

CONTRIBUTION OF TEXTILE INDUSTRY FOR SOCIO- ECONOMIC DEVELOPMENT IN BANGLADESH: A Review.

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Abstract — RMG (Ready Made garment) sector plays an immensely vital role for developing socio- economic condition in Bangladesh since the eighties. More than 80% of total export earnings of Bangladesh come from Textiles and Clothing manufacturing sector. There are more than five thousands garment factories in Bangladesh. Bangladesh enjoys GSP facilities for the Apparel sector to EU, Japan, Australia, New Zealand, Canada, and Duty Free Market Access to China, South Korea, India and APTA scheme for China, South Korea. High value added apparel production is on the rise in the country. There is an indication of continuous positive growth in Knit & Woven garments export from Bangladesh. Not only the RMG product but also its supportive backward and forward linkage industry such as Garments accessories industry, diversified jute goods manufacturing industry, packaging industry also earns foreign currency which contribute export sector of Bangladesh. In this review paper I try to focus how RMG sector continuously contribute significantly to the economic growth in Bangladesh.

Keywords— Ready Made Garments (RMG); Gross Domestic Product (GDP) growth; Backward and Forward Linkage ; Socio-Economic Development.

I. INTRODUCTION

The textile and clothing (T&C) industries provide the single source of economic growth in Bangladesh's rapidly developing economy. The RMG industry in Bangladesh has developed from outside pressure rather than emerging to meet local demands [1]. Exports of textiles and garments are the principal source of foreign exchange earnings. By 2002 exports of textiles, clothing, and ready-made garments (RMG) accounted for 77% of Bangladesh's total merchandise exports. By 2013, about 4 million people, mostly women, worked in Bangladesh's \$19 billion-a-year industry, export-oriented ready-made garment (RMG) industry. Bangladesh is second only to China, the world's second-largest apparel exporter of western brands. Sixty percent of the export contracts of western brands are with European buyers and about

forty percent with American buyers. Bangladeshi industrial sector is dominated by readymade garment (RMG) sector and the economy as a whole depends heavily on RMG industry for at least last four decades. At present Bangladeshi RMG industry is competing with RMG sector giants, like India and China, using its relatively cheap labor.

Bangladesh has opened up its economy in 1990s and since then economy is growing moderately with the increase in the export of RMG products. In this globalized and highly competitive world, Bangladesh needs to overcome its inefficiencies in production and other irregularities in the RMG industry to gain the highest profit from the low labor cost and also to keep international competitiveness in the RMG exports. For long run sustainability in international market, the industry must be concerned about the improvement in productivity [2]. The increasing wages in the clothing producing Countries paved the way to establish RMG industry in Bangladesh, as the countries started looking for low-wage situation of factories. The industry is the most prominent export oriented industry of the country which has achieved very significant growth during last two decades [3]. Now there are more than 4,000 RMG industries in the country with export earnings of \$6.40 billion per year. The industry employs about 2 million workers with 80% participation of women labor force. RMG industry alone fetches 79% of the total export earnings of the country [4]. The textile and clothing industries provide the single source of growth in Bangladesh's rapidly developing economy. Exports of textiles and garments are the principal source of foreign exchange earnings [6]. The Bangladeshi economy offers a unique competitive edge that supports profitable expansion into new strategic markets. From spinning to weaving, from knitwear to leisurewear and high street fashions, the textiles and clothing industry is Bangladesh's biggest export earning sector [7]. The Ready-Made Garments (RMG) industry occupies a unique position in the Bangladesh economy. It is the largest exporting industry in Bangladesh, which experienced phenomenal growth during the last 25 years. The industry plays a key role in employment generation and in the provision of income to the poor. Nearly four million workers are directly and more than twelve million inhabitants are indirectly associated

with the industry. Over the past twenty five years, the number of manufacturing units has grown from 180 to over 4000 [8]. Two factors such as cheap labor force and captive market under quota system facilitated the development of RMG industry in Bangladesh. The favorable policies of the governments in the form of duty, preferential tax, tax holidays, duty free machinery inputs, central ware house facilities, letter of credit facilities without deposit, loans at low interest rate etc. have also supported the growth of the industry [9].

Today the Bangladeshi garment industry is worth \$25 Billion. The garment manufacturing sector in Bangladesh has a new slogan: "\$50 billion by 2021." It's an ambitious vision to reach \$50bn in exports by 2021, the 50th anniversary of the Republic of Bangladesh. To make the \$50bn target, Bangladesh will have to grow exports by 10.9% annually (assuming they can reach their projections this year). Over the past six years the garment industry has grown by an average of 13.9% annually – which makes \$50bn by 2021 seem within reach. The readymade garment (RMG) sector of Bangladesh is moving ahead even after facing an adverse situation in the recent years. With significant improvement made in every aspect of quality control, fashion designing, technical expertise, merchandising as well as compliance, the sector is now getting recognition from all the concerned forums. The RMG sector of Bangladesh is expected to retain its position in the global market and succeed in achieving the annual RMG export target of US\$ 50 billion by the year 2021.

II. OBJECTIVES

The main objective is to get an overview of the garments sector of Bangladesh how contribute for the socio economic developments of country. The work also helps to find different era of garments industry's prospect along with problems as well as remedy. Analyze statistical data of RMG industry in Bangladesh and critically examine for the competitiveness of the industry in major international markets due to global economic policy changes and also explore the export potential of the industry in future.

III. LITARATURE REVIEW

A. Overview of Textile Industry in Bangladesh

Bangladesh's textile industry has been part of the trade versus aid debate. The encouragement of the garment industry of Bangladesh as an open trade regime is argued to be a much more effective form of assistance than foreign aid. Tools such as quotas through the WTO Agreement on Textiles and Clothing (ATC) and Everything but Arms (EBA) and the US 2009 Tariff Relief Assistance in the global clothing market have benefited entrepreneurs in Bangladesh's ready-made garments (RMG) industry. Bangladesh, with a population of about 156 million, is among the most densely populated countries in the world. In 2012 the textile industry accounted for 45%

of all industrial employment in the country yet only contributed 5% of the Bangladesh's total national income.

The southern Asian country of Bangladesh, bordered by India and Burma, has a population of approximately 164 million people. The Bangladesh economy has grown an average of six percent a year over the last two decades and has a population increasing by an average of 1.59% a year. This manufacturing industry accounted for almost 12% of Bangladeshi GDP in 2009 and 2010 and employs approximately four million people. The export-oriented Bangladeshi garment manufacturing industry has boomed into a \$19 billion dollar a year industry following the expiry in 2005 of an international agreement on textiles and clothing import quotas in place since the early 1960's, duty-free access offered by western countries, and low labor costs [10].

B. Textile Production History in Bangladesh

In between 1947 to 1971 the textile industry were largely owned by West Pakistanis. During that period, in the 1960s, local Bengali entrepreneurs had set up their own large textile and jute factories. Following its separation from East Pakistan the newly formed Bangladesh lost access to both capital and technical expertise [11]. Until the liberation of Bangladesh in 1971, the textile sector was primarily part of the process of import substitution industrialization (ISI) to replace imports. After the liberation, Bangladesh adopted export-oriented industrialization (EOI) by focusing on the textile and clothing industry, particularly the readymade garment (RMG) sector. Immediately after the founding of Bangladesh (1971) [12]. Tea and jute were the most export-oriented sectors. But with the constant threat of flooding, declining jute fiber prices and a significant decrease in world demand, the contribution of the jute sector to the country's economy deteriorated [13].

In 1972 the newly formed government taking over privately owned textile factories and creating a state-owned enterprise (SOE) called Bangladesh Textile Mills Corporation (BTMC). President promoted democracy and a socialist form of capitalism. The BTMC never managed to match the pre-1971 output and in every year after the 1975–1976 fiscal years, lost money. In the devastating famine in 1974, one million people died, mainly of starvation caused in part by the flooding of the Brahmaputra River in 1974, and a steep rise in the price of rice. Partly in response to the economic and political repercussions of the famine, the Bangladesh government shifted public policy away from its concentration on a socialist economy, and began to denationalize, disinvest and reduce the role of the public sector in the textile industry while encouraging private sector participation. The 1974 New Investment Policy restored the rights to both private and foreign investors. Bangladesh's development model switched from a state-sponsored capitalist mode of industrial development with mainly

state-owned enterprises (SOE) to private sector-led industrial growth [14]. Post-liberation war, Bangladesh continued to focus on the agricultural sector to feed its rural and poor masses. Even in 1978, there were only nine "export-oriented" garment manufacturing units. That same year the first direct export of garments, 10,000 shirts to a Parisian firm, was shipped from a Bangladeshi firm [15].

