

BGMEA targets to occupy 10pc market share globally by 2025

A Monitor Report

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Dhaka: Local garment manufacturers have set a target to raise Bangladesh's share in the global apparel market to 10 per cent by 2025 from below 7 per cent now by adding new products and entering new markets.

By 2022, they want to lift the market share to 8 per cent from 6.8 per cent currently.

"Political stability is important for us to achieve the target," said Faruque Hassan, President of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), while disclosing the targets at a press conference at the BGMEA office at Uttara in the capital on September 10.

The World Trade Organisation is scheduled to announce the global market share data in September.

The global apparel market is expected to reach USD 842 billion in 2025 and USD 1,138 billion in 2030.

The Asian markets such as India and Japan will be major focus for the BGMEA as it looks to capture the 10 per cent stake and earn USD 100 billion through apparel exports by 2030.

Shipment to Japan has already surpassed the USD 1 billion mark. It rose 16.27 per cent to USD 1.09 billion in the fiscal year that ended in June.

The export to India surged 69.58 per cent to USD 715.41 million and to South Korea by

36.43 per cent to USD 439.75 million, data from the Export Promotion Bureau showed.

Asia's apparel market is projected to be USD 613 billion in 2022.

Local manufacturers are also expanding their capacity to man-made fibres (MMF) along with cotton fibre to receive higher prices from international retailers and brands.

This is because if the price of a cotton-made T-shirt is USD 5, the same apparel item produced from MMF would bring USD 10.

Of the garment items shipped from Bangladesh, 74 per cent is made from cotton fibre and the rest from MMF.

By contrast, MMF accounts for 78 per cent of garments sold globally, and only 22 per cent is made from cotton fibre.

Bangladesh is also eyeing a big pie of the USD 224 billion global technical textile markets, which include products like personal protection equipment, hospital bed sheets, and uniforms of nurses.

He predicted a 20 per cent to 30 per cent fall in garment shipment between September and November because of the dragging war and record inflation in Europe.

Inflation in the eurozone, home to more than 60 per cent of garment items exported from Bangladesh, surged 9.1 per cent in August, the ninth straight month of spikes.

"But such a situation is temporary," Hassan said.

The BGMEA chief is expecting at least 15 per cent year-on-year growth in export receipts in the current fiscal year.

Garment shipment clocked 35.47 per cent year-on-year growth in the fiscal year of 2021-22, bringing home USD 42.61 billion.