

Readymade Garments Industry In Bangladesh : A Critical Analysis

Dr. Syed Masud Husain¹, Ahmed Shihab Al-Hasan²

Abstract

The present paper is a comprehensive description of Readymade Garments (RMG) Industry of Bangladesh based on secondary data touching on issues which are important in the present state of affairs. Readymade Garments Industry of Bangladesh started at a slow pace in late 1970s and has now become a major contributor to the economy. The industry has been contributing to export earnings in terms of foreign exchange, employment creation, poverty alleviation and the empowerment of women in Bangladesh. The export-quota system and the availability of cheap labor are two main reasons behind the success of the industry. Currently there are about 5150 units of RMG factories in Bangladesh. This sector accounts for about 78% of the total export earnings and about 10% of the GDP of Bangladesh. It is making significant contribution to the economic development of our country which is growing at an average rate of 6.25% per annum (GDP Growth). At present our country earns about \$18 billion by exporting ready-made garments products to other countries. In terms of exports we are now second in the world. We have not achieved this success overnight but some important comparative advantages helped us in this regard. At present we are competing with our neighboring countries like India and China. Though we are earning a large amount of foreign currency each year from this sector, the readymade garment sector is suffering from a number of problems. Problems include narrow line of product & lack of market diversification, uncertain investment situation, lack of skilled manpower at mid level, labor related problems & capacity problems etc. We must address these negative phenomenons by ensuring appropriate steps. We have strength in low wage rate structure for labor, quota advantage, and government and institutional support etc.

The garment sector has provided employment opportunities to women from the rural areas who previously did not have any opportunity to be a part of the formal workforce. Almost 80% employed labor force in the RMG sector consist of women. This has given a large section of women in Bangladesh the chance to be financially independent and have a strong voice in the family. The present paper encompasses a detailed description of the development of RMG Industry in Bangladesh, particularly focusing on the major policy issues, which needs to be streamlined appropriately. We must address these negative phenomenon by ensuring appropriate steps .We have strength in low wage rate structure for labor, quota advantage, and government and institutional support etc. The garment sector has provided employment opportunities to women from the rural areas who previously did not have any opportunity to be a part of the formal workforce.

Almost 80% employed labor force in the RMG sector consist of women. This has given a large section of women in Bangladesh the chance to be financially independent and have a strong voice in the family. The present paper encompasses a detailed description of the development of RMG Industry in Bangladesh, particularly focusing on the major policy issues, which needs to be streamlined appropriately.

Keywords : RMG in Bangladesh, Women in RMG, Labor Productivity, Infrastructure for RMG

¹ Vice Chancellor, BGMEA University of Fashion & Technology (BUFT), Bangladesh

² Lecturer, Business Studies, BGMEA University of Fashion & Technology (BUFT), Bangladesh

1. Introduction

Soon after liberation of Bangladesh in 1971, there were quite a few industries on which we could build upon. Unfortunately the downfall of big sectors like jute and textiles threatened our expectation to transform our economy from agrarian dominance to a industrial economy. It is the growth and development of Readymade Garments (RMG) industry that finally brought to our economy an industrial flavor. Bangladesh RMG sector exports are expected to be the highest in the world surpassing China in the coming years. Reasons being that the labor cost being on the rise and the shift in preference of the Chinese policy in favor of high tech industries, as also a move to shift its garments manufacturing from low end to high end products. To be strategically prepared for taking full advantage of the coming opportunity which will be left open by China, the sector needs to be revamped. Though the sourcing caravan is moving towards Bangladesh (McKinsey Report, 2011), there still remains very difficult tasks of capacity increase and infrastructure development in our RMG sector. We have to focus on some strategic issues and concerns relating to RMG Industry in Bangladesh which needs to be addressed either in the short-term and/or in the long-term basis.

2. Past Developments

The RMG sector growth in Bangladesh is primarily attributed to cheap labor and who are comparatively less conscious and devoid of a number of rights and privileges. During fifties, labor groups in the Western World became highly organized; forming trade unions. This and other changes provided workers greater rights including higher pay; which resulted in higher cost of production. Retailers started searching for places where the cost of production was cheaper. Developing economies like Hong Kong, Taiwan and South Korea presented themselves as good destinations for relocations because they had open economic policies and had non-unionized and highly disciplined labor force that could produce high quality products at much cheaper costs. In order to control the level of imported RMG products from developing countries into developed countries, Multi Fibre Agreement (MFA) was made in 1974. The MFA agreement imposed an export rate 6 percent increase every year from a developing country to a developed country. It also allowed developed countries to impose quotas on countries that exported at a higher rate than the bilateral agreements. In the face of such restrictions, producers started searching for countries that were outside the umbrella of quotas and had cheap labor (Rahman, 2004). This is when Bangladesh started receiving investment in the RMG sector (Majumder and Binayak, 2001). In the early 1980s, some Bangladeshis received free training from Korean Daewoo Company. After these workers came back to Bangladesh, many of them broke ties with the factory they were working for and started their own factories. In the 1980s, there were only 50 factories employing only a few thousand people. This sector contributed around 13 percent to the GDP, which was only around 3 percent in 1991. Of the estimated 3.6 million people employed in this sector, about 50 percent of them are women from rural areas. In 2000, the industry consisting of some 3000 factories employed directly more than 1.5 million workers of whom almost 80% were female. USA is the largest importer of Bangladeshi RMG products, followed by Germany, UK, France and other E.U countries. Currently, there are about 5150 manufacturing units. The RMG sector contributes around 78 percent to the total export earnings. In 2011 it earned about \$20 billion.