The Bangladeshi government began to realize potential for the industry to flourish and offered development stimulus such as "duty-free import machinery and raw materials, bonded warehouse facilities and cash incentives [16]. Until the early 1980s the state owned almost all spinning mills in Bangladesh and 85 percent the textile industry's assets (not including small businesses) [11]. The apparel industry of Bangladesh started its journey in the 1980s and has come to the position it is in today. The late Nurool Quader Khan was the pioneer of the readymade garment industry in Bangladesh. He had a vision of how to transform the country. In 1978, he sent 130 trainees to South Korea where they learned how to produce readymade garments. With those trainees, he set up the first factory – Desh Garments – to produce garments for export. At the same time, the late Akhter Mohammad Musa of Bond Garments, the late Mohammad Reazuddin of Reaz Garments, Md. Humayun of Paris Garments, Engineer Mohammad FazlulAzim of Azim Group, Major (Retd) Abdul Mannan of Sunman Group, M Shamsur Rahman of Style craft Limited, the first President of BGMEA, AM Subid Ali of Aristocrat Limited also came forward and established some of the first garment factories in Bangladesh. Following their footsteps, other prudent and hard-working entrepreneurs started RMG factories in the country. Since then, Bangladeshi garment industry did not need to look behind. Under the 1982 New Industrial Policy (NPI) a large number of these assets including jute mills and textile mills were privatized and returned to their original owners [14]. The export-oriented readymade garment (RMG) industry emerged at this time. Daewoo of South Korea was an early entrant in Bangladesh, when it established a joint venture in December 27, 1977 with Desh Garments Ltd. making it the first export oriented ready-made garment industry in Bangladesh led to the "emergence of an export-oriented garment industry in Bangladesh in the late 1970s. and ensured the garment sector's continual success. [17].

After only one year in which 130 Desh supervisors and managers received free training from Daiwoo in production and marketing at Daiwoo's state-of-the-art ready-made garment (RMG) plant in Korea, 115 of the 130 left Desh Garments Ltd. and set up separate private garment export firms or began working for other newly formed export-oriented RMG companies with new garment factories in Bangladesh for much higher salaries than Desh Garments Ltd offered [18-20]. Global restructuring processes, including two non-market factors, such as quotas under Multi Fiber Arrangement (MFA) (1974–2005) in the North American market and preferential market access to

European markets [21]. The garment industry in Bangladesh became the main export sector and a major source of foreign exchange starting in 1980, and exported about \$5 billion USD in 2002 [22].

In 1980 an export processing zone was officially established in at the port of Chittagong. By 1981, 300 textile companies, many small ones had been denationalized often returned to their original owners [11].

The export of ready-made garments (RMG) increased from \$USD 3.5 million in 1981 to \$USD 10.7 billion in 2007. In the year of 2015-16 Apparel exports grew 82.01 % of total export earnings in Bangladesh, but initially, the ready-made garments RMG industry was not adequately supported by the growth up and down the domestic supply chain (e.g., spinning, weaving, knitting, fabric processing, and the accessories industries) [23].

Currently, there are more than 4,000 RMG firms in Bangladesh. More than 95 per cent of those firms are locally owned with the exception of a few foreign firms located in export processing zones (Gonzales, 2002). Shirts, T-shirts and trousers are the main woven products and undergarments, socks, stockings, T-shirts, sweaters and other casual and soft garments are the main knit products. Woven garment products still dominate the garment export earnings of the country. The share of knit garment products has been increasing since the early 1990s; such products currently account for more than 40 per cent of the country's total RMG export earnings (BGMEA website). Although various types of garments are manufactured in the country, only a few categories, such as shirts, T-shirts, trousers, jackets and sweaters, constitute the major production-share [24-25]. Bangladesh is a country much concerned about the growth of export division. Bangladesh have accelerated and changed her exports substantially from time to time [8].

The readymade garments industry acts as the backbone of our economy and as a catalyst for the development of our country. We take pride in the sector that has been fetching billions of dollars as export earnings and creating jobs for millions of people in the country. The Ready-Made Garments (RMG) industry occupies a unique position in the Bangladesh economy. The industry plays a key role in employment generation and in the provision of income to the poor. Nearly four million workers are directly associated with the industry. Over the past twenty five years, the number of manufacturing units has grown from 165 to over 4200. The sector has also played a significant role in the socio-economic development of the country. It is the largest exporting industry in Bangladesh, which experienced phenomenal growth during the last 30 years. Garments industry is the largest export industry for our country and it contributes 82.01% of total export. The industry is associated with its strength, weakness, threat and opportunity. The RMG industry is the only multi-billion-dollar manufacturing and export industry in

Bangladesh. Whereas the industry contributed only 0.001percent to the country's total export earnings in 1976, its share increased to about 76 per cent of those earnings in 2005 & still now. Bangladesh exported garments worth the equivalent of \$6.9 billion in 2005, which was about 2.5 percent of the global total value (\$276 billion) of garment exports. The country's RMG industry grew by more than 15 per cent per annum on average during the last 15 years as shown in table-1. The foreign exchange earnings and employment generation of the RMG sector have been increasing at double-digit rates from year to year [25-26].The "Made in Bangladesh" tag has also brought glory for Bangladesh, making it a prestigious brand across the globe. Bangladesh, which was once termed by cynics a "bottomless basket", has now become a "basket full of wonders." The country with its limited resources has been maintaining 7% annual average GDP growth rate and has brought about remarkable social and human development. It is really a matter of great interest to many – how the economy of Bangladesh continues to grow at a steady pace, sometimes even when rowing against the tide. Now we envision Bangladesh achieving the middle-income country status by 2021. We firmly believe that our dream will come true within the stipulated time and the RMG industry will certainly play a crucial role in materializing the dream.

TABLE I. IMPORTANT GOALS OF THE BANGLADESH READY-MADE GARMENT INDUSTRY.

Year	Issues
1970-1980	Early period of growth
1982-1985	Boom days
1985	Imposition of quota restriction
1990	Knitwear sector developed significantly
1993	Child labor issue and its solution
2003	Withdrawal of Canadian quota restriction
2005	Phase out of quota restriction
2006	Riots and strike by garments labor
2007-2008	Stable growth
2008-2015	Continuous growth
2016-2021	Sustainable Growth

Source: BGMEA, and EPB, Bangladesh.

C. Gross Domestic Product (GDP)

The market value of all the goods and services produced in the country during the period under the consideration is called Gross Domestic Product. The ratio of GDP to the total population of the region is the per capita GDP and the same is called Mean

Standard of Living. Total GDP can also be broken down into the contribution of each industry or sector of the economy. Gross domestic product (GDP) is a monetary measure of the market value of all final goods and services produced in a period (quarterly or yearly) [26].



Fig. 1. Annual GDP Growth of Bangladesh.

The Gross Domestic Product (GDP) growth in Bangladesh expanded 7.11 percent in 2016 from the previous year. GDP Annual Growth Rate in Bangladesh averaged 5.69 percent from 1994 until 2016, reaching an all time high of 7.11 percent in 2016 and a record low of 4.08 percent in 1994 [27]. Bangladesh averaged a GDP growth of 6.5% that has been largely driven by its exports of readymade garments, remittances and the domestic agricultural sector. GDP - composition by sector: agriculture: 16%, industry: 30.4% & services: 53.6% (2015 est.) [28].

The RMG sector has experienced an exponential growth since the 1980s. The sector contributes significantly to the GDP. It also provides employment to around 4.2 million Bangladeshis, mainly women from low income families. In the last five consecutive fiscal years, knitwear constituted 7.2% of the national GDP on average, demonstrating that RMG continues to serve as a strategic and commercially beneficial sector to the country, which has had to overcome hurdles to compete in the changing international climate time and time again [29]

D. Number of Textile Industry and Employments in Bangladesh

Bangladesh currently has 407 spinning mills, 787 textile weaving mills, 236 dyeing and finishing mills, and around a total 6,502 registered and 527 un-registered garment and textile factories. Approximately 4,328 Bangladesh Garment Manufacturers and Exporters Association (BGMEA) members employ four million workers at their garment factories, of which 80 percent are women.

TABLE II. MEMBERSHIP AND EMPLOYMENT

YEAR	NUMBER OF GARMENT FACTORIES	EMPLOYMENT IN MILLION WORKERS
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
2012-13	5876	4.00
2013-14	4222	4.00
2014-15	4296	4.00
2015-16	4328	4.00

Source: BGMEA.

