Bangladesh

En Route to LDC Graduation: Firm-Level Preparedness in the Textile and Clothing Sector

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Bangladesh: En Route to LDC Graduation
Firm-Level Preparedness in the Textile and Clothing Sector

I. Background

Bangladesh is set to graduate from the group of least developed countries (LDCs) in 2026 (UNCDP, 2021).[1] As an LDC, Bangladesh has been enjoying various international support measures (ISMs) provided by the international community in areas such as trade preference, development finance, and technical assistance. Most importantly, Bangladesh's apparel exports have been the largest beneficiary of tariff-free market access in most developed and several developing countries under their respective generalised system of preference (GSP) regimes targeting the LDCs. Utilizing duty-free access and relaxed rules of origin (RoO) requirements in the importing countries in conjunction with generous policy support at home, apparel exports from Bangladesh increased rapidly over the past three decades. After graduation, Bangladesh will have to forgo LDC-specific trade preferences in all the major export market destinations including the European Union, the United Kingdom, Canada, China, India, Japan, Australia, Republic of Korea, etc. Consequently, the apparel exporters of the country are expected to face stiff international competition. There are concerns that the loss of preferences could undermine Bangladesh's competitiveness, affecting export earnings from the textile and clothing sector. Maintaining the competitiveness of the sector is critical for Bangladesh in ensuring a sustainable and smooth LDC graduation. It is in this context that the preparedness of exporting firms—along with other relevant factors—should be given serious consideration.

Against the above backdrop, the main objective of this paper is to provide perspectives of entrepreneurs, factory owners, and senior managers on the issues related to LDC graduation and to capture firm-level initiatives that are being carried out in dealing with any future challenges owing to Bangladesh's development transitions. This assessment has been prepared based on extensive consultations with industry associations and by administering a questionnaire survey to gather information from export-oriented apparel firms on wide-ranging issues.[2] In providing context to the survey and to analyse the responses received from the survey and key informants, this paper also includes a snapshot of Bangladesh's apparel export trend, reliance on LDC preferences, and the likely changes to take place in trade policy regimes after LDC graduation.

This paper is organised as follows: after this background, section II provides stylised facts of the RMG industry in terms export trends, growth, and market composition, sources of imported raw materials, etc.; Section III depicts preference utilisation in important export destinations and provides a summary

[1] Graduation from LDC status requires a country to meet development thresholds under at least two of the three pre-defined criteria (of per capita income, human asset, and economic vulnerability) in two consecutive triennial reviews. Bangladesh qualified for graduation by satisfying all three thresholds. It is to be noted that there is also a provision for the 'income-only' graduation rule under which, if the 3-year average per-capita gross national income of an LDC has risen to a level at least double the graduation threshold, the country could be eligible for graduation regardless of its situation under the other two criteria. In 2018, Bangladesh, for the first time, met the criteria for graduation from the group of least developed countries (LDCs), assessed at the Triennial Review conducted by the Committee for Development Policy (CDP) of the United Nations Economic and Social Council (ECOSOC). The country met all three criteria for graduation from the Lease Developed Countries (LDC) for the second time in 2021 triennial review by United Nations Committee for Development Policy (UN CDP). The UNCDP recommended Bangladesh for graduation in 2026 (UNCDP, 2021).

[2] In the questionnaire survey 38 firms participated.

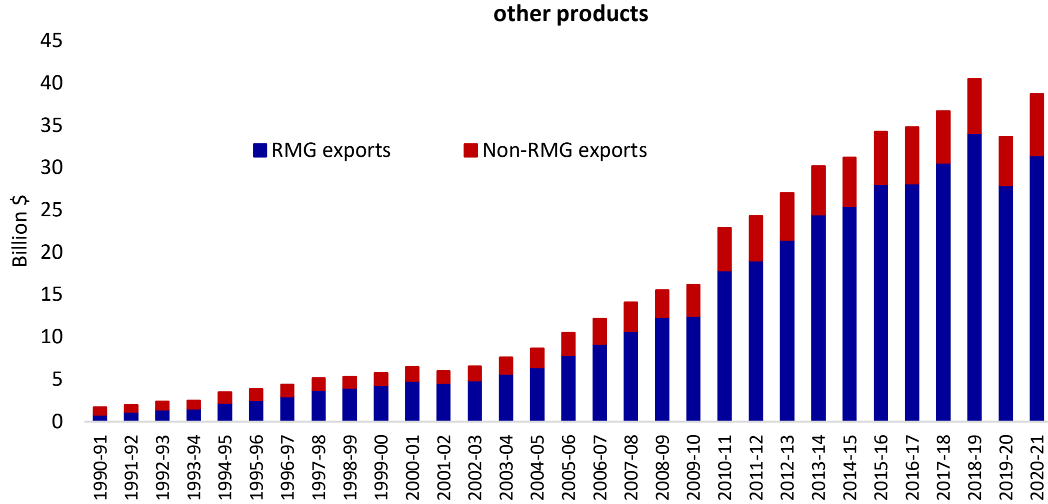
of potential implications of LDC graduation as available from different studies to capture the perceived weakened competitiveness of Bangladesh after graduation; Section IV discusses the results of the industry consultation exercise including responses received from the questionnaire survey; Section V concludes.

II. Apparel exports from Bangladesh: Some stylised facts

Apparel export trends, composition and major preferential markets

The success story of the export-oriented textile and clothing (T&C) industry of Bangladesh has hugely contributed to the country's socio-economic progress paving the way for LDC graduation. Bangladesh's merchandise exports grew from a small base of less than $2 billion in the early-1990s to $40.5 billion in 2018-19 (Figure 1).[3] This expansion has been overwhelmingly dominated by the textile and clothing sector. Apparel exports stood at 34.1 billion in 2018-19 (i.e., more than 84 per cent of total merchandise exports). The Covid-19 global pandemic caused apparel exports to fall by 18.1 per cent in 2019-20 before a partial recovery to be achieved in the following year when apparel exports from the country were recorded at $31.5 billion in 2020-21. Over the past three decades prior to the onset of Covid-19 global pandemic, apparel exports grew at an average annual rate of more than 14 per cent compared to less than 7 per cent for non-apparel goods (Figure 2). The rapid and sustained growth of apparel exports has been unmatched by non-apparel sectors resulting in a dramatic shift in the country's export composition in which the relative significance of apparels in overall exports grew from virtually nothing to more than 80 per cent while that of other sectors has been subject to a secular decline (Figure 3). The apparel sector has generated massive employment opportunities, especially for women. According to the data provided by the industry association (BGMEA), the sector currently employs more than 4 million workers, of which 62 per cent of are female.

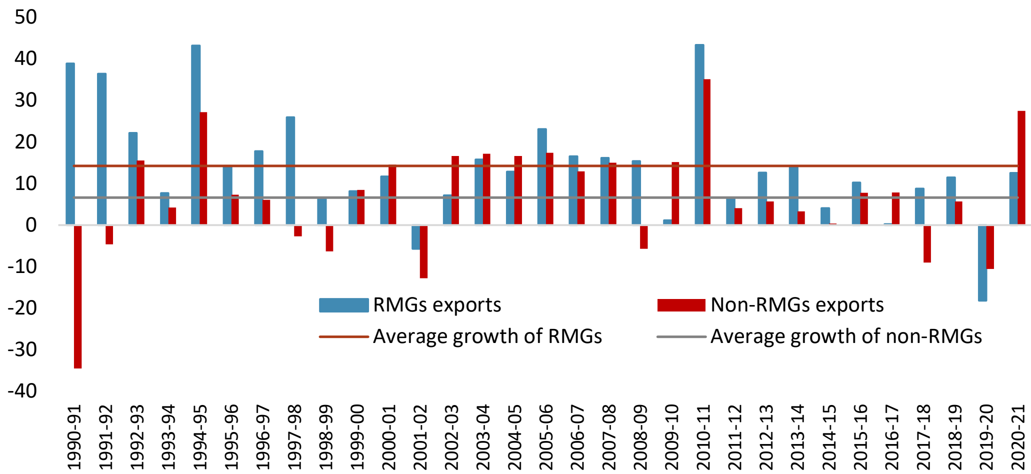
Figure 1: Bangladesh's merchandise exports of readymade garment products and other products



Source: Authors' presentation using data from the Export Promotion Bureau of Bangladesh.

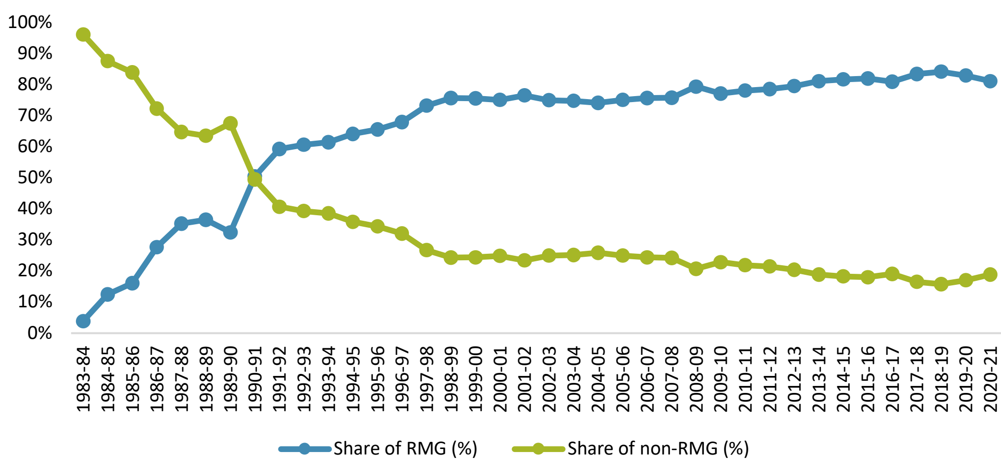
[3] Due to Covid-19 disruptions, export earnings in 2019-20 fell by 17 per cent. Exports in 2020-21 (i.e., June 2020—July 2021) staged a strong recovery to reach $38.7 billion but were still lower than the pre-Covid level of 2019-20.

Figure 2: Growth rates of RMG and Non-RMG exports (%)



Source: Authors' presentation using data from the Export Promotion Bureau of Bangladesh. RMG stands for readymade garments (as apparels are more popularly called in Bangladesh).

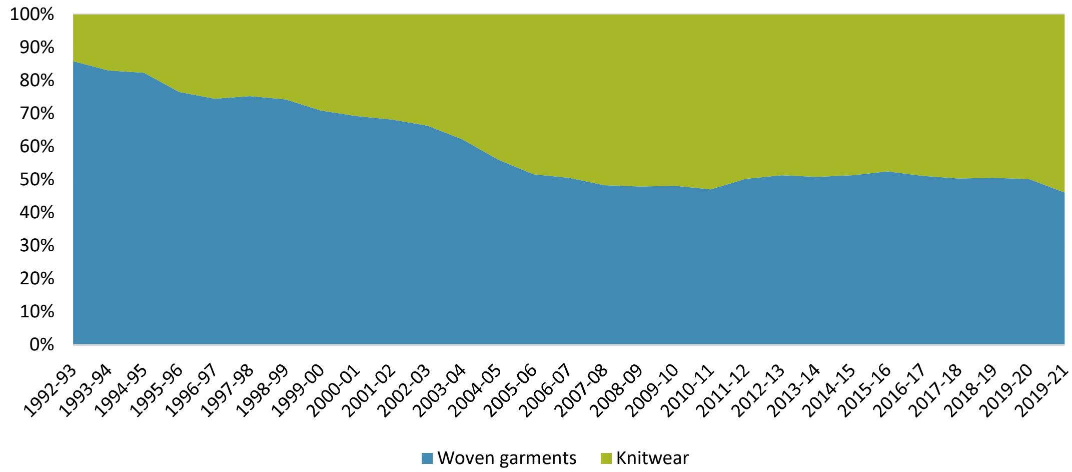
Figure 3: Chaning shares of RMG and non-RMG exports in total exports (%)



Source: Authors' presentation using data from the Export Promotion Bureau of Bangladesh.

Bangladesh's apparel exports were initially dependent on woven items (Harmonized System (HS) code 62). However, since the early 1990s, the knitwear sector expanded fast and its current share in total apparel exports exceeds 50 per cent (Figure 4). In knitwear manufacturing, Bangladesh has a strong domestic backward linkage to spinning factories, and thus the domestic value-added content out of this export is quite high. Oven items, on the other hand, have remained largely dependent on imported intermediate inputs, most importantly, fabrics.

Figure 4: Share of woven and knitwear in RMG exports of Bangladesh



Source: Authors' presentation using data from the Export Promotion Bureau of Bangladesh.

Until 2011, EU rules of origin (RoO) required LDCs fulfil a 'double transformation' of clothing items to qualify for duty-free quota-free preferential market access. For woven products, this would imply domestically produced fabrics to be used in making garment items. The derogation of EU rules of origin in 2011 allowed a single transformation for exporting apparels, which helped raise the share of woven garments in exports to the EU (Razzaque and Rahman, 2019)[4] as Bangladesh lacks domestic supply capacities in fabrics.

The largest exporting apparel products from Bangladesh is t-shirts, singlets, and other vests, of cotton, knitted or crocheted (HS 610910) capturing almost 19 per cent of T&C exports and about 16 per cent of overall exports. This is closely followed by men's or boys' trousers, breeches, etc., of cotton (HS 620342) comprising about 16 per cent of RMG exports. The list of major 20 apparels exporting items is in 2018-19 (Table 1).

Table 1: Top 20 apparel products exported from Bangladesh in 2019-20

HS code	Description	Exports (million $)	Share in apparel exports (%)	Share in total exports (%)
610910	T-shirts, singlets and other vests, of cotton, knitted or crocheted	5296.43	18.95	15.73
620342	Men's or boys' trousers, breeches, etc, of cotton	4323.15	15.47	12.84
620462	Women's or girls' trousers, breeches, etc, of cotton	2445.82	8.75	7.26
611020	Jerseys, pullovers, etc, of cotton, knitted or crocheted	1908.97	6.83	5.67
620520	Men's or boys' shirts of cotton	1502.78	5.38	4.46
611030	Jerseys, pullovers, etc, of man-made fibres, knitted or crocheted	1207.83	4.32	3.59
610462	Women's or girls' trousers, etc, of cotton, knitted or crocheted	796.09	2.85	2.36
620343	Men's or boys' trousers, breeches of synthetic fibres	716.53	2.56	2.13
610510	Men's or boys' shirts of cotton, knitted or crocheted	595.61	2.13	1.77
620193	Men's or boys' anoraks, windcheaters, etc, of man-made fibres	424.80	1.52	1.26
621210	Brassi*res	416.83	1.49	1.24
611090	Jerseys, pullovers, etc, of other textiles, nes, knitted or crocheted	368.83	1.32	1.10

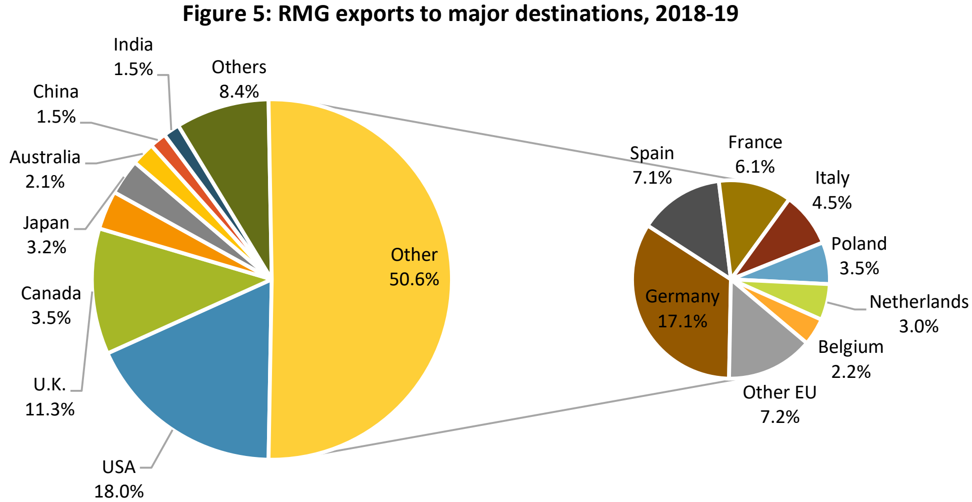
[4] During 2010-2019, the share of woven garments in the EU increased from 32 per cent to 43 per cent.

611120	Babies' garments, etc, of cotton, knitted or crocheted	364.05	1.30	1.08
610821	Women's or girls' briefs and panties of cotton, knitted or crocheted	361.58	1.29	1.07
620293	Woman's or girls' anoraks, wind-cheaters, etc, of man-made fibres	344.54	1.23	1.02
610711	Men's or boys' underpants and briefs of cotton, knitted or crocheted	333.08	1.19	0.99
610990	T-shirts, singlets, etc, of other textiles, nes, knitted or crocheted	317.57	1.14	0.94
610342	Men's or boys' trousers, etc, of cotton, knitted or crocheted	290.72	1.04	0.86
610442	Dresses of cotton, knitted or crocheted	224.75	0.80	0.67
620640	Women's or girls' blouses, shirts, etc, of man-made fibres	218.61	0.78	0.65

Source: Authors' presentation using data from the Export Promotion Bureau of Bangladesh.

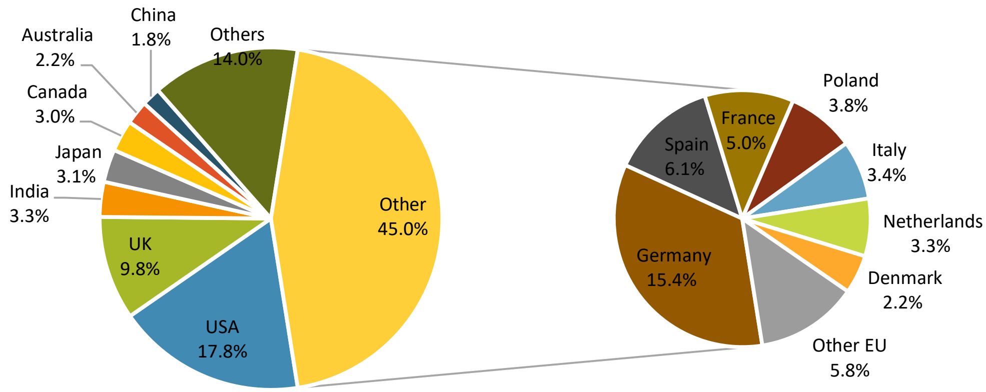
The European Union is the single largest destination of Bangladesh's apparel exports: more than 60 per cent of earnings from clothing comes from 28 EU countries (including the United Kingdom) (Figure 5), where Bangladesh gets duty-free market access under the EU's Everything But Arms (EBA) preferential scheme for LDCs.[5] Excluding the United Kingdom (after Brexit), the 27 EU countries together capture around half of all apparel exports of Bangladesh. In terms of individual destination markets prior to Covid-19 hitting the world economy, the United States is the single important destination with a share of 18 per cent of earnings followed by Germany (16.1%), the United Kingdom (11.3%), Spain (7.1%), France (6.1%), Italy (4.5%), Canada (3.5%) and Japan (3.2%). The recent data during the Covid disrupted period of July 2020 – May 2021 also shows a broadly similar pattern of export market distribution (Figure 6). Annex Table A1 shows market shares of disaggregated apparel export items of Bangladesh.

Figure 5: RMG exports to major destinations, 2018-19



5 EBA is the designation provided to the LDCs under the EU Generalised Scheme of Preferences (GSP) arrangement.

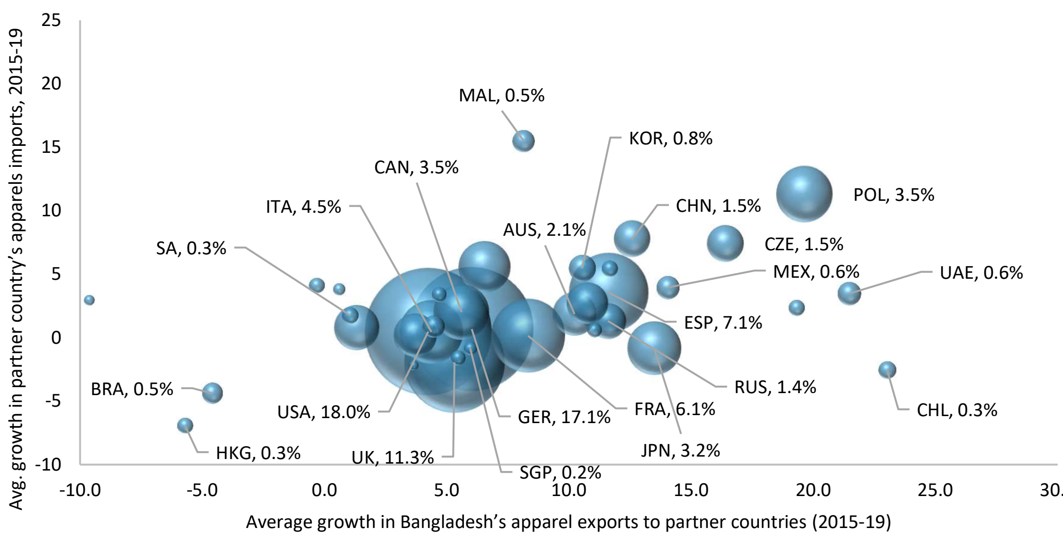
Figure 6: RMG exports to major destinations, July-may 2020-21 (Covid disrupted period)



Source: Authors' presentation using data from the Export Promotion Bureau (EPB) of Bangladesh.

The analysis of apparel exports markets of Bangladesh shows that while the overall import growth of apparels in most important partners was largely stagnant during the five year period of 2015-19 (as measured on the vertical axis), Bangladesh achieved much higher growth in exports in almost all major market (as measured on the horizontal axis) (Figure 7).

Figure 7: Apparel export growth to partner countries vis-a-vis partner country's import growth



Note: Bubble sizes represent Bangladesh's market shares in different importing countries. The market shares are calculated from EPB exports data. Countries are indicated as AUS – Australia, BRA—Brazil, CAN – Canada, ESP – Spain, FRA—France, GER – Germany, HKG – Hong Kong, IND—India, ITA—Italy, JPN – Japan, KOR – Korea Republic, MAL – Malaysia, Mex – Mexico, RUS – Russia, SA – South Africa, SGP – Singapore, TUR – Turkey, UK – the United Kingdom, and USA – the United States of America.