3. Current Status

At the moment, RMG sector of Bangladesh banks upon its competitive strength. The competitive strength of a firm or a country in the market depends on its specific competitive advantage which its competitors do not have. A particular uniqueness of a supplier may shape up its strategic advantage profile. In case of Bangladesh, the uniqueness is the availability of unusually cheap but easily trainable labor. It is the abundant supply of comparatively cheap labor that stands out as the most significant

strength (Rashid, 2006). The RMG industry by its nature is a low technology & labor intensive industry. In Bangladesh, workers can be employed at a very low wages, not only in comparison to other competitor countries but also in comparison to other domestic industries. Particularly when it comes to the question of employing less privileged sex of the country especially, women, they can be hired at an unusually low wages (Khosla,2009).

In international market, it is the price & quality, which determines the competitive position of a supplier. On the account of price, Bangladesh can beat most of its competitors. Price is related to cost of production which in case of apparel making (cutting, sewing, trimming & packing) is generally determined by the labor cost. Wages in Bangladesh are remarkably low. But productivity is also low in Bangladesh. However, unusually low wages compensate for the low labor productivity (Chowdhury, 1991). Bangladesh will probably continue to enjoy competitive advantages in international markets because it has virtually unlimited supply of cheap labor who can learn the low technology operation necessary in producing RMG without much investment in terms of money and time. Bangladesh has a tremendous labor cost advantage.

In some of the neighboring countries higher wages are justified, at least partly, by higher productivity of workers in some of the neighboring countries. Their productivity is higher because of higher degree of automation, the workers are better trained, well disciplined, supervised by better managers, & above all the higher standard of living. Therefore the benefit of low cost of labor in Bangladesh must be considered along with its level of productivity & stage of socio economic development (Absar, 2001). In any way the rich countries are not competitors of Bangladesh. Mainly, the developing countries are its competitors. As far as its competitors are concerned, the comparative productivity must be considered. In terms of productivity, Bangladesh does not have any special advantage but is on the lower side. On the other hand, productivity is higher in many of its competitor countries. One may note that the wages in most of the Southeast Asian & other competitor countries are increasing at a much faster rate than that in Bangladesh (Ahmed, 2004). This may possibly allow Bangladesh to maintain its strength in terms of cost advantages for a long period of time. But Bangladesh must have a long term view. In the long run, it may lose its comparative advantage in cheap labor if other cost components like electricity cost, transportation cost, lead time and cost of doing business continue to be high; besides Bangladesh may lose its competitive edge if non tariff barriers increase cost of getting market access (Rahman, 2004).

One major weakness of RMG industry of Bangladesh is that it has specialized in or acquired the capacity to produce and export only a few major categories of products (Appendix-D). This has made RMG of Bangladesh vulnerable. It is desirable to have a long list of products in the export basket. Further product diversification is necessary. Similarly market should also be diversified. In fact for sustainability of the industry, market diversification (having access to a larger number of markets/market segments) is more important than product diversification (Chowdhury, 1991). It is very risky to concentrate on only one or two markets. In such a case the loss of sale in one market may not be covered by the increase in sales in other market(s). If a country exports only a few items to a large number of countries, it tends to be less vulnerable than the country that exports only to a few markets. Bangladesh is highly dependent on the US & EU and is therefore highly vulnerable. This is a risky situation. One can easily understand that the loss of any one of these two markets will result in the collapse of the RMG Industry of Bangladesh because trade diversion to other market(s) is hardly possible.

The advantage of cheap labor in China is no longer there. Now, on an average, a Chinese worker has to be paid almost three times than that of Bangladesh. China is also showing a policy shift in favor of high end RMG and high tech industries. As such, there are high expectations that if appropriate steps can be taken to increase capacity, build necessary infrastructure and develop human skills in RMG sector, we can be the number one exporter in the world within a few years taking over China. However, Vietnam, Indonesia and Myanmar will also be trying very hard to take advantage of the situation.

4. Potential Problems and Strengths

Despite high hopes relating to RMG in Bangladesh, there are a number of chronic problems dwelling in this sector. Problems which are internal to this sector are equally important to be addressed as is the case with external problems. The strategic partnership between China and the EU is of immense importance, not just in terms of trade but also in terms of the effect it will have on other economies. EU will withdraw its quota system for China which means that China will grow to become a bigger competitor in the trade system especially in the high end products. In terms of BKMEA, this may pose to be a threat as the RMG sector will face tougher competition from China. In the light of the socio-economic and political aspects, the investment scenario in Bangladesh is uncertain. There are some major factors which hinders the growth of the RMG sector. For example, the power supply, labor conditions, pollution, bureaucracy and standards of the factories are obstacles for the growth of the RMG sector in Bangladesh. For any kind of real improvement or advancement, financial support is required along with commitment from government and other bodies.