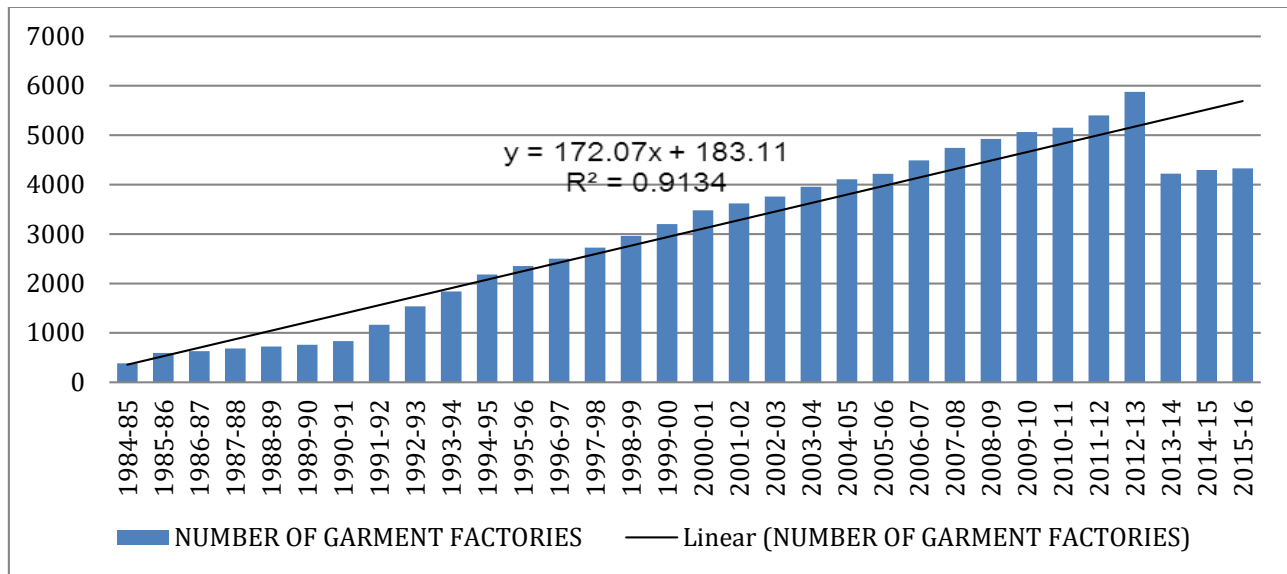


Fig. 2. Number of Garments Industry in Bangladesh

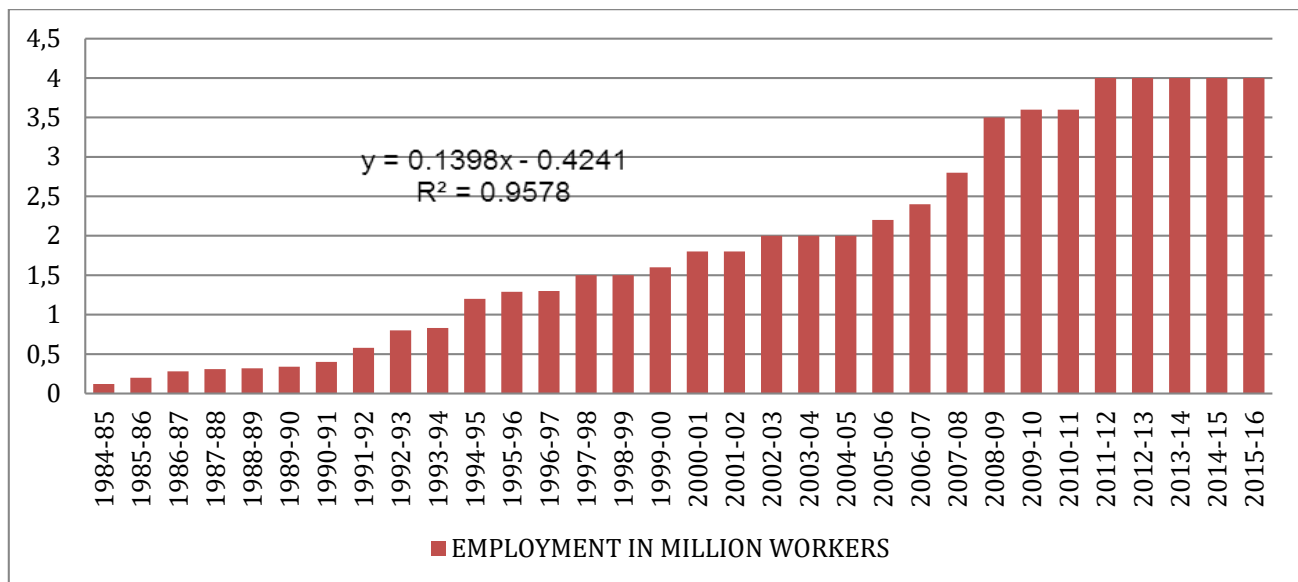


Fig. 3. Number of Workers Empolyments in Bandladesh Textile Indutry (In Million)

E. Present Status of Total Export and RMG Export from Bangladesh

The following export product groups represent the highest dollar value in Bangladeshi global shipments during 2015. Also shown is the percentage share each export category represents in terms of overall exports from Bangladesh [32].

1. Clothing (not knit or crochet): US\$15.2 billion (43% of total exports)
2. Knit or crochet clothing: \$15 billion (42.2%)
3. Other textiles, worn clothing: \$1 billion (2.8%)
4. Footwear: \$807 million (2.3%)
5. Paper yarn, woven fabric: \$631.7 million (1.8%)
6. Fish: \$569.9 million (1.6%)
7. Raw hides excluding furskins: \$302.5 million (0.9%)
8. Headgear: \$240.2 million (0.7%)
9. Leather, animal gut articles: \$205.1 million (0.6%)
10. Tobacco: \$119.3 million (0.3%)

Exports from Bangladesh amounted to US\$ 34257.18 million in 2015-16, and RMG sector contributed near about 82.01% of total exports in our country. According to the report of BGMEA at end of 2016 the total RMG exports from Bangladesh is about US\$ 28094.16 million. A comparative data on total export and RMG export are given below.

TABLE III. COMPARATIVE STATEMENT ON EXPORT OF RMG AND TOTAL EXPORT OF BANGLADESH

YEAR	EXPORT 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	19089.73	24301.90	78.55
2012-13	21515.73	27027.36	79.61
2013-14	24491.88	30186.62	81.13
2014-15	25491.40	31208.94	81.68
2015-16	28094.16	34257.18	82.01

Data Source: Export Promotion Bureau (EPB) Compiled by BGMEA

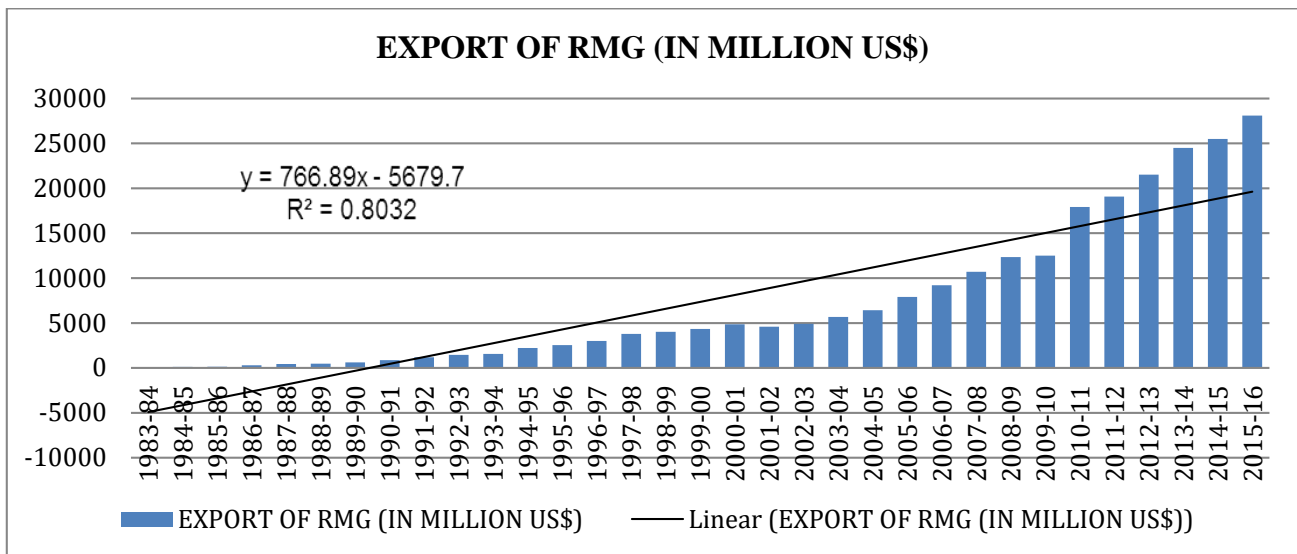


Fig. 4. Export Of RMG (In Million Us\$)

