

Bangladesh garment exports boom despite disasters

DHAKA, BANGLADESH: Output from Bangladesh's accident-prone garment sector increased in June, data showed Tuesday, with demand from foreign retailers still growing despite the country's factory disaster in April.

At least 1,129 people were killed when the Rana Plaza factory complex collapsed outside the capital Dhaka in April, sparking demonstrations against Western brands and prompting some retailers to threaten to cancel orders.

Government data released on Tuesday showed that the country's total exports, 80% of which come from the garment sector, soared by 16% year-on-year in June to US\$2.7bn, following an increase of 15% in May.

"The disasters didn't have much impact. They are scattered incidents," head of the government's Export Promotion Bureau (EPB) Shuvhashish Bose told AFP, referring to the Rana Plaza tragedy and other factory fires that have killed another 130 workers since November.

Total exports from Bangladesh, the second-biggest clothing manufacturer in the world after China, grew by 11% to a record US\$27.02bn in the 2012-13 financial year to June.

"The robust export growth was mainly powered by booming garment exports in the second half of the year," Bose told AFP, adding that shipments in June were the highest for the year.

"Exports are growing because most Western retailers still find our prices competitive," he added.

Annual apparel sales stood at US\$21.52bn, the EPB data showed, with more than three-quarters destined for Western consumers in Europe and the United States.

On Monday, 70 top retailers including H&M, Inditex and Primark, announced plans to inspect all of their factories in Bangladesh in the next nine months in an effort to improve workers' safety.

The same day the Bangladesh government agreed to a European Union-proposed "sustainability compact" to improve labour rights and factory safety, committing to uphold union rights and to add 200 more inspectors by the end of the year.

The EU is the largest trade partner of Bangladesh, accounting for some 60% of Dhaka's annual garment exports.

Meanwhile... US retailers set safety plan for Bangladesh factories

WASHINGTON, US: Seventeen leading US and Canadian clothing retailers announced on Wednesday a program to

enforce safer conditions for workers in Bangladesh garment plants, after the collapse of a factory building killed more than 1,100.

The retailers, led by Walmart and Gap, called the safety record of Bangladesh factories "unacceptable" and said that all parties involved in the country's huge garment export industry needed to be accountable, including factory owners and the government as well as buyers.

The 17 established a five year program, the Bangladesh Worker Safety Initiative, to set "aggressive timelines and accountability" for inspections, worker training and worker empowerment, they said in a statement.

"The safety record of Bangladeshi factories is unacceptable and requires our collective effort. We can prevent future tragedies by consolidating and amplifying our individual efforts to bring about real and sustained progress," they said in a statement.

"A primary goal of the alliance is the engagement of and partnership with the Bangladeshi and US governments, as well as with the factory owners to ensure that there is accountability among all parties and thus the opportunity for sustained and lasting change in Bangladesh."

The deal followed a similar commitment by 70 mainly European retailers to boost safety in bangladesh plants, which have a long record of worker deaths from fires and other dangerous conditions.

In April an nine tory building housing several factories that supplied some of the world's biggest names in fashion collapsed, killing 1,129 people in one of the world's worst industrial disasters.

Source: AFP, via I-Net Bridge

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