Major issues still remains to be addressed are: RMG is still an isolated area of the country; it is not yet an integral part of the society; the backward linkage is very important for the RMG sector but adequate planning has not been done so far; the minimum wage issue has not been solved (however, there are efforts towards solving this); RMG sector drives the economy and it should not have an ending like the jute sector through unhealthy labor practices; proper planning, government policies, effective entrepreneurship and marketing is still missing for facing the challenges in the world market; economic and commercial wings do not receive adequate support from the Government; Government through its lobbyist failed to get duty-free market access to USA; recruitment policy needs to be changed in RMG sector, which has been "politicized" so far; no real effort made for branding Bangladesh in international market; Bangladesh needs to enhance its image in the foreign market in order to attract more buyers and investors. The economic diplomacy of the country needs to be improved; there is need of high investment to improve the infrastructure and backward linkage for the RMG industry especially in the woven sector.

Some observable strength also needs to be mentioned for our RMG: it accounts for 78% of country's export earnings (Appendix-B); RMG contributes more than 10% to GDP; RMG employs 3.6 million people directly (Appendix-A), 80% of them are women; the industry has created a platform for 2.8 million women to be engaged in new productive role in the society and empowering them; RMG is playing a lead role to alleviate poverty through skills development and employment generation; around 20 million people are directly and indirectly depending on this sector for their immediate livelihoods; RMG is accelerating the industrial growth and employment through exports. About US \$20 billion is earned through export of RMG (Appendix-C), which is increasing over the years.

5. Women in the RMG Industry

Bangladesh Garment Sector has been branded as the catalyst for women empowerment, a much talked about issue in this sub-continent. Garment sector is the largest employer of women in Bangladesh. The garment sector has provided employment opportunities to women from the rural areas that previously did not have any opportunity to be part of the formal workforce. This has given women the chance to be financially independent and have a voice in the family because now they contribute financially. However, the women workers are facing many problems. Most women come from low income families. Low wage of women workers and their compliance have enabled the industry to compete with the world market. Women are paid far less than men mainly due to their lack education. Women are reluctant to unionize because factory owners threaten to fire them. Even though trade unionization is banned inside the Export Processing Zones (EPZ), the working environment is better than that of the majority of garment factories that operate outside the EPZs. But, pressure from buyers to abide by labor codes has enabled factories to maintain satisfactory working conditions.

In recent times, garment workers have been protesting against their low wages. The first protest broke out in 2006, and since then, there have been periodic protests by the workers. This has forced the government to increase minimum wages of workers. Now the average wage of a RMG low level worker is about US \$85 per month.

6. Future Focus

Future forecast about RMG in Bangladesh is positive. Increased presence of foreign buyers in the country along with an upward trend in export does substantiate this expectation. The RMG sector is expected to grow despite the global financial crisis of 2009. As China is finding it challenging to make textile and foot wear items at cheap price, due to rising labor costs, many foreign investors, are coming to Bangladesh to take advantage of the low labor cost. Even now for the readymade garments most of the manufacturers need to bring all the accessories from abroad, which is very costly. Now they have started using locally made accessories maintaining the required quality. Zippers, buttons, labels, hooks, hangers, elastic bands, thread, backboards, butterfly pins, clips, collar stays, collarbones and cartons are the major garment accessories produced in Bangladesh. Many small and medium accessory industries have grown here over the years, particularly to meet high demand from low-end garment makers. The accessory market is dominated by multinational companies operating in Bangladesh, because in majority cases, garment buyers prefer accessories from them over the locally available items. Our RMG sector needs special focus in the following areas:

6.1 Improving Labor Productivity

Labor productivity in Bangladesh has always been at a low level compared to international standard. We could not even match with our neighboring countries. During the last 18 years, labor productivity in the Bangladesh RMG factory has improved substantially. But it is yet to go a long way to catch up with the labor productivity of, say, Mexico, Hong Kong, Malaysia & such other countries. The Bangladeshi RMG workers, on average, take much longer time to complete stitching a basic shirt than the workers of those countries. Therefore it needs to improve labor productivity to remain competitive. Recommendation that is usually made is to improve labor productivity through training of the workers. This is of course a necessary step. In Bangladesh, some large factories have regular on the job training programs. But the training program is not institutionalized at the national level. The industry, in this case represented by the BGMEA, with the help of the government, should run well equipped training institutes where factory workers will be trained in CMT operation regularly. But then operators' training alone is not enough. The supervisors & factory managers should also go through appropriate training so that they acquire the skills to motivate the workers to do the best to increase productivity. The worker's productivity cannot be the highest if the working condition (terms & conditions of appointment, for example) & working environment (if human rights, violations or sexual harassments continue to exist in the factories) are not conducive. The workers are often not motivated to work most efficiently if the working condition & factory environment are not conducive. For example, if the workers do not get valid appointment letters, they will suffer from insecurity, be under constant threat of losing the job. If they don't get wages in time or regularly, or there is no mechanism for them to express their grievances, they will remain dissatisfied. The productivity of dissatisfied workers cannot be the highest. If the workers are forced to work long hours, do not get adequate lunch break to take rest, or get holiday for recreation, they are likely to be physically exhausted which eventually lowers productivity. If the workers are physically or verbally abused by supervisors, they tend to make mistakes while working in the assembly line that in turn lowers productivity. It is essential on the part of the managers to realize that the international buyer concerns about that socially responsible production system have increased. The buyers now require the supplier to comply with, among others, the national labor laws, international labor standards & ecological standards in the global market. This means the

training program should also include occupational safety health management. To improve the productivity, Bangladesh RMG industry must run suggested training program as part of the survival strategy. Similarly productivity must be improved in backward linkage industries. All the people working in spinning mills, weaving mills & fabric processing units must go through proper training to minimize the cost of producing fabric domestically.