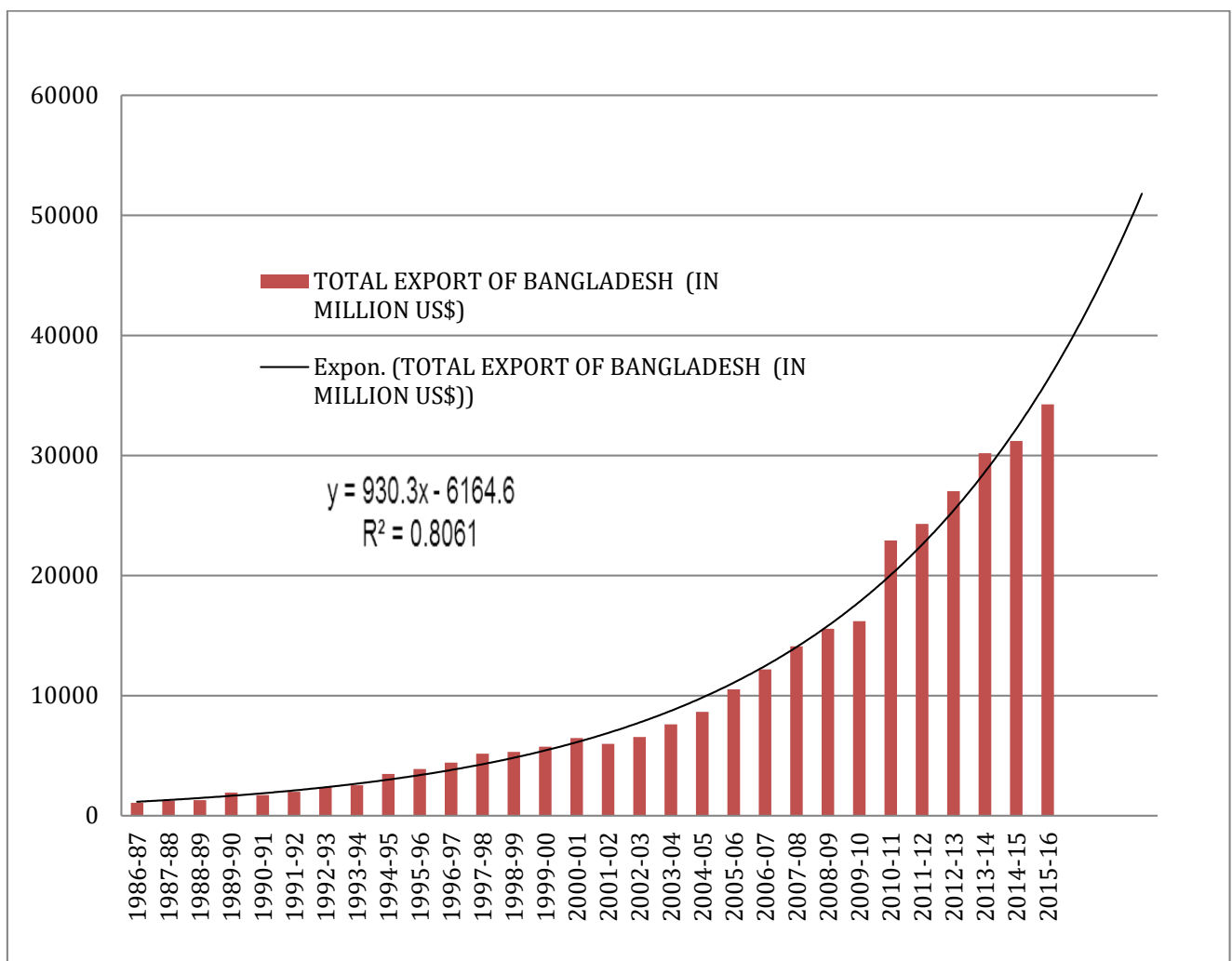


Fig. 5. Total Export of Bangladesh (in Million)

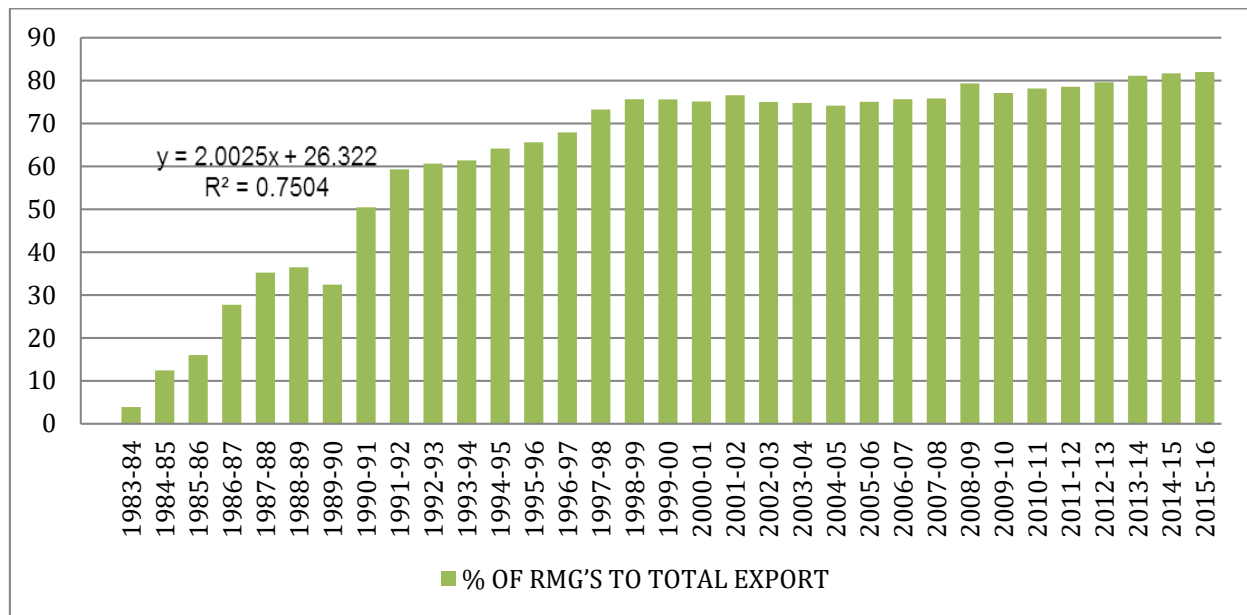


Fig. 6. % of RMG's To Total Export.

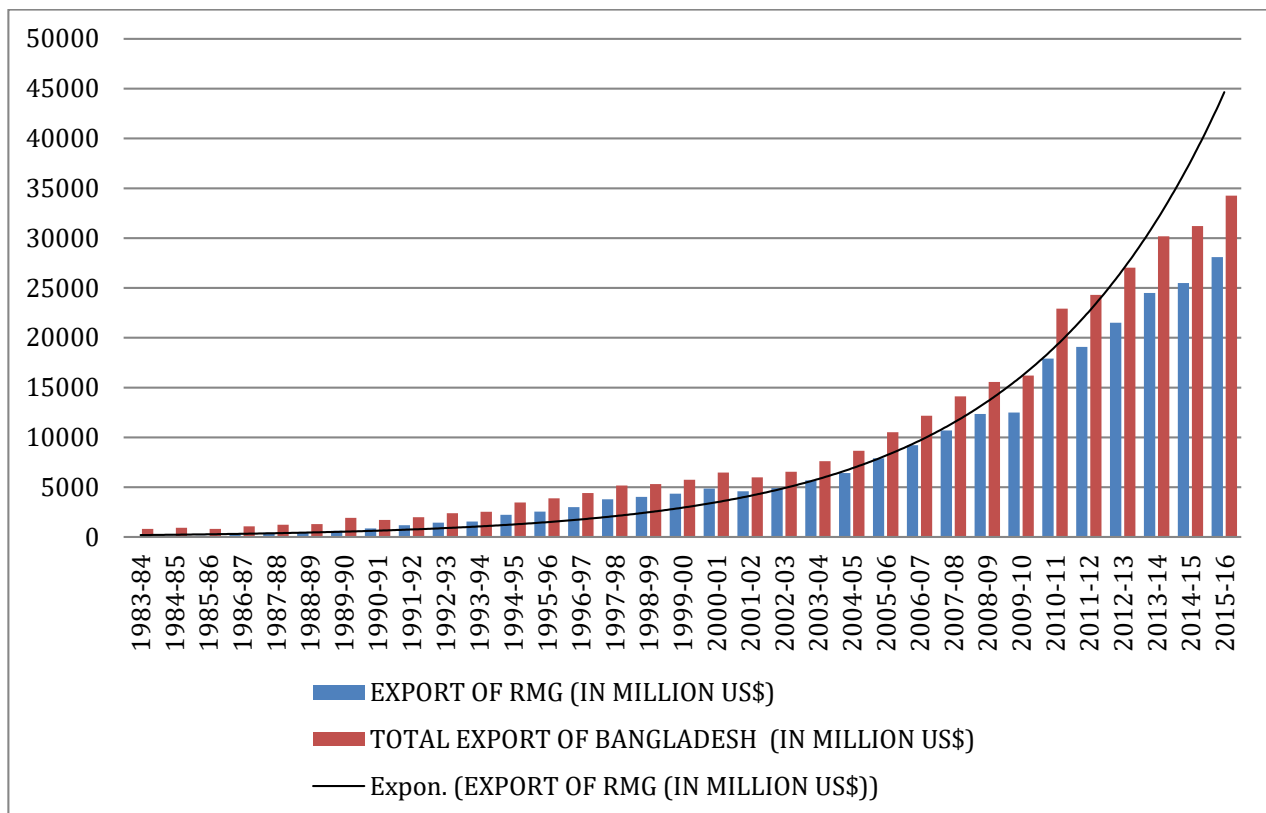


Fig. 7. Comparative Statement On Export Of Rmg And Total Export Of Bangladesh

F. Earnings From Apparel Exports

The growth dynamics of the sector over the last decade evince two clearly discernible phases: during the initial period it was the woven-RMG which dominated the structure of apparel exports, whilst in recent years which could be termed as a second phase, it is the knit-RMG which emerged as no less of an important segment in the RMG sector with its share growing up steadily and local value retention fast approaching the level of woven RMG.

According to 2015-16 fiscal year basis the values of woven apparel export for US\$ 14738.74million and values for knit appeal about US\$ 13355.42 million , In total the values of apparel exports fiscal year basis is US\$ 28094.16 million. On the other hand according to calendar year the values of woven apparel export for US\$ 14931.33 million and values for knit apparel about US\$ 13736.95 million, In total the values of apparel exports fiscal year basis is US\$ 28668.29 million.

