.

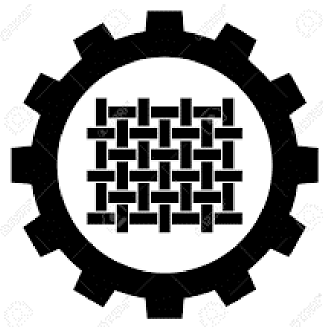
India is the largest exporter of yarn to Bangladesh. In CY 2021, India took 84% of yarn import market share, followed by China, Indonesia, and Turkey.





3.3 Fabric Industry

The key raw material of making a garment is fabric. It is mainly divided in two categories; woven and knit. Bangladesh imports large quantities of fabric and also exports limited quantities. The value of Bangladesh's fabric exports in CY 2021 was USD 27.83 million, 40.6% lower than the previous year. The total number of fabric imports in CY 2021 also dropped to USD 1.8 billion from USD 2.6 billion in CY 2020, as Bangladesh imported more yarn.



Fabrics tend to be the largest cost component in garment manufacturing as it can go up by 50% to 70% of garment-making cost. Hence, any effort to reduce manufacturing costs in the garment industry must include fabric saving opportunities. 3% saving in fabric cost could result in about 2% manufacturing costs of the factory which can also significantly improve the profit margin of a company. The local spinning millers meet 80% of the demand for export-oriented knitted fabrics, while they account for only 40% of woven fabric supplies.

Woven Fabrics

Bangladesh is largely dependent on imported fabrics for woven garment manufacturing as local spinners can meet 35-40% of demand of woven exporters. Despite declining woven garments during Covid-19 pandemic, the demand of woven fabrics has grown by 33.82% to USD 19.39 billion in FY22. Bangladesh imported 552,859 tonnes of woven fabrics in 2021, which was close to 490,430 tonnes in 2017.

Challenges for Woven Sub-sector

- The woven subsector of the country's principal export industry is likely to face strict rules-of-origin (RoO) requirements in its major destinations, including the European Union, after Bangladesh's LDC graduation as clothing producers will need to comply with double-transformation requirement irrespective of their access to GSP or GSP-plus schemes.

- Also, absence of infrastructure, mainly shortage of gas, required policy supports and financial matters, is discouraging entrepreneurs from making fresh investment in woven fabrics manufacturing.

3.4 Silk

Silk remains one of the most well-known fabrics for its unbeatable luxurious texture. The history of silk farming, known as sericulture, is said to have started in China some 5,000 or more years ago. Silk fabric was first developed in ancient China and later spread around the world via the 'Silk Road' and became popular among super-rich or high society. Today, Rajshahi, located near the border of India, remains the top sericulturess region of Bangladesh. The climate in this area is perfectly suited to growing mulberry trees, without which sericulture would not be possible, as the Bombyx mori silkworm feeds exclusively on mulberry leaves.

Silk has a small percentage of the global textile market - less than **0.2%**

Its production base is spread over **60 countries** in the world where the major producers are in Asia

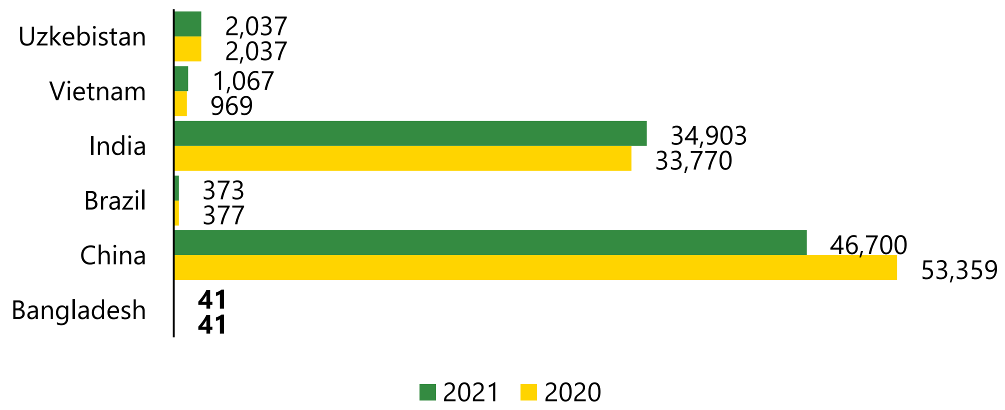
China is the world's single **biggest** producer and chief supplier of silk to the world markets while India is the **2nd largest** producer

Approximately **35- 40** counties are involved in sericulture

World production of raw silk is an average of **80,000 tonnes** per year, about **70%** of which is produced in China

Both India and Vietnam have seen a rise in the production of silk while China's silk production has declined and Bangladesh's silk production remained unchanged from the year 2020 to 2021.

Global Silk Production
(in metric tonne)



4.0 The Primary Textile Sector in Bangladesh

4.1 Spinning Sector

Spinning is the backward linkage sector of garments industry. Spinning mills in Bangladesh are contributing remarkably to the growth of the readymade garment industry of the country. Around **433** spinning yarn manufacturing mills are operating in the country. Main products of spinning are cotton yarn, polyester, synthetic yarn, woolen yarn and blended yarn mixed of cotton and polyester of different counts. The country's local spinners are capable to supply **85%** of the raw materials required by the knitwear sector and 40% of the woven sector.

Spinning Sector of Bangladesh	
Number of Spinning Mills	433
• Synthetic Spinning mills	19
• Acrylic Spinning mills	8
Installed Capacity	
• Spindles	14 million
• Rotors	0.24 million
Annual yarn Spinning Capacity	3270 million kgs

Source: BTMA

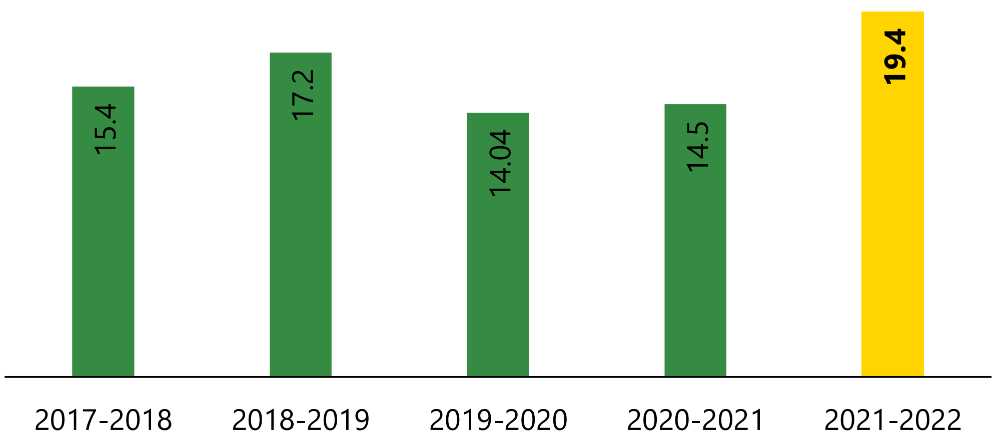
Maximum apparel factory owners have a lot of orders from the international clothing sector and brands. Following the demand, now spinners are investing in the spinning sector to supply adequate yarn. Good quality products, Quick lead-time, and private consumption are highly pushing the local demand for yarn and fabrics. If local garment exporters import yarn and fabrics from other countries such as China and India, it will take almost 20 days to get the raw materials. In contrast, they can buy the necessary items from the local market when they need. So, local spinners are trying to expand their footprint in the market. It will simultaneously improve the capacity of Bangladesh's spinning and apparel sector.

4.2 Weaving

Weaving is a type of machine used to make cloth with cotton and yarn made from cotton. Weaving can be of different shapes. Earlier handloom weaving was more common. At present, however, automatic looms are used in modern textile factories. Those who make cloth with the help of looms are called weavers. The weavers of the AdiBasak community are the original weavers of the Indian subcontinent. Initially they came from the Indus Basin to Murshidabad in West Bengal and started weaving. Later it spread to different parts of Rajshahi, Bajitpur of Kishorganj and Dhamrai of Dhaka.

Currently, **150 thousand** weavers are working with this industry. According to Bangladesh Weaving Board, the current demand for weaving in the country is **1.6 billion meters**. The local production is about 1.33 billion meters while the remaining 0.26 billion meters are imported from the international market.