Overall managerial efficiency must be improved if one wants to increase the total productivity. To increase managerial efficiency, improved professionalism of management system is essential. All these must be complemented by well trained, efficient & disciplined work force. In the year 2012, BGMEA has set up a full-fledged university named BGMEA University of Fashion & Technology (BUFT) to train and supply the necessary manpower needed for the RMG industrial units. The university got approval to run eleven programs, all of which are designed to cater the special needs of RMG sector. This milestone decision will ultimately pay its dividend through replacement of expatriate personnel working in our RMG at a very high salary. This will also result in overall human skills development in the country, especially upgrading the standards of our RMG units.

6.2 Improvement of Infrastructures

All foreign buyers and donors related to RMG of Bangladesh emphasize on the development of infrastructure like roads and highways, power supply, port facilities, training facilities for this sector. These measures must be taken to reduce the cost of production & delivery system. This aims at developing the Infrastructures that include road transport, air transport, river transport, development of Chittagong port, power supply system, information & communication technology (ICT), developing "RMG villages" or EPZ etc. But the private factories or Industries cannot normally undertake these measures. It is beyond their individual capacity. It is the government that must take necessary steps to develop such infrastructures. The supply capacity of Bangladesh is constrained by under developed & inadequate transportation system. Till now a large number of factories are located in and around Dhaka. Currently RMG consignments are transported to Chittagong port in containers by railway or by trucks. The existing railway transportation system that carries RMG containers from Dhaka to Chittagong port is grossly inadequate; as a result there is a long waiting queue that increases cost & lead time. The road transport that conducts long hauling of RMG containers is also costlier as well as inadequate. The situation will get worse if the export volumes increase in future. In fact if domestic carrying capacity is not increased, the export from Bangladesh cannot be increased even if access to large market is available. Therefore, industry leaders suggest that by developing river transport & using an adequate number of barges to carry the RMG containers through river network will ease out the transport problem. Instead of waiting in the queue for rail transport, the containers can then be sent by the barges. By reducing the waiting time, it is likely to shorten the lead time & reduce overall cost of transport. It may be noted that river transport is much cheaper than trucking or railway transport. The use of river transport is not suggested to replace road or railway transportation system. All three of them may operate simultaneously. Market will determine their role & individual share. The government needs to take this suggestion seriously to meet the transport demand for the future RMG industry. This will however need a large investment. If government support is available, the private responses are likely to be encouraging. The private sector will probably find investment in making & running barges between Dhaka & Chittagong quite profitable. Transportation infrastructure development should be a primary issue in quest for a sustained economic development of Bangladesh.

6.3 Attracting Foreign Direct Investment

During the recent past, foreign direct investment is on the decline. Reason being the lack of confidence due to uncertain political situation, bureaucratic hassle, and frequent changes in policies, poorly developed financial institutions, disarrayed stock markets etc. It will be necessary to attract FDI to the RMG sub sector. If the inflow of FDI does not increase it will be difficult to face challenges in the post MFA era. To succeed in this case government must improve investment environment. Technology transfer in RMG will not also be possible without FDIs coming in the country.

6.4 Market Diversification

As has been pointed out by experts in RMG in Bangladesh (McKinsey Report, 2011), that it needs to diversify the market as also its line of product. Before formulating market diversification strategy, one has to remember that for Bangladesh the global apparel market is a buyer's market. Therefore appropriate strategic alliance is necessary to win the mind of the buyers. The survival strategy in this case is to ensure that Bangladesh gains unrestricted access to new markets where it can export its apparel profitably. Currently it depends mainly on two markets, namely the US & the EU. More than 96% of its apparels are shipped to these two markets (Appendix-F). This has made Bangladesh highly vulnerable. Only way to reduce such vulnerability is to increase or diversify markets. In fact, for Bangladesh, market diversification is more important than product diversification. Market diversification primarily calls for trade creation. It aims at identifying & penetrating into new markets. For this, it is necessary to take proactive steps to access new & potentially large markets.

