

## Bangladesh retains 2nd place in RMG export to EU

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Apparel shipments to the European Union (EU) grew 41.76 per cent year-on-year to hit \$19.40 billion in the January-October period of 2022, according to data from Eurostat, the statistics department of the EU.

With this, Bangladesh retained its position as the second largest garment supplier for the EU after China, which holds a 29.39 per cent share of the trade bloc's total apparel imports from 27 countries.

During the first 10 months of last year, the EU's imports from China reached \$25.49 billion to register growth of 22.43 per cent year-on-year, the data shows.

At the same time, imports from Turkey grew 12.82 per cent to stand at \$10.12 billion while shipments from India ballooned 23.46 per cent to \$4.24 billion.

The EU imported \$86.74 billion worth of apparels from different sources during the period, indicating growth of 24.41 per cent year-on-year.

Among the top suppliers, shipments from Cambodia, Vietnam, Pakistan, Morocco, Sri Lanka and Indonesia increased by 39.69 per cent, 33.05 per cent, 28.55 per cent, 9.59 per cent, 18 per cent and 31.76 per cent respectively.

In terms of volume, Bangladesh's garment exports to the EU ramped up by 27.03 per cent to roughly 1,134 million kilogrammes (kgs) in the January-October of 2022 compared to 892.73 million kgs the year before.

The EU imported some 3,885 million kgs of garments from various sources at the time, registering 21.26 per cent growth year-on-year.

China accounted for around 1,108 million kgs of this amount, posting growth of 17.32 per cent year-on-year.

The data also shows that the average unit price of garment shipments from Bangladesh to the EU increased by 11.59 per cent to \$17.11 per kg in the January-October period last year compared to \$15.34 per kg in 2021.

The average price per kilogramme of garments imported by the EU rose 2.29 per cent year-on-year to \$22.33 at the same time.

In the case of China, the price per kg of garments increased 4.35 per cent to \$23.02 in the January-October period of 2022 from \$22.06 per kg previously.

The EU is the largest export destination for Bangladesh as most goods produced in the country are shipped there.

The data indicates that the Russia-Ukraine war that began on February 24 last year has had little impact on garment shipments to the EU.

Bangladesh registered the highest export growth to the EU even amid the war mainly due to the production of basic and semi-high value-

added garment items, for which the demand does not fall even in the face of high inflation.

On the other hand, China is losing its garment business in the EU as it produces high-end value-added garment items that have less demand during times of crises, exporters said.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, said exports to the EU increased because of an increase in unit prices for garment items.

International clothing retailers and brands started paying slightly more for Bangladeshi apparel items considering three important factors, including the high price of raw materials, production of high-end value-added items and improvements in compliance and workplace safety, he added.

Hassan went on to say that export growth will remain upbeat till November, but the growth will start falling from December and January as local manufacturers booked less work orders during this time.