Source: Authors' analysis using ITC Trade Map and EPB data.

Sources of imported inputs for apparel exports

Bangladesh's apparel sector is heavily dependent on imported raw materials. However, in recent years, dependent on imported raw materials has declined substantially as several composite factories have been set up boosting backward integration for the sector. The knitwear subsector is predominantly dependent on domestic sources with about 90 per cent of yarn demanded is met by

the local textile industry. For woven subsector the comparable domestic sourcing of fabrics is 35-40 per cent (Mian, 2020).[6] The findings from sample survey undertaken as part of this study will provide further insights on this in a later section. Overall, the estimated local value addition for knitwear is around 70 per cent and woven is 30-35 per cent (BTMA, 2019).
An analysis undertaken for this paper with firm-level import data recorded by the National Bureau of Revenue (NBR) finds that Bangladeshi textile and apparel firms in 2018-19 imported $8.7 billion worth of cotton, $4 billion of yarn and fibre, $1.9 billion of fabrics, $2.1 billion of accessories and $1.5 billion worth of dyes, chemicals, and industrial salt (Figure 8).[7] Asian countries together are the main sources of garments raw materials for Bangladesh (Figure 9-13) with China being the most dominant supplier. India, Hong Kong, Pakistan, and Singapore are amongst the important sources.

Fiure 8: Imports of textiles and RMG raw materials in Bangladesh (billion $)

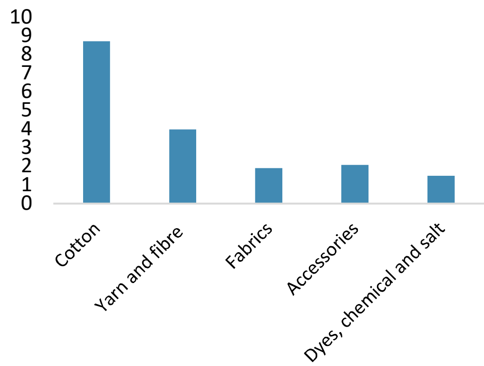


Figure 9: Major source of cotton imports (%)

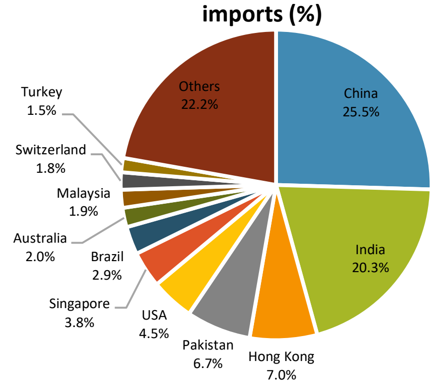


Figure 10: Major sources of yarn and fibre (%)

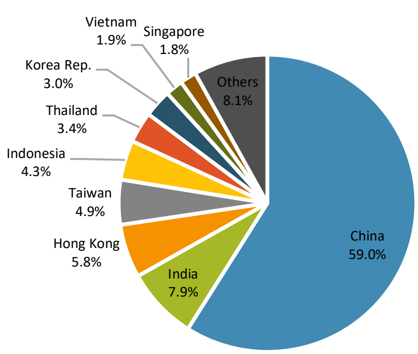
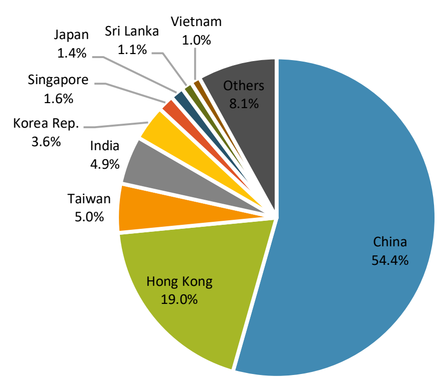


Figure 11: Major sources of fabrics (%)



[6] Mian, M. E. U. (2020). A Study on Competitiveness of Ready-Made Garments for Export-Led Economic Growth in Bangladesh: Issues and Challenges. A PhD thesis submitted to the Johnson Shoyama Graduate School of Public Policy, University of Saskatchewan.
[7] Cotton is defined as HS52, yarn and fibre as HS53-HS56, fabric as HS58-HS60. The 8-digit HS codes for imported accessories, and dies, chemical and salt used and imported by textile and apparel firms have been collected from NBR.

Figure 12: Major ources of imported accessories used in RMG industry (%)

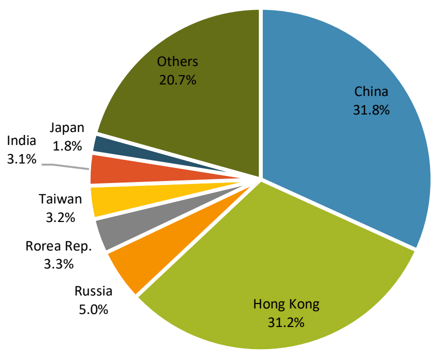
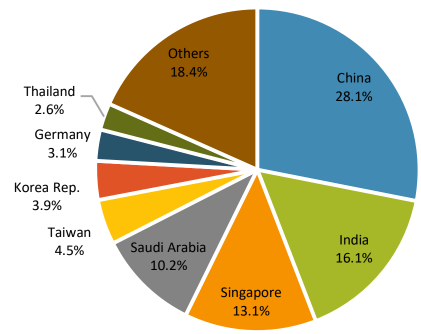


Figure 13: Major ources of imported dyes, chemical and solt used in RMG industry (%)



Source: Author's presentation using NBR firm-level import data. This database has more than 4000 export oriented RMG firms.

At the HS 8-digit level, HS52010000 (cotton not carded or combed cotton samples of no value) is the largest imported raw material in Bangladesh. The country imported more than $3 billion worth of this single item in 2018-19. 18 per cent of this item is sourced from India. Other sources include China, Hong Kong etc. Imported raw materials and their largest sources at the HS 8-digit level are reported in Annex Table A2. The Government of Bangladesh has accorded special policy support to allow imports of raw materials at world prices for apparel exporters. Two most prominent schemes, viz. bonded warehouse facilities and back-to-back letter of credit (L/C) arrangements, greatly facilitated procuring raw materials without paying import duties and without needing for paying in cash up front. The domestic textile sector has expanded significantly over the past decades to meet the demand for intermediate inputs by apparel firms. According to the Bangladesh Textile Mills Association (BTMA), there are 1,511 members in manufacturing yarn, fabric and dyeing, and printing-finishing materials. The production capacity of 433 yarn manufacturing unit is 3,270 million kgs per year (Table 2) while that of 827 fabric manufacturing firms is 7790 million meters (of which woven is of 4100 million Mtrs and knit 3690 million Mtrs). The combine capacity of 251 dyeing and printing-finishing mills has an annual capacity of 4,000 million meters. However, Bangladesh depends on imported raw materials (cotton, yarn, dyes and chemicals) and the annual demand for raw cotton is about 10.5 million bales (Mian, 2020).

Table 2: Number of textile related factories in Bangladesh

Subsector	Number of units	Installed capacity	Annual production capacity
A. Yarn manufacturing mills Synthetic spinning mills Acrylic spinning mills	433	Spindles 14.00 million Rotors 0.24 million	Annual yarn spinning capacity 3270 million Kgs
B. Fabric manufacturing mills Denim Home textile	827	Shuttle-less loom & Shuttle loom: 60000	Annual fabric manufacturing capacity: Woven 4100 million Mtrs Knit 3690 million Mtrs
C. Dyeing-printing-finishing mills (Textile product processors)	251		4000 million Mtrs

Source: BTMA

According to Bangladesh Garments Accessories and Packaging Manufacturers and Exporters Association (BGAPMEA), the country is adequately capable of meeting the demand for accessories in the RMG sector. However, in some cases, exporters also import accessories to meet buyers' requirements. Currently there are 1754 members of BGAPMEA producing accessories including buttons, zippers, cartons, packaging and printing materials, labels, tags, hangers, etc. The deemed exports of accessories as part of apparel exports are claimed to be as high as $7.5 billion in 2018-19.[8]

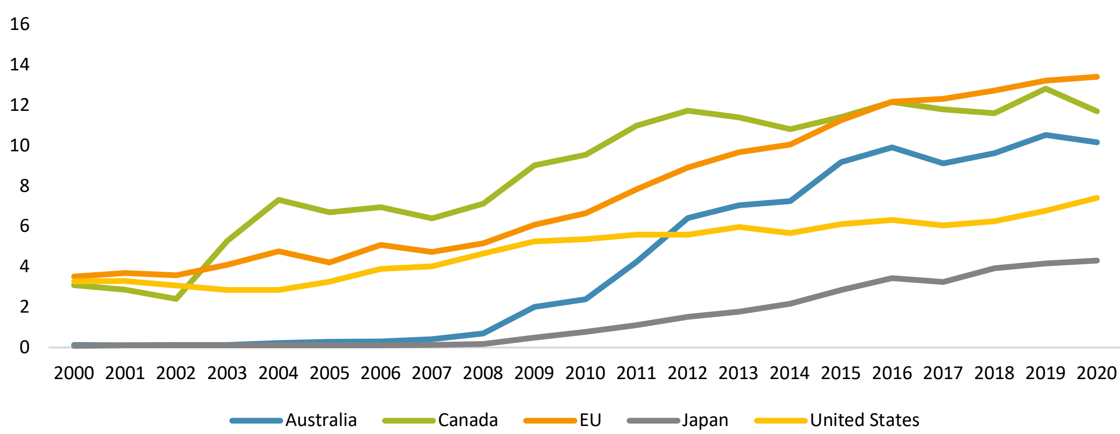
III. LDC Graduation and Its Implications on Export Competitiveness in RMGs

Preferential market access and RMG exports

The export regime of Bangladesh is heavily dependent on LDC-specific preferential market access. Bangladesh has benefitted from unilateral trade preferences provided by many developed and developing countries under their respective Generalized System of Preference (GSP) schemes for products originating in LDCs. These preferences usually combine duty-free market access with less stringent rules of origin (RoO) requirements for the preferential access. Bangladesh also enjoys LDC-specific market access concessions through the regional trade agreements of SAFTA and APTA.

Currently, Bangladesh has duty-free market access in about 50 countries including Australia, Canada, China, the EU, India, Japan, Norway, Republic of Korea, Turkey, the United Kingdom etc. The only major global market that does not offer such preferential access to Bangladesh is the United States. In 2000, Bangladesh had almost an identical apparel market share of around 3 per cent in Canada, the EU, and the United States. Over the next two decades, its share in Canada and the EU (including the United Kingdom) — that provided generous duty-free market access—would rise to about 12 per cent and 13 per cent, respectively in contrast to just about 7 per cent in the US. Between 2011 and 2018, Bangladesh's export market share in the US remained virtually stagnant followed by a slight increase in relatively recently—mostly due to a slowdown in Chinese apparel exports exacerbated by the US-China trade war. Bangladesh's market share in Australia and Japan—again, taking advantage of duty-free access—rose from virtually nothing to more than 10 per cent and 4 per cent, respectively.

Figure 14: Bangladesh'e market share in partner countries, 2000-20 (%)



Source: Authors' presentation using data from UNCOMTRADE and ITC Trade Map.

The impending graduation would imply Bangladesh would no longer be benefitted from LDC-specific preferential access and the likely impact will depend on the associated provisions for market access in destination countries. It will have no implication if the export items of interest to a particular LDC are not covered by the LDC-specific treatment and if the importing countries do not allow any preferential access *a priori* (e.g., the USA).

European Union and the UK

[8] http://www.bgapmea.org/index.php/about/statistics

The European Union and the UK together is the largest destination of Bangladesh's exports. Apparel items comprise more than 90 per cent of Bangladesh's export receipts from the EU. The European Union grants non-reciprocal and unilateral trade preferences to developing nations to support their development process. The current EU-GSP regime offers three different preferential treatments: (i) a general arrangement (Standard GSP); (ii) a Special Incentive Arrangement for Sustainable Development and Good Governance (GSP Plus); and (iii) an Everything But Arms (EBA) arrangement for the group of LDCs (Table 3). About 66 per cent of goods imported in the EU under EBA are sourced from Bangladesh. The preference utilisation rate of Bangladeshis more than 97 (European Commission, 2020).[9] This is in sharp contrast to Vietnam, which has a capacity utilisation rate of just around 15 per cent. Countries often cannot utilize GSP preference due to their inability to meet the RoO requirements and these provisions for LDCs in the EU market are much less stringent.

Table 3: Current EU GSP arrangements and provisions

	Standard GSP	GSP+	EBA
Eligibility criteria	Low- or lower middle-income countries	Vulnerable (in terms of export diversification, export and import volumes) Standard GSP beneficiaries that have ratified the 27 GSP Plus-relevant international conventions	LDCs
Number of beneficiaries (as of 2020)	18	8	48
Non-sensitive goods	Duty reduction for around 66% of all EU tariff lines	Duty suspension for around 66% of all EU tariff lines	Duty suspension for all goods with the exception of arms and ammunition
Sensitive goods: - specific duty - ad valorem duty	Duty reduction: - 30% - up to 3.5 per centage points	Duty suspension	Duty suspension
Rules of origin (important provisions only)	Double transformation for textile and clothing items. For all other products a minimum local value-added of 50%	Double transformation for textile and clothing items. For all other products a minimum local value-added of 50%	Single transformation for textile and clothing items. For all other products a minimum local value-added of 30%

Source: Razzaque and Rahman (2019) using the documents available in European Commission website.

Table 4: Preference utilisation for apparels in the EU 28 countries

Counrty	**GSP regime**	**2017**				**2018**				**2019**			
		Imports ('000 €)			% GSP Utililsa tion	Imports ('000 €)			% GSP Utililsa tion	Imports ('000 €)			% GSP Utililsa tion
		Total	GSP eligible	GSP used		Total	GSP eligible	GSP used		Total	GSP eligible	GSP used	
Bangladesh	EBA	15,476,440	15,228,567	14,781,447	97.1	16,441,102	16,166,262	15,650,922	96.8	17,667,184	17,663,931	17,186,195	97.3
Cambodia	EBA	3,689,839	3,679,147	3,557,268	96.7	3,934,397	3,917,256	3,786,008	96.6	4,018,450	4,018,415	3,851,652	95.9
India	Standard GSP	6,044,819	5,962,349	5,561,440	93.3	5,986,161	5,896,978	5,475,487	92.9	6,092,395	6,074,477	5,708,699	94.0
Vietnam	Standard GSP	3,264,872	3,244,939	406,108	12.5	3,440,807	3,421,941	475,483	13.9	3,800,581	3,800,460	582,010	15.3
Pakistan	GSP Plus	875,773	838,825	813,303	97.0	850,320	814,062	787,948	96.8	815,934	794,029	774,431	97.5
Sri Lanka	GSP Plus	1,531,050	1,527,133	644,049	42.2	1,556,505	1,553,044	732,753	47.2	1,750,005	1,746,829	913,138	52.3

Source: European Commission (2020)

The current EU GSP regime will expire in 2023—much before Bangladesh's graduation. The impact of graduation will depend on the next round of EU GSP regime. Under the existing system, LDCs after their graduation can continue to access EBA benefits for an additional three-year transition period. This implies that after Bangladesh's graduation in 2026, it will remain eligible for the current market access facilities until 2029. Graduating LDCs can then apply for the next most attractive market access provisions under GSP+ (as shown in Table 3). However, if the provisions of the upcoming EU regime

[9] https://trade.ec.europa.eu/doclib/docs/2020/february/tradoc_158640.pdf

do not change significantly, Bangladesh will not qualify for GSP+ (Razzaque and Rahman, 2020; Box 1). In that case, Standard GSP could be an option, which provides some duty reduction for various pre-defined products (including textile and clothing items) comprising 66 per cent of EU tariff lines.[10] The rules of origin provisions, however, are almost similar for both GSP+ and standard GSP and require 'double transformation' for textile items. If Bangladesh is eligible for Standard GSP only, more than 90 per cent of its exports will be subject to an average tariff of 8—9.9 per cent (Figure 15) (for comparison, the MFN tariff rate on these items is 12 per cent on average). As the United Kingdom is now out of the EU, it is in the process of formulating its own GSP regime. Until now, it is offering the same preferences that are available from the EU.

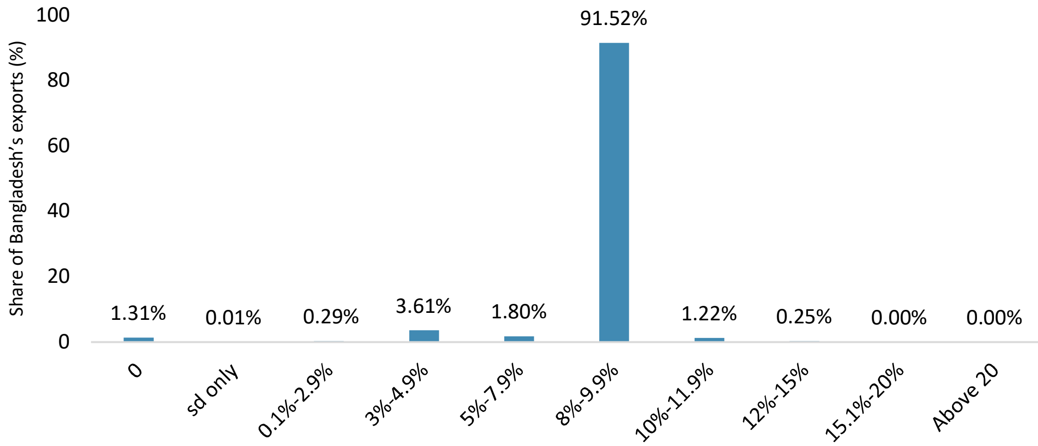
Box 1: Bangladesh's LDC graduation and provisions for various EU GSP schemes

- Currently, Bangladesh enjoys duty-free and quota-free access under the EBA. Under EBA rules of origin (RoO), a single transformation for textile and clothing items is sufficient, while for all other products a minimum local value-added of 30 per cent is needed to qualify for preferential market access.
- After LDC graduation, EU GSP schemes that are available are GSP+ and Standard GSP.
- GSP+ grants duty-free access to 66 per cent EU tariff lines including apparel items. But, RoO provisions change to double transformation for clothing (i.e. domestically produced fabrics will be needed in garment making) and the minimum local value-added of 50 per cent for all other products.
- Graduating LDCs can apply for GSP+ preferences subject to the fulfilment of two broad eligibility conditions, specified as the vulnerability and sustainable development criteria.
- The vulnerability criterion comprises, i) the import share criterion which specifies that the country's share of GSP-covered import must remain below 6.5 per cent of GSP-covered EU imports of all GSP beneficiary countries; and ii) the diversification criterion, which stipulates that the seven largest sections of GSP-covered imports must constitute 75 per cent of imports from the beneficiary country over a period of three years.
- The sustainable development criterion requires the exporting country to have ratified and effectively implemented 27 international conventions on labour rights, human rights, environmental protection and good governance.
- Given the current GSP provisions, Bangladesh does not qualify for GSP+ as it does not satisfy the import share criterion (Bangladesh's current share in all GSP-covered imports is more than 17 per cent). On complying with various international conventions, Bangladesh has not ratified the Convention concerning Minimum Age for Admission to Employment (No. 138, 1973) (UNCDP, 2019). Also, there are concerns related to the implementation of several conventions including freedom of association (Convention 87) and collective bargaining (Convention 98).
- If GSP+ is not available, Bangladesh can apply for the much less attractive Standard GSP scheme.
- Standard GSP provides duty concessions of about 30 per cent and up to 3.5 percentage points of MFN tariff rates for 66 per cent of EU tariff lines. The RoO provisions are the same as GSP+.
- Even if Bangladesh has to opt for Standard GSP, textile and clothing items (EU product section S-11b which includes HS 61, 62 and 63) items might exceed EU product graduation threshold level share and thus could be subject to exclusion. Bangladesh's current share in EU GSP covered import S-11b is 43 per cent, which is close to the product graduation threshold of 47.2 per cent.
- Vietnam, which is a beneficiary of Standard GSP, signed a free trade agreement with the European Union. It will not be regarded as a GSP beneficiary country when the agreement comes into force. As Vietnam goes out of the GSP beneficiary list, Bangladesh's share in EU imports from GSP beneficiary countries will increase. This will have implications for product graduation threshold (for S-11b).
- The current GSP regime will apply until 2023 and will be replaced by a new regime, stipulating eligibility provisions that will be relevant to Bangladesh in the post-graduation era.

Source: Razzaque and Rahman (2020) and authors' summary from different sources.

[10] It has been shown that even under Standard GSP Bangladesh might not be eligible for duty reduction for textile and clothing items given that it could exceed the threshold level import market share criterion leading to 'product graduation' (for T&C products).

Figure 15: EU tariff rates under Standard GSP and Bangladesh's exports



Note: The figures in the parenthesis show absolute values of Bangladesh's exports associated with specific tariff slabs. Some products with MFN tariffs are also subject to specific duties. In this exercise, these products are placed under the relevant ad valorem tariff slabs only. Sd, specific duty.
Source: Razzaque and Rahman (2019) using data from the EU Comext and World Integrated Trade Solution (WITS).

United States

Bangladesh does not have any preferential access in the United States. The US Trade Representatives (USTR) suspended Bangladesh's restricted GSP facilities in 2013 on grounds of weak labour rights and workers' safety. The United States never considered comprehensive market access offers like those of the EU, to Asian LDCs, (e.g., amongst others, textile and clothing items were kept out of the GSP scheme). Bangladesh thus pays 5-9.9 per cent (MFN) tariffs on more than 50 per cent of its exports to the US; 10-15 per cent tariffs on almost one-third of its exports; and above 15 per cent tariffs on about 12 per cent of its exports (Razzaque *et al.*, 2021). As Bangladesh does not enjoy any preference in the US, graduation should have no implications for exports.

Other major markets where Bangladesh currently have LDC-specific preferences

Bangladesh's apparel exports expanded in Canada taking advantage of the Canadian GSP for least developed countries are known as least developed country tariff (LDCT), which will give way to Generalised preferential tariff (GPT) after graduation. The GPT preferences are provided for selected agricultural and industrial products in which apparel products are not included. Clothing items will thus be subject to average MFN tariffs in the range 15—20 per cent after graduation.