TABLE IV. VALUE OF TOTAL APPAREL EXPORT (FISCAL YEAR BASIS)

YEAR	TOTAL APPAREL EXPORT IN MN.US\$		
	WOVEN	KNIT	TOTAL
1992-1993	1240.48	204.54	1445.02
1993-1994	1291.65	264.14	1555.79
1994-1995	1835.09	393.26	2228.35
1995-1996	1948.81	598.32	2547.13
1996-1997	2237.95	763.30	3001.25
1997-1998	2844.43	937.51	3781.94
1998-1999	2984.96	1035.02	4019.98
1999-2000	3081.19	1268.22	4349.41
2000-2001	3364.32	1495.51	4859.83
2001-2002	3124.82	1458.93	4583.75
2002-2003	3258.27	1653.82	4912.09
2003-2004	3538.07	2148.02	5686.09
2004-2005	3598.20	2819.47	6417.67
2005-2006	4083.82	3816.98	7900.80
2006-2007	4657.63	4553.60	9211.23
2007-2008	5167.28	5532.52	10699.80
2008-2009	5918.51	6429.26	12347.77
2009-2010	6013.43	6483.29	12496.72
2010-2011	8432.40	9482.06	17914.46

2011-2012	9603.34	9486.39	19089.73
2012-2013	11039.85	10475.88	21515.73
2013-2014	12442.07	12049.81	24491.88
2014-2015	13064.61	12426.79	25491.40
2015-2016	14738.74	13355.42	28094.16

Data Source Export Promotion Bureau Compiled by BGMEA

TABLE V. VALUE OF TOTAL APPAREL EXPORT (CALENDER YEAR BASIS)

YEAR	TOTAL APPAREL EXPORT IN MN.US\$		
	WOVEN	KNIT	TOTAL
1994	1544.89	341.53	1886.42
1995	1976.40	512.18	2488.58
1996	1942.37	686.27	2628.64
1997	2621.33	810.49	3431.82
1998	2871.06	976.29	3847.35
1999	2987.73	1169.90	4157.63
2000	3376.49	1448.22	4824.71
2001	3162.28	1432.72	4595.00
2002	3076.28	1573.40	4649.68
2003	3398.84	1850.36	5249.20
2004	3686.78	2532.62	6219.40
2005	3689.60	3210.48	6900.08
2006	4544.79	4388.72	8933.51
2007	4608.40	4741.93	9350.33
2008	5654.12	6222.95	11877.07
2009	5695.42	6196.58	11892.00
2010	7067.04	7787.76	14854.80
2011	9252.80	9961.67	19214.47
2012	10117.43	9670.71	19788.14
2013	12052.30	11448.68	23500.98
2014	12421.26	12162.70	24583.96
2015	13805.44	12797.26	26602.70
2016	14931.33	13736.95	28668.29

Data Source Export Promotion Bureau Compiled by BGMEA

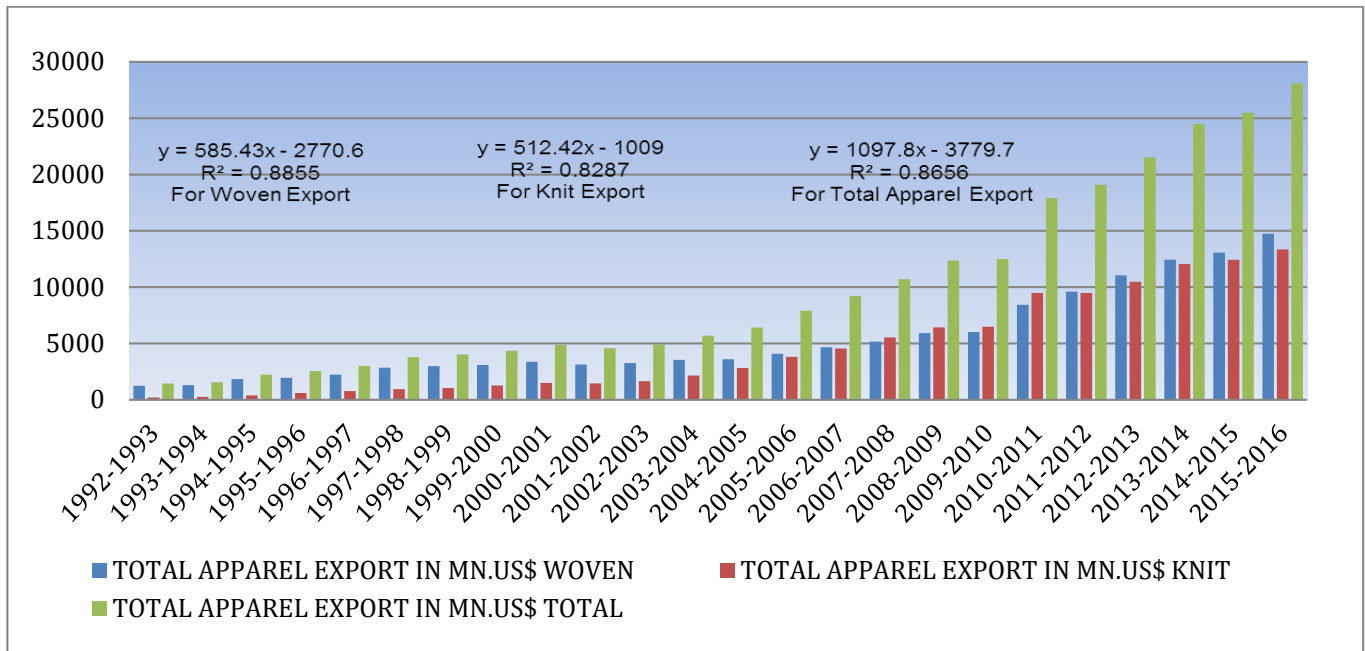


Fig. 8. Value Of Total Apparel Export Fiscal Year Basis

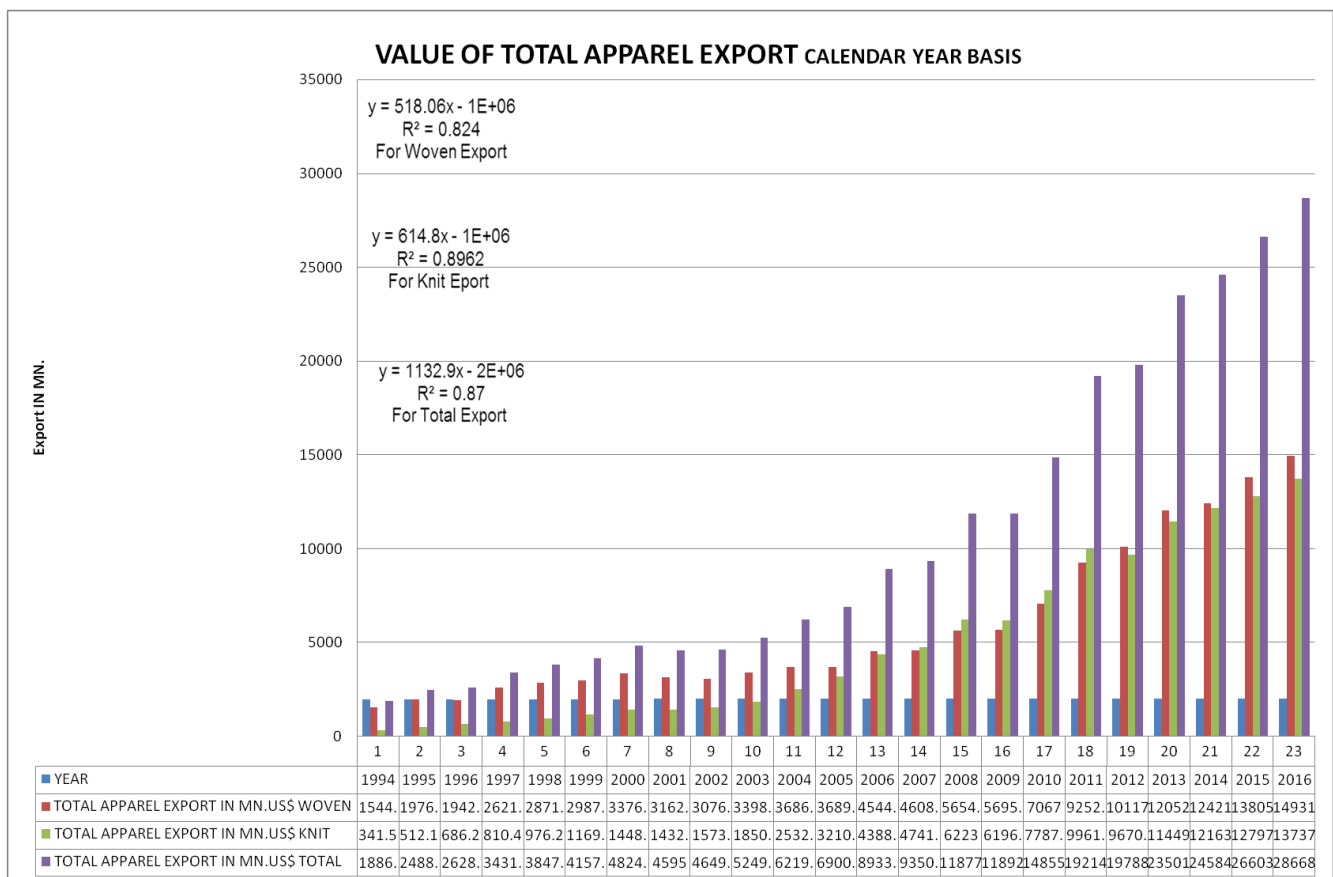


Fig. 9. Value Of Total Apparel Export Calendar Year Basis

G. Apparel Items Exported From Bangladesh

The apparels sector, Bangladesh has been able to accomplish product diversification. RMG sector has been able to extend its product line from T-shirts, ordinary shirts, pyjamas, shorts, caps, women's and children's wear to shirts of complicated designs and jackets; and some brand items have also emerged where the value was added to both the export earnings and the local value retention.