Woven Exports of Bangladesh
(in USD billion)

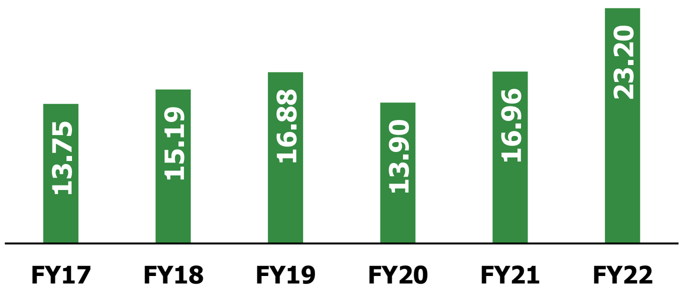


4.3 Knitwear – The Flagship sector in the entire Ready-Made Garment industry

The knitwear segment is known as Bangladesh's biggest and the most dominant export earner in the ready-made garment industry among all other sectors. With time, people have adopted to different taste in fashion, even in a formal setting as well. Recently, the usage of casual wears among corporate executives in offices have dramatically increased. Knitwear like functional sportswear is used as dresses for formal events worldwide. The US is a major export destination of knitwear for Bangladesh. Besides, competitive price is a significant factor in Bangladesh's success in the knitwear sector.

- Knitwear is Bangladesh's **biggest** export earner in the RMG sector and among all the sectors.
- Knitwear exports in fiscal year 2021-22 was **USD 23.21 billion** aims to achieve a target of **USD 25.60 billion** in the fiscal year 2022-23.
- The knitwear sector reached around **55%** of the export earnings of the apparel sector with **36.88%** growth in the sector itself in Fiscal Year 2021-22.
- Bangladesh has more than **1,200** active knitwear factories.
- More than **14.5 million** people are employed in the knitwear sector
- The knitwear sector meets **90%** of raw materials through local sources

Knitwear Export Scenario of Bangladesh
(in USD billion)

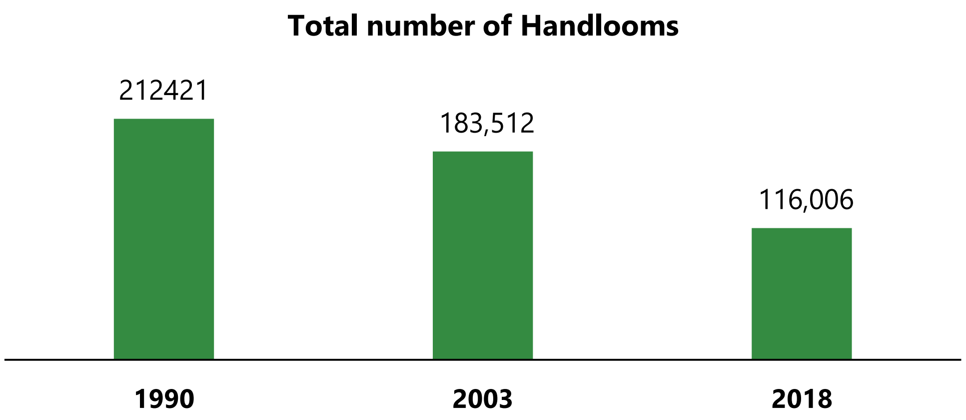


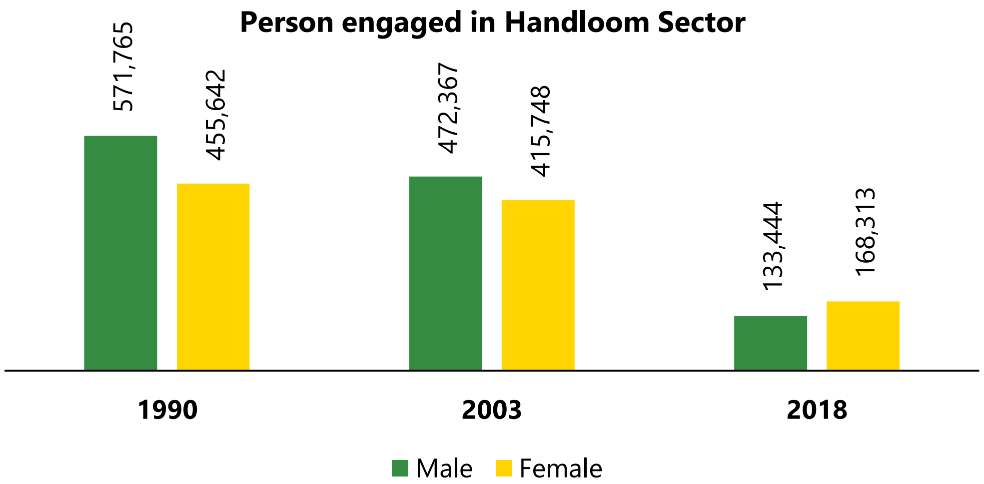
Vision 2050: The future projection of Bangladesh Knitwear Sector

Knitwear Export (in USD billion) • **32.62**	Growth of Knit (%) • **32.1**	Share of Apparel Export (%) • **69.4**
Share of National Export (%) • **53.2**	Share of GDP (%) • **12.12**	Employment Generation • **4.9 million**
Female Empowerment • **67**	Poverty Reduction (%) • **9.1**	Banking & Insurance (in BDT million) • **201**

4.4 Handlooms

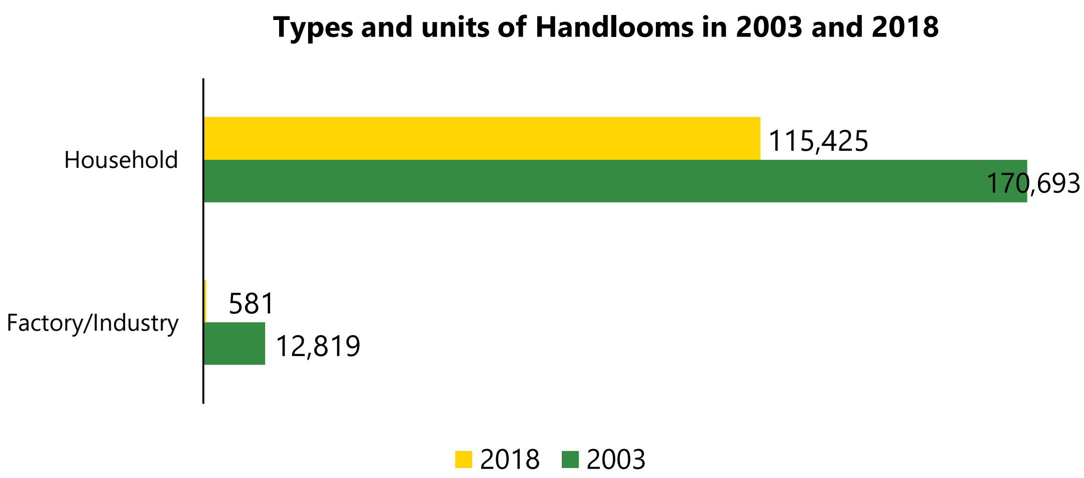
Handloom used to be the largest employment and income generating sector after agriculture in rural economy. It has a magnificent past due to excellence and high demand of its products in Indian sub-continent and in Europe as well. Famous Muslin, Jamdani, Benarashi etc. are the renowned products of handloom. Remarkably, industrial revolution and invention of modern technologies have changed the scenario gradually.





The number of handlooms fell by more than quarter in Bangladesh in the last 15 years, cutting jobs, largely because of the sector's shift towards mechanization and dearth of labor. In 2003, there were 183,512 handloom units but it fell 36.79% to 116,006 in 2018, according to the Handloom Census 2018.

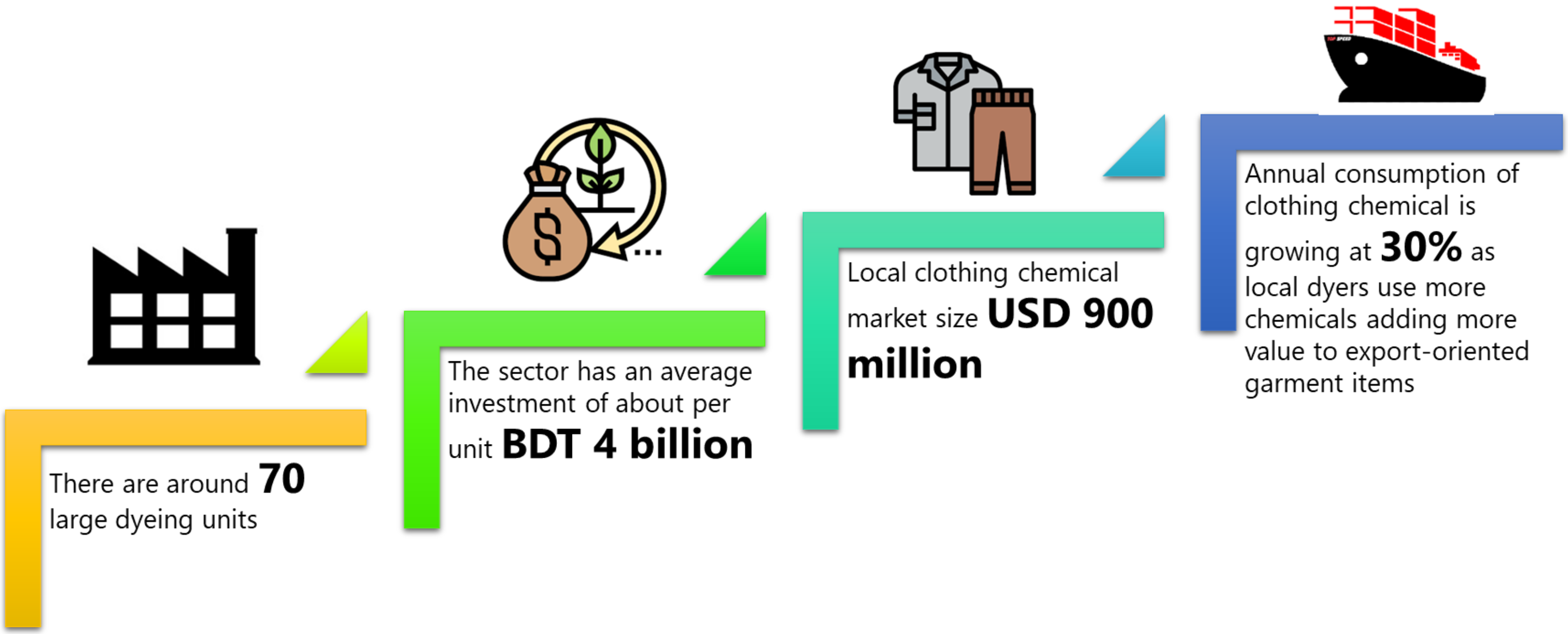
From the given three graphs, it is quite evident that the number of handlooms in Bangladesh has significantly fallen over the years (from 1990 to 2018) followed by the falling number of people involved in this sector. Overall, household-based handlooms are more popular than factories or industries.