In Australia, after graduation, preferences designated for developing countries do not include apparel products, most of which (more than 90 per cent of Bangladesh's exports) would face on average 5 per cent MN tariff. Australia however extended DFQF facilities for graduating LDCs including Maldives, Samoa, and Equatorial Guinea, which graduated in 2011, 2014 and 2017, respectively.[11]

In Japan, LDCs enjoys duty-free and quota-free special preferential treatment in more than 9,000 items with the preference utilisation rate for Bangladesh in apparel items being close to 95 per cent.[12] Graduating Bangladesh will likely to be eligible for the GSP scheme designed for developing countries. The Japanese GSP for developing countries include only a few clothing items and most of such products from Bangladesh will be subject tariffs in the range from 5.4—13.4 per cent.[13]

Bangladesh currently gets duty free market access in China for 97 per cent of the tariff lines. Graduation would require paying either MFN or APTA non-LDC tariffs depending on any negotiations

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[11] https://www.un.org/ldcportal/preferential-market-access-australia-gsp/

[12] UNCTAD GSP database: https://gsp.unctad.org/utilizationbycountry;reporter=392;partner=050

[13] Only 12 items of knitwear get duty free access and 27 items of woven garments have some preference margin including duty free access in Japan under GSP for developing countries. The average tariff for knitwear and woven garments would be 8.5 per cent and 9.1 per cent respectively.

between the two countries. Apparel products will come under 14-20 per cent tariff hikes under the MFN regime. China does not have any concessional duty rates for other developing countries.

India's Duty-Free Tariff Preference (DFTP) Scheme for LDCs provides for duty-free or concessional tariffs for about 98.2 per cent of tariff lines at the HS 6-digit level. Bangladesh can access SAFTA regional preferential schemes to access Indian market after graduation. However, SAFTA has a long list of sensitive products on which no preferences exist. For preferential items, RoO provisions will require the local value addition content to increase from 30 per cent (for LDCs under DFTP) to 40 per cent (for non-LDCs under SAFTA). For such other countries as New Zealand, Norway, Republic of Korea, Switzerland, Thailand, Turkey, Russia, etc., LDC graduation would result in higher tariff rates.

Table 5: A summary of preferential market access and rules of origin in key export destinations

Country	Criteria	Preference schemes	Rules of origin	Description
Australia	LDC	DFQF Australian System of Tariff Preferences	VA 25%	DFQF access for LDCs for the entire tariff schedule. Bangladesh can get GSP after graduation, which comes with up to 5% MFN tariff on key export items.
	Non-LDC	GSP under Part 4 of Schedule 1	VA 50%	
Canada[14]	LDC	LDCT-DFQF for LDCs	General VA is 40%. For apparel and textile products, VA is 25%.	LDC-DFQF access for 98.9% of its tariff lines. Although Bangladesh to get GPT in Canada, it will come with substantially higher tariff rates (up to 18–20%) on major export items.
	Non-LDC	General Preferential Tariff for developing countries	VA is 60% for all products	
China	LDC	DFQF for LDCs	VA: CTH+40%;	China's GSP for LDCs is available for 95%-97% of tariff lines. Bangladesh gets duty-free access in 97% of the lines.
	Non-LDC	MFN applied if not mentioned otherwise	VA 45% (APTA) RC-VA 60% (APTA)	
European Union[15]	LDC	Everything But Arms DFQF for all LDCs	Single transformation of textiles and RMG. VA is 30% for other goods	DFQF access for all products except arms and ammunitions from the LDCs including Bangladesh. As it stands, Bangladesh would not qualify for GSP+
	Non-LDC	GSP+, Standard GSP	Double transformation for textile and clothing. VA is 50% for other goods.	
Japan	LDC	Duty-free access (on 98.2% of tariff line) for LDCs	De minimis applied for goods in HS 50–HS 63.[16] The general rule is sufficient transformation resulting in a different product under HS tariff heading (4 digits).[17]	8,874 of the 9,038 tariff lines are duty-free for the LDCs. If a country's export to Japan exceeds ¥1 billion, or 25% of import to Japan for a product originated from the beneficiary, it is considered for graduation from Japanese GSP.
	Non-LDC	GSP exists. But most of the applied tariff rates are MFN rates if not mentioned otherwise	Partial graduation (developing) and entire graduation (high-income countries). Japan considers trade statistics and World Bank's income classification for graduation.	
India	LDC	Duty-Free Tariff Preference for LDCs; SAFTA-LDC market access applicable for Bangladesh	VA 30% (DFTPI) VA: CTH+30% (SAFTA) RC-VA: CTH+40% (SAFTA)	Regular LDC-DFTP on 98% products in the tariff line. Under SAFTA, LDC-DFQF provided for all but 25 products. Non-LDC SAFTA preferences do not provide zero tariff and 614 products do not have tariff concessions at all.
	Non-LDC	Bangladesh to get non-LDC SAFTA preferences	VA: CTH+40% (SAFTA) RC-VA: CTH+50% (SAFTA)	

[14] For Canadian LDCT, 60 per cent value addition can include value of products from Canadian raw materials or raw materials imported from another LDCT recipient country. For GPT, 60 per cent value-addition can include value of products from Canadian raw materials or raw materials imported from another GPT recipient country.

[15] Regional cumulation laws in the EU applicable for Bangladesh: if the final exported items use components from regional group III (Bhutan, India, Nepal, Pakistan, and Sri Lanka) they can be considered as originating from Bangladesh under designated level of value addition. The same rule applies if the product incorporates raw materials from the EU countries.

[16] In Japanese preferential system, non-originating materials used in the production of a good classified under Chapter 50 through 63 of the Harmonized System that do not satisfy an applicable rule for the good shall be disregarded, provided that the totality of such non-originating materials does not exceed 10 per cent in weight of the good.

[17] Products applicable for GSP under HS 01–HS 96 with exemptions listed in https://www.mofa.go.jp/files/000077857.pdf

Norway	LDC	DFQF	Substantial transformation[18]	For developing countries, GSP and GSP+ schemes exist with 10–100% tariff reductions. But Bangladesh would be ineligible given its population size bigger than 75 million.
	Non-LDC	Recipient country must have a population of less than 75 million.	Substantial transformation	
Republic of Korea	LDC	LDC-DFQF on 95% of tariff line; APTA specific LDC-DFQF applicable for Bangladesh	VA 40% (DFQF) VA 35% (APTA) RC-VA 50% (APTA)	Bangladesh currently enjoys DFQF in all key products including apparel, footwear, etc.
	Non-LDC	Non-LDC APTA preferences will be applicable for Bangladesh	VA 45% (APTA) RC-VA 60% (APTA)	Non-LDC APTA preference on 1,367 products with 35.4% preference margin

Abbreviations: VA= Value-Addition, RC VA=Regional Cumulation Value-Addition, CTH= Change in Tariff Heading.
Source: Based on UNCTAD's Handbook on Duty-Free and Quota-Free Market Access and Rules of Origin for Least Developed Countries (part I and part II), the EPB, and official sources of GSP/DFQF providing countries.
Source: Razzaque et al (2020)

According to one estimate in WTO (2020), graduating LDCs are expected to face a trade-weighted average tariff increase of 4.2 percentage points in preference-granting markets (difference between LDC duty rate and the next best alternative rate). However, for Bangladesh the average tariff increases would be 8.9 per cent. This much higher tariff hike is due to Bangladesh's dependence on apparel exports, which attract much higher duties for non-LDCs. The rise in tariff rates could have considerable impact on competitiveness. Estimates available in Razzaque and Rahman (2019) and Razzaque et al. (2020) show that if Bangladesh received the Standard GSP in the EU, facing an average tariff of 9.5 per cent, there could be an export loss of $1,602 million (i.e. about 9.53 per cent of Bangladesh exports of apparels during 2016-18) to the EU. In the Canadian market, an average tariff of 17 per cent is likely to be slapped on apparel products resulting in a potential export loss of $175 million. For Australia, the comparable loss is estimated at $29 million. Overall, the combined export shock from these three markets could be $1,806 million or 9.81 per cent of the existing export revenues.

The above results are comparable with other impact assessment exercises. UNCTAD (2016) estimate a potential loss of 5.5–7.5 per cent of Bangladesh's exports, while Rahman and Bari (2018) show a decline of 8.7 per cent. In the latest available assessment, the World Trade Organization (WTO) has suggested a staggering 14 per cent export loss for Bangladesh. While these estimates are subject to certain limitations, they do however indicate a huge pressure on export competitiveness arising from the loss of LDC-specific tariff preferences.

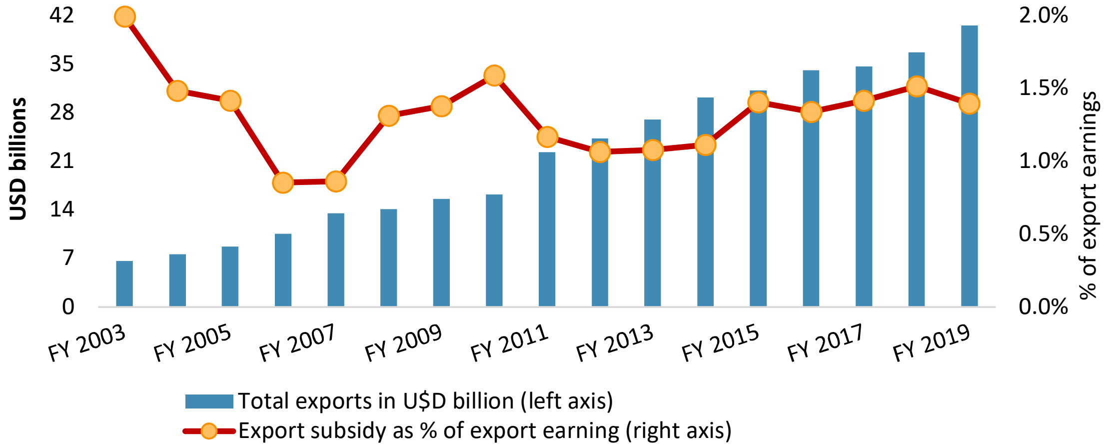
Impact on export incentives

Graduation from the LDC group will also have implications for the kind of export support measures or incentives that can be provided. Apparel exports have long been receiving cash assistance or direct subsidies. In 2019, Bangladesh spent about $560 million on export incentives provided to 36 items. The apparel sector has been the primary beneficiary capturing 70 per cent of all cash incentives. These subsidies are considered as prohibitive as per the WTO Agreement of Subsidies and Countervailing Measures and will likely to trigger actions taken by other WTO members once Bangladesh graduates.[19] Withdrawal of this support measure would put further pressure on Bangladesh's export competitiveness.

[18] For Norway, a product is sufficiently transformed if the HS tariff heading (first four digits) of the non-originating material is different from the tariff heading of the finished product.

[19] Article 27 of the SCM agreement however exempts any LDCs and developing countries with GNP per capita lower than $1,000 at 1990 prices from abiding by prohibitive subsidies unless the product is globally competitive (does not exceed 3.25% share of global export in that sector). Detailed analysis in Razzaque et al (2020) shows that Bangladesh could become a developing country with per capita income above the threshold level by the late 2020s. Also, Bangladesh's apparel sector has exceeded the limit global share in exports (currently around 6.5%). However, until now no WTO member has raised any issue about it but graduating countries could come under increased scrutiny.

Figure 16: Export subsidy as % of export earnings (FY2003-FY2019)



IV. Firm-level Preparedness to Remain Competitive after Graduation

As mentioned earlier, extensive consultations were undertaken to gather perspectives of apparel firm owners and managers about various aspects of graduation and related opportunities and challenges. In the process, leaders of apparel exporters' associations (BGMEA and BKMEA) were consulted along with other knowledgeable individuals. Working with BGMEA and BKMEA, a questionnaire was sent to their members to generate some of the relevant information. Despite the challenging times of Covid-19 disruptions, more than three dozen responses were received.[20] Furthermore, several case studies were conducted to get further insights into the issues.

Salient features of the firms participating in the consultation process

Most readymade garment factories in Bangladesh are owned by local entrepreneurs (CPD, 2019).[21] Of the firms participating in the survey, 84 per cent are owned by local manufacturers. Almost two-thirds of all firms in the survey mainly perform contract manufacturing—either directly supplying to the buyers or manufacturing under sub-contracting arrangements—while the rest reported producing some of their own products as well. Interviews with the enterprises revealed a small number of firms' having outlets in destination countries including in Malaysia and the UAE where some their own brand products are sold.

Table 6: Ownership structure and mode of manufacturing (% of sample firms)

	Contract manufacturing	Produce and sell own product	Both	Total
100% domestic ownership	55.3%	7.9%	21.1%	84.2%
100% foreign ownership	2.6%	5.3%	0.0%	7.9%
Joint Venture	5.3%	2.6%	0.0%	7.9%
Total	63.2%	15.8%	21.1%	100.0%

Source: Firm-level survey undertaken as part of the study.

[20] The objective of this consultation process was not to test competing hypotheses or to undertake rigorous empirical exercises using the responses. Therefore, self-selection of firms should not be a major impediment for the nature of analysis, which is mostly qualitative, is being carried out. The sample does represent different types of firms in terms of their broad specialization such as woven and knitwear and sizes—small, medium, and large—as defined by the author and explained in the text.

[21] CPD. (2019). New Dynamics of Bangladesh's Apparel Enterprises: Perspectives on Upgradation, Restructuring and Compliance Assurance.

- On average, more than half of the revenue of the sample firms comes from producing knitwear items, while the same share for woven products is 38.7 per cent (figure 20). Fabrics contribute to 6.3 per cent of the revenue generated by the firms and another 1.7 per cent is due to yarn.
- Just above 62 per cent of all workers in the sample factories are female. This is comparable with some of the recently undertaken studies (ILO, 2019; Ahmed and Hossain, 2020).[22] The share of female workers in small and large factories—defined in terms of number of workers employed—are 57.6 per cent and 61.5 per cent, respectively.[23] Medium-sized enterprises account for the largest share of women workers of 65 per cent.
- Women comprise 67.4 per cent of the workforce in sewing, 38.1 per cent in knitting, 40.2 per cent in cutting, 58 per cent in finishing and 46.2 per cent in packaging and printing (ILO and UN Women, 2018). On the other hand, dying, washing and embroidery sections are highly male dominated. With technological upgradation and automation, employment as well as the share of female workers in the RMG sector is likely to decline.

Figure 17: Share of revenue generated from different items (%)

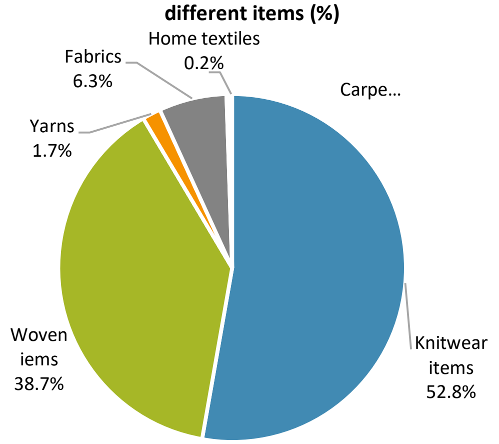


Figure 18: Share of male and female workers in apparel sector (%)

Source: Firm-level survey undertaken by the authors.

Our survey data show that the domestic and foreign sourcing of raw materials for the overall export oriented RMG sector is having a 50-50 share (Figure 19). The knitwear firms locally procure 62.3 per cent of raw materials—yarn, dyes and chemicals, accessories (Figure 19). Woven manufacturers, on the contrary, are more dependent on imports as only 36 per cent of raw materials used by them are obtained domestically.

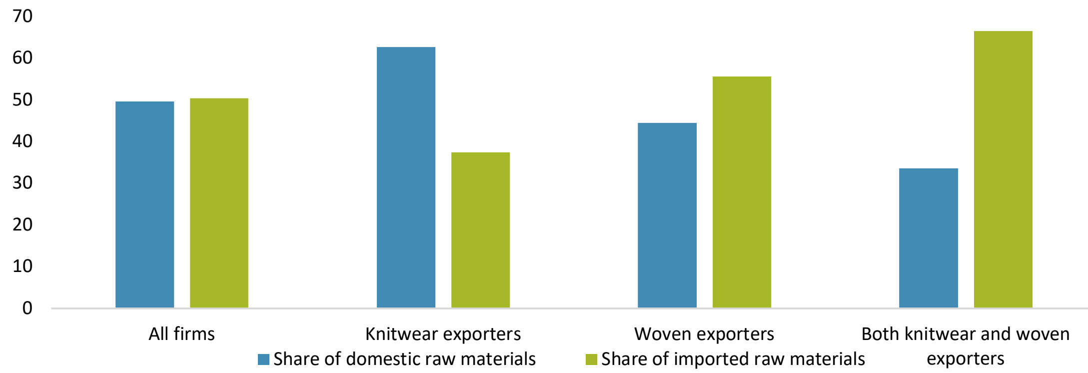
- Several exporters reported that the quality of locally available raw materials is often not up-to the mark and those are often more expensive than their foreign counterparts. Besides, the sourcing of raw materials (yarn, fabrics, and accessories) are sometimes dictated by the buyers.

[22] According to ILO baseline study, the share of female in total RMG workforce is 61.17 per cent. Ahmed and Hossain (2020) found women accounted for 60.5 per cent of their workers in 2018.

[23] Firms are defined as follows: small firms are defined if total workers are less than 1,000; medium firms have total workers greater or equals 1,000 but less than 5,000; large firms have number of workers greater and equals 5,000.

- Most firms consider the quality of domestic yarn quite good for producing knitwear items. Besides, there are advantages of domestically produced yarn (and other inputs) as it can help reduce the lead time.
- Some exporters are also of the view that Bangladesh has the capacity to produce and supply high quality accessories (zippers, hangers, buttons, packaging materials etc) required for the RMG industry.

Figure 19: Sources of raw materials used by exporters



Source: Firm-level survey undertaken by the authors.

- More than 95 per cent of revenue of the sample firms are generated from exports. 83.3 per cent of sample firms are 100 per cent export oriented.
- For more than 97 per cent of the firms participating in the survey, exports constituted at least 80 per cent of their revenues.
- Half of the sample firms export knitwear items only, 26.3 per cent export woven products only, and 18.4 per cent enterprises export both knitwear and woven garments.
- Interestingly, a few firms (Less than 10 per cent) reported exporting fabrics (Figure 20).

There is lack of export market diversification among the Bangladeshi RMG exporting firms and the market reach of the sample firms is limited.

- More than one-third of the firms ship to 3-5 countries only, while another 16 per cent export to 6-10 countries (Figure 21).
- For just over a quarter of the firms, there were more than 20 export market destinations. The sample statistics suggest that export markets for woven manufacturers are relatively more diversified than that for knitwear.
- Export shares of the sample firms to different countries are largely comparable to the the relevant aggregate national statistics. Half of the combined export revenue of the sample firms comes from EU-27 countries, 18.9 per cent from the United States, 10.3 per cent from the United Kingdom, 6 per cent from Japan, 2.8 per cent from Canada, 2.1 per cent from Republic of Korea, and 1.5 per cent from Australia (Figure 25).
- Several firms reported that they were effectively exploring new market opportunities, amongst others, in Brazil, China, India, and South Africa.

Figure 20: Exporting items of sample firms (% of firms)

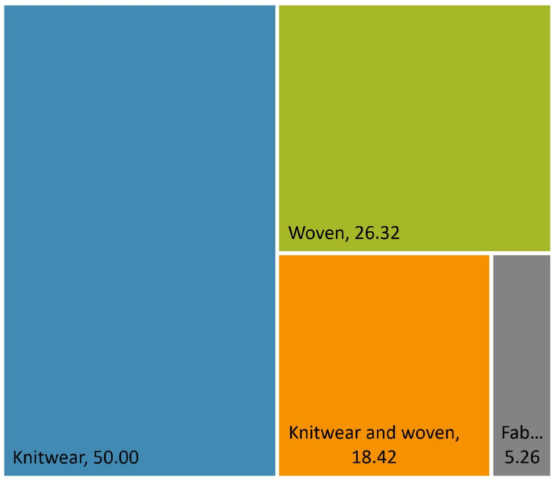
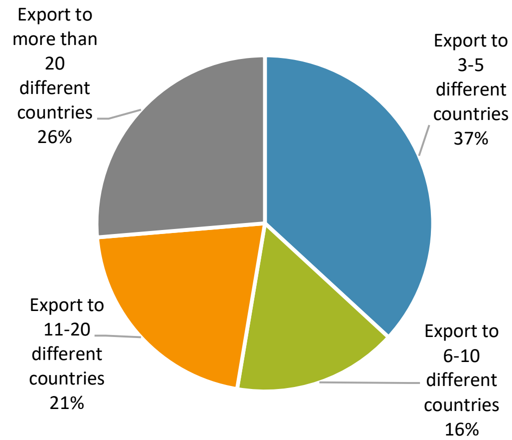


Figure 21: Market reach of apparels exporters (%)



Firms consider Vietnam as the most important competitor in export destinations, followed by China, India, their fellow exporters from Bangladesh, and Cambodia (Figure 23). Myanmar is also being considered as potential competitor in the EU market. It has some comparative advantage in terms of the lead time—being connected through land, it can easily procure raw materials from China. One respondent reported that while procuring raw materials from China, Bangladesh requires 15-20 days, Myanmar needs only 5-7 days in comparison.

Figure 22: Export share to markets of sample firms (%)

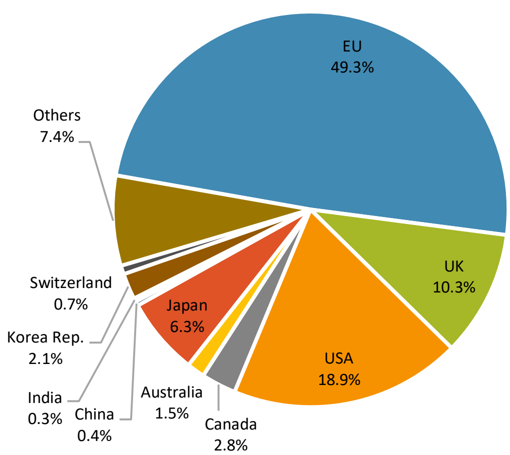
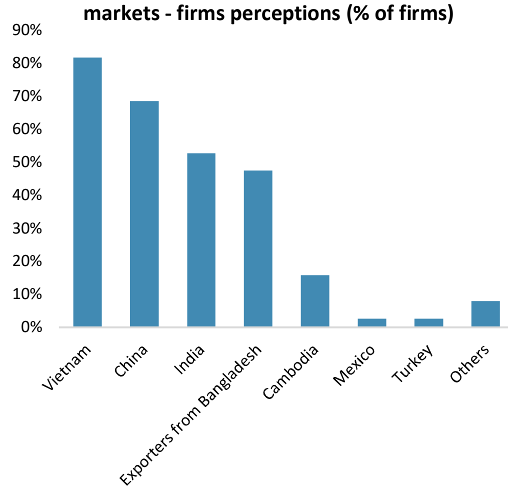


Figure 23: Major competetor in the export markets - firms perceptions (% of firms)



Source: Firm-level survey undertaken by the authors.