TABLE VI. APPAREL ITEMS EXPORTED FROM BANGLADESH
(VALUE IN MN. US\$)

YEAR	SHIRTS	TROUSERS	JACKETS	T-SHIRT	SWEATER
1993-94	805.34	80.56	126.85	225.9
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	196.6
1997-98	961.13	333.28	467.19	388.5	296.29
1998-99	1043.11	394.85	393.44	471.88	271.7
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	1062.1	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
2012-2013	1972.89	5185.48	2634.28	5143.22	2620.73
2013-2014	2173.73	5690.78	2973.16	5863.81	2932.94
2014-2015	2271.43	5697.83	3183.17	6064.13	2829.16
2015-2016	2317.09	6319.00	3774.08	6118.53	3182.47

H. Contribution of RMG industry in different sectors

The RMG industry not only propelled the growth of spinning, weaving, dyeing and finishing industries, production of accessories and spare parts, but also rendered large externalities by contributing to other economic activities in such areas as banking, insurance, real estate, packaging, hotels and tourism, recycling, consumer goods utility services and transportation. Growth of RMG sector has spawned a whole new set of linkage industries and facilitated expansion of many service sector activities. The Vision. Bangladesh is a nation endowed with enormous potential that is yet to be realized. The year 2021 marks the 50th anniversary of independence [30].

TABLE VII. INPUT-OUTPUT RATIO WITH DIFFERENT SECTORS
(1993-94)

Inputs supplying	Sectoral Input output Ratio
Yarn	0.59
RMG	0.004
Other Textiles	0.01
Food and Entertainment	0.10
Paper and Board	0.001
Printing and Publishing	0.002
Chemicals	0.0004
Petroleum and its Products	0.002
Fabricated Metals	0.14
Machinery	0.0046
Transport Equipment	0.0006
Miscellaneous Industries	0.005
Urban Building	0.009
Rural Building	0.00005
Construction: Electricity and Gas	0.0000002
Electricity	0.0044
Gas	0.000173
Trade Service	0.029
Transport Service	0.016
Health Service	0.000029
Public Administration	0.00081
Banking and Insurance	0.00164
Professional Service	0.00115
Communications	0.002
Total Intermediate Input	0.81
Total Output	1.00
Value Added to Output	0.19

Source: Nath 2001.

From table VII shows the RMG sector has overwhelmingly high backward linkage with textile sector providing fabrics, yarn and other ancillaries. It has important backward linkage with utilities such as electricity, gas, and machinery and spare parts supplying. It has forward linkage with transport, communication, banking and insurance and trade services. Besides, there is a considerable subcontracting linkage within the sector. The buying house also plays important role towards bringing the manufacturers and buyers of the finished goods closer. The importance of the backward linkage industry in terms of supplying export quality yarn and fabric to satisfy the need of the growing RMG sector [34].

Realizing the importance of the backward linkage industry in terms of supplying export quality yarn and fabric to satisfy the need of the growing RMG sector, the Bangladesh government took an early initiative to declare the textile sector as a thrust sector. Since the textile policy was put in place in 1995, the sector registered remarkable growth. Growth of the RMG sector and the related activities have contributed a lot to the robust growth of the financial sector in Bangladesh. In FY 2001 commercial banks lent Taka 4400 crore to the textile sector, while the amount lent to the woven-RMG sector was Taka 812 crore.

A World Bank⁷ survey revealed that almost all firms (98%) are the clients of the commercial banks for working capital and procurement of machines and equipment (57%) [35]

The export financing business of the commercial banks is largely dependent on the textile and RMG sectors. The RMG sector has also contributed to the growth of the country's insurance sector. On average, every year the premium paid by the RMG sector to the insurance companies was about 6 million dollars.

The growth and development of inland transport services to a considerable extent owe to the growth of the RMG industry. Both wheel transport service and railway service are widely used by RMG sector for activities related to manufacturing and cargo movement. The concept of covered van emerged in Bangladesh for safe transportation of the RMG products in particular. In 2002 the inland transport industry received about 27.3 million dollars as revenue from the RMG sector.

The RMG sector contributes to the government exchequer both directly and indirectly. In FY 2002 the sector paid 6.3 million dollars as stamp and postage, license renewal fee etc.

The RMG industry paid 14.2 million dollars to the engineering sector which included payments to

repairing and maintenance service industry (USD 4.29 million), electrical engineering (USD 4.38 million), transport vehicle maintenance service (USD 2.87 Million), and machine tools service (USD 2.63 Million). Payment of Electricity bill by the RMG industry is estimated to be 14.74 million dollars in FY2002. Utility payments for gas, WASA etc. amounted to an additional 3.75 million dollars.

The RMG sector extensively uses professional services from CA firms, legal agencies, and business consultants. In FY 2002 total payment for professional services is estimated at 3.61 million dollars.

The RMG sector has contributed to the shipping business in Bangladesh and stimulated setting up of several container yards, expansion of port facilities to handle large container carrying trains, increase of cargo handling and storage facilities. RMG manufacturers also extensively use services of Clearing & Forwarding Agents for the purpose of customs clearance of inputs and finished goods. Demand for real estate development by the garment industry to accommodate offices and factories of over 3400 garment units has generated a lot of activities in the Construction Industry.

About 1000-1500 overseas apparel buyers and their representatives visit Bangladesh every year for business purpose. Approximately 0.2 million people are engaged in waste (mainly, the waste out prices of fabrics) recycling industry of the country which get their materials from the RMG industries. With these waste materials, they are making stuff toys, patterns, quilts, cushions etc.

The Ready-Made Garments (RMG) industry contributes to the Bangladesh economy in a distinctive manner. The last 20 years witnessed unparalleled growth in this sector, which is also the largest exporting industry in Bangladesh. It has attained a high profile in terms of foreign exchange earnings, exports, industrialization and contribution to GDP within a short span of time.

The Bangladesh RMG industry, with its woven and knit sub-components, is a pre-dominantly export oriented sector, with 95 per cent of the woven and 90 per cent of the knit exports being directed to foreign markets. The cumulative foreign currency earnings by the sector, since 1978, when first export was registered, is estimated at 70.56 billion US dollars [33]. The RMG sector also plays a catalytic role in the growth of the country's ICT sector. The services consumed by the RMG industry generated revenue for the ICT sector. Payments for ICT services which include communication, hardware and software services.

Women's participation in income generation activities lends them a better status within the family and provides them with considerable freedom. A job

ensures equitable access to household resources (nutrition) and larger investment on female human capital (health and education).

Employment opportunities draw attention to women's needs for public facilities such as transportation, communication, safety etc. and create a demand for policy response in these areas. women were taking up such roles paying for house rents and schooling expenses for their children or brothers and sisters. Despite the fact that they have lower incomes, the female garment workers were spending the same amount as the male workers on the studies of their family members. Employment in the RMG industry has provided direct access to cash income for the first time to many poor women [36]

I. Bangladesh's RMG Exports To World

The country has no dedicated research institute related to the apparel sector. RMG is highly fashion oriented and constant market research is necessary to become successful in the business. At present whatever design work is done in the country, these are mostly carried out with foreign workers and experts. Most of European and North American country are mainly buy RMG goods from Bangladesh, ultimately huge no of export earnings no doughty develop the socio economic developments of Bangladesh.

TABLE VIII. BANGLADESH'S RMG EXPORTS TO WORLD, FY 2014-15 & 2015-16 VALUE IN MILLION US\$

Month	ALL COUNTRIES								
	Woven		Growth Rate	Knit		Growth Rate	Total (Woven+Knit)		Growth Rate
	Year			Year					
	2014/15	2015/16		2014/15	2015/16		2014/15	2015/16	
July	1210.08	1087.79	-10.11	1307.90	1127.37	-13.80	2517.98	2215.16	-12.03
August	815.34	1138.68	39.66	898.44	1131.19	25.91	1713.78	2269.87	32.45
September	937.29	962.65	2.71	1064.12	991.55	-6.82	2001.41	1954.20	-2.36
October	731.53	878.82	20.13	787.96	920.31	16.80	1519.49	1799.13	18.40
November	999.23	1158.09	15.90	939.36	1066.31	13.51	1938.59	2224.40	14.74
December	1269.23	1477.50	16.41	1063.80	1195.32	12.36	2333.03	2672.82	14.56
January	1303.77	1456.00	11.68	1116.10	1169.70	4.80	2419.87	2625.71	8.51
February	1146.72	1324.69	15.52	960.62	1041.66	8.44	2107.34	2366.35	12.29
March	1144.21	1281.54	12.00	930.58	1030.91	10.78	2074.79	2312.45	11.45
April	1000.54	1133.62	13.30	938.94	1063.14	13.23	1939.48	2196.76	13.27
May	1199.27	1264.04	5.40	1159.71	1182.74	1.99	2358.98	2446.78	3.72
June	1307.40	1575.32	20.49	1259.26	1435.22	13.97	2566.66	3010.54	17.29
Total	13064.61	14738.74	12.81	12426.79	13355.42	7.47	25491.40	28094.16	10.21