In case of the RMG industry, the development of forward linkages demand taking over major marketing activities by the Bangladeshi manufacturers-exporters. At present the foreign buyers undertake & dominate the marketing activities. As is well known, marketing intermediaries take away the lion's share of the surpluses/profits as their commission, service charges or mark ups. Bangladeshi entrepreneurs earn relatively small margins on the FOB prices (CMT cost plus margin). To increase their profit, they need to build up their own marketing capabilities. They should aim at minimizing the use of external marketing intermediaries by procuring the orders directly from the retailers & distribute their apparels through their own outlets located in the target market, say in the US & the EU. At least they should be able to bypass the services of the foreign buying houses which now dominate the marketing of garments produced in Bangladesh. However, given the current buyer's market (dominant role of buying houses), it is difficult to bypass the buying houses that represent the large retailers in the US & EU. Innovative methods are needed in this respect. One such innovation can be introduction of e- marketing. The factory owners in Bangladesh can negotiate the designs, shipment schedule, price etc with the retailers in the US, EU or Japan using the technique of e- trading. This will eliminate the role of currently dominating buying houses. In addition they can also have warehouses in and around the markets to ensure quick supply of the finished products. The trend now is that the major buyers are sending their own people in Bangladesh to explore and expedite the trade. They are on the process of making direct linkages with RMG producers of Bangladesh.

6.5 Capacity Enhancement

Capacity enhancement is a major recommendation for RMG in Bangladesh. Capacity building does not merely mean an increase in the production capacity by increasing the number of RMG factories & further development of backward linkages. It calls for many other activities. It includes not only increasing production capacity (increasing spinning, weaving, dyeing & processing facilities as backward linkages & CMT operations) but also acquiring capacity for design development, strengthening market research capability, gaining market promotion capability & relationship management, and capability that contributes to image building. Also improved quality of delivery services is a major component of increasing supply capacity. In addition, gaining the capability of quick

response is essential. Quick response is a function of quick implementation of new business strategies that facilitates market access, maintaining long term relationship for reliable transaction between the buyers and sellers. Well designed procedures to speed the flow of information and merchandises between the retailers and manufacturers of apparels have to be developed. The objective is to improve the competitive position of the manufacturers and improving the retailer's profitability through increase in inventory productivity and more efficient operations. Quick response has become essential due to changes in the purchasing behavior of the consumers. Therefore ability to respond to the changes in the customer preferences is important. To grab a greater market in future, there is no alternative to capacity increase.

7. Conclusion

The RMG sector is passing through a transition process. The impending threats and the bright future prospects of having manifold increase in market share has to be reconciled with appropriate steps. However, the major problems relating to our RMG includes inadequate infrastructure affecting supply efficiency and increased lead time; shortage of adequate skilled manpower affecting productivity; inadequate capacity due to low investment in production units hindering growth; lack of attention to compliance issues including the creation of safe working conditions for workers; and poor marketing initiatives affecting the possibility of product diversification and exploration of new markets. Since the economy of Bangladesh is very much dependent on the export earnings generated from RMG sector, the policy planners must give attention to prioritize the issues and address them in a phased manner. The factors which have created a vulnerable situation for RMG in Bangladesh must be researched and appropriate solution drawn on an urgent basis. We must not forget that RMG of Bangladesh has not only earned a good name for the country throughout the world, but has also salvaged a large group of women workers who would otherwise remain as a part of the most oppressed class in our society.

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APPENDIX-A

Membership and employment

Year	Number of garment factories	Employment of workers(in Millions)
1984-85	384	0.12
1985-86	594	0.20
1986-87	629	0.28
1987-88	685	0.31
1988-89	725	0.32
1989-90	759	0.34
1990-91	834	0.40
1991-92	1163	0.58
1992-93	1537	0.80
1993-94	1839	0.83
1994-95	2182	1.20
1995-96	2353	1.29
1996-97	2503	1.30
1997-98	2726	1.50
1998-99	2963	1.50
1999-00	3200	1.60
2000-01	3480	1.80
2001-02	3618	1.80
2002-03	3760	2.00
2003-04	3957	2.00
2004-05	4107	2.00
2005-06	4220	2.20
2006-07	4490	2.40
2007-08	4743	2.80
2008-09	4925	3.50
2009-10	5063	3.60
2010-11	5150	3.60
2011-12	5400	4.00

Source: BGMEA
(bgmea.com.bd/home/pages/TradeInformation)

APPENDIX-B

Comparative statement on export of RMG and total export of Bangladesh

Year	Eexport of RMG (in Million US\$)	Total export of Bangladesh (in Million US\$)	% of RMG'S to total export
1983-84	31.57	811.00	3.89
1984-85	116.2	934.43	12.44
1985-86	131.48	819.21	16.05
1986-87	298.67	1076.61	27.74
1987-88	433.92	1231.2	35.24
1988-89	471.09	1291.56	36.47
1989-90	624.16	1923.70	32.45
1990-91	866.82	1717.55	50.47
1991-92	1182.57	1993.90	59.31
1992-93	1445.02	2382.89	60.64
1993-94	1555.79	2533.90	61.40
1994-95	2228.35	3472.56	64.17
1995-96	2547.13	3882.42	65.61
1996-97	3001.25	4418.28	67.93
1997-98	3781.94	5161.20	73.28
1998-99	4019.98	5312.86	75.67
1999-00	4349.41	5752.20	75.61
2000-01	4859.83	6467.30	75.14
2001-02	4583.75	5986.09	76.57
2002-03	4912.09	6548.44	75.01
2003-04	5686.09	7602.99	74.79
2004-05	6417.67	8654.52	74.15
2005-06	7900.80	10526.16	75.06
2006-07	9211.23	12177.86	75.64
2007-08	10699.80	14110.80	75.83
2008-09	12347.77	15565.19	79.33
2009-10	12496.72	16204.65	77.12
2010-11	17914.46	22924.38	78.15
2011-12	19089.69	24287.66	78.60