4.5 Dyeing, Printing and Finishing

Dyeing, printing, and finishing, the final steps in the textile industry, are also the most complicated processes. This is the final stage where the fabric either can be used for domestic or RMG sub-sector for export purposes. Dyeing, printing and finishing units in Bangladesh are currently able to process all the locally produced grey fabrics. According to Bangladesh Textile Mills Association (BTMA), the dyeing, printing and finishing sub-sector has 251 units with production capacity of 4,000 Million meters annually. Two kinds of dyeing processes are required mainly - solid dyeing that means coloring fabrics and yarn dyeing for making fabrics. Majority of the dyeing industries are located at Narayanganj and Gazipur.

However, the majority of dyeing, printing, and finishing units that are producing fabric suitable for export are heavily dependent on imported woven grey fabric. Due to sector restrictions on import of woven gray fabrics, the woven sub-sector industry has not flourished like knit sub-sector, where they use locally produced knit fabrics for dyeing and finishing.



5.0 Overview of Readymade Garments of Bangladesh

5.1 Export of Apparels by Bangladesh

Textile industry is one of the oldest and most successful industries in Bangladesh with its rich history of almost 500 years. Today, the developed countries are hugely dependent on the developing nations for textile and garment manufacturing. Textile sector has been seen to grow at an impressive rate over the last 10 years. More than 150 countries import apparel from Bangladesh. In fiscal year 2021-22, Bangladesh experienced a massive growth in its total apparel exports worth USD 42.6 billion.

Bangladesh's neck to neck peer country, Vietnam, can be a tough competition in terms of its overall lead time. Vietnam is better able in sourcing raw materials and also can release the imported consignment at its ports within 24 hours. In contrast, Bangladesh takes 48 hours to one month to release raw material imports for the apparel industry, said local garment factory owners. They said Vietnamese workers are 10%-15% more efficient in manufacturing, while the country can deliver the final product to European buyers 10-15 days earlier than Bangladesh.

There are some fundamental factors behind this growth, where abundant labor and resources with favorable government policies have been the main catalysts. On the other hand, China has steadily accounted for declining shares in the world's total apparel exports since 2015. Bangladesh apparel industry occupies about 6.3% of the global market share and has a prime scope to claim more of it due to China moving its focus off the apparel market to high-tech industries.

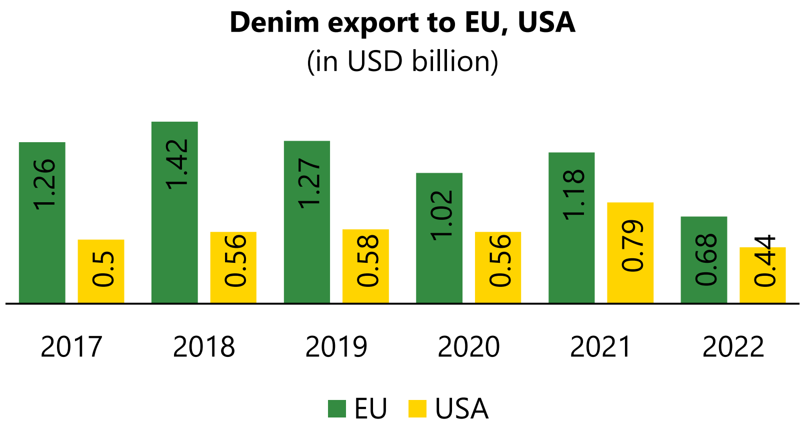
5.2 Capacity Utilization and Production Orientation of Textile Sector in Bangladesh

Sub-Sector	No. of Mills	Capacity
Yarn Spinning	510	3,700
Fabric	901	8,350
Dyeing-Printing-Finishing	317	5,000

Total Apparel Exports Over 10 Years
(in USD billion)

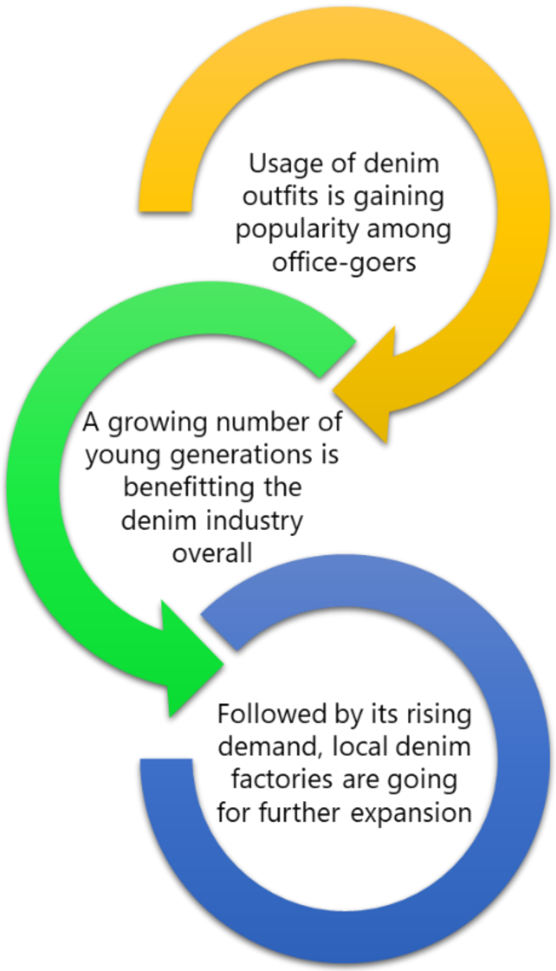
5.3 Denim Sector

- Bangladesh is the **top** denim exporter to European Union (EU) and United States (US)
- Total investment in denim sector: **BDT 160 billion**
- Bangladesh has **40** denim fabrics making mills
- Bangladesh's share in the global denim market is **24.64%**
- The denim jeans market in the US is estimated to be **USD 15.8 billion** in 2022
- Bangladesh holds a **21.7%** share of denim products in the US and **26.82%** in EU
- The global denim market size is projected to reach **USD 76 billion**
- Bangladesh exports **USD 7 billion** worth of denim products a year
- So far, the amount of investment in the local denim sector is about **BDT 120 billion**



Sector people and economists forecast that Bangladesh will remain as the preferred sourcing destination of denim goods as the country has improved the production capacity and invested a considerable amount of fund in backward linkage industry. Consumer buy denim products due to its durability.