When asked about their export strategies over the next few years, more than 80 per cent of the respondents mentioned about exporting to more countries. The remaining 20 per cent could not provide any clear indication.

- Most firms have plans to export more to the existing markets.
- 58 per cent of sample firms want to expand exports to the EU.
- The United States is considered as the second preferred country in terms of marketing more products, followed by Japan, Russia, the United Kingdom, Canada, and Republic of Korea.

- Most exporters also mentioned about expanding business to some non-traditional markets including Latin American countries, South Africa, China, Middle eastern countries, and New Zealand.

Figure 24: Plan for market diversification

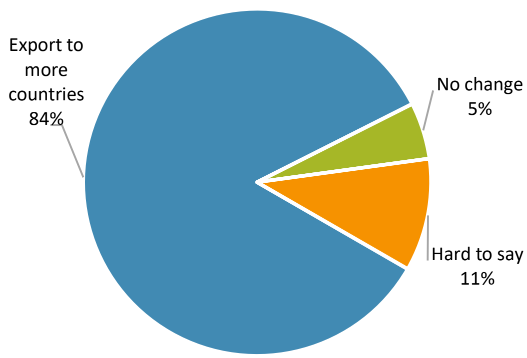
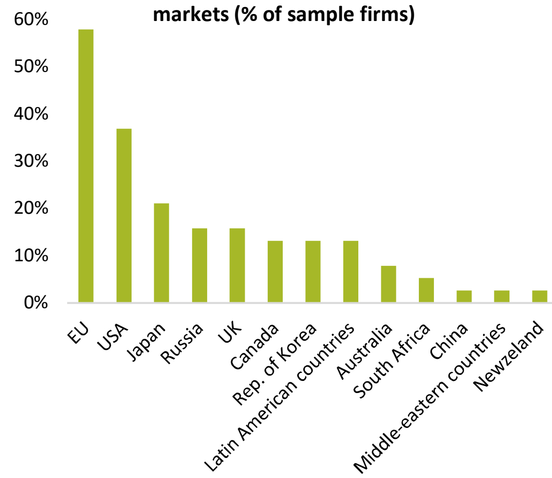


Figure 25: Plans to sell more to various markets (% of sample firms)



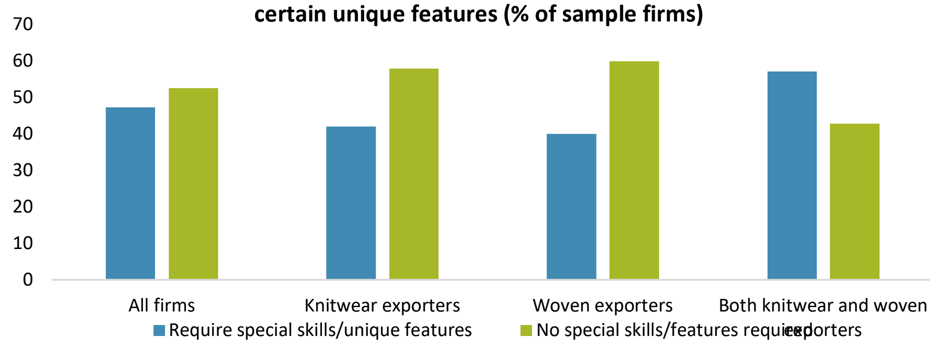
Source: Firm-level survey undertaken by the authors.

Export competitiveness can be retained if firms specialise in certain items or produce complex products that cannot be easily replicated by other exporters from competitor countries. Close of half of the respondents (47 per cent) were of the view that their products required special skills to produce or possessed certain unique features, which might not be easily available in other firms both at home and abroad.

- Manufacturers reported that Bangladesh has abundant labour with versatile skills. Several exporters produce complex items like jackets. Unlike basic knitwear or woven products (t-shirts, polo-shirts), these items require complex production lines with automated technology. Producing these items will not be easy for other firms.
- One firm reported that they produce high-value denim items which uses low ounce stretch, sea plastic recycled fabrics, regenerated cotton fabrics, jute blended fabrics and Tencel fibres, explaining its niche market advantages.[24]
- In fact, as many as 40 per cent of woven manufacturing firms think that their products are difficult to produce by other firms or country.
- But many woven and knitwear manufacturers operate in low-value stages of cut, make and trim (CMT) and thus other countries can easily produce them. However, 57 percent firms do think that they have capacity of bulk production, which other firms might find it difficult to match.

[24] Tencel is a cellulosic fibre obtained from wood pulp using recyclable solvents. It is produced from the bark of eucalyptus tree in Bangladesh.

Figure 26: Firms products require special skills to produce or have certain unique features (% of sample firms)

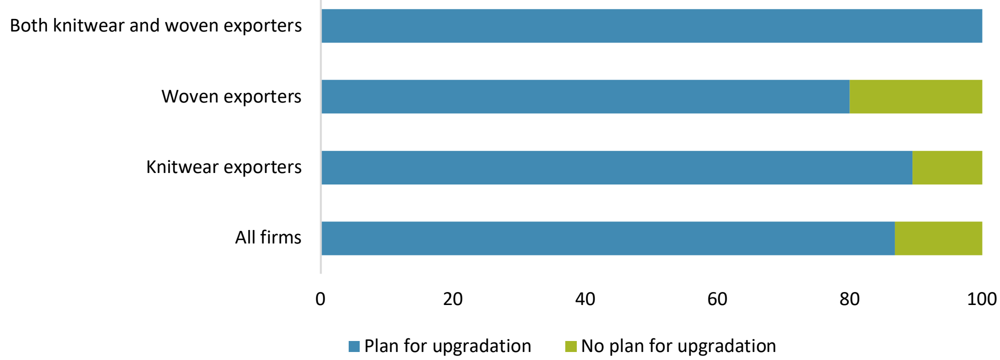


Source: Firm-level survey undertaken by the authors.

Like apparel exporters worldwide, many Bangladeshi exporters are investing in product upgradation and automation. However, labour productivity in Bangladeshi factories is perceived to be quite low. China—the largest apparel exporter—is concentrating on high-value technology intensive items. Labour productivity in China and Vietnam is reportedly much higher than that of Bangladesh. Technology adaptation and automation can greatly help improve efficiency and enhance labour productivity.

- The survey results show that more than 85 per cent of sample firms have plans for upgrading products and processes (Figure 27).
- They are also adopting new technologies (e.g. use of jacquard machines, auto knitting machines, auto hand and lay cutting, thread sucking, stem icon, auto plain machines, auto flatlock, and auto overlock, fabric spreader machine, fabric relaxation machine, Digi eye, CAD, auto pattern cutting machines etc.) and are training workers on working with upgraded machines and processes. Firms also reported working on adapting energy saving and GHG emission reduction technologies, software-based production tracing, digitalisation of administration activities including employee tracking and payment processing.
- Several firms have their own design studios and R&D departments. They reported producing and marketing their designed products along with supplying the regular import orders.
- One of the firms reported producing a complete pair of denim trousers in 17 minutes and they are trying to make the process more efficient to do the same task within 14 minutes to be at par with the standard of most efficient global firms.
- A jacket manufacturer reported that their efficiency rate is currently at 30-35 per cent, they are working to improve it to 60 per cent within next 2-3 years.

Figure 27: Product and process upgradation plan (% of firms)



Source: Firm-level survey undertaken by the authors.

Firm-level perceptions and preparedness for LDC graduation

The firm-level survey suggests that 92 per cent of the firms are aware of their receiving trade preference (i.e., duty-free market access, relaxed rules of origin, etc.) (Figure 28). The remaining 8 per cent were not aware of those benefits: they export based on the buyers' specifications. These are mostly small firms on sub-contracting.

- Of the exporting firms that are aware of LDC trade preferences, about three-quarters reported getting duty-free market access in destination markets. Although this might seem quite low, it is important to note that the United States, one of the key importers of textile and clothing products, does not offer tariff preference to Bangladesh.

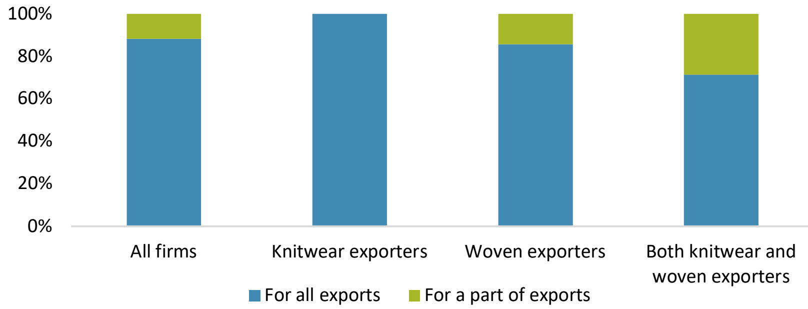
Figure 28: Awareness about LDC benefits (% of firms)

Source: Firm-level survey undertaken by the authors.

Bangladesh has immensely benefitted from the relaxed rules of origin provisions and is considered as one of the successful countries that utilized the preferential market access privileges (WTO-EIF, 2020).

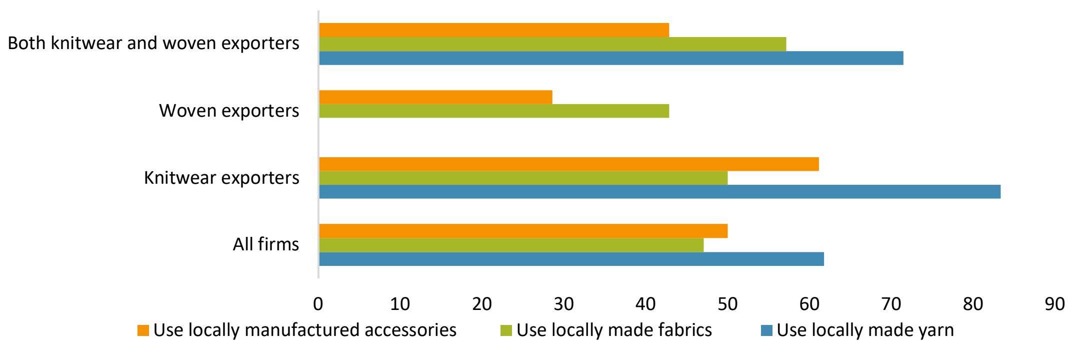
- Around 90 per cent sample enterprises are aware of RoO requirements (Figure 29).
- 88 per cent of these firms can fulfil RoO requirements for all exports, while the remaining 12 per cent can satisfy these requirements for only a portion of their exports. All knitwear manufacturing firms can fulfil RoO conditions for exports.
- Amongst woven manufacturers, 86 per cent can satisfy RoO criteria for all exports and 14 per cent for only a portion of their exports (Figure 29).
- 71 per cent of the firms producing both knitwear and woven garments can fulfil RoO conditions for all exports.

Figure 29: Fulfiling RoO requirements for exports (% of firms)



To comply with RoO, 62 per cent of sample firms use locally produced yarn, 47 per cent domestic fabrics, and 50 per cent use locally manufactured asscssories (Figure 30). Knitwear exporters uses proportionately more domestic raw materials compared to their woven counterparts. Interviews with the stakeholders suggest that the use of raw material types is mostly based on the buyers' specifications and exporters often have limited freedom to chose domestic raw materials. Buyers sometimes also specify raw material sourcing countries.[25]

Figure 30: Specialization in types of products, fabrics or fibre composition to fulfil RoO requirements in target markets (% of firms)



Source: Firm-level survey undertaken by the authors.

The Government of Bangladesh provides extended policy support for apparel exporters, who benefit from bonded warehouse and back-to-back L/C facilities, cash assistance/subsidy for exports, assistance from the Export Development Fund (EDF) and Export Credit Guarantee Scheme (ECGS), and subsidised interest rate for working capital, amongst others. These support measures greatly helped Bangladeshi apparel producers to boost their export earnings. Apparel exporters get cash incentives to the tune of 4-8 per cent of the FOB value of exports depending on the types of products being exported and destination countries.

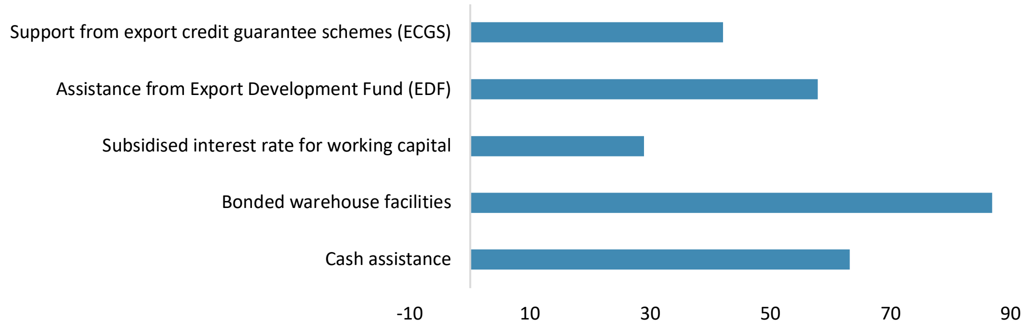
- Almost two-thirds of the sample firms reported receiving cash assistance. This share appears to be low. One reason for it could be that the respondents may not be aware of the benefits (despite the firms' obtaining the benefits).
- In Bangladesh, 100 per cent export-oriented apparel firms are entitled to bonded warehouse facilities under which they can import raw materials duty-free. Those firms that also operate

[25] Information obtained from the interviews with the stakeholders.

in the domestic market are not eligible for bonded warehouse facilities. In our survey, 87 per cent firms reported using bonded warehouse facilities.

- RMG factories were provided with subsidised interest rate for working capital under the Covid-19 stimulus package and about one-third of the firms participating in the survey reported accessing such working capital (at an interest rate of 4 per cent as against the standard rate of 9 per cent). Besides, to mitigate Covid-19 consequences, all firms benefitted from the loans offered by the government against only 2 per cent service charges. This facility was available from the special funds for export-oriented industries under which workers' salaries were paid for three months.
- Bangladesh's Export Development Fund (EDF) offers trade finance at 7 per cent interest rate per year,[26] while the Export Credit Guarantee Scheme (ECGS) provides pre- and post-shipment export finances, whole turnover export finance (pre-shipment) guarantees, and export payment risk policies.[27] Of the surveyed firms, 58 per cent reported benefitting from the EDF and 42 per cent of from the ECGS.

Figure 31: Benefits from the government (% of firms)



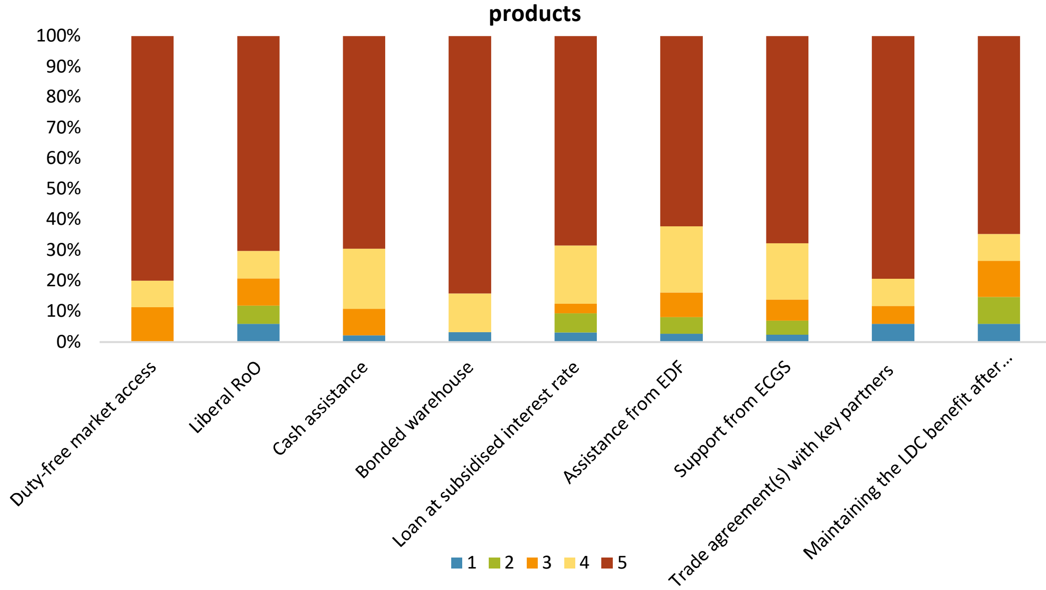
Source: Firm-level survey conducted by the authors.

During the survey, firms were asked to rate the importance of international and national support measures for export competitiveness on the scale of 1 (least important) to 5 (most important).

- Seventy-four per cent firms awarded a score of 5 to duty-free market access.
- Relaxed rules of origin provisions were given a score of 5 by 62 per cent firms.
- The average score assigned for duty-free market access is computed as 4.7 and for relaxed rules of origin 4.4. Therefore, LDC-specific trade preferences are perceived to be extremely important for Bangladeshi firms' competitiveness.
- Amongst the national policy support measures, bonded warehouse, loans at subsidised interest rate and cash assistance also receive average high scores of 4.8, 4.5, and 4.4, respectively.
- Two-thirds of the firms pointed out that keeping LDC benefits after graduation, if possible, will be very important for maintaining international competitiveness. The average score given for this factor is 4.2 (Figure 33).

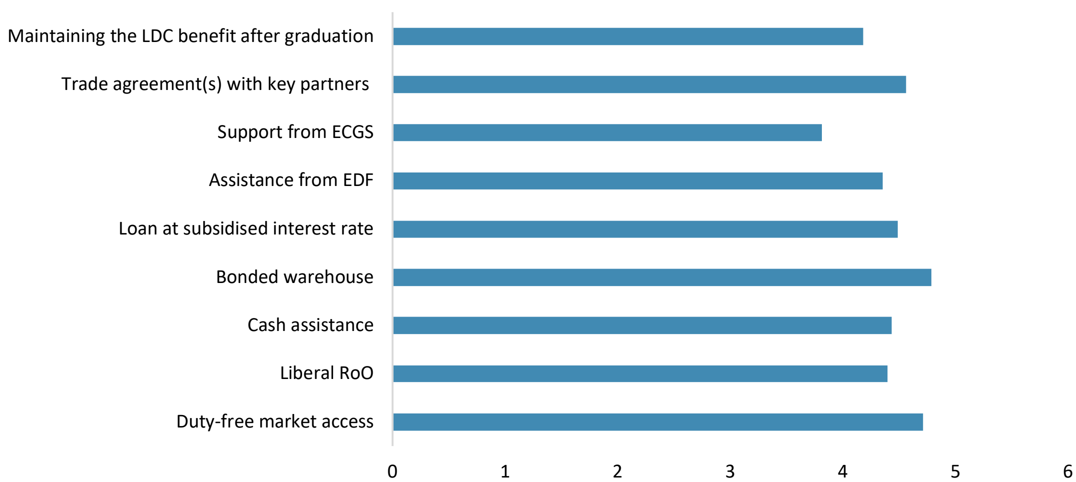
[26] BRPD Circular No. - 01, dated 10 January 2004, Bangladesh Bank.
[27] http://mail.sbc.gov.bd/ins_export_credit.php

Figure 32: Importance of national and international benefits for exports of RMG products



Note: 5=very important, 1= least important
Source: Firm-level survey undertaken by the authors.

Figure 33: Average score of importance of factor for competitiveness

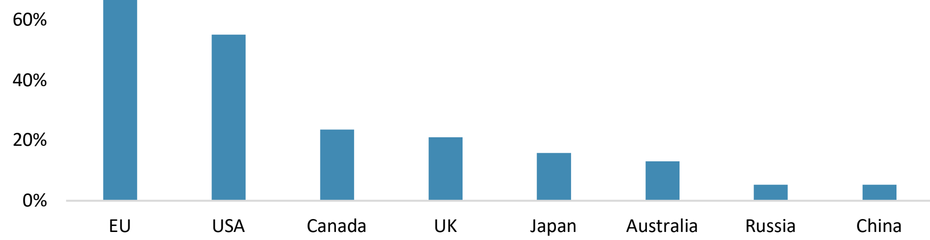


Note: 5=very important, 1= least important
Source: Firm-level survey undertaken by the authors.

Striking bilateral and multilateral trade agreements for retaining duty-free market access is considered critical for apparel exports.

- Almost 80 per cent exporters think signing free-trade agreements with most important trading partners will be very important (score 5) and help remain competitive in international markets.
- In terms of free-trade agreements, exporters perceive that the EU should be given the highest priority, followed by the United States, Canada, the United Kingdom, Japan, and Australia.

Figure 34: Importance of trade agreement with export destinations (% of firms)

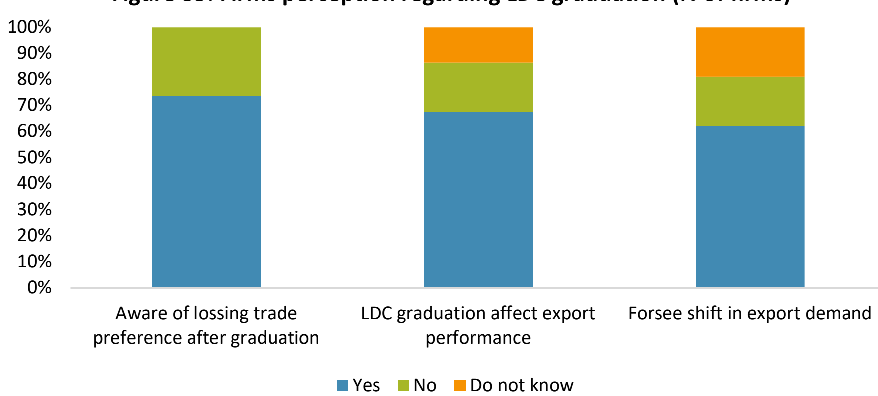


Source: Firm-level survey undertaken by the authors.