Data Source: (Export Promotion Bureau
Compiled by BGMEA)
(bgmea.com.bd/home/pages/TradeInformation)

APPENDIX-C**Value and quantity of total apparel export**

Year	Total apparel export in MN.USS			Total apparel export in MN.DZ		
	Woven	Knit	Total	Woven	Knit	Total
1992-93	1240.48	204.54	1445.02	36.05	10.66	46.71
1993-94	1291.65	264.14	1555.79	34.35	10.81	45.16
1994-95	1835.09	393.26	2228.35	47.21	15.30	62.51
1995-96	1948.81	598.32	2547.13	48.82	23.18	72.00
1996-97	2237.95	763.30	3001.25	53.45	27.54	80.99
1997-98	2844.43	937.51	3781.94	65.59	32.60	98.19
1998-99	2984.96	1035.02	4019.98	64.79	36.66	101.45
1999-2000	3081.19	1268.22	4349.41	66.63	45.27	111.90
2000-2001	3364.32	1495.51	4859.83	71.48	52.54	124.02
2001-2002	3124.82	1458.93	4583.75	77.05	63.39	140.44
2002-2003	3258.27	1653.82	4912.09	82.83	69.18	152.01
2003-2004	3538.07	2148.02	5686.09	90.48	91.60	182.08
2004-2005	3598.20	2819.47	6417.67	92.26	120.13	212.39
2005-2006	4083.82	3816.98	7900.80	108.82	165.02	273.84
2006-2007	4657.63	4553.60	9211.23	133.08	199.54	332.62
2007-2008	5167.28	5532.52	10699.80	147.43	241.60	389.03
2008-2009	5918.51	6429.26	12347.77	169.59	290.92	460.51
2009-2010	6013.43	6483.29	12496.72	172.80	292.70	465.50
2010-2011	8432.40	9482.06	17914.46	247.28	441.03	688.31
2011-2012	9603.34	9486.39	19089.73	49.94	56.46	106.39

Source: bgmea.com.bd/home/pages/TradeInformation**APPENDIX-D****Main apparel items exported from Bangladesh**

Year	Shirts	Trousers	Jackets	T-Shirt	Sweater
1993-94	805.34	80.56	126.85	225.90
1994-95	791.20	101.23	146.83	232.24
1995-96	807.66	112.02	171.73	366.36	70.41
1996-97	759.57	230.98	309.21	391.21	196.60
1997-98	961.13	333.28	467.19	388.50	296.29
1998-99	1043.11	394.85	393.44	471.88	271.70
1999-2000	1021.17	484.06	439.77	563.58	325.07
2000-2001	1073.59	656.33	573.74	597.42	476.87
2001-2002	871.21	636.61	412.34	546.28	517.83
2002-2003	1019.87	643.66	464.51	642.62	578.37
2003-2004	1116.57	1334.85	364.77	1062.10	616.31
2004-2005	1053.34	1667.72	430.28	1349.71	893.12
2005-2006	1056.69	2165.25	389.52	1781.51	1044.01
2006-2007	943.44	2201.32	1005.06	2208.9	1248.09
2007-2008	915.6	2512.74	1181.52	2765.56	1474.09
2008-2009	1000.16	3007.29	1299.74	3065.86	1858.62
2009-2010	993.41	3035.35	1350.43	3145.52	1795.39
2010-2011	1566.42	4164.16	1887.50	4696.57	2488.19
2011-2012	1733.54	4686.39	2231.16	4713.11	2340.34

(VALUE IN MN. US\$)

Source: bgmea.com.bd/home/pages/TradeInformation

APPENDIX-E**Value and quantity of total apparel export calendar year basis**

Year	Total apparel export in MN.US\$			Total apparel export in MN. DZ		
	Woven	Knit	Total	Woven	Knit	Total
1994	1544.89	341.53	1886.42	41.64	13.77	55.41
1995	1976.40	512.18	2488.58	49.38	19.83	69.21
1996	1942.37	686.27	2628.64	47.54	26.11	73.65
1997	2621.33	810.49	3431.82	60.56	27.99	88.55
1998	2871.06	976.29	3847.35	64.23	34.59	98.82
1999	2987.73	1169.90	4157.63	64.93	41.3	106.23
2000	3376.49	1448.22	4824.71	71.63	51.58	123.21
2001	3162.28	1432.72	4595.00	67.72	50.18	117.90
2002	3076.28	1573.40	4649.68	83.44	70.71	154.15
2003	3398.84	1850.36	5249.20	85.83	80.50	166.33
2004	3686.78	2532.62	6219.40	94.22	104.90	199.12
2005	3689.60	3210.48	6900.08	96.39	138.19	234.58
2006	4544.79	4388.72	8933.51	125.65	190.60	316.25
2007	4608.40	4741.93	9350.33	133.62	212.08	345.70
2008	5654.12	6222.95	11877.07	161.51	272.17	433.68
2009	5695.42	6196.58	11892.00	163.27	279.91	443.18
2010	7067.04	7787.76	14854.80	203.48	357.76	561.24
2011	9251.62	9961.36	19212.98	42.36	51.84	94.20