The Future of Denim Sector



6.0 Incentives for Textile and Garment Sector provided by the Government

6.1 Fiscal Incentives

10% tax rate for RMG factories with green building certification and **12%** tax rate for factories without certification

Duty free import facility for 100% export oriented RMG factories

TDS reduced from 1% to **0.5%**

Partial tax exemption facility for **up to 10 years**

6.2 Cash Incentives

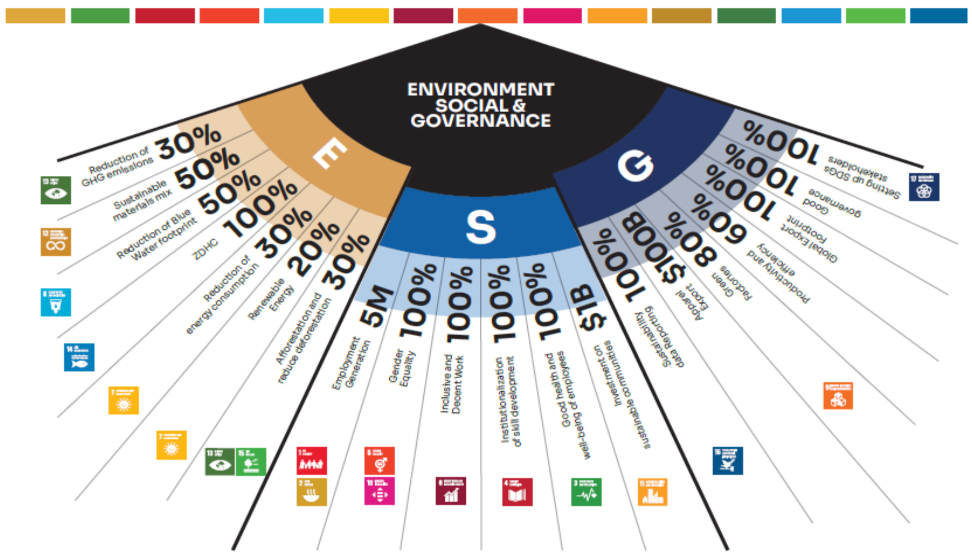
- **50%** cash incentive against export amount for export-oriented export factories
- **4%** incentive for export destination expansion support
- Export oriented home textiles, terry towel and RMG manufacturing small and medium enterprises will get additional **4%** cash incentives
- A general **1%** incentive for all RMG manufacturers

7.0 Sustainability Strategic Vision: 2030

7.1 Environment Social & Governance (ESG)

The ready-made garment (RMG) industry of Bangladesh has advanced rapidly in the last decade, increasing its annual export earnings from USD 15 billion in 2010 to USD 42 billion in 2022. The robust growth in the apparel sector, which helped Bangladesh achieve both international prowess and domestic prosperity, didn't come by chance. It has been possible mainly because of modernization and technological upgradation of factories over the past decade as well as the strides in workplace safety, environmental sustainability and compliance issues. Since its inception sustainability has always been a key strategic priority for the RMG industry of Bangladesh. In about four decades the industry has emerged as the lifeblood of the Bangladesh economy, accounting for more than 83% of the country's export earnings. Over the years, the industry has made tremendous strides in social and economic fronts and has been successfully transformed as responsible undertaking. The industry has successfully created a strong impressive foothold in the global apparel value chain through unparalleled efforts in workplace safety and environmental sustainability.

Sustainability is not only about fulfilling social, ecological and community obligations; it is also about how a nation remains economically viable through innovation, digitization, diversification and being more productive. Today Bangladesh is globally acclaimed as one of the safest and most environment friendly apparel manufacturing countries in the world with the highest number of green factories certified by USGBC. As a manifestation of excellence the industry has achieved, Bangladesh is now the second largest garment manufacturer in the world with its products being exported to as many as 167 countries. However, a country cannot let complacency set in, and efforts to scale up excellence must never stop. Excellence is a continuous journey that never ends. The values and visions of global businesses are continuously being recalibrated from time to time focusing on sustainability. As Bangladesh RMG sector aspires to become a leader in sustainable manufacturing, the industry is preparing itself for the next growth phase. Therefore, BGMEA also have realigned their vision with ESG priorities.



8.0 Sustainable Development Goals (SDGs)

SDG-1:
Poverty
Employed 44,064 workers, 38% of factories run local community development activities

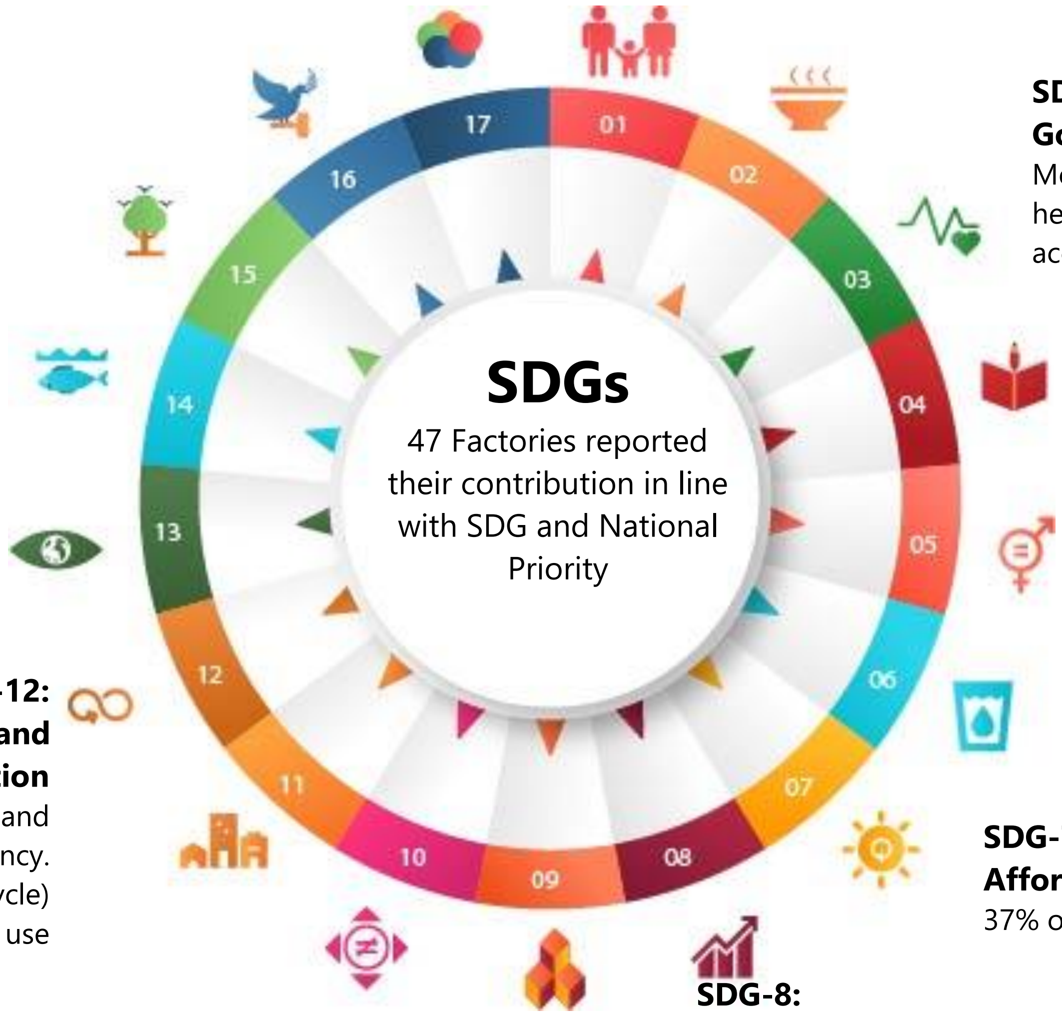
SDG-3:
Good Health and Well being
Most of the factories provide health insurance, Provides subsidized access to health care products

SDG-4:
Quality Education
100% of factories are investing in TVET training programs

SDG-6:
Clean Water and Sanitation
*15% of factories use recycled water
* 24% of factories practice rainwater harvesting

SDG-7:
Affordable and Clean Energy
37% of factories used solar renewable energy.

SDG-8:
Decent Work and Economic Growth
100% of the factories have a Social Compliance Policy compliant to Labor Law 2006, and Buyer COC; 100% factories provide maternity leave and life insurance; 70% of factories provide physical disability insurance; 19% provide a pension funds



SDG-9:
Industry Innovation and Infrastructure
US$ 324236 investments in community infrastructure

SDG-12:
Responsible Consumption and Production
*41% invested in cleaner production and supply chain efficiency.
*34% practicing 3R (Reduce-Reuse-Recycle) 30% reduction in plastic use

SDG-13:
Climate Action
*98% of factories have environmental grievance mechanism systems 25% factories reduced GHG emission by 6% *39% factories reduced their GHG emission by 18%

9.0 Challenges & Way-out

Bangladesh's garment sector has every prospect of remaining one of the world's largest RMG manufacturers, and continuing its impressive story of growth and improvement. However, the country's apparel industry is facing headwinds, and will need to take decisive action in several areas if it is to prosper. It will need to rise to the challenges of competing without preferential trade access; meeting decreased demand from traditional customer markets; and making a fundamental shift toward a demand-driven and more sustainable sourcing model.

As Bangladesh graduates from least-developed to middle-income country status in the next few years, preferential access to European and other markets is up for negotiation. Additional tariffs would be seriously disruptive for the RMG sector, but levelling the playing field with competing markets could also trigger a much-needed focus on productivity, as well as investment in digitization, automation, and sustainability.

Sustainability is becoming ever more important, with increasing consumer demand for environmentally friendly products, and concerns about climate change and social justice. In 2020, Bangladesh ranked only 87 out of 115 countries in the World Economic Forum's Energy Transition Index; transforming the Bangladesh RMG sector into a climate-neutral industry will be a major challenge, requiring enormous investment into renewable energy and the grid. There will also be regulatory changes to contend with, especially in the EU. Suppliers will need to ramp up R&D and innovation: to drive product upgrading and diversification in areas such as technical materials and functional innovation; and to pursue sustainability by focusing on circularity, innovative fibers, and operational improvements.

