

REVIVING RMG SECTOR (PART-1)

A COVID-19 SERIES BY BIPSS

RMG SECTOR IN BANGLADESH

The economy of Bangladesh is highly dependent on the RMG industry as it accounts for more than 80% of Bangladesh's overall exports. Due to the new pandemic, the RMG sector is on the verge of an unprecedented humanitarian and business catastrophe.



More than 4,600 RMG factories constitute the largest industrial sector in Bangladesh, engaging 4.1 million workers, where 61% workers are women.

COVID-19 & RMG SECTOR



Bangladesh's exports earnings from the RMG sector:

Last Fiscal Year Earning: **\$20.22 billion**

Current Fiscal Year Earning: **\$19.06 billion**

Decline in Export Earning: **5.71%**

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Since the Outbreak of Pandemic,
1 million workers got fired (approx.)
179 Factories forced to shut down
Orders worth **\$3.18 billion** got cancelled



SOCIO-ECONOMIC IMPACT ON BANGLADESH



Opportunities going to Competitor countries



Collapse in demand-supply chain



International Order cancellation



Decline in Export earning



Increase in forced Factory Closure



Massive Unemployment



Emergence of "New Poor" class



Increase in Social Instability



Lack of Foreign Direct Investment



Prolonged Economic Uncertainty in Bangladesh