(Value in MN. US\$ quantity in '000 dozen)

Data Source: Export Promotion Bureau

Compiled by BGMEA (bgmea.com.bd/home/pages/tradefomation)

APPENDIX-F

Million US\$ Major EU Countries	RMG Export of Bangladesh to World (FY08-09-FY11-12)															
	Woven						Knit						Total			
	2008-09	2009-10	2010-11	2011-12	2008-09	2009-10	2010-11	2011-12	2008-09	2009-10	2010-11	2011-12	2008-09	2009-10	2010-11	2011-12
Austria	3.01	1.93	6.36	17.50	19.20	13.87	27.75	34.49	22.21	15.80	34.11	34.49	22.21	15.80	34.11	51.99
Belgium	95.02	87.78	162.93	238.61	157.52	155.79	299.74	320.46	252.54	243.57	462.67	320.46	252.54	243.57	462.67	559.07
Bulgaria	0.38	0.41	0.21	0.54	0.39	0.47	0.97	0.68	0.77	0.88	1.18	0.68	0.77	0.88	1.18	1.23
Denmark	23.94	33.51	50.43	86.80	131.23	178.24	256.32	318.72	155.17	211.75	306.75	318.72	155.17	211.75	306.75	405.51
Finland	6.10	5.47	11.22	7.85	15.52	15.59	28.73	29.25	21.62	21.06	39.95	29.25	21.62	21.06	39.95	37.10
France	264.11	260.92	405.98	416.72	705.69	692.00	999.71	855.18	969.80	952.92	1405.7	855.18	969.80	952.92	1405.7	1271.9
Germany	801.40	717.31	1108.91	1358.9	1334.4	1282.8	2022.0	2039.9	2135.8	2000.1	3130.9	2039.9	2135.8	2000.1	3130.9	3398.9
Greece	8.86	8.92	9.42	8.14	29.57	20.66	20.89	21.17	38.43	29.58	30.31	21.17	38.43	29.58	30.31	29.31
Italy	153.42	161.34	236.76	291.15	368.86	379.04	525.17	571.46	522.28	540.38	761.93	571.46	522.28	540.38	761.93	862.62
Ireland	41.89	54.14	54.28	63.03	52.16	80.16	105.59	123.92	94.05	134.30	159.87	123.92	94.05	134.30	159.87	186.95
Netherlands	393.82	388.79	374.13	226.76	513.98	528.57	591.07	325.28	907.80	917.36	965.20	325.28	907.80	917.36	965.20	552.04
Portugal	6.53	4.87	6.03	6.68	24.51	23.08	32.57	25.57	31.04	27.95	38.61	25.57	31.04	27.95	38.61	32.25
Romania	3.34	3.03	3.34	4.30	7.89	4.30	4.37	7.62	11.23	7.34	7.71	7.62	11.23	7.34	7.71	11.93
Spain	141.66	136.98	253.49	410.39	404.23	384.55	595.92	660.73	545.89	521.54	849.41	660.73	545.89	521.54	849.41	1071.1
Sweden	49.18	54.98	93.91	109.07	125.74	129.89	206.86	203.87	174.92	184.86	300.78	203.87	174.92	184.86	300.78	312.94
U.K.	502.34	534.29	768.90	1026.7	720.58	725.74	990.98	1103.3	1222.9	1260.0	1759.8	1103.3	1222.9	1260.0	1759.8	2130.1
Cyprus	0.01	0.27	0.03	0.08	0.63	0.84	1.12	1.11	0.64	1.11	1.16	1.11	0.64	1.11	1.16	1.18
Czech Republic	1.84	1.24	4.31	37.99	15.66	14.59	23.98	25.77	17.50	15.83	28.29	25.77	17.50	15.83	28.29	63.75
Estonia	0.00	0.10	0.91	0.74	0.13	0.24	0.62	2.52	0.13	0.34	1.53	2.52	0.13	0.34	1.53	3.26
Hungary	0.00	0.31	0.29	0.21	0.00	9.98	7.01	2.14	0.00	10.28	7.31	2.14	0.00	10.28	7.31	2.34
Latvia	0.07	0.04	0.14	0.29	0.16	0.30	0.34	1.22	0.23	0.33	0.48	1.22	0.23	0.33	0.48	1.51
Lithuania	0.00	0.07	0.00	0.18	0.05	0.04	0.62	0.98	0.05	0.11	0.62	0.98	0.05	0.11	0.62	1.16
Malta	0.04	0.00	0.00	0.02	0.66	0.12	0.32	0.45	0.70	0.12	0.32	0.45	0.70	0.12	0.32	0.47
Poland	5.57	6.03	38.34	112.77	43.49	44.56	123.33	209.96	49.06	50.59	161.67	209.96	49.06	50.59	161.67	322.74
Slovakia	14.80	15.56	19.01	20.31	26.22	24.29	39.59	36.54	41.02	39.84	58.61	36.54	41.02	39.84	58.61	56.85
Slovenia	0.37	0.24	0.77	1.04	2.08	2.57	4.08	6.33	2.45	2.81	4.85	6.33	2.45	2.81	4.85	7.37
Sub-Total (EU)	2517.70	2478.54	3610.11	4446.8	4700.5	4712.2	6909.7	6928.7	7218.2	7190.7	10520	6928.7	7218.2	7190.7	10520	11375
EU % of World	42.54	41.22	42.81	46.31	73.11	72.68	72.87	73.04	58.46	57.54	58.72	73.04	58.46	57.54	58.72	59.59
Growth%		-1.56	45.65	23.18		0.25	46.63	0.27		-0.38	46.30	0.27		-0.38	46.30	8.13