Bangladesh's RMG sector has achieved impressive growth and transformation over the past decade, overcoming significant obstacles along the way. Today, however, it faces a new set of challenges, amid a global pandemic and a shifting global apparel-sourcing market. In the years ahead, the industry will need to embrace a more holistic transformation, in partnership with manufacturers, international buyers, worker representatives, the government, and other stakeholders. As international buyers navigate the rapidly changing environment, this industry are tasked to work with more advanced suppliers to develop demand-driven, more sustainable supply chains. To do so, Bangladesh will need to build deeper, truly strategic partnerships, while pushing to overcome the past decades' deflationary dynamics in global apparel retail markets.

10.0 The proposed EU GSP Scheme for 2024-34

As Bangladesh is set to leave the group of the least developed countries (LDCs) in 2026, the most important change that it is going to face will be associated with preferential market access for exporters. Within the set of LDC-related privileges, Bangladesh has immensely benefited from unilateral trade preferences granted by various countries under their respective Generalized System of Preferences (GSP). Of these, none was more instrumental in making Bangladesh an LDC export success story than the EU GSP scheme. Taking advantage of its Everything But Arms (EBA) initiative—designed for providing duty-free and quota-free market access of goods originated from LDCs under relaxed rules of origin (RoO) requirements—Bangladesh's exports to the EU (including the United Kingdom) expanded rapidly from USD 2.5 billion in 2000-01 to a peak of about USD 23 billion in 2018-19 before being hit by Covid-19 disruptions causing the corresponding exports to stall and settle just above USD 21 billion in 2020-21. The EU and the UK together accounts for about 60% of Bangladesh's merchandise exports.

More than 90% of Bangladesh's exports to the EU comprise textile and clothing items and almost all of it has benefited from EU GSP preferences. As a result, Bangladesh managed to steadily expand its apparel market share in the EU. During 2010-20, as China's EU apparel market share fell from 30% to 22%, Bangladesh saw its corresponding share rising from 6.5% to 13% (Figure 1). The significance of the EU GSP scheme becomes clear in comparing with the developments taking place in the apparel market of the US, which never allowed duty-free access for Bangladesh's clothing items. In 2000, Bangladesh had almost an identical apparel market share (of 3.3%) in the EU and United States. A lack of preferential market access has resulted in only a marginal growth in Bangladesh's export market share in the United States vis-à-vis a much stronger performance in the EU.

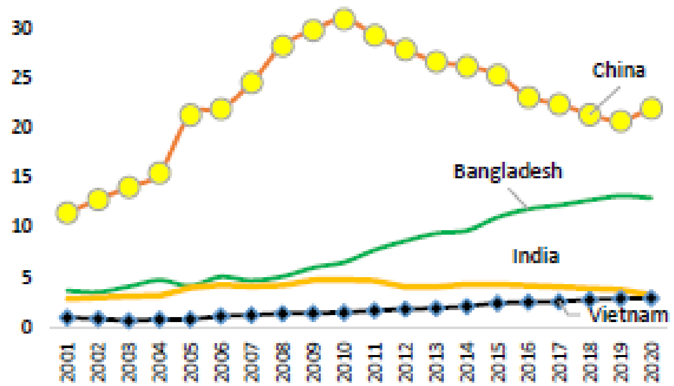


Figure 1: Apparel market share in the EU (including the UK): Bangladesh and other comparators (%)

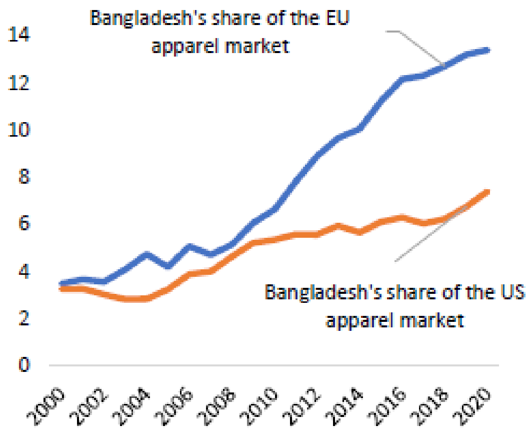


Figure 2: Bangladesh's apparel market shares in the EU and US, 2000-20 (%)

10.1 What Bangladesh Must Do Now

There are several strong grounds for introducing changes to the new proposal that Bangladesh should emphasize on while engaging with the EU. First and foremost, it must be pointed out that the actual impact of the existing "Safeguards in the Textile, Agriculture and Fisheries Sectors" will be contradictory to the intent of the proposed new regime.

There is merit in pointing out that Bangladesh's excessive concentration of exports in textile and clothing is widely regarded as a sign of vulnerability. Letting the duty-free access for this sector to discontinue under GSP+ will only aggravate this vulnerability. **The proposed GSP rules will create a unique circumstance in which Bangladesh qualifies for GSP+ but faces an extremely disadvantageous situation when its more than 90% of exports to the EU will see the average tariff rare to rise overnight from the currently zero per cent to on average 12 per cent. This signal of a forthcoming drastic shift in the EU tariff regime will seriously undermine medium to long-term perceived competitiveness of Bangladesh's textile and clothing sector affecting, amongst others, investment prospects.** This will certainly not help Bangladesh's sustainable development, which the EU aspires to achieve through the changes in its GSP regime.

Key Message:
The newly proposed GSP regulations will have to be adopted by the European Parliament and the Council, and this is currently anticipated for the last quarter of 2022. This means there is now a limited but a potentially invaluable window of opportunity for Bangladesh to engage with the EU so that the required changes can be incorporated to keep GSP+ countries (like EBA beneficiaries) out of the safeguard provisions, enabling apparel exporters continuing to access the EU market duty-free. The proposal is open for comment until 19 November 2021. Bangladesh need to present convincing arguments that exist in requesting the EC to incorporate the changes that will make the new arrangements fair and developmentally impactful.

In its submission to the EU, Bangladesh should strongly argue that the provisions in the new GSP rules can be regarded as unfair. **There are countries that were never LDCs but still benefit from GSP+ (including their textile and clothing exports).** These include Sri Lanka, Pakistan, and the Philippines. Even such relatively advanced developing countries, known for their export competitiveness and capacities, as India and Indonesia can access Standard GSP benefits for their apparel exports to the EU. Against this, the possibility of a graduating LDC like Bangladesh's forgoing tariff preferences altogether would clearly be contrary to the argument of a GSP regime being development friendly.

Key Message:
Civil-society engagements with the EC must be facilitated now to discuss the critical importance of a favorable EU GSP regime. If Bangladesh's apparel sector is excluded from being benefited, the overall developmental impact of a new EU GSP regime will diminish to a very low level.

The proposal for the new EU GSP stipulates that if a non-LDC recipient country becomes a high income or upper-middle income country as per the World Bank classification of global economies, it will not be eligible for tariff preferences. **Bangladesh aspires to become an upper middle-income country by 2031. If Bangladesh eventually manages to do so, the new GSP proposal will not have much relevance** (this is because Bangladesh will continue to enjoy the EBA benefits until 2029). However, it is important to remember that official plan documents of Bangladesh such as the 8th Five-Year Plan and the Perspective Plan 2041 only provide aspirational guidelines about the envisaged socio-economic progress while specifying various economic growth targets that would be needed for achieving those development objectives. There is no certainty that those projected growth, as per the plan documents, will be materialized. In fact, in the aftermath of the Covid-19 pandemic, the growth process has slowed down. Furthermore, the international evidence of countries' being able to sustain high economic growth (e.g., in the range 8-10% per annum) over a long period of time is quite rare. **Therefore, the current development ambitions should not cause complacency in pursuing the most generous and attractive possible EU GSP (as well as similar arrangement that will be available from other donor countries) for Bangladesh.** It is also important to properly discount the merit of the argument that free trade agreements (FTAs) are the only ways to secure trade preferences after LDC graduation. While striking such FTAs with meaningful trade partners (e.g., the EU and the US) are enormously challenging tasks requiring massive preparatory tasks and many years to succeed, **the most pragmatic policy options will call for utilizing both unilateral and reciprocity-based trading arrangements to promote export competitiveness.** Relatively advanced and more successful exporting countries like India, Indonesia, and Vietnam have resorted to using both GSP routes and trade agreements in securing market access benefits for their exporters.

11.0 Tapping the Emerging Market:

China

The Republic of China is the largest manufacturing economy and exporter of goods in the world. It is the world's 2nd largest and fastest growing economy with USD 12,556.3 nominal GDP.