Apparel exporters, on average, enjoy a 10-12 per cent tariff advantage in destination markets (over the rival country firms without the access to LDC preference) and 5-8 per cent cash assistance from the government. Therefore, losing a 15-20 per cent margin will imply huge competitive pressure on the exporting firms after graduation.

- About three-quarters of the firms are aware of the loss of trade preference and relaxed rules of origin after graduation (Figure 36).
- Two-thirds of the firms think that the erosion of trade preference could potentially affect their export performance after graduation, while 19 per cent of the firms reported that their exports will not be impacted by graduation. The reason behind, as pointed out by these respondents, are that Bangladesh exports in bulk and no other countries except China has such capacity to export in large quantities. As China is moving towards high value-added products due to rising cost of labour, a portion of the market would shift to Bangladesh.
- Several exporters are of the view that there are dissimilarities in the pattern of specialisation between Bangladesh and its most important comparator, Vietnam. Thus, they think that there are scopes of Bangladeshi firms' absorbing the graduation shock.

Figure 35: Firms perception regarding LDC graduation (% of firms)



Source: Firm-level survey undertaken by the authors.

Using aggregate export data from ITC Trademap, an attempt is made to identify the similarities in exporting items at a disaggregated product level. Table 7 suggests that apart from China, other comparators (including Vietnam and Cambodia, India and Pakistan) have low presence in top exporting items of Bangladesh. For instance, HS610910 is the most important item of Bangladesh capturing almost 20 per cent of world apparel exports under this category. Vietnam has just less than

5 per cent share in this item. The same pattern of specialisation is also evident for other major items of Bangladesh (Table 7). Some exporters pointed out that Vietnam would not be able to expand its capacity of producing these items instantly. Again, as the cost of labour in Vietnam is already higher, such possibility of specialising in lower value-added items could be low. The pattern of specialisation of Bangladesh and other comparators in EU and US markets are analysed in Annex tables. It also shows that the share of Vietnam is low in major export items in the EU. In the US market, however, Vietnam has significant market shares in major exporting items of Bangladesh. As both Bangladesh and Vietnam do not have preferential access, Bangladesh's export to the US is unlikely to be impacted due to graduation.

- 62 per cent of firms think that their export demand may shift after graduation (Figure 36).
- Several exporters of high value-added products view that their export demand will not shift to other countries.

Table 7: Bangladesh's major apparel products and comparators shares in the EU market, 2019

Code	Exports from Bangladesh (million $)	Share in global exports (%)					
		Bangladesh	Cambodia	China	India	Pakistan	Vietnam
610910	5,993.9	19.33	2.05	12.05	6.31	1.02	4.47
620342	5,892.0	22.81	0.77	17.39	1.95	1.55	2.96
620462	3,593.4	17.71	1.85	30.24	1.12	0.49	3.99
611020	2,864.1	12.37	2.37	28.64	0.85	0.31	8.30
611030	2,597.5	10.64	1.64	42.87	0.29	0.02	6.79
620520	1,995.1	18.26	1.06	14.42	7.60	0.04	6.60
610462	1,236.9	17.54	3.15	31.10	1.42	0.59	7.88
610510	1,035.8	18.43	1.05	9.47	8.43	2.42	5.33
610990	849.4	5.84	2.40	25.27	4.52	1.19	8.09
611120	838.9	14.11	4.53	27.64	11.92	0.34	3.25
620343	738.9	9.93	1.64	26.12	1.34	0.32	18.05
621210	569.2	5.54	0.81	33.97	1.05	0.00	7.98
620193	551.9	5.78	0.75	37.31	0.05	0.08	15.81
610711	467.0	11.83	1.78	29.39	5.30	1.38	6.57
610342	449.1	10.92	3.83	38.86	3.45	1.43	6.14
620640	449.1	6.51	0.47	13.50	7.54	0.00	6.68
610442	415.0	13.39	1.35	25.80	4.21	0.08	5.95
620293	411.7	4.53	0.39	44.56	0.05	0.00	12.67
610821	406.7	13.65	1.57	30.90	6.09	0.12	2.70
620469	379.5	8.52	5.20	19.08	2.65	0.99	7.41

Source: Authors' analysis using data from ITC Trademap.

Can you sustain your export earnings and remain competitive after losing a margin of 15-20 per cent (including the erosion of tariff preference and withdrawal of cash incentive) after graduation? In answering this question, most exporters expressed their concern about losing such a big margin. Most of them emphasised on improving productivity and reducing the cost of doing business.

- According to several exporters, Bangladesh sells at the lowest cost compared to other countries. Export orders are awarded based on open-costing methods.[28] They reported that buyers are mindful of the duty-free access in destination markets and cash incentives provided by the government. Buyers bargain on prices considering the margins associated with trade

[28] In open-costing methods, cost of all raw materials including cost of cutting and making (CM), commercial expenses, etc. are incorporated in the costing exercise.

preference and government cash assistance. Therefore, they offer very low prices to Bangladeshi firms. This would imply that a significant portion of LDC-related benefits are being appropriated by buyers/importers.[29]

- For the same reasons, some Bangladeshi exporters think that in the post-LDC graduation period, importers/buyers will offer improved prices as they currently do so for the exporters from the countries that do not receive LDC-specific trade preferences.

Case study 1: Low wages should provide a competitive edge for Bangladeshi firms, and it is high time to establish forward linkages.

Wisdom Attires Ltd. is a 100% export-oriented company and one of the leading knit composite factories in Bangladesh. since its inception, the firm has exported around 250 million pieces of garment items to 87 customers in 20 countries.

Located in Fatullah, Narayanganj, the firm has in-house knitting, dyeing, sewing, packaging, label printing, and sewing thread producing facilities, employing around 2,200 workers. The company also has its own brand in Malaysia and the UAE. The brand products are sold to the Southeast Asian countries such as Thailand, Philippines, Singapore, and Indonesia; Middle Eastern countries such as Saudi Arabia and Qatar; and in some African countries. According to the M.D. of firm, own branding increases profit. Along with it, differential policy regimes in Bangladesh and in UAE, and Malaysia create a space for enhanced profitability. The firm primarily produces low-value added items such as basic t-shirts. As per the management, it is not lucrative for such a big factory to produce fashion items. It is rather profitable for small factories to concentrate on fashion items.

The factory has been awarded the Gold-level LEED certification by the USGBC in 2017. Multiple features and various initiatives make the premise eco-and-worker-friendly, among these are: an effluent treatment plant (ETP); proper cooling system; separate toilets are provided for males and females; eye wash stations; proper and electricity-saving lighting.

[29] Information obtained from KIIs with stakeholders.

The Director of Wisdom Attires Ltd., Md. Akhter Hossain Apurbo, stated that the firm has made substantial investment to make the factory responsive to workers' welfare needs, and energy-efficient. However, according to him, it did not bring any immediate added benefits in terms of higher prices or increased export orders.

****In the post-LDC era, Bangladesh might still be competitive in the export of basic knitwear items due to the country's lower wage costs. This Industry leaders remark that it is also the right time to invest in forward linkages to export own brand items and to capture higher profit margins.*

Mr. Apurbo is aware of the likelihood of preference erosion in the EU market in the post-LDC era, and he believes that it will intensify the competition from others, particularly Vietnam. But he tends to believe that Bangladesh will still have the upper hand. *"In case of basic items, the scope for technological deepening is quite small; operations will be required to be carried out by workers and hence the determining factor for competitiveness for basic items is the cost of labour where Bangladesh has and will have the edge".*

According to him, Bangladeshi firms are in the process of diversifying both products and markets. He argues that basic items will always be required, and hence demand for these products will always exist and competitors such as Vietnam will not be able to supply all orders alone.

It is believed that Bangladeshi firms obtain lower prices compared to competitors such as Vietnam, and Mr. Apurbo gives two main reasons for it—the buyers know of the incentives and tariff preferences received by the firms and hence they offer lower prices. Bangladeshi firms also engage in unhealthy price competition, accepting extremely low prices to win orders. He believes that buyers will be willing to pay higher prices after LDC graduation when trade preferences will be eroded.

Mr. Apurbo thought that the lead time for Bangladesh is higher than that of its many competitors. Due to the unavailability of a deep-sea port, feeder vessels have to take the products to countries such as Singapore and Sri Lanka, where the products are transferred to mother vessels for shipment to Europe and the U.S.

Mr Apurbo pointed out that the number of factories in this sector is on the decline despite the overall rising trend in export earnings. He thinks the sector will experience further consolidation, giving rise to many more bigger firms. This, according to him, can also raise overall competitiveness.

Lack of skilled labour is a problem facing Wisdom Attired. High land prices and rise in the price of utilities are also obstacles for business expansion, according to Mr Apurbo.

Wisdom Attires Ltd., along with other firms in the country, has been hit hard by the pandemic—orders were cancelled; products were sold at discounted prices; shipping container fees shot up by six times; raw material prices rose sharply.

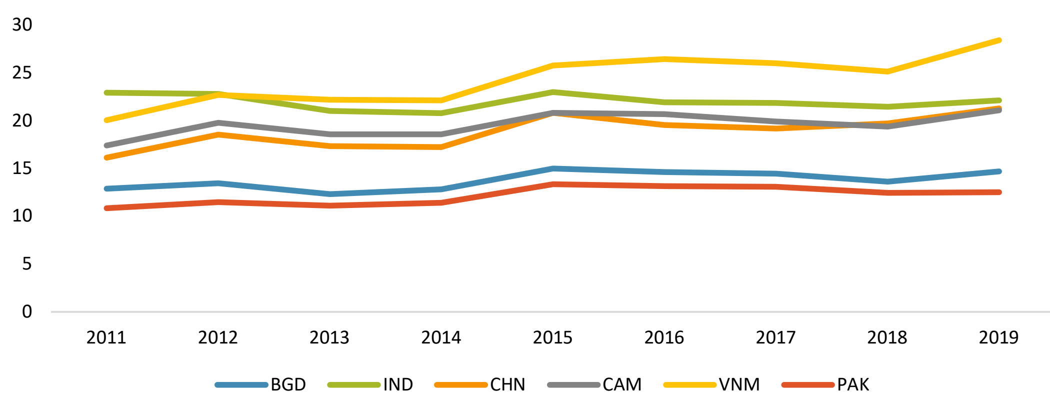
On the issue of the future of the sector Mr. Apurbo says, "Backward integration in the knitwear industry is quite strong, and now it is time to make progress on forward linkages, opening outlets in export destinations to sell Bangladeshi brand items and capture the profits at the retail level".

He also thinks that the industry leaders are very proactive and forward looking and will take proper initiatives to propel the industry forward in the right direction to mitigate the changing circumstances of LDC graduation.

Source: Interview with Mr Md. Akhter Hossain Apurbo, Director, Wisdom Attires Ltd.

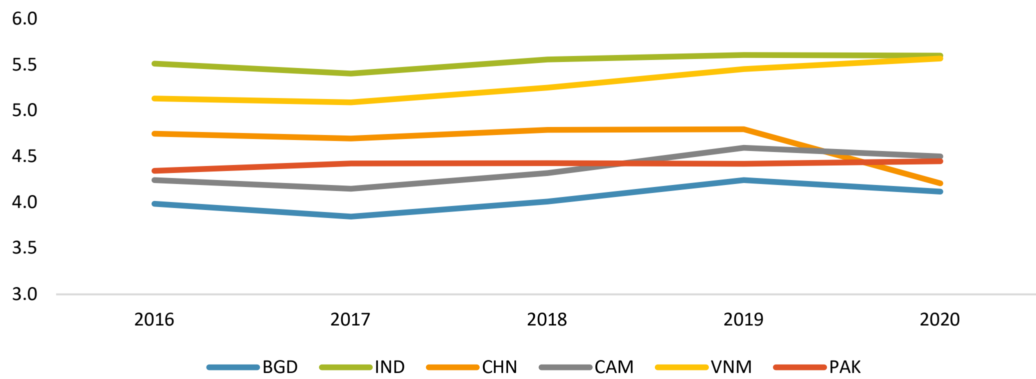
An attempt is made to investigate exporters' claim of lower prices paid to Bangladesh using highly disaggregated import data of the EU and the United States. A comparison of weighted unit value prices of products coming from different countries in both EU and US markets shows that Bangladesh indeed fetches lower prices than its comparators. In the EU market, Bangladesh's weighted average unit value price of top items is 90 per cent lower than that of Vietnam and 45 per cent lower than China (Figure 37). Amongst the competitors, only Pakistan has the average unit value prices lower than that of Bangladesh. Both these countries get duty-free access in the EU and such price differences could be, amongst others, attributable to tariff concessions passthrough to the buyers. In the US market, none of these countries get preferential access and variations in unit value prices are much less compared to the EU market (Figures 37 and 38). In this market, Bangladesh's unit value price is around 30 per cent lower than India and Vietnam, and almost comparable to other countries. This analysis may suggest that the high variation in prices in the EU market might be accountable to the rent of duty-free market access appropriated by the buyers.

Figure 36: Comparison of unit value perics in the EU market, weighted average (Euro/Kg)



Source: Authors' analysis using data from EU Comext.

Figure 37: Comparison of unit value perics in the US market, weighted average ($/SME)

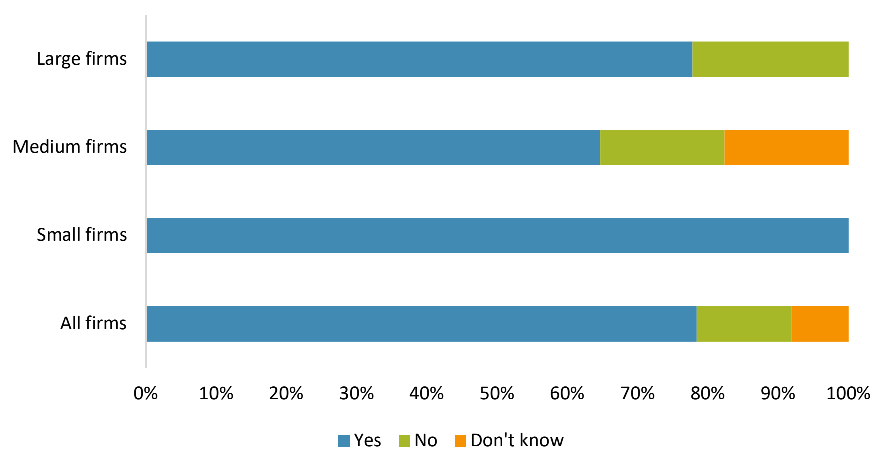


Source: Authors' analysis using data from Office of Textiles and Apparel (OTEXA), United States.

As regards the concern about increased competitive pressure after LDC graduation:

- 78 per cent of the firms participating in our survey think that there could be substantial competitive pressure after graduation. Only 14 per cent do not regard LDC graduation to affect competitiveness.
- All small-sized firms perceive that there will be huge competitive pressure after graduation and export demand may fall substantially.
- Some medium and large sized that firm that do not consider LDC graduation to put pressure on their business reason that their produce high-value diversified items with considerable profit margins and having complex capacity to manufacture in bulk.

Figure 38: Competitive pressure after LDC graduation (% of firms)



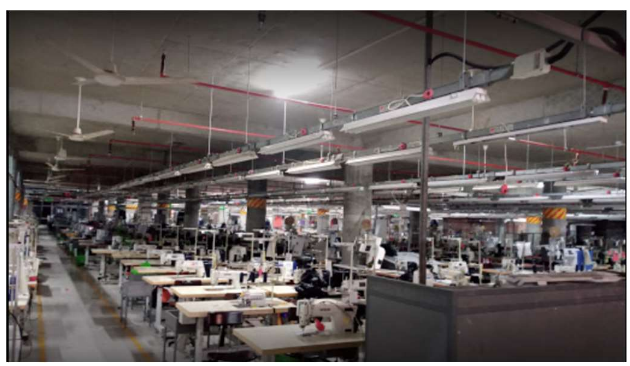
Source: Firm-level survey conducted by the authors.

As graduation looms, some firms have developed their strategies or plans to address the potential implications. Half of the firms do not have any strategy to face challenges arising from graduation while 47 per cent firms reported that they already have or are developing strategies.[30] The strategies include product and process upgradation, movement towards high-value items, adaptation with new technologies and automation, enhancing efficiency, skilling workers, digitalisation of production and tracking mechanisms, continuously improving compliance, etc.

Case Study 2: Towards Sustainable Fashion, Workforce Upskilling, and Industrial Transformation: The Story of 4A Yarn Dyeing Ltd. on Gearing up for LDC graduation

4A Yarn Dyeing Ltd started its journey with buying a sweater factory in 2009 and transformed it to one of the leading jacket exporting units of Bangladesh. Located in the Baipail area of Savar at the outskirts of Dhaka, its factory has quadrupled its production capacity since its inception, and employs some 6500 workers, 70 per cent of whom are women. Each production line now remains abuzz with more than 50 workers producing over 150 jackets a day. With its newly constructed Green Concept building, the factory is aiming to achieve LEED platinum certification – a global recognition for resource-efficient, high performing, and cost-saving green buildings.

4A Yarn Dyeing Ltd focuses on synthetic-fabric based jacket production – a highly specialised outerwear manufacturing activity. Almost 90 per cent of the required raw materials is sourced from imported synthetic fabric. Given the increasing global shift in demand from cotton to synthetic fabric and rise of sustainable fashion trends, the company is now optimistic about further ramping up its production through its expertise on the use of synthetic fabric. Imtiaz Ahmed, Executive Director of 4A Yarn Dyeing Ltd., noted that "*Despite being a non-cotton producing country, Bangladesh rose to prominence among RMG exporters. But 10 years from now, the country's current specialisation in producing cotton fabric, perhaps, would be at stake. There is a mounting environmental concern against the use of cotton fabric products as it demands heavy water usage. Also, cotton fabric is not recyclable. In contrast, nowadays, a lot of development has been made on synthetic fabric production that requires less minimal water usage and also offers 100 per cent recyclability. We think businesses in Bangladesh are going to catch up with the sustainable fashion sooner or later. In this regard, our factory is already on the right track.*"



Taking cognizance of Bangladesh's looming LDC graduation, the factory management is already mindful to diversify its export market that is now mainly focused on European Union. To avoid the drawbacks of preference erosion in these market in the post-LDC period, 4A Yarn Dyeing Ltd. is proactively searching for new export destinations. In this connection, the company has already started strengthening its footing in the markets of Japan, India, and Korea, amongst others. Bangladesh government's current export incentive through cash-assistance accorded to RMG exporters for exploring new markets has been of good use for this company.

[30] Firm-level survey conducted as part of the study.

Thanks to the U.S.-China trade tension that brought in new U.S. buyers for the 4A Yarn Dyeing Ltd. Large volume orders from U.S. buyers allow the factory to produce at scale. *"In the post-LDC era, if our exports were to face 10 per cent tariffs in European Markets, then it would definitely hurt our competitiveness. So, we must look for the potential ways to recoup this excess cost and explore alternative markets to expand exports. Addressing the infrastructural bottlenecks and logistical challenges can help gain competitiveness. In the meantime, aiming for big markets is also critically important"*, Imtiaz Ahmed, who also looks after the marketing of 4A Yarn Dyeing Ltd, added. As LDC graduation approaches, the company is now trying to build a deepened relationship with buyers from North America and South America.

To cushion the adverse impacts of future shocks emanating from LDC graduation, 4A Yarn Dyeing Ltd. has placed continuous skill development and automation at the heart of its current business strategy. The company has been immensely benefitting from the regular training imparted to its workers who can now handle the sophisticated machine operations. Furthermore, the production process is also being transformed through increased use of advanced machineries and automation. *"In contrast to Chinese workers, Bangladesh workers appear to be 4-5 times less efficient. Our goal is to increase our overall efficiency by at least 10 per cent from the current state. We are aiming to achieve this by two means i) regularly arranging training for our workers and ii) investing heavily on advanced machineries. Automation enables us to deliver products with better design and finishing. Automation is inevitable to increase efficiency. But we will also need skilled workers to operate these machines*".

Source: Interview with Mr Imtiaz Ahmed, Executive Director of 4A Yarn Dyeing Ltd.

IV. Way Forward and Concluding Remarks

The apparel sector has been the main driver of Bangladesh's export growth and a catalyst for economic transformation providing a solid base for manufacturing activities and generating massive employment opportunities for women. It is widely recognised that many of the Sustainable Development Goal (SDG) indicators are related to this sector and as such its export performance will critically hinge upon Bangladesh's development prospects including compatibility the achieving of SDGs. The first wave of Covid-19 global pandemic caused massive disruptions for the apparel sector causing export earnings to fall drastically during FY2019-20. Subsequently, however, there has been a strong recovery although export receipts for FY2020-21 were still lower than those of the pre-Covid level of FY2018-19. Along with the uncertainty caused by the pandemic, Bangladesh's impending graduation from the group of LDCs, which will take place in 2026, constitute a major concern for future export competitiveness.

Bangladesh's export success has been single-handedly driven by the RMG sector alone the current level of export concentration is pointer to the fact that export diversification has proven to be a formidable task. As LDC graduation looms large on the horizon, the overwhelming dependence on the apparel sector also makes the country quite vulnerable to any likely shocks due to graduation related adjustments.

For Bangladesh, the most important change that LDC graduation is likely to bring will be associated with preferential market access for exporters. Within the set of LDC-related privileges, Bangladesh has primarily benefited from unilateral trade preferences granted by all developed countries except the United States. Many developing countries have also extended LDC-related preferential market access to Bangladesh. Amongst the least developed countries (LDCs), Bangladesh has been most success in utilising the trade preferences. Currently, Bangladesh enjoys preferential market access in close to 50 countries with almost three-quarters of Bangladesh's export earnings are sourced from the countries that offer tariff preferences. The loss of tariff preferences after graduation could thus trigger tremendous competitiveness pressure for Bangladesh.

Another important aspect of LDC graduation would be a constrained policy space to support the apparel sector, which currently enjoys export subsidies, but such assistance would likely to be incompatible with the existing global trade rules. Members of the WTO members are generally reluctant about raising concerns or lodging official complaints about individual LDCs' policy support measures. However, graduation from the group of LDCs would almost certainly trigger a closer scrutiny to ensure conformity.