Source: EPB

TABLE IX. BANGLADESH'S RMG EXPORT TO WORLD 2014 TO 2016 ACCORDING TO CALENDAR YEAR

Million US\$	Woven			Knit			Total		
EU Countries	2014	2015	2016	2014	2015	2016	2014	2015	2016
Austria	23.04	22.34	26.73	30.85	27.19	29.16	53.90	49.53	55.89
Belgium	344.68	344.81	421.01	444.12	412.99	432.72	788.79	757.80	853.73
Bulgaria	0.10	0.09	0.35	0.41	0.77	1.63	0.52	0.86	1.98
Denmark	166.04	212.31	236.16	473.58	398.43	450.28	639.61	610.74	686.44
Finland	8.88	6.59	5.66	27.34	21.41	23.16	36.22	28.00	28.82
France	584.82	649.63	737.19	974.81	985.61	1059.33	1559.63	1635.24	1796.52
Germany	1803.42	1839.02	2288.24	2563.38	2525.05	2832.85	4366.79	4364.06	5121.09
Greece	5.51	5.26	6.76	16.25	18.11	24.31	21.76	23.37	31.07
Italy	477.33	472.92	475.76	760.15	771.33	836.75	1237.49	1244.25	1312.51
Ireland	79.63	77.19	74.08	147.46	121.81	115.44	227.09	198.99	189.52
Netherlands	285.40	291.39	331.71	370.87	342.10	382.74	656.26	633.49	714.45
Portugal	10.26	12.04	19.30	31.17	32.44	39.77	41.43	44.49	59.07
Romania	3.77	4.44	4.10	6.39	7.25	7.41	10.17	11.68	11.51
Spain	689.44	768.71	853.99	866.63	958.49	1059.65	1556.07	1727.20	1913.64
Sweden	123.58	141.92	168.53	259.41	274.02	291.41	382.99	415.94	459.94
U.K.	1294.46	1629.25	1755.52	1372.30	1604.91	1684.36	2666.76	3234.16	3439.88
Cyprus	0.28	0.43	0.50	1.84	1.82	1.47	2.12	2.25	1.97
Czech Republic	75.27	153.57	378.24	44.79	53.38	78.55	120.07	206.94	456.79
Estonia	0.40	0.24	0.17	0.76	0.83	1.00	1.16	1.07	1.17
Hungary	0.66	0.45	0.34	7.97	3.94	3.23	8.63	4.38	3.57
Latvia	1.36	0.98	0.13	3.06	2.60	1.35	4.43	3.58	1.47
Lithuania	0.03	0.26	0.04	0.89	0.89	0.88	0.93	1.15	0.92
Malta	1.08	3.42	1.78	1.30	4.80	3.00	2.38	8.22	4.78
Poland	206.64	228.47	249.52	302.34	348.66	411.23	508.99	577.13	660.75
Slovakia	29.11	30.61	34.14	36.79	45.63	43.42	65.91	76.24	77.56
Slovenia	9.72	8.92	14.27	24.20	19.03	32.25	33.92	27.95	46.52
Croatia	5.33	4.90	5.70	10.92	9.06	9.62	16.25	13.96	15.31
Sub-Total (EU)	6230.26	6910.14	8089.91	8779.99	8992.53	9856.96	15010.25	15902.68	17946.87
EU % of World	50.16	50.05	54.18	72.19	70.27	71.76	61.06	59.78	62.60
Growth %	10.01	10.91	17.07	7.85	2.42	9.61	8.74	5.95	12.85
USA	3803.62	4233.65	4051.28	1204.43	1425.26	1317.37	5008.04	5658.91	5368.65
% of USA	30.62	30.67	27.13	9.90	11.14	9.59	20.37	21.27	18.73
Growth %	-6.96	11.31	-4.31	-0.45	18.33	-7.57	-5.47	13.00	-5.13
Canada	525.80	569.91	558.45	403.34	403.88	406.86	929.15	973.79	965.31
% of Canada	4.23	4.13	3.74	3.32	3.16	2.96	3.78	3.66	3.37
Growth %	-3.64	8.39	-2.01	-11.23	0.13	0.74	-7.09	4.80	-0.87
Non-Traditional Markets									
Australia	156.61	216.66	225.30	302.34	389.54	377.07	458.95	606.20	602.37
Brazil	76.05	79.68	40.53	104.02	82.69	45.52	180.07	162.37	86.05
Chile	11.92	15.67	23.55	21.06	22.18	29.30	32.97	37.84	52.85
China	147.73	174.69	221.63	120.04	130.80	172.07	267.77	305.48	393.70
India	79.87	81.85	101.68	21.74	27.16	38.68	101.61	109.01	140.35
Japan	339.24	363.37	385.07	252.51	317.32	411.98	591.76	680.69	797.06

Korea Rep.	85.02	95.36	101.89	59.45	72.94	74.55	144.48	168.29	176.44
Mexico	49.00	60.07	60.26	71.56	84.69	74.37	120.56	144.75	134.63
Russia	78.35	92.29	134.85	137.54	124.31	168.44	215.89	216.60	303.29
South Africa	27.34	40.48	32.22	23.66	33.11	27.28	51.00	73.59	59.50
Turkey	361.77	349.27	367.80	148.48	124.41	108.92	510.25	473.69	476.72
Other Countries	448.67	522.35	536.91	512.54	566.46	627.58	961.22	1088.81	1164.49
Sub-Total (Non-Trad.)	1861.58	2091.73	2231.68	1774.94	1975.59	2155.77	3636.52	4067.32	4387.45
% of Non-Traditional	14.99	15.15	14.95	14.59	15.44	15.69	14.79	15.29	15.30
% Growth of Non-Traditional	6.06	12.36	6.69	7.99	11.31	9.12	6.99	11.85	7.87
GRAND TOTAL	12421.26	13805.44	14931.33	12162.70	12797.26	13736.95	24583.96	26602.70	28668.29
Growth %	3.06	11.14	8.16	6.24	5.22	7.34	4.61	8.21	7.76

Source: EPB, Compiled by: RDTI Cell, BGMEA

TABLE X. BANGLADESH'S RMG EXPORT TO WORLD (FY13-14, FY 14-15 & FY15-16)

Million US\$	Woven			Knit			Total		
EU Countries	2013-14	2014-15	2015-16	2013-14	2014-15	2015-16	2013-14	2014-15	2015-16
Austria	25.33	21.29	22.51	31.81	28.98	28.07	57.15	50.27	50.58
Belgium	335.29	345.09	398.63	440.63	427.13	436.70	775.92	772.22	835.33
Bulgaria	0.10	0.11	0.10	0.82	0.70	1.21	0.91	0.81	1.31
Denmark	145.24	193.10	223.58	450.71	438.63	419.08	595.94	631.73	642.66
Finland	10.07	7.34	6.51	26.10	24.30	22.87	36.18	31.64	29.38
France	579.52	627.46	701.63	964.27	990.05	1012.68	1543.79	1617.51	1714.31
Germany	1,803.85	1,808.47	2013.14	2,573.70	2,530.29	2639.99	4377.55	4338.76	4653.13
Greece	5.59	5.91	5.96	14.16	18.28	20.71	19.76	24.19	26.66
Italy	447.23	480.99	478.59	731.91	762.34	799.48	1179.14	1243.33	1278.07
Ireland	68.36	86.66	78.66	149.87	137.44	123.09	218.24	224.11	201.75
Netherlands	294.52	276.25	313.42	385.48	350.33	346.13	680.00	626.58	659.55
Portugal	9.98	10.32	14.92	32.53	29.61	37.99	42.51	39.92	52.90
Romania	3.39	4.58	3.99	6.07	7.06	6.53	9.47	11.63	10.52
Spain	651.29	730.67	831.64	856.28	895.13	1032.40	1507.56	1625.80	1864.04
Sweden	120.39	135.31	159.04	244.07	277.16	278.17	364.46	412.47	437.21
U.K.	1,262.79	1,437.16	1839.69	1,335.25	1,466.41	1684.09	2598.04	2903.57	3523.78
Cyprus	0.15	0.53	0.52	2.38	1.97	1.35	2.53	2.51	1.87
Czech Republic	66.65	78.91	347.30	43.69	48.12	67.07	110.33	127.03	414.37
Estonia	0.26	0.47	0.00	1.29	0.47	1.03	1.55	0.94	1.03
Hungary	0.71	0.46	0.36	8.71	5.14	3.50	9.41	5.61	3.86
Latvia	0.50	1.54	0.50	2.05	3.12	2.33	2.56	4.66	2.84

Lithuania	0.00	0.20	0.14	0.82	0.62	1.02	0.82	0.81	1.15
Malta	0.79	2.86	2.66	1.70	1.69	5.06	2.49	4.56	7.72
Poland	204.57	219.71	239.17	304.99	328.53	377.10	509.57	548.24	616.27
Slovakia	30.19	28.82	32.91	43.60	42.09	41.75	73.79	70.91	74.66
Slovenia	6.16	9.67	11.42	19.57	21.19	23.18	25.73	30.86	34.60
Croatia	4.83	5.44	4.96	9.77	10.49	8.82	14.61	15.93	13.79
Sub-Total (EU)	6077.75	6519.33	7731.96	8682.25	8847.28	9421.40	14759.99	15366.60	17153.36
EU % of World	48.85	49.90	52.46	72.05	71.20	70.54	60.26	60.28	61.06
Growth%	17.40	7.27	18.60	17.38	1.90	6.49	17.39	4.11	11.63
USA	3,943.52	3,970.98	4228.62	1,197.85	1,317.14	1396.30	5141.38	5288.12	5624.92
% of USA	31.70	30.39	28.69	9.94	10.60	10.45	20.99	20.74	20.02
Growth%	2.01	0.70	6.49	5.92	9.96	6.01	2.90	2.85	6.37
Canada	556.87	544.99	575.71	445.10	383.77	422.73	1001.97	928.76	998.44
% of Canada	4.48	4.17	3.91	3.69	3.09	3.17	4.09	3.64	3.55
Growth%	7.44	-2.13	5.64	-3.65	-13.78	10.15	2.22	-7.31	7.50
Non-Traditional Markets									
Australia	142.52	187.50	229.31	288.24	346.13	406.97	430.76	533.63	636.27
Brazil	72.54	82.21	58.39	97.70	104.23	61.81	170.24	186.44	120.20
Chile	10.31	12.80	19.81	22.70	20.44	26.08	33.01	33.24	45.89
China	142.08	163.14	197.78	99.29	141.80	143.44	241.37	304.94	341.22
India	76.44	81.93	102.17	19.81	22.32	34.25	96.25	104.25	136.42
Japan	318.92	372.77	391.43	253.35	279.78	383.04	572.27	652.55	774.47
Korea Rep.	77.63	93.22	110.16	57.96	63.14	76.00	135.60	156.36	186.16
Mexico	51.50	52.88	63.63	73.12	76.01	85.19	124.63	128.89	148.82
Russia	74.92	84.71	109.96	132.82	129.68	139.20	207.74	214.39	249.16
South Africa	26.18	37.27	36.69	22.38	29.27	30.18	48.55	66.54	66.87
Turkey	440.41	360.63	342.85	181.96	127.45	117.45	622.37	488.08	460.29
Other Countries	430.47	500.25	540.30	475.29	538.35	611.37	905.75	1038.61	1151.67
Sub-Total (Non-Trad.)	1863.93	2029.31	2202.46	1724.61	1878.61	2114.99	3588.54	3907.92	4317.46
% of Non-Traditional	14.98	15.53	14.94	14.31	15.12	15.84	14.65	15.33	15.37
% Growth of Non-Traditional	26.03	8.87	8.53	16.03	8.93	12.58	21.02	8.90	10.48
GRAND TOTAL	12442.07	13064.61	14738.744	12049.81	12426.79	13355.424	24491.88	25491.40	28094.16
% Growth	12.70	5.00	12.81	15.02	3.13	7.47	13.83	4.08	10.21