China is the largest trading partner of Bangladesh. The bilateral trade and economic relationship between Bangladesh and China have improved significantly in the past years. China is also an emerging market for Bangladesh's apparel sector. Despite being the largest RMG exporter in the world, China also imports a good quantity of apparels from the world to meet the demand of its large population. With the increases in per capita income and standard of living, the need for clothing is also growing. With the rapid growth in apparel imports, the retail sector in China has also seen tremendous boosts and a large number of popular brands have already been developed in their domestic market. Since Bangladesh is the 2nd largest RMG exporter in the world, there is a huge potential for Bangladesh to capture Chinese market.

11.1 Demographic and Economic Overview of China

Population: **1.41** Billion

GDP per capita (current US$): **12,556.3**

GNI per capita (current US$): **11,890**

Capital: **Beijing**

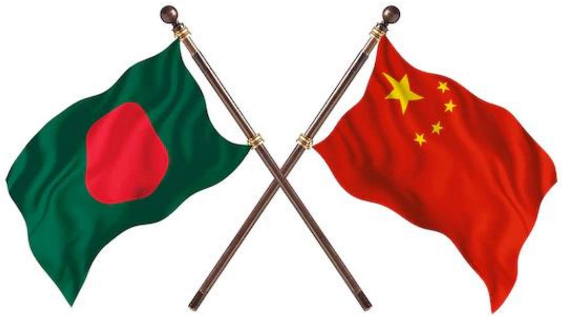
Major Sea Ports: Dalian, Ningbo, Qingdao, Qinhuangdao, Shanghai, Shenzhen, Tianjin

Source: The World Factbook – CIA & World Bank

GREEN DELTA CAPITAL

11.2 Bilateral Trade

Bangladesh has a huge trade deficit with China which has been increasing continuously. In the fiscal year 2020-21, Bangladesh had 12.24 billion dollars' trade deficit with China.



Bilateral trade between Bangladesh and China (Value in million USD)			
Year	BD's Export to China	BD's Import from China	Trade Gap
2016-17	949.41	10193.8	-9244.39
2017-18	694.97	11706	-11011.03
2018-19	831.2	13638.82	-12807.61
2019-20	600.11	11489.89	-10889.78
2020-21	680.66	12925.24	-12244.58
Source: Bangladesh Bank and Export Promotion Bureau (EPB)			

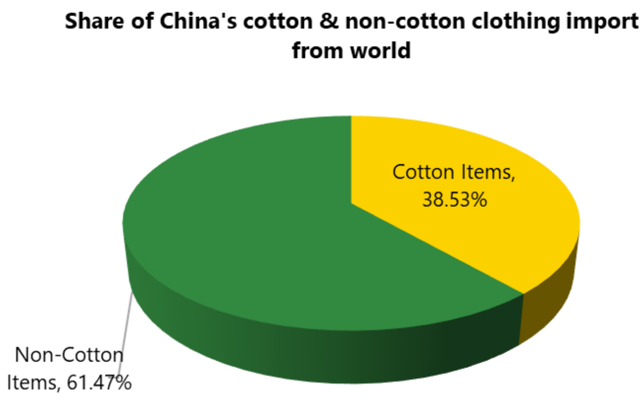
11.3 China's Clothing Import from the World

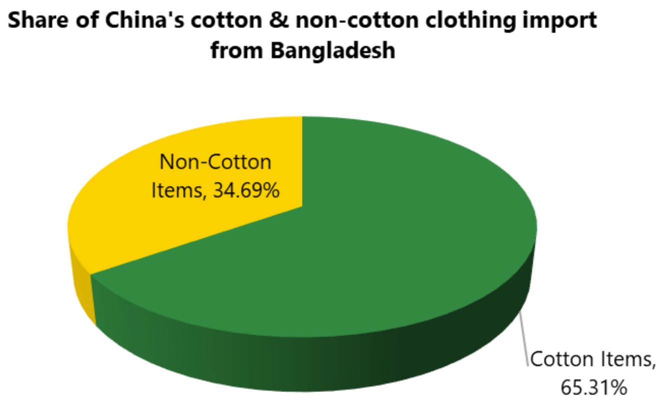
In 2021, China imported 10.73 billion worth of apparels from the world where the share of Bangladesh was only 3.77%. With 25.24% share of the total apparel import of China, Italy was in the top apparel source for China while Vietnam was in the 2nd position with 16.15% share.

China's 's Clothing Import from the World and share in 2021 (Value in million USD)				
Exporters	2019	2020	2021	Share in 2021
World	8,132.58	8,259.06	10,734.34	100.00%
Italy	1366.84	1666.98	2709.8	25.24%
Vietnam	1606.96	1442.63	1734.1	16.15%
China	785	889.07	1106.44	10.31%
Cambodia	426.67	420.12	431.06	4.02%
Bangladesh	589.96	400.84	405.09	3.77%
Portugal	224.09	241.64	383.15	3.57%
Romania	225.16	241.52	361.96	3.37%
Türkiye	353.56	343.34	360.45	3.36%
Indonesia	363.35	294.65	358.17	3.34%
France	157.23	206.02	344.14	3.21%
Others	2033.79	2112.24	2539.99	23.66%
Source: ITC Trademap				

11.4 China's cotton & non-cotton clothing import share from the world and Bangladesh in 2020

China mostly imported non-cotton clothing items from the world in 2021. During the mentioned year, China imported USD 405.09 million worth of apparel from Bangladesh where the percentage of non-cotton made clothing was only 34.69 % and the rest was cotton made. On the other hand, the share of non-cotton items imported by China from the world was around 61.47% of total apparel imports. while the share of cotton items was 38.53%.





Some major apparel items imported by China from the world in high volume. But the share of Bangladesh is those items was very poor. So Bangladesh has the potential to export these items to China since they have higher demand of these products.

11.5 Bangladesh's Clothing Export to China

Bangladesh's export to China has been declining continuously in the last three years due to Covid and other geopolitical issues. In FY 2021-22, Bangladesh's export to China declined by 18.04% compare to FY2020-21.

Bangladesh's Knit, Woven and Total Apparel Export to China
(Value in million USD)

Year	Knit	Woven	Total	Growth
2016-17	169.82	221.77	391.59	14.76%
2017-18	157.75	233.89	391.64	0.01%
2018-19	223.96	282.56	506.51	29.33%
2019-20	137.63	192.33	329.96	-34.86%
2020-21	125.73	145.55	271.28	-17.78%
2021-22	84.2	138.13	222.33	-18.04%

Source: Export Promotion Bureau (EPB) (Data may differs between ITC and EPB)

11.6 Market Access

Bangladesh enjoys preferential rate of duty in China as an LDC. China granted duty free market access for **98%** products from LDC through global initiative, and this covers a significant part of our exports to China.

Most imported and domestic goods are subject to a VAT, which is applied on the c.i.f. plus duty value. China's application of the VAT, which ranges between **13% and 17%**, depending on the product, continues to be uneven. Also, a consumption tax of 2 – 3% (varies according to provincial) is applied on the c.i.f. value.

Appendix

Bangladesh's RMG export to World Value in Million USD					
Month	**2020**	**2021**	**2022**	**2022 VS 2021**	**2022 VS 2020**
January	3039.22	2862.16	4084.58	42.71%	34.40%
February	2784.28	2625.29	3511.72	33.77%	26.13%
March	2256.2	2454.91	3931.4	60.14%	74.25%
April	374.67	2516.98	3934.18	56.31%	950.04%
May	1230.54	2556.95	3158.58	23.53%	156.68%
June	2240.26	2894.88	4092	41.35%	82.66%
July	3244.94	2887.22	3366.91	16.61%	3.76%
August	2468.02	2753.38	3745.76	36.04%	51.77%
September	2413.42	3418.84	3161.67	-7.52%	31.00%
October	2323.72	3561.71	3678	3.27%	58.28%
November	-	-	-	-	-
December	-	-	-	-	-
Total	22375.27	28532.32	36664.8	28.50%	63.86%

Knitwear Value in Million USD					
Month	**2020**	**2021**	**2022**	**2022 VS 2021**	**2022 VS 2020**
January	1414.22	1462.94	2112.41	44.39%	49.37%
February	1278.7	1352.64	1795.68	32.75%	40.43%
March	1055.83	1312.43	2050.18	56.21%	94.18%
April	180.12	1341.77	2122.69	58.20%	1078.49%
May	608.38	1366.37	1743.29	27.59%	186.55%
June	1164.95	1597.71	2228.44	39.48%	91.29%
July	1750.28	1658.45	1854.15	11.80%	5.93%
August	1364.5	1600.44	2061.53	28.81%	51.08%
September	1348.88	1905.29	1733.78	-9.00%	28.53%

October	1338.22	2045.89	2075.66	1.46%	55.11%
November	-	-	-	-	-
December	-	-	-	-	-
Total	11504.08	15643.93	19777.81	26.42%	71.92%