The analysis presented in the paper including consultations undertaken with apparel industry leaders, firm managers and other knowledgeable stakeholders provides interesting insights about the factors that influence export competitiveness and firm-level preparedness. The results show that firms are quite diverse in terms of their specialisation and the level of perceived competitiveness vary widely. While most firm managers and entrepreneurs do acknowledge the competitiveness pressure arising from any future loss market preferences, not everyone thinks that they will be completely out of business. Many industry insiders are of the view that as a bulk producer, Bangladesh has tremendous depth and competitiveness strength.

One interesting finding from various consultation exercises is that buyers of Bangladesh's garment products might be bargaining hard and offering very competitive prices just because the apparel exporters enjoy duty-free market access and are also benefited from some government export incentive schemes. The analysis presented in this paper does show that prices received by Bangladeshi exporters in the EU is much lower in comparison with supplier from countries that are not eligible for EBA preferences. On the other hand, price differences across suppliers of the same products in the US, which does not offer duty-free access to the set of comparators for which comparisons are made, are much smaller. This would imply that much of the benefits of market preferences and export assistance has been passed onto the buyers/importers of Bangladesh's apparel items. There is thus a suggestion that buyer may likely to adjust prices upwards once Bangladesh graduates.

The firm-level LDC graduation preparation is mixed. The on-going Covid-19 crisis has also affected the process. But, several exporters indicated their proactively looking for new market opportunities. Some are also upbeat about new business opportunities particularly with the United States in the aftermath of the US-China trade war.

Overall, an overwhelming majority of the exporters did acknowledge the importance of duty-free market access and various export incentives provided by the government. According to some exporters, industrial upgradation is likely to be accelerated by the pressure of competitiveness. While this can be helpful in maintaining and/or expanding market shares, there could put pressure on employment generation.

Finally, the cost of doing business is considered excessively high in Bangladesh because of such factors as infrastructural bottlenecks, inefficient customs processes, incompetent port management and trade facilitation measures, dysfunctional inland transportation, and weak governance. Any improvements in these areas can contribute to improved competitiveness of exporting firms which can help achieve SGDs.

The exporters also point out certain measures that can be considered in mitigating any potential adverse consequences. These include looking for an extended transition period (from EBA arrangements) for graduating LDCs, possible options and strategies for securing preferential trade deals with the major trading partners. On the supply side, industrial upgradation within apparel value chains including technological upgradation in Bangladesh's garment industry, attracting FDI, and ensuring compliance with workplace standards would help. Most exporters are of the view Bangladesh has invested a lot in working environment and in improving sustainable business practices, the benefits from which have not been fully reaped but will help mitigate any likely export shock after graduation. Finally, most exporters are of the view that tackling the current excessive cost of doing business could greatly improve their competitiveness in a post-LDC world.

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Annex

Table A1: Export share of apparel items in selected destination countries, 2018-19 (%)

Hs Code	Description	Exports in 2018-19 (million $)	EU	UK	USA	Australia	Canada	China	India	Japan	Russia	Turkey	Others
61012000	Men's or boys' over/car coats, etc, of cotton, knitted or crocheted	48.89	62.79	3.46	16.52	0.58	6.45	0.34	0.02	1.15	5.12	0.07	3.49
61013000	Men's or boys' over/car coats, etc, of man-made fibres, knitted or crocheted	61.51	52.91	0.90	34.33	0.12	5.65	0.99	0.95	0.20	2.79	0.10	1.05
61019000	Men's or boys' over/car coats, etc, of other textiles, knitted or crocheted	14.71	51.52	37.58	0.19	0.00	3.85	0.00	0.00	4.41	0.00	0.11	2.33
61021000	Woman's or girls' over/car coats, etc, of wool..., knitted or crocheted	6.52	72.23	7.75	4.53	0.01	1.89	0.42	0.14	8.26	1.44	0.19	3.12
61022000	Woman's or girls' over/car coats, etc, of cotton, knitted or crocheted	100.51	76.51	1.72	8.84	0.31	1.20	1.25	0.29	0.92	3.67	0.60	4.68
61023000	Woman's or girls' over/car coats, etc, of man-made fibres, knitted/crocheted	86.26	82.66	6.36	4.53	0.18	1.55	0.29	0.55	0.72	1.35	0.07	1.73
61029000	Woman's or girls' over/car coats, etc, of other textiles, knitted/crocheted	5.14	56.94	29.91	2.81	0.00	1.08	0.00	0.00	0.99	0.00	0.58	7.69
61031000	Men's or boys' Suits, Excl. Sports out fit for sports shooting	53.13	50.84	10.20	18.45	5.91	2.11	0.37	0.14	4.05	0.36	1.25	6.31
61032200	Men's or boys' ensembles of cotton, knitted or crocheted	6.09	79.78	1.55	0.90	0.00	2.36	0.05	0.04	4.00	0.44	0.00	10.88
61032300	Men's or boys' ensembles of synthetic fibres, knitted or crocheted	2.23	18.80	0.43	5.97	0.00	0.00	0.00	0.00	71.20	0.00	0.00	3.60
61032900	Men's or boys' ensembles of other textiles, nes, knitted or crocheted	2.27	50.35	26.42	6.52	4.48	2.03	0.00	1.78	0.36	2.84	3.43	1.80
61033100	Men's or boys' jackets and blazers of wool..., knitted or crocheted	1.49	50.24	3.49	29.81	1.75	4.62	0.00	0.08	0.00	0.00	1.10	8.90
61033200	Men's or boys' jackets and blazers of cotton, knitted or crocheted	25.47	35.35	21.22	11.91	8.64	2.06	2.02	3.11	4.06	5.87	0.15	5.61
61033300	Men's or boys' jackets... Of synthetic fibres, knitted or crocheted	24.14	52.04	18.62	8.71	6.74	1.03	0.26	8.65	1.80	0.26	0.00	1.90
61033900	Men's or boys' jackets... Of other textiles, nes, knitted or crocheted	15.10	32.28	40.43	5.20	1.16	12.23	0.58	2.03	1.42	0.03	0.01	4.65
61034100	Men's or boys' trousers, etc, of wool..., knitted or crocheted	3.55	57.45	4.94	7.76	0.00	10.73	0.00	0.00	13.78	3.30	0.00	2.05
61034200	Men's or boys' trousers, etc, of cotton, knitted or crocheted	317.45	51.39	10.14	13.00	4.27	5.33	1.28	2.02	2.13	4.59	0.59	5.26
61034300	Men's or boys' trousers, etc, of synthetic fibres, knitted or crocheted	66.34	13.49	3.67	47.73	3.59	18.22	0.66	1.63	6.50	1.26	0.07	3.18
61034900	Men's or boys' trousers, etc, of other textiles, knitted or crocheted	15.94	46.21	8.30	14.04	3.51	13.25	0.00	4.89	1.59	0.00	5.27	2.94
61041300	Women's or girls' suits of synthetic fibres, knitted or crocheted	7.08	73.81	2.85	0.45	11.90	1.37	0.48	0.02	4.66	1.97	0.00	2.50
61041900	Women's or girls' suits of other textiles, knitted or. Of other textile materials nes,	5.76	56.47	15.01	2.75	0.00	16.17	0.25	0.00	1.31	0.80	0.02	7.22
61042200	Women's or girls' ensembles, of cotton, knitted or crocheted	17.08	77.17	9.18	2.00	0.13	2.34	0.23	0.04	1.48	0.28	0.05	7.10
61042300	Women's or girls' ensembles, of synthetic fibres, knitted or crocheted	1.78	69.77	3.17	0.00	0.00	0.00	0.00	0.00	25.74	0.00	0.00	1.33
61042900	Women's or girls' ensembles, of other textiles, knitted or crocheted	11.94	13.56	4.03	79.32	0.11	0.50	0.19	0.02	0.08	0.11	0.16	1.92
61043100	Women's or girls' jackets, of wool..., knitted or crocheted	1.71	57.55	3.50	6.43	3.10	12.55	0.00	0.00	3.04	0.00	0.00	13.83
61043200	Women's or girls' jackets, of cotton, knitted or crocheted	17.92	48.27	13.10	14.07	2.03	2.56	0.26	0.14	0.89	14.41	0.30	3.99
61043300	Women's or girls' jackets, of synthetic fibres, knitted or crocheted	23.47	77.61	10.51	2.82	0.55	1.98	0.19	4.54	0.00	0.40	0.00	1.38
61043900	Woman's or girls' jackets, of other textiles, knitted or crocheted	6.08	41.00	19.42	16.99	0.31	11.96	0.00	1.22	6.93	0.00	0.00	2.17
61044100	Dresses of wool or fine animal hair, knitted or crocheted	4.31	70.26	6.26	7.86	0.05	5.84	1.64	0.08	1.13	1.21	0.29	5.35
61044200	Dresses of cotton, knitted or crocheted	268.29	64.25	9.95	7.11	1.30	2.30	2.13	0.60	3.09	2.72	0.47	6.08
61044300	Dresses of synthetic fibres, knitted or crocheted	43.12	48.70	21.95	11.30	0.15	3.86	0.65	2.03	7.04	1.36	0.25	2.70
61044400	Dresses of artificial fibres, knitted or crocheted	24.76	86.61	10.97	0.48	0.00	0.54	0.05	0.10	0.04	0.51	0.03	0.67
61044900	Dresses of other textile material, nes, knitted or crocheted	4.83	67.09	4.85	21.47	0.12	3.95	0.13	0.01	0.64	0.18	0.03	1.54

61045100	Skirts and divided skirts of wool or fine hair, knitted or crocheted	1.22	71.60	14.61	2.18	0.06	0.35	0.22	0.19	4.77	0.33	0.37	5.33
61045200	Skirts and divided skirts of cotton, knitted or crocheted	15.69	61.56	11.46	11.17	2.34	0.46	0.44	0.10	1.62	4.56	0.08	6.19
61045300	Skirts and divided skirts of synthetic fibres, knitted or crocheted	8.46	25.96	7.10	41.44	0.06	5.73	4.55	2.24	5.58	0.00	0.00	7.35
61045900	Skirts and divided skirts of other textiles, nes, knitted or crocheted	6.87	71.22	11.75	7.47	0.19	3.55	0.11	0.43	2.54	1.50	0.02	1.22
61046100	Women's or girls' trousers, etc, of wool..., knitted or crocheted	9.04	59.11	31.28	0.46	1.25	4.02	0.01	0.00	0.70	1.05	0.00	2.12
61046200	Women's or girls' trousers, etc, of cotton, knitted or crocheted	933.29	61.93	16.11	7.55	1.80	2.10	1.24	0.51	1.00	2.24	0.38	5.15
61046300	Women's or girls' trousers, etc, of synthetic, knitted or crocheted	120.99	73.84	9.53	4.36	0.81	4.77	0.44	1.18	0.82	0.88	0.11	3.25
61046900	Women's or girls' trousers, etc, of other textile, knitted or crocheted	73.57	44.53	26.70	16.61	0.63	3.00	0.68	0.62	1.34	0.66	0.57	4.66
61051000	Men's or boys' shirts of cotton, knitted or crocheted	805.94	65.29	12.43	7.81	1.44	1.58	0.69	2.18	1.02	1.52	0.54	5.50
61052000	Men's or boys' shirts of man-made fibres, knitted or crocheted	67.43	46.10	6.48	31.17	0.86	3.60	0.25	4.15	3.05	0.43	0.24	3.67
61059000	Men's or boys' shirts of other textiles, nes, knitted or crocheted	17.64	33.26	13.64	7.32	1.12	1.95	0.06	6.03	33.75	0.12	0.05	2.70
61061000	Women's or girls' blouses, etc, of cotton, knitted or crocheted	147.55	61.26	10.77	9.13	0.74	1.45	0.41	0.62	7.72	2.33	0.41	5.14
61062000	Women's or girls' blouses, etc, of man-made fibres, knitted or crocheted	43.71	56.33	7.14	14.07	0.28	1.46	0.01	1.79	10.86	1.42	0.05	6.58
61069000	Women's or girls' blouses etc. Of other textiles nes, knitted or crocheted	7.06	41.61	16.98	27.69	0.35	4.66	0.00	0.72	1.00	0.39	0.15	6.45
61071100	Men's or boys' underpants and briefs of cotton, knitted or crocheted	391.99	50.27	18.79	16.33	2.19	4.44	0.67	0.51	0.66	1.84	0.25	4.05
61071200	Men's or boys' underpants, etc, of man-made fibres, knitted or crocheted	32.69	27.24	23.35	38.70	0.75	6.90	0.06	0.04	0.53	0.82	0.00	1.59
61071900	Men's or boys' underpants etc. Of other textiles nes, knitted or crocheted	1.92	48.37	17.36	11.36	1.20	6.80	0.00	0.10	11.44	0.00	0.00	3.38
61072100	Men's or boys' night shirt pyjamas of cotton, knitted or crocheted	75.56	72.33	10.44	4.61	0.29	5.10	0.24	2.30	0.95	0.72	0.16	2.84
61072200	Men's or boys' night shirt pyjamas of man-made fibres, knitted or crocheted	14.95	15.75	38.01	22.87	0.00	8.61	0.06	0.31	5.91	0.00	0.00	8.49
61072900	Men's or boys'night shirt pyjamas of other textiles, nes, knitted or crocheted	1.17	89.91	0.00	1.19	0.00	0.71	0.00	0.00	2.49	1.64	0.00	4.06
61079100	Men's or boys' dressing gowns, etc, of cotton, knitted or crocheted	8.51	16.96	0.98	58.03	0.64	12.11	0.02	7.56	0.00	0.00	0.00	3.71
61079900	Men's or boys' dressing gowns, of other textiles,nes, knitted or crocheted	6.57	22.81	35.05	36.72	0.00	2.08	0.01	0.19	1.79	0.06	0.00	1.29
61081100	Women's or girls' slips, etc, of man-made fibres, knitted or crocheted	35.74	43.40	17.43	27.00	0.11	1.28	0.40	0.13	4.53	1.31	0.21	4.19
61081900	Women's or girls' slips, etc, of other textiles, nes, knitted or crocheted	1.83	53.93	20.63	14.69	0.00	0.00	0.00	4.90	0.00	0.00	0.00	5.84
61082100	Women's or girls' briefs and panties of cotton, knitted or crocheted	399.51	38.42	14.57	32.95	1.80	3.49	0.31	1.07	0.97	0.96	0.19	5.26
61082200	Women's or girls' briefs, etc, of man-made fibres, knitted or crocheted	103.26	53.37	12.53	12.92	0.40	9.37	0.25	1.06	0.28	2.18	0.19	7.45
61082900	Women's or girls' briefs, etc, of other textiles, nes, knitted or crocheted	36.46	14.63	69.59	6.65	0.08	0.00	0.00	0.05	0.56	0.00	0.00	8.44
61083100	Women's or girls' night dresses, pyjama etc, of cotton, knitted or crocheted	171.77	57.97	17.12	3.95	1.13	7.65	0.42	1.88	1.17	1.25	0.16	7.29
61083200	Women's or girls' pyjamas, night dresses of man-made fibres, knitted/ crocheted	47.32	20.81	18.58	42.67	0.23	8.13	0.07	3.05	3.29	0.10	0.01	3.06
61083900	Women'S Or Girls' Night Dresses & Pyjamas Of Other Tex.,Knitted Or Croched	3.01	89.09	3.28	0.00	0.13	1.35	0.00	0.00	0.97	2.68	0.00	2.51
61089100	Women's or girls' negliges dressing gowns. of cotton, knitted or crocheted	17.35	62.77	5.65	23.76	0.10	4.98	0.00	0.00	0.72	0.77	0.00	1.24

61089200	Women's or girls' negliges dressing gowns of man-made fibre, knitted/ crocheted	23.52	16.52	58.41	18.89	0.37	3.72	0.03	0.00	0.01	0.00	0.00	2.04
61089900	Women's/girls' negliges dressing gowns. Of other tex.,nes, knitted/ crocheted	1.51	42.32	43.18	1.91	0.00	5.81	0.00	0.57	0.00	0.00	0.00	6.20
61091000	T-shirts, singlets and other vests, of cotton, knitted or crocheted	6552.84	60.88	11.29	5.58	3.61	2.71	1.85	0.53	2.95	1.72	0.30	8.58
61099000	T-shirts, singlets, etc, of other textiles, nes, knitted or crocheted	458.42	48.08	11.30	5.71	3.62	2.91	1.17	2.03	18.54	0.99	0.33	5.33
61101100	Of wool or fine animal hair. Of wool	93.50	62.88	17.19	1.43	1.75	1.71	0.17	1.39	5.76	0.68	0.28	6.75
61101200	Of kashmir(cashmere)goats	8.96	58.97	1.72	10.12	0.19	25.91	0.00	0.00	1.58	1.29	0.00	0.22
61101900	Of wool or fine animal hair,nes	43.82	60.27	6.05	8.31	4.96	4.52	2.86	0.36	1.78	2.37	0.81	7.71
61102000	JERSEYS, PULLOVERS, CARDIGANS, WAISTCOATS & SIMILAR ART., KNITTED OR CROCHETED OF COT	2209.26	58.56	10.00	11.73	1.75	3.59	1.53	0.33	3.33	2.09	0.58	6.51
61103000	Jerseys, pullovers, cardigans, waistcoats., knitted or crocheted of man-made fibre	1384.11	60.48	13.60	5.45	1.13	3.19	0.74	0.70	6.83	0.95	0.15	6.78
61109000	Jerseys, pullovers, cardigans, waistcoats.. ,knitted or crocheted of oth. Text. Mater	516.26	66.93	7.19	5.62	0.87	2.59	0.41	0.40	5.03	1.36	0.95	8.65
61112000	Babies' garments, etc, of cotton, knitted or crocheted	432.33	59.47	7.62	16.96	1.87	2.38	1.88	0.32	2.10	1.48	0.70	5.22
61113000	Babies' garments, etc, of synthetic fibres, knitted or crocheted	12.23	28.71	4.29	40.47	11.66	6.48	1.75	0.63	0.37	0.03	0.15	5.48
61119000	Babies' garments, etc,of other textiles materials, nes knitted or crocheted	5.28	77.63	13.49	0.00	0.11	0.90	0.97	1.06	0.49	0.49	0.00	4.85
61121100	Track-suits of cotton, knitted or crocheted	16.37	66.43	9.97	0.74	0.72	0.96	0.98	0.06	0.39	8.96	1.05	9.75
61121200	Track-suits of synthetic fibres, knitted or crocheted	22.76	51.12	4.84	3.86	0.49	0.20	0.21	1.07	7.06	3.28	0.85	27.02
61121900	Track-suits of other textiles, nes, knitted or crocheted	0.49	66.48	0.00	16.17	0.00	0.00	0.00	0.00	17.35	0.00	0.00	0.00
61122000	Ski suits	1.86	85.01	4.74	6.56	0.00	0.19	0.07	0.00	0.00	1.10	1.97	0.36
61123100	Men's or boys' swimwear of synthetic fibres, knitted or crocheted	11.70	58.52	16.61	7.95	0.40	1.25	0.79	0.27	1.63	2.63	1.85	8.08
61123900	Men's or boy's swimwear, of other textile materials	0.22	74.75	10.34	12.40	0.00	0.00	0.00	1.19	0.00	0.00	0.00	1.32
61124100	Women's or girls' swimwear of synthetic fibres, knitted or crocheted	31.78	53.67	22.50	8.35	0.54	0.79	0.25	0.94	0.82	2.40	1.27	8.47
61124900	Women's or girls swimwear of other textile material	1.66	64.72	30.20	0.18	2.80	0.00	0.00	1.13	0.00	0.00	0.00	0.97
61130000	Garments, made up of knitted or crocheted fabrics of heading 5903,5906 or 5909	8.25	41.96	0.43	18.82	0.30	2.90	0.00	0.00	0.45	0.00	0.00	35.15
61142000	Garments of cotton, knitted or crocheted, nes	54.75	56.78	22.43	4.75	0.10	1.92	2.29	0.15	2.78	3.14	0.33	5.34
61143000	Garments of man-made fibres, knitted or crocheted, nes	27.43	70.08	21.14	1.76	0.09	0.41	0.63	0.27	1.63	0.33	0.13	3.52
61149000	Garments of other textiles, knitted or crocheted, nes	2.25	68.74	3.16	21.64	0.02	0.01	0.18	0.74	0.19	0.67	0.26	4.38
61151000	Graduated compression hosiery (for example, stockings for varicose veins)	0.26	2.19	0.00	0.00	0.00	0.00	0.00	0.00	97.81	0.00	0.00	0.00
61152100	Other panty hose and tights Of synthetic fibres, measuring per single yarn les	0.17	23.92	46.23	28.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.06
61152200	Other panty hose and tights Of synthetic fibres measuring per single yarn 67 d	11.03	3.91	0.00	0.00	0.00	0.56	2.16	0.00	92.09	0.00	0.07	1.20
61152900	Other panty hose and tights Of other textile materials	0.23	0.64	0.00	4.92	0.00	0.00	5.39	80.04	3.37	0.00	4.08	1.57
61159500	Panty hose, tights, stockings, sock..., inclu. grad. Comp. hos.Of Cotton, NES	13.03	51.37	4.41	0.00	0.00	33.31	0.00	2.24	0.60	0.09	0.00	7.99
61159600	Panty hose, tights, stockings, sock..., inclu. grad. Comp. hos. Of synthetic fibres	0.84	9.97	0.00	0.00	0.54	86.75	0.00	0.00	2.74	0.00	0.00	0.01
61159900	Hosiery and footwear without soles of other tex., knitted or crochete, nes	0.57	7.53	8.19	0.00	0.00	0.00	0.00	0.00	55.17	0.00	0.00	29.10
61161000	Impregnated, coated or covered with plastics or rubber	26.09	29.56	6.34	13.11	0.66	6.40	3.53	2.66	21.22	3.99	0.47	12.06

