Current Situation and Outlook of Textile Industry in Bangladesh

Presented By: Mirza Salman Ispahani, Bangladesh
Bangladesh Textile Industry at a glance

Yarn Manufacturing

Installed Capacity:
- Spindles: 13.6 Million
- Rotors: 0.3 Million
- Air Jet: 14 Thousand

Annual Yarn Spinning Capacity: 3.2 billion Kg

Fabric Manufacturing

Installed Capacity:
- Shuttle-less looms: 51.8 Thousand
- Shuttle Looms: 17.2 Thousand
- Circular Knitting: 20.7 Thousand

Annual fabric manufacturing Capacity:
- Woven fabric: 4.1 billion meters
- Knit fabric: 3.7 billion meters

Fabric Finishing

Installed Capacity:
- No. of Mills: 251

Annual Processing: 4.0 billion meters
Bangladesh is a trusted hub of apparel sourcing across the globe. More than 150 countries import ready-made garments from Bangladesh for:

- Competitive Price
- Quality
- Workforce
- Safe
- Green
- Commitment
- Market Access
- Versatility
- Backward Linkage
- 37 years of experience

STRENGTHS
Rise of the RMG Industry in Bangladesh

Recent Export Figure

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (Billion US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016-17</td>
<td>28.15</td>
</tr>
<tr>
<td>2017-18</td>
<td>30.61</td>
</tr>
<tr>
<td>2018-19</td>
<td>34.13</td>
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<tr>
<td>2019-20</td>
<td>27.95</td>
</tr>
<tr>
<td>2020-21</td>
<td>31.45</td>
</tr>
</tbody>
</table>

RMG - An Unbeaten Path of Growth
Recent export of textile products of Bangladesh

<table>
<thead>
<tr>
<th>Year</th>
<th>2019-2020 (Billion US$)</th>
<th>2020-2021 (Billion US$)</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Woven</td>
<td>14.0</td>
<td>14.5</td>
<td>3.2%</td>
</tr>
<tr>
<td>Knit</td>
<td>13.9</td>
<td>16.7</td>
<td>21.9%</td>
</tr>
<tr>
<td>Total RMG</td>
<td>27.9</td>
<td>31.5</td>
<td>12.5%</td>
</tr>
</tbody>
</table>

Source: BGMEA
Impacting the lives of millions

- 83% Share of export earnings
- 11% Contribution to GDP
- 60% Share of female labor force
- Empowering women
Textile entrepreneurs to invest $2.5 billion by 2023

There will be 2.5 million newly installed spindles

Investment will mostly go into adopting new technology

Many textile manufacturers are now overwhelmed with export orders

Trade tension between the US and China have also encouraged local entrepreneurs to invest in some value-added yarn and fabrics.
Impact Caused by COVID-19

Financial loss
Non-payment by buyers, discounts, deferred payment, deferred shipment, forced loan to pay B/B LC, buyers’ bankruptcy, uncertainty over payment receivables

Freefall in Export
The industry has lost 6 billion dollars in export in FY2019-20, meaning that the capacity was seriously under utilized

Disruption in supply chain
Sudden disruption in the supply chain like the unavailability of accessories and processing requirement make the operations inefficient.

Increased unit cost of production, against declining unit value
BANGLADESH
Home to world's highest number of green garment factories

- 148 LEED green garment factories certified by the U.S. Green Building Council (USGBC)
- 9 out of the world's top 10 green garment factories are in Bangladesh
- 40 out of the world's top 100 green industrial projects are in Bangladesh
- 500 more factories are in the process of getting LEED certification

148 CERTIFIED
42 PLATINUM
89 GOLD
12 SLIVER
Priorities

1. Diversification of product, materials and markets
2. Capacity optimization
3. Industry, product and skill innovation
4. Tapping the opportunities in ever growing online market
5. Sustainability
Thank You