Woven Wear Value in Million USD					
Month	2020	2021	2022	2022 VS 2021	2022 VS 2020
January	1625	1399.22	1972.17	40.95%	21.36%
February	1505.58	1272.65	1716.04	34.84%	13.98%
March	1200.37	1142.48	1881.22	64.66%	56.72%
April	194.55	1175.21	1811.49	54.14%	831.12%
May	622.16	1190.58	1415.29	18.87%	127.48%
June	1075.31	1297.17	1863.56	43.66%	73.30%
July	1494.66	1228.77	1512.76	23.11%	1.21%
August	1103.52	1152.94	1684.23	46.08%	52.62%
September	1064.54	1513.55	1427.89	-5.66%	34.13%
October	985.5	1515.82	1602.34	5.71%	62.59%
November	-	-	-	-	-
December	-	-	-	-	-
Total	10871.19	12888.39	16886.99	31.02%	55.34%

Bangladesh's RMG Export to World (January-September 2021 & 2022) Export Value in Million USD									
EU Countries	**Woven**			**Knit**			**Total**		
	Jan-Sep 2021	Jan-Sep 2022	Growth %	Jan-Sep 2021	Jan-Sep 2022	Growth %	Jan-Sep 2021	Jan-Sep 2022	Growth %
Austria	9.37	10.32	10.08	19.22	24.14	25.59	28.59	34.46	20.51
Belgium	153.92	157	2	282.7	374.01	32.3	436.62	531.01	21.62
Bulgaria	0.31	0.18	-43.17	1.24	0.72	-41.72	1.55	0.9	-42.01
Denmark	227.37	297.59	30.89	435.4	576.97	32.52	662.76	874.57	31.96
Finland	4.85	4.78	-1.38	17.19	26.6	54.76	22.04	31.39	42.41
France	468.58	675.35	44.13	846.52	1,228.14	45.08	1315.11	1903.49	44.74
Germany	1,958.65	2,240.82	14.41	2,400.25	3,111.76	29.64	4358.9	5352.58	22.8
Greece	5.87	10.19	73.71	20.78	37.47	80.34	26.64	47.66	78.88
Italy	282.39	422.94	49.77	631.99	840.44	32.98	914.38	1263.37	38.17
Ireland	44.62	68.12	52.68	76.06	108.96	43.26	120.67	177.07	46.74
Netherlands	331.82	513.16	54.65	488.73	686.96	40.56	820.55	1200.13	46.26
Portugal	15.15	23.97	58.21	31.13	46.95	50.81	46.28	70.92	53.23
Romania	2.2	2.62	19.28	9.03	11.36	25.72	11.23	13.98	24.46
Spain	756.16	1,014.05	34.1	990.16	1,396.17	41	1746.32	2410.22	38.02
Sweden	155.53	210.91	35.61	309.12	413.34	33.71	464.65	624.25	34.35
Cyprus	0.15	0.28	93.81	1.58	1.72	8.51	1.73	2	15.69
Czech Republic	86.65	112.68	30.04	71.18	117.9	65.64	157.83	230.59	46.1
Estonia	0.13	0.06	-53.33	0.54	0.81	49.08	0.68	0.87	29.13
Hungary	16.66	27.44	64.73	58.98	92.32	56.54	75.63	119.76	58.35
Latvia	0.2	0.13	-33.76	0.43	0.37	-13.46	0.62	0.5	-19.88
Lithuania	0.11	0.11	7.29	0.25	0.21	-18.46	0.36	0.32	-10.88
Malta	0.02	0.07	347	0.05	0.23	368	0.07	0.3	363
Poland	403.32	516.67	28.1	716.85	873.16	21.8	1120.17	1389.83	24.07
Slovakia	16.9	19.15	13.32	36.36	52.4	44.11	53.26	71.55	34.34

Slovenia	14.27	23.9	67.49	47.39	82.67	74.46	61.66	106.58	72.84
Croatia	2.64	4.23	60.21	7.47	11.53	54.23	10.11	15.75	55.79
Luxembourg	0.08	0.32	322.5	0.54	1.42	161.26	0.62	1.74	181.21
Sub-Total (EU)	4,957.90	6,357.07	28.22	7,501.15	10,118.70	34.90	12,459.05	16,475.78	32.24
EU % of World	43.6	41.59		55.16	57.16		49.89	49.95	
USA	3,142.64	4,577.81	45.67	1,816.07	2,214.04	21.91	4958.7	6791.85	36.97
% of USA	27.63	29.95		13.36	12.51		19.86	20.59	
U.K.	1,063.85	1,464.70	37.68	1,641.90	2,083.80	26.91	2705.75	3548.5	31.15
% of U.K.	9.35	9.58		12.07	11.77		10.84	10.76	
Canada	378.91	539.26	42.32	414.69	518.94	25.14	793.6	1058.19	33.34
% of Canada	3.33	3.53		3.05	2.93		3.18	3.21	
Non-Traditional Market									
Japan	363.69	410.1	12.76	410.75	479.45	16.72	774.44	889.56	14.86
Australia	222.81	249.38	11.92	339.64	387.68	14.14	562.45	637.06	13.26
Russia	174.26	105.63	-39.38	281.14	194.29	-30.89	455.4	299.91	-34.14
India	216.23	364.61	68.62	158.46	291.24	83.79	374.69	655.85	75.04
Korea Rep.	110.27	186	68.68	148.75	196.52	32.11	259.02	382.52	47.68
China	105.86	106.28	0.4	77.73	55.86	-28.14	183.58	162.13	-11.68
United Arab Emirates	96.06	98.91	2.96	85.39	119.26	39.67	181.45	218.17	20.24
Mexico	64.76	124.2	91.8	79.76	113.3	42.06	144.51	237.51	64.35
Malaysia	31.55	49.64	57.33	77.56	139.91	80.38	109.11	189.55	73.72
Saudi Arabia	51.76	40.45	-21.84	57.86	69.81	20.64	109.62	110.26	0.59
Turkey	45.74	92.12	101.43	29.97	91.53	205.45	75.7	183.66	142.6
South Africa	39.26	39.39	0.33	48.69	52.38	7.58	87.95	91.77	4.34
New Zealand	25.33	24.65	-2.67	51.22	61.29	19.66	76.54	85.94	12.27
Chile	35.44	71.63	102.15	44.22	75.93	71.7	79.66	147.56	85.25
Brazil	25.97	32.82	26.4	22.8	41.34	81.34	48.76	74.16	52.08
Other Countries	220.3	349.98	58.86	310.29	396.88	27.91	530.59	746.86	40.76

Bangladesh's top 30 apparel items export to world (Value in Million USD)					
SL	**HS Code**	**Products Description**	**Jul-Sep (2021-22)**	**Jul-Sep (2022-23)**	**Growth**
1	610910	Cotton knitted T-shirts	1,555.58	1,733.45	11.43%
2	620342	M/B cotton woven trousers	1,156.95	1,341.15	0.16
3	611020	Cotton knitted Jerseys & pullovers	910.22	989.65	8.73%
4	620462	W/G cotton woven trousers	730.05	752.6	3.09%
5	611030	MMF knitted Jerseys & pullovers	611.16	710.04	16.18%
6	620520	M/B cotton woven shirts	342.08	510.39	49.20%
7	610462	W/G cotton knitted trousers	335.1	326.99	-2.42%
8	620343	M/B synthetic woven trousers	277.27	285.84	3.09%
9	610510	M/B cotton knitted shirts	128.9	199.14	54.49%
10	610342	M/B cotton knitted trousers	149.23	154.43	3.48%
11	610821	W/G cotton knitted briefs & panties	152.59	150.32	-1.49%
12	610711	M/B cotton knitted underpants	143.3	143.22	-0.06%
13	621210	Non cotton woven Brassires	126.31	135.72	7.46%
14	611120	Cotton knitted Babies' garments	128.54	122.25	-4.89%
15	611090	Non cotton knitted Jerseys & pullovers	102.14	117.58	15.11%
16	610990	Non cotton knitted T-shirts	89.06	109.22	22.63%
17	620463	W/G synthetic woven trousers	47.58	92.46	94.35%
18	610831	W/G cotton knitted nighties	96.7	84.8	-12.30%
19	620333	M/B synthetic woven jackets & blazers	30.26	81.21	168.38%
20	620332	M/B cotton woven jackets & blazers	34.78	75.99	118.49%
21	610463	W/G synthetic knitted trousers	63.22	74.28	17.50%
22	620530	M/B MMF woven shirts	37.18	73.78	98.48%
23	621050	W/G woven of rubberised or coated fabrics	53.51	61.31	14.59%
24	610442	Cotton knitted Dresses	64.26	60.44	-5.96%
25	621040	M/B woven of rubberised or coated fabrics	54.8	59.7	8.95%
26	620630	W/G cotton woven blouses	47.97	57	18.83%
27	620640	W/G MMF woven blouses	38.68	50.93	31.67%
28	620920	Cotton woven Babies' garments	46.98	50.77	8.06%
29	620433	W/G synthetic woven jackets & blazers	20.03	44.15	120.39%
30	610721	M/B cotton knitted pyjamas	41.4	43.42	4.87%