61169100	Gloves, mittens and mitts, of wool..., knitted or crocheted	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00
61169200	Gloves, mittens and mitts, of cotton, knitted or crocheted	2.72	6.58	8.06	0.07	0.00	15.40	0.00	1.58	65.01	0.00	0.00	3.29
61169300	Gloves, mittens and mitts, of synthetic fibres, knitted or crocheted	0.85	60.32	0.00	26.51	0.00	13.18	0.00	0.00	0.00	0.00	0.00	0.00
61169900	Gloves, mittens and mitts, of other textiles, knitted or crocheted	3.03	22.73	0.00	70.51	0.00	6.77	0.00	0.00	0.00	0.00	0.00	0.00
61171000	Shawls, scarves, mufflers, mantillas, veils and the like	4.01	64.63	6.68	7.16	0.21	2.31	0.43	0.52	3.66	3.10	0.33	10.96
61178008	Other clothing accessories, knitted or crocheted, nes, of cotton	0.37	81.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.41	0.00	14.53
61178088	Other clothing accessories, knitted or crocheted, nes	0.64	18.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	81.11
61179000	Parts of garments or clothing accessories, knitted or crocheted	0.06	26.78	0.00	37.89	0.00	0.00	4.75	0.00	0.00	0.00	0.00	30.59
62011100	Men's or boys' car overcoats, capes, cloaks etc of wool or fine animal hair	11.79	55.46	7.61	3.95	0.33	0.49	0.22	0.44	2.89	0.28	24.15	4.19
62011200	Men's or boys' car overcoats, capes cloaks etc, of cotton	31.50	45.92	6.86	12.17	2.16	4.60	0.33	0.05	5.32	1.19	19.89	1.50
62011300	Men's or boys' car overcoats, capes, cloaks etc, of man-made fibres	61.32	57.89	6.30	2.92	0.11	0.44	3.17	1.98	5.74	1.92	11.04	8.48
62011900	Men's or boys' car overcoats, capes, cloaks etc, of other textiles, nes	11.01	62.90	10.82	4.80	0.29	1.19	0.88	0.05	9.02	1.41	4.94	3.71
62019100	Men's or boys' anoraks, wind jackets/cheaters, etc,of wool/fine anima hair	4.04	40.87	37.54	6.16	2.42	3.93	0.97	0.00	0.15	0.53	2.59	4.83
62019200	Men's or boys' anoraks, wind jackets/cheaters, etc, of cotton	203.01	54.49	5.29	23.61	0.44	3.63	3.13	0.08	1.81	1.41	0.49	5.62
62019300	Men's or boys' anoraks, wind jackets/cheaters, etc, of man-made fibres	404.62	56.89	3.18	18.99	0.38	5.06	3.13	1.51	3.35	1.81	0.93	4.78
62019900	Men's or boys' anoraks, wind jackets/cheaters, etc, of other textiles, nes	21.52	37.66	3.60	5.84	0.00	41.04	0.01	0.00	0.03	0.13	11.05	0.64
62021100	Woman's or girls' car overcoats, capes, cloaks etc, of wool/fine animal hair	5.69	87.36	0.90	3.27	0.21	1.86	0.40	0.00	1.77	0.00	3.90	0.34
62021200	Woman's or girls' car overcoats, capes, cloaks etc, of cotton	24.18	58.96	12.62	3.20	2.51	13.14	1.21	0.08	1.87	0.64	2.06	3.72
62021300	Woman's or girls' car overcoats, capes, cloaks etc, of man-made fibres	55.20	53.43	3.04	19.72	0.20	1.40	1.47	2.60	6.03	0.39	4.54	7.19
62021900	Woman's or girls' car overcoats, capes, clooks etc. Of other textiles, nes	14.38	40.57	1.91	0.67	0.00	0.32	1.19	0.02	48.26	1.83	2.39	2.83
62029100	Woman's or girls' anoraks, wind jackets/cheaters, etc, of wool...	5.63	83.13	4.80	0.38	0.00	1.26	0.77	0.00	0.12	1.54	4.85	3.15
62029200	Woman's or girls' anoraks, wind jackets/cheaters, etc, of cotton	185.81	56.14	6.06	22.93	0.44	3.03	2.57	0.08	1.48	1.05	2.20	4.02
62029300	Woman's or girls' anoraks, wind jackets/cheaters, etc, of man-made fibres	290.21	61.25	4.84	15.57	0.51	5.39	1.95	0.34	2.15	1.54	1.00	5.45
62029900	Woman's or girls' anoraks, wind jackets/cheaters, etc, of other tex.,nes	8.78	46.29	2.91	21.05	0.13	16.84	0.08	0.36	0.08	1.41	10.01	0.85
62031100	Men's or boys' suits of wool or fine animal hair	6.32	50.60	6.12	37.92	0.10	2.96	0.01	0.34	0.00	0.00	0.74	1.21
62031200	Men's or boys' suits of synthetic fibres	14.91	16.95	3.65	0.55	0.00	0.10	0.49	45.57	31.01	0.18	0.60	0.91
62031900	Men's or boys' suits of other textiles, nes	2.77	31.94	19.48	16.27	14.53	4.07	0.00	2.96	0.00	0.01	0.49	10.25
62032200	Men's or boys' ensembles of cotton	19.38	63.02	2.06	24.74	0.08	1.53	0.87	0.07	0.67	0.61	0.32	6.03
62032300	Men's or boys' ensembles of synthetic fibres	1.94	45.57	10.66	5.78	0.89	0.60	2.45	0.31	1.78	3.01	9.05	19.90
62032900	Men's or boys' ensembles of other textiles, nes	3.74	70.90	1.63	13.09	0.00	0.00	1.17	0.00	0.60	0.00	0.00	12.61
62033100	Men's or boys' jackets and blazers of wool or fine animal hair	4.72	53.09	15.25	7.46	0.22	0.06	0.15	0.00	0.77	0.00	0.00	23.00
62033200	Men's or boys' jackets and blazers of cotton	115.44	23.20	6.96	49.38	1.62	6.70	2.49	1.90	2.20	1.21	0.21	4.12
62033300	Men's or boys' jackets and blazers of synthetic fibres	100.42	40.82	31.14	6.99	0.40	1.50	0.29	9.35	3.69	0.42	0.41	4.98
62033900	Men's or boy's jackets and blazers of other textiles,(exl.wool,syn.fab,cot	33.03	38.24	21.06	24.78	0.71	1.70	0.77	3.64	4.52	0.09	0.11	4.38

62034100	Men'S/Boy'S Bib& Brace Trousers, Breeches, Shorts Of Wool Or Fine Animalhar	9.55	42.40	11.87	24.02	5.03	4.09	0.13	0.58	0.71	1.20	0.00	9.97
62034200	Men'S Or Boys' Bib & Brace Trousers, Breeches, Shorts, Of Cotton	5555.87	40.73	7.39	31.48	2.41	2.98	2.07	2.00	2.92	0.99	0.46	6.56
62034300	Men'S Or Boys' Bib & Brace Trousers, Breeches & Shorts Of Synthetic Fibres	815.65	50.28	9.86	27.22	1.15	3.52	0.48	1.19	1.64	0.39	0.26	4.01
62034900	Men'S Or Boys' Bib& Brace Trousers, Breeches & Shorts Of Other Textiles, Nes	255.87	22.97	24.90	27.32	1.91	3.17	1.11	9.88	0.94	0.48	0.65	6.68
62041100	Women's or girls' suits of wool or fine animal hair	5.97	62.76	3.11	19.30	4.09	1.04	0.00	0.00	0.36	2.17	5.83	1.33
62041200	Women's or girls' suits of cotton	3.58	53.99	3.46	18.49	0.91	4.05	0.00	0.00	12.39	1.76	0.00	4.95
62041300	Women's or girls' suits of synthetic fibres	2.12	7.87	1.22	85.17	0.00	0.00	0.02	0.00	1.77	0.50	2.00	1.44
62041900	Women's or girls' suits of other textiles, (exl.wool,cotton,syn.fibre)	11.49	23.19	3.15	3.43	0.13	1.50	0.86	0.14	62.44	0.45	0.36	4.35
62042100	Women's or girls' ensembles of wool or fine animal hair	1.29	56.02	11.63	9.16	0.00	2.35	0.00	0.00	0.94	0.29	0.59	19.01
62042200	Women's or girls' ensembles of cotton	6.94	53.44	11.70	16.15	0.03	7.00	0.27	0.55	0.93	0.46	0.08	9.36
62042300	Women's or girls' ensembles of synthetic fibres	3.05	15.50	72.24	0.21	0.00	2.40	0.00	0.00	2.92	0.00	0.00	6.73
62042900	Women's or girls' ensembles of other textiles, (exl. wool, cotton, syn. fibre)	9.97	46.03	29.93	7.16	0.00	0.33	0.11	0.00	15.91	0.00	0.00	0.53
62043100	Women's or girls' jackets and blazers of wool or fine animal hair	3.65	36.87	58.40	0.00	0.00	0.45	0.00	0.00	1.21	0.21	0.08	2.79
62043200	Women's or girls' jackets and blazers of cotton	82.89	47.59	7.05	24.77	2.56	4.32	2.03	2.12	4.73	1.75	0.03	3.04
62043300	Women's or girls' jackets and blazers of synthetic fibres	96.94	26.76	18.02	39.04	0.27	2.39	1.32	3.47	1.92	0.75	0.26	5.80
62043900	Women'S Or Girls' Jackets & amp; Blazers Of Oth.Tex.,(Exl.Wool,Cotton,Syn.Fibre)	18.53	39.39	10.43	10.43	0.55	5.53	1.19	1.54	27.40	0.54	0.23	2.76
62044100	Dresses of wool or fine animal hair	1.00	46.09	14.44	3.59	0.00	26.93	2.50	0.00	3.45	0.56	0.00	2.44
62044200	Dresses of cotton	222.19	45.35	25.75	8.48	3.55	3.70	1.33	0.59	2.00	2.90	0.57	5.77
62044300	Dresses of synthetic fibres	53.16	50.23	26.30	7.35	0.40	3.39	0.85	3.11	0.55	2.14	0.46	5.23
62044400	Dresses of artificial fibres	36.59	70.42	10.26	4.88	0.30	5.23	0.99	0.62	0.60	4.28	0.12	2.29
62044900	Dresses of other textiles, (exl.wool, cotton,syn./arti.fibre)	32.81	55.00	14.65	10.49	0.42	1.87	3.61	1.32	7.13	0.44	0.29	4.78
62045100	Skirts and divided skirts of wool or fine animal hair	1.87	93.13	0.70	3.80	0.00	2.37	0.00	0.00	0.00	0.00	0.00	0.00
62045200	Skirts and divided skirts of cotton	162.82	52.32	10.71	18.73	2.26	3.22	2.46	0.34	3.83	1.67	0.28	4.19
62045300	Skirts and divided skirts of synthetic fibres	33.41	21.65	48.61	18.94	0.13	0.65	0.79	0.87	0.73	0.68	0.17	6.78
62045900	Skirts and divided skirts of other textiles, (exl.wool, cotton, syn. fibre)	16.82	49.65	14.81	11.31	0.86	3.15	2.18	1.61	11.01	1.50	0.77	3.13
62046100	Women's or girls' trousers, breeches, etc, of wool or fine animal hair	4.67	58.05	5.85	8.87	0.00	2.71	0.27	6.19	1.44	2.15	0.00	14.46
62046200	Women's or girls' trousers, breeches, etc, of cotton	3062.47	43.91	12.51	26.35	2.23	3.92	1.45	1.54	2.48	1.10	0.29	4.23
62046300	Women's or girls' trousers, breeches, etc, of synthetic fibres	237.19	50.40	18.23	14.62	0.40	4.03	0.80	2.01	0.75	1.36	0.46	6.95
62046900	Women's/girl's trousers, breeches, etc, of oth.tex.,(exl.wool, cotton, syn.fib.	273.41	38.73	18.82	23.06	0.75	8.34	0.75	2.06	1.67	1.34	0.75	3.73
62052000	Men's or boys' shirts of cotton	1954.25	32.58	9.81	34.51	2.24	4.12	1.67	3.98	2.30	1.30	1.13	6.36
62053000	Men's or boys' shirts of man-made fibres	122.49	33.29	25.74	22.67	0.82	2.69	0.50	4.33	4.04	1.60	0.08	4.24
62059000	Men's or boy's shirts of other textiles, (exl.wool, cotton, man-made fibre)	248.10	27.48	24.90	19.48	0.94	2.07	0.46	2.42	13.45	0.34	1.19	7.27
62061000	Women's or girl's blouses, shirts/blouses of silk or silk waste	8.12	47.20	5.74	2.12	7.86	7.74	0.00	0.71	21.48	3.39	0.20	3.57
62062000	Women's or girl's blouses, shirts/blouses of wool or fine animal hair	67.26	48.60	10.11	15.82	0.91	4.88	0.98	0.15	7.99	2.96	1.79	5.81
62063000	Women's or girls' blouses, shirts/blouses of cotton	275.38	44.04	7.72	17.98	2.79	4.43	1.88	0.81	2.62	4.03	4.45	9.26
62064000	Women's or girl's blouses, shirts/blouses of man-made fibres	248.26	58.34	17.27	9.09	0.34	2.94	1.13	2.48	1.88	1.68	0.37	4.49

62069000	Women/girl's blouses, shirts/blouses of oth. tex.(exl.silk, wool, of man m.fib	68.04	27.86	24.97	23.75	0.07	5.19	0.75	1.17	7.69	0.74	0.90	6.91
62071100	Men's or boys' underpants and briefs of cotton	39.26	34.11	5.42	26.48	0.38	6.71	0.26	8.39	9.29	0.72	0.09	8.15
62071900	Men's or boys' underpants and briefs of textile materials, (exl. Cotton)	1.83	25.42	31.41	21.51	0.00	0.22	0.00	0.00	7.53	0.00	0.00	13.91
62072100	Men's or boys' nightshirts and pyjamas of cotton	13.47	23.50	19.85	28.95	0.96	15.40	0.46	1.30	6.75	0.07	0.02	2.74
62072200	Men's or boys' nightshirts and pyjamas of man-made fibres	3.31	22.38	24.78	22.41	8.07	15.42	0.67	0.00	1.24	0.00	0.00	5.04
62072900	Men'S Or Boy'S Nightshirts & Pyjamas Of Tex.Mate.(Exl.Cotton,Man Made Fib.	1.06	34.89	9.81	11.75	1.27	0.96	0.00	0.00	0.00	0.00	0.00	41.31
62079100	Men's or boys' singlets,vests dressing gowns, etc, of cotton	6.86	5.96	3.60	79.27	0.22	9.22	0.00	0.00	1.16	0.00	0.00	0.56
62079900	Mens/boy's singlets, vests dressing gowns, etc,of oth.tex.(exl.cot.man m.fib	4.33	22.00	37.07	26.71	0.00	4.23	0.03	0.00	0.05	0.00	0.42	9.49
62081100	Slips and petticoats of man-made fibres	0.45	53.82	12.06	31.36	0.00	0.00	0.00	0.00	2.75	0.00	0.00	0.00
62081900	Slips and petticoats of other textiles, (exl. Man made fibre)	2.41	45.80	41.96	3.04	0.00	0.45	0.01	8.50	0.01	0.07	0.11	0.05
62082100	Women's or girls' nightdresses and pyjamas of cotton	17.28	23.95	21.48	13.16	1.82	4.37	2.12	1.93	15.46	1.79	0.34	13.58
62082200	Women's or girls' nightdresses and pyjamas of man-made fibres	8.39	12.36	9.85	12.61	1.55	13.84	25.46	0.65	9.97	2.07	0.13	11.51
62082900	Womens/Girl'S Nightdresses & Pyjamas Of Tex.Mat.(Exl.Cotton, Man Made Fib.	2.57	7.76	0.09	85.31	0.00	3.04	0.00	3.14	0.00	0.00	0.00	0.67
62089100	Women's or girls' dressing gowns, panties, etc, of cotton	9.74	70.34	3.19	15.18	1.05	5.00	0.01	1.12	0.32	0.08	0.01	3.70
62089200	Women's or girls' dressing gowns, panties, etc, of man-made fibres	4.00	41.64	27.17	16.79	0.08	3.05	1.03	0.02	1.10	0.98	0.32	7.83
62089900	Womens/girl's dressing gowns, panties, etc, of oth. tex. (exl. cotton man m.fib.	0.75	39.34	45.83	5.23	0.00	4.02	0.00	0.00	1.51	0.00	0.00	4.07
62092000	Babies' garments and clothing accessories of cotton	218.24	36.17	6.75	43.18	1.17	2.46	2.10	1.59	0.99	0.47	0.64	4.47
62093000	Babies' garments and clothing accessories of synthetic fibres	26.30	44.94	2.24	41.35	0.01	7.11	0.79	0.21	0.86	0.34	0.12	2.02
62099000	Babies Garments & Clothing Accessories Of Oth. Tex.(Exl. Wool, Cotton, Syn. Fib)	10.41	32.37	5.10	49.67	0.00	1.15	0.31	8.03	0.00	0.00	0.25	3.12
62101000	Garments, made up. of head.5602,5603,5903, 5906 or 5907 of fabrics of head.5602 or 5604	5.46	63.18	0.06	32.11	0.00	0.09	0.00	0.00	0.68	0.00	1.30	2.59
62102000	Garments of 6201.11 to 19, made up of fabrics of 59.03, 59.06 or59.08	9.02	79.15	0.00	10.91	0.34	7.15	0.02	0.00	0.83	0.00	0.71	0.88
62103000	Garments of 6202.11 to 19, made up of fabrics of 59.03, 59.06 or 59.08	7.78	56.01	1.01	24.02	0.00	0.49	2.58	0.00	1.82	9.14	0.63	4.28
62104000	Men's or boys' garments made up of fabrics of 59.03, 59.06 or 59.10	225.64	55.14	1.16	27.05	0.37	8.64	1.85	0.01	1.17	0.26	0.17	4.18
62105000	Women's or girls' garments made up of fabrics of 59.03, 59.06 or 59.10	168.75	68.77	0.40	10.49	0.06	10.71	0.91	0.06	0.79	0.61	0.11	7.09
62111100	Men's or boys' swimwear	64.94	33.98	37.01	14.29	0.37	5.72	0.18	0.93	1.28	1.08	0.53	4.64
62111200	Women's or girls' swimwear	5.01	70.88	6.87	9.26	0.68	5.10	0.08	0.27	1.06	0.89	2.52	2.39
62112000	Ski suits	5.89	46.22	24.08	8.09	0.47	0.91	1.17	0.22	8.75	1.19	2.91	6.01
62113200	Men's or boys' garments of cotton, nes	20.11	50.33	0.23	35.34	0.07	5.50	0.19	0.17	6.90	0.02	0.02	1.23
62113300	Men's or boys' garments of man-made fibres, nes	22.06	50.56	2.89	7.22	0.05	2.55	7.74	0.65	12.95	2.37	0.92	12.10
62113900	Men's or boys' garments of other textiles, nes	2.29	68.82	9.53	15.56	0.00	1.54	0.03	0.00	0.00	0.17	2.99	1.38
62114200	Women's or girls' garments of cotton, nes	24.45	28.18	6.00	40.10	0.42	7.68	1.65	0.59	11.48	0.57	0.39	2.94
62114300	Women's or girls' garments of man-made fibres, nes	63.86	23.99	23.76	36.25	0.05	3.49	4.00	1.19	1.69	0.66	0.10	4.80
62114900	Women's or girls' garments of other textiles, nes	3.87	66.79	7.45	10.91	0.00	2.57	0.00	0.41	8.91	0.84	0.13	1.99
62121000	Brassisres	499.82	51.61	17.71	17.93	1.26	1.86	0.20	2.95	0.41	1.33	0.29	4.44
62122000	Girdles and panty-girdles	4.64	65.42	6.43	10.87	0.64	0.05	0.34	0.40	0.58	4.05	1.14	10.08

62123000	Corselettes	0.60	32.19	42.56	0.19	0.00	0.00	0.02	0.02	24.56	0.20	0.19	0.07
62129000	Corsets, braces, garters, suspenders and similar articles	5.78	52.66	33.31	5.13	0.09	0.05	0.14	4.54	0.14	0.88	0.29	2.76
62132000	Handkerchiefs of cotton	0.14	68.44	0.00	0.00	9.32	0.00	0.00	0.00	22.25	0.00	0.00	0.00
62141000	Shawls, Scarves, Mufflers, Mantillas, Veils, & The Like Of Silk Or Silk Waste	0.11	72.83	12.88	0.00	0.00	0.00	0.00	0.00	14.29	0.00	0.00	0.00
62142000	Shawls, Scarves, Mufflers, Mantillas, Veils & The Like Of Wool/Finearri Hair	0.04	94.22	0.00	5.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
62143000	Shawls, Scarves, Mufflers, Mantillas, Veils, Etc & The Like Of Synthetic Fibres	1.12	86.30	4.72	7.38	0.00	0.00	0.00	0.00	0.77	0.00	0.00	0.83
62144000	Shawls, Scarves, Mufflers, Mantillas, Veils & The Like Of Artificial Fibre	0.08	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
62149000	Shawls scrvs.,mflrs.,mntls.,veils,etc,of oth.textls.(exl.silk/wool,syn/art	0.83	5.59	15.74	0.00	0.00	0.21	0.00	77.29	0.00	0.00	0.00	1.18
62151000	Ties, bow ties and cravats of silk or silk waste	0.18	64.91	0.00	35.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
62152000	Ties, bow ties and cravats of man-made fibres	0.11	30.12	0.00	0.00	0.00	0.00	0.00	39.02	0.00	0.00	27.24	3.62
62159000	Ties, bow ties and cravats of other textiles, nes (excl.silk man-made fibre)	0.05	5.41	24.63	69.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
62160000	Gloves, mittens and mitts	10.70	6.59	1.31	51.83	0.00	33.31	0.00	0.00	1.05	0.00	0.00	5.91
62171000	Clothing accessories, nes	57.56	0.98	0.07	0.37	0.05	0.02	0.14	1.06	0.56	0.00	0.03	96.73
62179000	Parts of garments or clothing accessories, nes	0.15	0.00	0.00	0.00	3.49	0.00	0.00	19.67	0.00	0.00	0.00	76.84