APPENDIX-F (CONTINUED)

RMG Export of Bangladesh to World (FY08-09-FY11-12)

	Woven												Knit					Total		
	2008-09	2009-10	2010-11	2011-12	2008-09	2009-10	2010-11	2011-12	2008-09	2009-10	2010-11	2011-12	2008-09	2009-10	2010-11	2011-12				
	USA	2733.98	2736.44	3506.12	3515.4	959.42	891.61	1119.0	1013.9	3693.4	3628.1	4625.2	4529.4	3693.4	3628.1	4625.2	4529.4			
% of USA	46.19	45.51	41.58	36.61	14.92	13.75	11.80	10.69	29.91	29.03	25.82	23.73	29.91	29.03	25.82	23.73				
Growth%		0.09	28.13	0.27		-7.07	25.51	-9.39		-1.77	27.48	-2.07		-1.77	27.48	-2.07				
Canada	295.00	311.69	461.75	473.04	292.05	283.86	432.92	401.82	587.05	595.55	894.67	874.85	587.05	595.55	894.67	874.85				
% of Canada	4.98	5.18	5.48	4.93	4.54	4.38	4.57	4.24	4.75	4.77	4.99	4.58	4.75	4.77	4.99	4.58				
Growth%		5.66	48.15	2.44		-2.80	52.51	-7.18		1.45	50.23	-2.21		1.45	50.23	-2.21				
Non-Traditional Markets																				
Australia	13.49	25.15	49.82	94.83	35.80	60.41	143.08	212.72	49.29	85.56	192.9	307.5	49.29	85.56	192.9	307.5				
Brazil	11.14	11.84	32.60	50.45	28.43	33.33	62.04	77.33	39.57	45.17	94.64	127.78	39.57	45.17	94.64	127.78				
Chile	1.60	3.65	3.62	5.57	4.81	4.45	9.31	11.36	6.41	8.09	12.93	16.93	6.41	8.09	12.93	16.93				
China	4.11	10.44	26.60	57.83	5.37	8.51	26.21	46.69	9.49	18.95	52.81	104.52	9.49	18.95	52.81	104.52				
India	9.52	9.99	25.45	42.20	1.41	2.55	10.49	12.82	10.94	12.53	35.94	55.02	10.94	12.53	35.94	55.02				
Japan	52.34	120.26	153.68	239.99	21.99	53.06	93.83	163.65	74.33	173.32	247.51	403.65	74.33	173.32	247.51	403.65				
Korea Rep.	4.24	15.36	34.46	61.27	1.19	7.00	12.75	18.75	5.42	22.36	47.21	80.01	5.42	22.36	47.21	80.01				
Mexico	41.43	25.53	30.34	36.74	40.45	35.88	50.83	61.91	81.88	61.41	81.16	98.65	81.88	61.41	81.16	98.65				
Russia	4.87	6.67	9.53	27.67	11.29	13.72	42.33	48.82	16.16	20.39	51.86	76.49	16.16	20.39	51.86	76.49				
South Africa	22.92	21.36	28.09	29.31	19.59	14.90	20.35	26.45	42.51	36.26	48.43	55.76	42.51	36.26	48.43	55.76				
Turkey	108.43	123.76	245.79	231.20	131.11	182.52	272.52	124.73	239.54	306.27	518.32	355.93	239.54	306.27	518.32	355.93				
Other Countries	97.73	112.78	214.93	290.92	175.80	179.28	276.64	336.68	273.54	292.06	491.57	627.60	273.54	292.06	491.57	627.60				
Sub-Total (Non-Trad.)	371.83	486.77	854.91	1168	477.3	595.6	1020	1142	849.1	1082.	1875	2310	849.1	1082.	1875	2310				
% of Non-Traditional	6.28	8.09	10.14	12.16	7.42	9.19	10.76	12.04	6.88	8.66	10.47	12.10	6.88	8.66	10.47	12.10				
%Growth of Non-Traditional		30.91	75.63	36.62		24.80	71.32	11.91		27.48	73.26	23.17		27.48	73.26	23.17				
GRAND TOTAL	5918.51	6013.44	8432.9	9603	6430	6484	9482	9486	1235	1250	17915	19090	1235	1250	17915	19090				
%Growth		1.60	40.23	13.88		0.84	46.25	0.05		1.21	43.36	6.56		1.21	43.36	6.56				

Source: EPB, Compiled by: RDTI Cell, BGMEA (bgmea.com.bd/home/pages/Trade Information)