EU Apparel Import Growth Growth: 2022 VS 2021								
Country	Jan	Feb	Mar	Apr	May	Jun	Jul	Jan-Jul
World	23.86%	19.94%	23.11%	19.53%	36.46%	29.44%	22.72%	24.74%
China	21.38%	22.27%	17.58%	16.87%	24.24%	29.28%	31.82%	23.52%
Bangladesh	46.57%	27.82%	52.88%	35.54%	62.53%	43.48%	36.86%	43.38%
Turkey	14.42%	22.51%	20.93%	17.36%	28.90%	20.14%	0.57%	17.32%
India	22.79%	2.41%	18.94%	13.80%	58.54%	43.48%	40.90%	26.78%
Cambodia	15.66%	34.00%	33.99%	32.87%	49.35%	94.90%	51.44%	41.50%
Vietnam	25.70%	19.95%	16.02%	18.85%	34.00%	30.18%	16.84%	22.78%
Pakistan	29.82%	24.22%	29.33%	24.09%	39.95%	53.03%	4.44%	28.05%
Morocco	24.66%	22.29%	20.43%	3.88%	32.07%	24.69%	-5.85%	16.67%
Sri Lanka	18.01%	17.28%	10.56%	1.68%	22.19%	31.53%	1.63%	14.01%
Indonesia	32.35%	33.45%	21.28%	3.57%	41.33%	50.99%	43.12%	30.86%

Growth: 2022 VS 2020								
Country	Jan	Feb	Mar	Apr	May	Jun	Jul	Jan-Jul
World	-0.98%	17.67%	44.92%	94.13%	99.04%	56.39%	14.37%	37.06%
China	2.82%	28.77%	98.72%	69.99%	19.87%	14.80%	6.90%	25.67%
Bangladesh	14.09%	24.89%	34.48%	92.56%	235.18%	194.87%	66.10%	69.59%
Turkey	8.50%	33.30%	66.71%	175.84%	122.17%	70.70%	2.50%	50.33%
India	-3.65%	0.25%	38.69%	111.40%	262.14%	130.28%	44.86%	55.94%
Cambodia	-7.69%	14.99%	23.71%	57.88%	89.74%	57.98%	9.37%	28.48%
Vietnam	1.36%	18.11%	54.26%	103.08%	121.14%	66.43%	24.83%	44.69%
Pakistan	16.52%	41.52%	33.19%	109.84%	217.51%	123.58%	44.60%	64.15%
Morocco	0.57%	26.95%	47.04%	854.04%	572.87%	94.81%	-11.18%	64.56%
Sri Lanka	4.61%	38.03%	31.23%	74.49%	275.29%	101.42%	3.83%	48.88%
Indonesia	-9.72%	27.62%	14.27%	43.84%	88.57%	40.69%	27.51%	28.64%

Growth: 2022 VS 2019								
Country	Jan	Feb	Mar	Apr	May	Jun	Jul	Jan-Jul
World	-5.88%	7.78%	20.74%	14.72%	20.94%	28.59%	-6.46%	9.84%
China	-5.16%	10.32%	38.59%	30.43%	18.55%	19.80%	-10.52%	9.91%
Bangladesh	6.87%	13.86%	27.48%	34.95%	56.93%	50.00%	16.89%	28.13%
Turkey	7.26%	30.95%	33.25%	17.07%	17.93%	66.29%	-3.02%	21.81%
India	-10.57%	-6.82%	9.70%	1.31%	30.70%	28.07%	-3.37%	6.14%
Cambodia	-16.40%	-9.08%	0.00%	-0.92%	18.98%	21.39%	-8.84%	-0.76%
Vietnam	-2.82%	14.50%	39.54%	26.37%	36.01%	42.34%	5.98%	20.94%
Pakistan	23.79%	30.79%	27.40%	52.69%	33.82%	51.74%	16.41%	32.81%
Morocco	-6.85%	12.12%	20.11%	-13.31%	-1.29%	68.56%	-24.81%	3.86%
Sri Lanka	11.38%	44.15%	14.99%	7.61%	39.91%	21.43%	5.90%	19.48%
Indonesia	-19.84%	5.55%	6.36%	-12.81%	26.61%	31.73%	5.70%	4.16%

U.S. Apparel Import Growth Growth: 2022 VS 2021										
Country	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Jan-Sep
World	36.57%	38.72%	43.16%	43.17%	38.47%	40.26%	33.60%	28.33%	17.70%	34.61%
China	47.10%	46.12%	39.51%	38.94%	37.36%	32.90%	39.51%	25.38%	-9.78%	28.94%
Vietnam	19.12%	33.67%	35.57%	38.29%	36.95%	46.08%	36.73%	24.70%	42.88%	34.69%
Bangladesh	45.49%	43.18%	96.10%	74.34%	38.59%	66.18%	22.08%	48.27%	34.63%	50.98%
Indonesia	57.80%	54.05%	72.57%	54.15%	59.14%	63.26%	55.55%	37.77%	42.36%	54.66%
India	53.39%	42.00%	62.76%	62.79%	51.63%	70.22%	74.56%	39.54%	28.20%	53.39%
Mexico	27.10%	19.42%	17.73%	27.49%	25.26%	9.02%	4.94%	10.96%	2.08%	15.05%
Honduras	13.26%	16.66%	29.31%	25.78%	23.51%	20.84%	22.62%	27.09%	21.11%	22.71%
Cambodia	42.12%	55.27%	28.07%	49.23%	69.95%	90.69%	76.33%	31.44%	21.06%	46.58%
Pakistan	44.40%	80.92%	42.91%	70.44%	52.50%	23.04%	31.00%	14.87%	25.81%	40.11%
Korea	95.24%	68.92%	71.99%	39.97%	71.04%	5.37%	17.02%	24.80%	22.11%	39.61%

Growth: 2022 VS 2020										
Country	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Jan-Sep
World	11.60%	26.58%	79.32%	137.89%	220.85%	118.04%	57.05%	57.81%	44.25%	67.68%
China	17.85%	55.99%	201.54%	119.08%	119.82%	71.65%	60.95%	51.93%	19.40%	61.34%
Vietnam	-3.02%	28.33%	81.07%	94.26%	160.94%	83.82%	34.92%	51.86%	44.27%	55.03%
Bangladesh	21.38%	30.28%	97.30%	105.20%	389.71%	297.50%	64.47%	56.21%	92.41%	90.78%
Indonesia	5.45%	14.39%	62.76%	105.00%	171.72%	135.89%	57.71%	69.29%	75.51%	66.18%
India	19.14%	11.51%	63.48%	173.29%	844.24%	346.50%	143.11%	82.31%	75.58%	104.44%
Mexico	10.63%	3.32%	26.83%	294.81%	199.50%	56.91%	38.34%	41.06%	32.30%	49.77%
Honduras	2.61%	1.09%	53.31%	1224.64%	978.03%	312.38%	92.54%	61.96%	37.02%	91.77%
Cambodia	17.51%	39.08%	70.74%	110.92%	179.57%	98.96%	44.65%	72.61%	66.47%	68.51%
Pakistan	61.68%	108.56%	115.57%	141.36%	682.43%	154.74%	144.25%	76.63%	74.70%	127.85%
Korea	48.48%	21.73%	82.56%	112.82%	152.35%	40.38%	26.29%	75.60%	106.32%	67.33%

Growth: 2022 VS 2019										
Country	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Jan-Sep
World	-0.09%	12.76%	53.28%	32.10%	27.90%	24.68%	5.85%	22.84%	23.30%	21.33%
China	-24.24%	-16.07%	43.66%	-10.23%	-12.62%	-11.73%	-19.89%	-10.62%	-15.07%	-11.93%
Vietnam	1.01%	32.06%	94.28%	55.83%	52.54%	47.50%	19.61%	50.11%	38.25%	41.09%
Bangladesh	42.12%	36.69%	94.42%	77.96%	56.72%	72.40%	42.13%	80.71%	88.35%	65.66%
Indonesia	6.93%	8.46%	47.67%	58.62%	47.65%	24.99%	29.14%	24.99%	32.91%	30.83%
India	16.20%	17.04%	53.94%	47.79%	52.89%	62.75%	37.96%	48.65%	59.81%	43.45%
Mexico	-5.84%	-5.41%	3.34%	-2.33%	1.20%	0.35%	-2.37%	1.09%	4.86%	-0.51%
Honduras	2.90%	8.06%	22.08%	7.13%	17.71%	19.42%	10.84%	29.16%	19.82%	15.97%
Cambodia	41.35%	82.08%	105.71%	102.59%	80.98%	74.70%	69.69%	65.14%	61.19%	73.95%
Pakistan	62.46%	107.64%	119.17%	116.61%	142.95%	91.66%	77.95%	83.19%	91.88%	98.10%
Korea	1.98%	22.85%	58.42%	29.02%	32.83%	4.81%	-0.34%	17.03%	9.28%	17.37%

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