Table A2: Top 100 RMG raw materials imports in Bangladesh, 2018-19

Hs code	Description	Imports (million $)	Major sourcing country	Share of top country (%)	Name of raw materials
52010000	Cotton not carded or combed cotton samples of no value	3104.32	India	18	Cotton Yarn
52094200	Denim, with >=85% cotton, >=200g/m2 70% cotton 29% polyester 1% elastane fabrics = 16533 yds	788.75	Pakistan	34	Woven fabric
62171000	Clothing accessories, nes acc button	707.06	Kong Kong	48	Drawstring
31053000	Diammonium hydrogen orthophosphate (diammonium phosphate) dap fertilizer	364.58	China	48	DAP (Diammonium Phosphate)
32041600	Reactive dyes and preparations based thereon reactive dyes for r/g inds(yellow,red & blue)	288.34	India	38	Reactive Dyes
52084200	Coloured plain cotton woven fabrics with >=85% cotton, >100g/m2 fabrics	281.88	China	70	Woven fabric
60063200	Oth.knitted or crocheted fabrics of synthetic fibres,dyed fabric	274.49	China	64	Knitted fabric
52093200	Dyed 3 or 4-thread twill (incl. Cross twill), with >=85% cotton 97% cotton 3% elastane processed dyed fabric = 17906.00 meter	271.09	China	34	Woven fabric
54023300	Textured yarn of polyester poly.texturised yarn dty 75d/34f =25245 kgs	267.58	China	50	Sythetic Yarn
52052400	Com.sin.cot.yarn,with>=85%cot.,nprs,<192.31de.but>=125de>52mn but<=80mn 100%combed cotton yarn=1803.06 kgs	257.73	India	84	Cotton Yarn
52052300	Com.sin.cot.yarn,with>=85%cot.,nprs,<232.56deci(>43mm)but>=192.31de(<=52mn ne 30/1&40/1 100% biore org cotn raw yarn =19,998.09 kgs	204.34	India	78	Cotton Yarn
52052100	Combed single cotton yarn, with >=85% cotton, nprs,>=714.29 decitex(<=14mn sewingthread yarn	184.47	India	63	Cotton Yarn
60062200	Oth.knitted or crocheted fabrics of cotton dyed knitted fabric	169.85	Kong Kong	39	Knitted fabric
38099100	Finishing agents etc. Of a kind used in the textile or like industries nes textile finishing agent	165.50	Singapore	21	Anticreasing Agent
60069000	Oth.knitted or crocheted fabrics of artificial fibres,nes fabric	155.14	China	58	Knitted fabric
52081100	Unbleached plain woven fabrics of cotton with>=85%cotton, =<100g/m2 fabric swatch	152.91	China	58	Woven fabric
54074200	Dyed woven fabrics of synthetic filament yarn, >=85% nylon... Fabric sample	137.73	China	43	Woven fabric
55041000	Artificial staple fibres,of viscose rayon,not carded,combed or processed viscose staple fiber=1957.70 kgs	131.45	Indonesia	40	Viscose Rayon
49060000	Plans...for archit...purposes;handwitten texts;photogr.of repo.of the .... Drawing	116.68	Russia	86	Plain Paper
52051200	Uncom.sin.cot.yarn,with>=85%cot.nprs,<714.29de(>14mn)but(>=232.56de)<=43mn 2/32,100% cotton melange yarn=1828 lbs	111.13	India	41	Cotton Yarn
55093200	Multiple or cabled yarn, >=85% acrylic or modacrylic staple fibres, nprs yarn	106.90	China	69	Synthetic yarn
59032090	Other textile fabrics impregnated....with polyurethane 100%poly twill fabric=14086 mtrs	101.50	China	54	Interlining
28362000	Disodium carbonate disodium carbonate (soda ash light)	97.20	China	47	Soda Ash Light
55121100	Unbleached or bleached woven fabrics, >=85% polyester staple fibres fabric(94%poly 6%sp)	93.48	China	60	Woven fabric
52052200	Combed sin.cot.yarnwith>=85%cot.nprs<714.29(>14mn)but>=232.56de.(<=43mn ne 26/1 100%comd conv r/s wax yarn=20498.40 kgs	87.78	India	51	Cotton Yarn
39069000	Acrylic polymers in primary forms nes sera gal c-ftrh (acrylic polymer)	84.32	India	20	Acrylic Polymer in Primary Forms (white Pest NR, Orion Pest NR, NK Copper EL)
60041000	Conting. By weight 5%or more of elastomeric yarn but not cont.ruber thred 89%cot 10%poly 1%sp fabric=7439 yds	83.26	China	57	Kintted fabric
52084900	Coloured woven cotton fabrics with >=85% cotton nes 100%cotton print fab.w:57/8" = 17706(m)	73.10	China	84	Woven fabric
55093100	Single yarn, with >=85% acrylic or modacrylic staple fibres, nprs sample yarn	72.68	China	92	Synthetic yarn
28331100	Disodium sulphate disodium sulphate (sodium sulphate anhydrous)	71.72	China	84	Sodium Sulphet
52113200	Dyed 3 or 4-thread twill (incl. Cross twill) with <85% cotton >200g/m2 73%cot 25%poly 2% str twill fabrics=6071 yds	71.66	China	63	Woven fabric

60029000	Knitted or crocheted fabrics of a width <30cm,containing by weight 5%..nes 90% cotton 10% viscose jersey fabric = 26510 yds	70.36	Kong Kong	37	Knit Collar & Cuff
54024400	Other yarn, single, untwisted or with a twist not exceeding 50 turns per metre 100%sp(polyure)fil.yarn r.w.20de&40de aa grade=4092kgs	70.22	Vietnam	54	Spandex Yarn
52051100	Uncombed sin.cot.yarn,with>=85%cot.,nprs,=>714.29 decitex (<=14mn). Yarn	69.70	India	45	Cotton Yarn
48211000	Printed paper or paperboard labels of all kinds hangtag	66.48	Kong Kong	60	Hang Tag/Price Tag/ Bar Code Sticker/Paper band(Non Adhesive)
52081900	Unbleached woven cotton fabrics nes with >=85% cotton sample of fabric swatch	64.19	China	60	Woven fabric
60011000	Long pile fabrics, knitted or crocheted 100%polyester knitted fabric	63.97	China	60	Knit Collar & Cuff/ Draw Cord
54024700	Other yarn,single,untwisted or with a twist <=50 turns per metre other, of pol 100% poly textur. Yarn 150d/48f ddb nim= 25160kgs	63.24	China	73	Synthetic Filament Yarn
73269090	Other articles of iron or steel, nes(excl.s.s.screen, burette stand) single fire hose boxes	61.39	China	30	Metal Clip/Iron Seal
32041100	Disperse dyes and preparations based thereon terasil yellow (disperse dyes)	61.06	Singapore	30	Disperse Dyes
55096200	Yarn, <85% acrylic or modacrylic staple fibres, mixed with cotton, nprs yarn	60.60	China	84	Synthetic yarn
52092900	Bleached woven cotton fabrics, with >=85% cotton, >=200g/m2, nes fabrics	54.97	China	59	Woven fabric
52054400	Combed cabled cotton yarn,>=85% cotton,nprs,>52mn but<=80mn pr.single yarn 100%combed cotton yarn = 583.33lbs	53.63	India	43	Cotton Yarn
52082900	Bleached woven cotton fabrics, nes, with >=85% cotton fabric sample	53.00	China	86	Woven fabric
96071900	Slide fasteners not fitted with chain scoops of base metal nylon zipper sample	52.81	China	43	Zipper/Puller/Ring/ Slider
52083300	Dyed 3 or 4-thread twill (incl. Cross twill), with >=85% cotton 100% cotton twill fabrics = 1890 yds	52.60	China	45	Woven fabric
41079900	Other,including sides,nes acc pu leather = 2500 yds	51.30	Pakistan	21	Leather Patch
48191000	Cartons, boxes and cases, of corrugated paper or paperboard master carton=7673 pcs	50.70	BL	66	Carton/Box/Case
60062300	Oth.knitted or crocheted fabrics of cotton, of yarns of different colours 57.5%cotton 31.1%poly 11.4%sp fabric=3567 yds	49.82	China	86	Knitted fabric
58071000	Labels, badges... Of textiles, woven, in piece..., not embroidered labels	48.78	Kong Kong	63	Label/Secured Tag/Paper Tag/ PatchPrice Ticket/ Synthetic Label/Badge
52094900	Coloured woven cotton fabrics, with >=85% cotton, >200g/m2 100 pct cotton denim fabric = 1485 yds	47.39	China	53	Woven fabric
54034100	Multiple or cabled yarn of viscose rayon, nprs 2/30s 100% viscose yarn=5353 lbs	47.18	China	92	Viscose Rayon
34029090	Washing & cleaning preparations (excl. Detergents) albatex , univadine (levelling agent)	45.94	Singapore	28	Leveling Agent
52082100	Bleached plain woven fabrics of cotton with >=85% cotton, =<100g/m2 fabric sample	43.98	China	78	Woven fabric
96062200	Buttons of base metal, not covered with textile material button	42.83	Kong Kong	51	Button(Metal/Plastic)
39269099	Pvc scrn.having intrnl.dia.from 4-8 mulch and strct.thereof used in agri.& hoti.,nes plastic string	42.80	China	44	Hanger
35079090	Other than streptokinase lerzyme n 2000 (enzyme)	42.42	China	23	Enzyme for Textile Use
52085200	Printed plain cotton woven fabrics with >=85% cotton, >100g/m2 100%cotton fab.w:54" = 50383.50 yds	40.54	China	76	Woven fabric
39199010	Other self-adhesive plates, tape, strip, foil... Of plastics, nes velcro tape	39.26	China	72	Mobilon Tape/Velcro Tape/PP Band/ Velcro Tap
52103100	Dyed plain cotton woven fabrics with <85% cotton, =<200g/m2 65%polyester 35%cotton woven fabric=4822mtrs	39.21	China	51	Woven fabric
54033100	Single yarn of viscose rayonuntwisted or with =<120turns/m nprs 100% solid dyed viscose yarn=11444.44lbs	38.64	China	93	Viscose Rayon
60063100	Oth.knitted or crocheted fabrics. Of synthetic fibres,unbleached or bleach 100%poly. Knit fab.w:58/60" = 7767 m	37.18	China	89	Knitted fabric
55132900	Dyed woven fabrics, <85% synthetic fibres + cotton, nes, =<170g/m2 68%c 29%poly 3%sp poplin w.56/57=17686yds	36.81	China	55	Woven fabric
52091900	Unbleached cotton fabrics, with >=85% cotton, >=200g/m2, nes 100%tencel fab.w:56" = 2841.70 yds	36.78	China	41	Woven fabric

52091200	Unbleached 3 or 4-thread twill (incl. Cross twill), with >=85% cotton 100% cotton slub canvas fabrics =30 yds	36.46	India	37	Woven fabric
85319000	Parts of apparatus of 85.31 super tag	35.89	China	25	Security Tag, Supper Tag-VST,Security Alarm Tag
59039090	Textile fabrics impregnated... With plastics, nes fabric sample	34.47	China	45	Interlining
32041700	Pigments and preparations based thereon pigment dyes (asuprint)	34.09	India	34	Pigment Dyes
55092100	Single yarn, with >=85% polyester staple fibres, nprs 69%acry 28%poly 3%elas y/d yarn=4988.35lbs	33.17	China	80	Synthetic yarn
96061000	Press-fasteners, snap-fasteners and press-studs and parts therefor button	33.15	China	48	Button(Metal/Plastic)
54021100	Synthetic filament yarn?high tenacity of nylon or other polyamides of aramids 100%f.d. nylon oxford fabric=5414 yds	31.19	China	89	Sythetic Yarn
54033200	Single yarn of viscose rayon, with >120turns/m, nprs siro kdd viscose gray yarn	30.13	China	87	Viscose Rayon
39100000	Silicones inprimary forms dicrylan sd (silicone in primary forms)	29.32	India	39	Silicon in Primary Forms
60064200	Oth.knitted or crocheted fabrics of artificial fibres,dyed 100%polyester mesh knit fab.w-58/60" = 1251 m	28.93	China	81	Knitted fabric
38249990	Other prepared binder (asupret e-pol /p)	28.83	China	19	Sequestering Agent Other
55101100	Single yarn, with >=85% artificial staple fibres, nprs ne 30/1 100% viscose dyed od black yarn	27.81	Indonesia	36	Artificial Yarn
52052800	Combed single cotton yarn, with >=85% cotton, nprs,<83.33 >120mn cotton yarn	27.73	China	71	Cotton Yarn
52054200	Combed cabled cotton yarn,with>=85%cotton,nprs,>14mn but<=43mn p.sing.yarn 100%cotton 24/2 combed yarn=17418.24 kgs	27.62	China	62	Cotton Yarn
54074100	Unbleached or bleached woven fabrics, >=85% nylon... Elastic samplessample fabric	27.23	China	50	Woven fabric
52051400	Uncombed sin.cot.yarn,with>=85%cot.nprs,<192.31de(>52mn)but>=125de(<=80mn) 100%cotton 12/1 oe yarn=27000.00 kgs	26.98	India	40	Cotton Yarn
83081000	Hooks eyes and eyelets of base metal eyelet	26.34	China	38	Hook & Eye/Eyelet
52030000	Cotton, carded or combed 100% cotton yarn=19000 kgs	25.88	BL	33	Cotton Yarn
40070000	Vulcanized rubber thread and cord elastic =240000 mtrs	25.16	Malaysia	72	Rubber Thread
40159000	Articles of apparel and clothing accessories of vulcanized rubber, nes knitted elastic,cover rubber thread=57685yds,21kg	24.52	Kong Kong	41	Elastic/Elastic Band
96062100	Buttons of plastics, not covered with textile material button	24.07	Kong Kong	51	Button(Metal/Plastic)
96071100	Slide fasteners fitted with chain scoops of base metal zipper	23.55	China	47	Zipper/Puller/Ring/ Slider
58042100	Mechanically made of lace of man-made fibres in piece,in strips/in motifs 84.2% nylon 15.8% spandex lace	23.39	China	61	Lace fabric
32151990	Printing ink, whether or not concentrated or solid (excl. Black) textile printing ink	23.27	Switzerland	20	Printing ink/Printing roll/ Blitz Ink Roll
39262090	Art.of app.&clothing accessories(exl.gloves)of plastics hd.no.39.01-39.04 hanger=25088 pcs	23.25	Kong Kong	41	Plastic Clip/Plastic Seal/String
34029010	Detergents tf-135 (detergent)	22.06	Germany	25	Wetting & Detergent Agent
54023100	Textured yarn, of nylon or other polyamides, =<5tex, nprs 100%nylon stretch yarn=7288.61 kg	19.92	China	56	Spandex Yarn
39199099	Other self-adhesive plates tape strip foil... Of plastics nes sticker(holo graphic seal components)	19.89	China	60	Mobilon Tape/Velcro Tape/PP Band/ Velcro Tap
54024500	Other yarn,single,untwisted or with a twist <=50 turns per metre othr,of nylon nylon filament yarn 40/13 fdy-6720 kgs	19.78	Taiwan	52	Synthetic Filament Yarn
52114900	Coloured woven cotton fabrics nes with <85% cotton >200g/m2 55%ctn45%poly printed n/p poplin.w57/8=11649yds	19.52	China	85	Woven fabric
58042900	Mechanically made of lace of oth.textiles in piece,in strips or in motifs lace	18.69	Kong Kong	46	Lace fabric
60062400	Oth.knitted or crocheted fabrics of cotton printed 60%cot 40%poly knit fab w-163=20566.64 mtr	18.57	Kong Kong	54	Knitted fabric
52061200	Uncombed single cotton yarn, with <85% cotton, nprs, >14mn but <=43mn yarn	18.48	China	34	Cotton Yarn
60053700	Of synthetic fibres other dyed mesh fabric=3000 mtr	18.44	Japan	30	Kintted fabric

29152100	Acetic acid acetic acid	17.66	Korean Republic of	53	Acitic Acid
39201090	Plates, of polymers of ethylene, laminated.. Not reinforced,etc.,nes heat transfer logo	17.63	Vietnam	30	Heat Transfer Label

Table A1: Tariff on exports to major destinations after graduation for knitwear (HS 61)

Destination	Current duty as LDC	Applicable import regime after graduation	Post-graduation tariff	MFN tariff
EU	0% (EBA)	GSP/MFN*	6.4%-9.6% 9.6% for most products and avg tariff rate 9.3%	8-12% 12% mostly; average rate 11.6%
USA	MFN duty	MFN duty	Same as MFN tariff	0%-32% 15% or more for most items Average 11.6%
Canada	0% LDCT	GPT	Duty reduction for only a few products 0%-18% applicable 18 % for most products Average rate 16.5%	0%-18% 18 per cent for most products Average rate 16.8%
Japan	0% (GSP for LDCs)	GSP for developing countries	0%-10.9% 7.4% and 10.9% for most items Average rate 8.5%	5.3%-10.9% 7.4% and 10.9% for most items Average rate 8.6%
Australia	0%	GSP for developing country status (Part 4 of schedule 1). RMGs are not included in under this	0%–5% Average tariff rate is 4.5%	0%–5% Average tariff rate is 4.5%
Turkey	0%	GSP/MFN*	As the European Union	As the European Union
India	0% (DFTP for LDCs)	SAFTA non-LDC tariff	SAFTA non-LDC tariff	10%
China	0%	MFN rate of APTA non-LDC tariff**	Same as MFN tariff or APTA non-LDC tariff.	14%-25% 14 per cent for most items Average tariff rate 16.16%

Note: Average rate are calculated as simple average. * there is less probability that Bangladesh can get GSP+ preference after graduation ** not clear.
Source: Razzaque et al (2021) using data from WITS and other sources.

Table A2: Tariff on exports to major destinations after graduation for woven garments (HS 62)

Destination	Current duty as LDC	Applicable import regime after graduation	Post-graduation tariff	MFN tariff
EU	0% (EBA)	GSP/MFN*	5%–9.6% 9.6% for most products and avg tariff rate 9.25%	6.5-12% 12% mostly; average rate 11.6%
USA	MFN duty	MFN duty	Same as MFN tariff	0%-28% 15% or more for most items Average rate 10.3%
Canada	0% LDCT	GPT	Duty reduction for only a few products 0%-18% applicable 18% for most products Average rate 14.7%	0%-18% 18% for most products Average rate 15.2%
Japan	0% (GSP for LDCs)	GSP for developing countries	0%-13.4% 12.8 per cent for most products Average rate 9.1%	0%-13.4% 12.8 per cent for most products Average rate 9.25
Australia	0%	GSP for developing country status (Part 4 of schedule 1). RMGs are not included in under this	0%–5% Average tariff rate is 4.4%	0%–5% Average tariff rate is 4.4%
Turkey	0%		As the European Union	As the European Union
India	0% (SAFTA LDC)	SAFTA non-LDC tariff	SAFTA non-LDC tariff	10%
China	0%	MFN rate of APTA non-LDC tariff**	Same as MFN tariff or APTA non-LDC tariff.	14% – 20% 14% and 16% for most products Average rate 15.9%

Note: Average rate are calculated as simple average. * there is less probability that Bangladesh can get GSP+ preference after graduation ** not clear.
Source: Razzaque et al (2021) using data from WITS and other sources.

Table A.: Preference utilisation rate of Bangladesh in the EU, by product section

	2017				2018				2019			
Product	Imports ('000 €)			% GSP	Imports ('000 €)			% GSP	Imports ('000 €)			% GSP
Section	Total	GSP eligible	GSP used	Utililsation	Total	GSP eligible	GSP used	Utililsation	Total	GSP eligible	GSP used	Utililsation
All sections	16,654,045	16,317,432	15,833,721	97	17,565,802	17,211,986	16,656,939	97	18,880,835	18,818,307	18,283,375	97.2
S-01a	88	0			6				76	0		
S-01b	332,481	312,855	311,727	99.6	249,772	249,772	249,277	99.8	262,486	262,486	261,658	99.7
S-02a	3	3	1	33.7	1	0			0			
S-02b	6,783	5,171	5,152	99.6	8,272	6,241	6,222	99.7	9,577	7,246	7,225	99.7
S-02c	663	293	293	100	1,067	293	293	100	619	332	332	100
S-02d	1,049	1,014	1,003	98.9	1,286	1,226	1,221	99.6	1,471	1,324	1,313	99.2
S-03	829	827	825	99.7	624	624	620	99.4	1,173	1,171	1,148	98
S-04a	6,953	6,953	6,873	98.8	6,272	6,272	6,252	99.7	7,139	7,139	7,120	99.7
S-04b	8,819	8,608	8,584	99.7	12,978	12,789	12,224	95.6	15,773	15,507	15,073	97.2
S-04c	40,543	37,378	36,981	98.9	43,783	39,313	38,831	98.8	39,090	39,090	35,278	90.2
S-05	43				48	0			747	7	7	98.7
S-06a	112	112			683	594	33	5.6	869	487	19	4
S-06b	4,478	78	2	2	5,314	39	19	47.7	5,580	46	5	11.7
S-07a	21,790	21,355	19,591	91.7	23,890	23,772	21,803	91.7	27,541	27,271	25,085	92
S-07b	160	151	141	93.5	329	308	256	83.3	121	91	66	72.9
S-08a	34,467	31,379	31,204	99.4	33,190	29,840	29,641	99.3	26,497	24,568	24,281	98.8
S-08b	57,744	56,970	52,881	92.8	52,864	51,398	48,430	94.2	60,189	60,189	57,338	95.3
S-09a	103	0			229	0			179	24	24	99.5
S-09b	7,624	7,474	6,989	93.5	9,605	9,504	8,838	93	11,403	11,347	10,638	93.8
S-10	1,348				1,411				1,194			
S-11a	54,436	22,612	16,328	72.2	53,379	25,702	17,787	69.2	53,070	27,169	20,558	75.7
S-11b	########	########	########	97.1	########	########	########	96.8	########	########	########	97.3
S-12a	387,071	385,749	377,246	97.8	402,917	401,515	394,760	98.3	437,307	437,307	429,231	98.2
S-12b	45,006	43,531	39,644	91.1	42,757	41,108	37,594	91.5	49,004	48,444	37,164	76.7
S-13	26,886	26,321	25,015	95	19,231	18,968	18,240	96.2	22,375	22,355	21,182	94.8
S-14	65	41	7	18.1	360	27	14	50.1	346	306	11	3.5
S-15a	718	308	273	88.6	1,190	971	442	45.5	984	940	506	53.8
S-15b	12,008	515	412	80.2	13,119	1,908	1,837	96.3	15,542	3,684	3,157	85.7
S-16	4,555	3,375	669	19.8	15,108	4,317	135	3.1	8,410	6,843	217	3.2
S-17a	3	3							9			
S-17b	65,319	63,700	62,559	98.2	62,485	60,695	58,153	95.8	78,420	78,346	76,378	97.5
S-18	7,527	5,658	3,767	66.6	10,321	7,921	4,693	59.2	14,354	9,700	4,772	49.2
S-19												
S-20	47,886	46,429	44,108	95	52,177	50,606	48,403	95.6	61,973	60,957	57,394	94.2

S-21	45				33				134			