Source: EPB, Compiled by: RDTI Cell, BGMEA

TABLE XI. BANGLADESH'S RMG EXPORT TO WORLD (JULY-DECEMBER FY 2015-16 & 2016-17)

Million US\$	Woven			Knit			Total		
	July-Dec	July-Dec	Growth %	July-Dec	July-Dec	Growth %	July-Dec	July-Dec	Growth %
EU Countries	2015-16	2016-17		2015-16	2016-17		2015-16	2016-17	
Austria	9.85	14.07	42.76	14.03	15.13	7.79	23.89	29.19	22.22
Belgium	170.47	192.85	13.13	202.29	198.32	-1.97	372.76	391.17	4.94
Bulgaria	0.02	0.27	1,527	0.28	0.70	150.70	0.29	0.96	227.24
Denmark	97.97	110.55	12.84	202.49	233.68	15.41	300.46	344.23	14.57
Finland	2.95	2.10	-28.86	10.98	11.27	2.68	13.93	13.37	-3.99
France	301.00	336.56	11.81	485.70	532.35	9.60	786.70	868.91	10.45
Germany	883.50	1,158.60	31.14	1280.64	1,473.50	15.06	2164.14	2632.10	21.62
Greece	2.09	2.89	38.47	7.66	11.27	47.05	9.75	14.16	45.21
Italy	231.89	229.05	-1.22	373.94	411.21	9.97	605.83	640.26	5.68
Ireland	33.21	28.62	-13.80	53.19	45.54	-14.38	86.40	74.16	-14.16
Netherlands	146.52	164.81	12.49	163.02	199.62	22.45	309.53	364.43	17.74
Portugal	7.27	11.66	60.31	18.20	19.99	9.79	25.48	31.65	24.22
Romania	1.76	1.87	6.45	3.05	3.92	28.57	4.81	5.80	20.47
Spain	360.09	382.44	6.21	490.87	518.11	5.55	850.96	900.55	5.83
Sweden	62.36	71.85	15.22	127.00	140.24	10.43	189.35	212.08	12.00
U.K.	789.20	705.02	-10.67	827.61	827.89	0.03	1616.81	1532.91	-5.19
Cyprus	0.10	0.08	-17.93	0.49	0.61	24.00	0.59	0.69	17.04
Czech Republic	113.40	144.34	27.28	28.12	39.60	40.83	141.52	183.94	29.97
Estonia	0.00	0.17	0.00	0.55	0.51	-6.55	0.55	0.68	24.44
Hungary	0.18	0.16	-11.35	1.97	1.70	-13.74	2.15	1.86	-13.54
Latvia	0.44	0.06	-86.29	1.22	0.24	-80.47	1.66	0.30	-82.01
Lithuania	0.10	0.00	0.00	0.54	0.41	-24.46	0.64	0.41	-35.81
Malta	0.88	0.00	-100	3.84	1.78	-53.69	4.72	1.78	-62
Poland	103.31	113.66	10.02	167.18	201.31	20.42	270.49	314.97	16.45
Slovakia	13.43	14.66	9.18	20.79	22.46	8.02	34.22	37.12	8.47
Slovenia	4.92	7.76	57.94	10.75	19.82	84.45	15.66	27.58	76.13
Croatia	1.89	2.63	38.67	4.23	5.02	18.81	6.12	7.65	24.95
Sub-Total (EU)	3,338.77	3,696.73	10.72	4,500.63	4,936.19	9.68	7,839.40	8,632.92	10.12
EU % of World	49.81	53.61		69.97	72.45		59.68	62.97	
USA	2,082.14	1,904.81	-8.52	731.46	652.52	-10.79	2,813.60	2,557.33	-9.11
% of USA	31.06	27.62		11.37	9.58		21.42	18.65	
Canada	268.46	251.20	-6.43	202.45	186.58	-7.84	470.90	437.78	-7.03
% of Canada	4.00	3.64		3.15	2.74		3.58	3.19	
Non-Traditional Markets									

Australia	113.25	109.24	-3.54	196.12	166.22	-15.24	309.37	275.46	-10.96
Brazil	38.17	20.32	-46.77	37.01	20.72	-44.02	75.18	41.04	-45.42
Chile	9.41	13.16	39.73	12.59	15.81	25.57	22.00	28.96	31.63
China	83.14	106.99	28.68	53.90	82.53	53.13	137.04	189.52	38.30
India	46.75	46.25	-1.06	16.21	20.64	27.31	62.96	66.89	6.24
Japan	172.77	166.41	-3.68	171.86	200.81	16.84	344.63	367.22	6.55
Korea Rep.	52.60	44.33	-15.72	37.85	36.40	-3.83	90.45	80.74	-10.74
Mexico	33.49	30.12	-10.06	46.84	36.01	-23.12	80.32	66.13	-17.67
Russia	44.15	69.04	56.36	60.14	89.38	48.63	104.29	158.41	51.90
South Africa	21.27	16.80	-21.00	14.41	11.50	-20.17	35.68	28.30	-20.66
Turkey	148.71	173.66	16.78	59.50	50.97	-14.33	208.21	224.64	7.89
Other Countries	250.44	247.05	-1.35	291.10	307.30	5.57	541.53	554.35	2.37
Total (Non-Trad. Markets)	1,014.16	1,043.38	2.88	997.51	1,038.29	4.09	2,011.67	2,081.67	3.48
% of Non-Traditional	15.13%	15.13%		15.51%	15.24%		15.31%	15.18%	
GRAND TOTAL	6,703.53	6,896.12	2.87	6,432.05	6,813.58	5.93	13,135.58	13,709.70	4.37

Source: EPB, Compiled by: RDTI Cell, BGMEA

J. Economic Indicators

An economic indicator is a statistic about an economic activity. Economic indicators allow analysis of economic performance and predictions of future performance. One application of economic indicators is the study of business cycles. Economic indicators include various indices, earnings reports, and economic summaries. Other hand an economic indicator is a piece of economic data, usually of macroeconomic scale, that is used by analysts to interpret current or future investment possibilities or to judge the overall health of an economy. Economic indicators can be anything the investor chooses, but specific pieces of data released by government and non-profit organizations have become widely followed. Such indicators include but aren't limited to: the consumer price index (CPI), gross domestic product (GDP), unemployment figures and the price of crude oil. According to Bangladesh Bank and Bangladesh Bureau of Statistics (BBS) currently in Bangladesh GDP Growth Rate- 7.11%, GDP Per Capita Income- US\$ 1466 (2015 -16), Inflation Rate (Point to Point)- 5.65 (2015 - 2016), Investment Contribution to GDP- 29.38% (2015 - 2016), (Public: 07.60%, Private: 21.78%) and Export- 34257.18 Million US\$(FY 2015-16) [31].

IV. CONCLUSION

In Bangladesh, RMG sector has contributed the most in the GDP of Bangladesh and its economy during last three decades. Bangladesh is a labor rich country and an ideal place for the Readymade Garment (RMG)

industry that uses labor intensive technology for its production. There are several issues related to increases the labor productivities and among those, labor incentives is one of the major factor point. For developing effective and efficient work force BGMEA has undertaken a number of projects under its social welfare programs to ensure better occupational safety and health and enforcement of labor rights as per the local laws and ILO convention guidelines such as free primary health care, medicine and advocacy services on reproductive health issues to the garment workers, Family Welfare and Reproductive Health Education Services for Garment Workers funded by United Nations Population Fund (UNFPA), Earn and Learn Program, BGMEA Safety Measures Cell etc. It leads to the success of RMG industries as it increases the profit of the factories which ultimately playing a vital role for both socio and economic developments of the country. The review brings out the increasingly crucial role of export-oriented RMG sector in Bangladesh and its contribution for continuous socio-economic developments of country.

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