

Dear Friends,

The European Union (EU) represents the largest market for Cambodian garment exports (40%), followed by the United States (30%) and Canada, China. The Cambodian Textile Industry operate as contract manufacturers for major multinational brands such as **Adidas, Gap, H&M, Marks & Spencer, and Uniqloetc., and the Government offer several incentives to its Garment Industry to promote its RMG Exports Sector.**

Cambodia benefits from the EU is 'Everything but Arms Scheme (EBA)', which allows Cambodia with duty-free access to the EU's market for all export goods and especially the Readymade Garment Sector in Cambodia, which accounts its Countries 15% GDP.

As the European Union is withdrawing of Cambodia's benefits under EBA over the country's allegedly poor human rights record., Cambodian exports will lose their duty free access to the EU from August 2020 and all the big stores/brands in EU and USA may turn to India for their needs and it will give an immediate and long term opportunities to India because China also not in a position to grab this opportunity due to the killer **Coronavirus (COVIT-19)** The Indian Garment Exporters can grab this opportunity with their competitive price and traditional works.

The Cambodia's RMG Sector's statistics to the world and vice versa are given below (top 10 RMG Products);

Cambodia's Top 10 RMG product exports to world

Cambodia's Top 10 RMG product exports to world							
S. No.	Product Code	Product label	In USD Mn.		% Change	% Share	
			2017	2018		2017	2018
		RMG	11305.1	12879.8	13.9	100.0	100.0
		Top 10	6124.3	6813.6	11.3	54.2	52.9
1	611030.0	Jerseys, pullovers, cardigans, waistcoats and similar articles, of man-made fibres, knitted ...	1050.7	1153.6	9.8	9.3	9.0
2	611020.0	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted ...	905.0	1039.3	14.8	8.0	8.1
3	620462.0	Women's or girls' trousers, bib and brace overalls, breeches	833.2	906.3	8.8	7.4	7.0

		and shorts of cotton (excluding ...					
4	610990.0	T-shirts, singlets and other vests of textile materials, knitted or crocheted (excluding cotton)	638.6	679.5	6.4	5.6	5.3
5	610463.0	Women's or girls' trousers, bib and brace overalls, breeches and shorts of synthetic fibres, ...	532.7	587.2	10.2	4.7	4.6
6	610462.0	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton, knitted ...	524.0	566.5	8.1	4.6	4.4
7	610910.0	T-shirts, singlets and other vests of cotton, knitted or crocheted	450.6	563.8	25.1	4.0	4.4
8	620342.0	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton (excluding ...	546.9	540.8	-1.1	4.8	4.2
9	611120.0	Babies' garments and clothing accessories of cotton, knitted or crocheted (excluding hats)	401.0	435.0	8.5	3.5	3.4
10	610342.0	Men's or boys' trousers, bib and brace overalls, breeches and shorts of cotton, knitted or ...	241.6	341.6	41.4	2.1	2.7

Source: UN Comtrade, 2020

Cambodia's Top 10 RMG product import from world

Cambodia's Top 10 RMG product import from world							
S. No.	Product Code	Product label	In USD Mn.		% Change	% Share	
			2017	2018		2017	2018
		RMG	244.6	257.2	5.1	100.0	100.0
		Top 10	186.5	190.4	2.1	76.3	74.0
1	611790	Parts of garments or clothing accessories, knitted or crocheted, n.e.s.	72.7	84.1	15.7	29.7	32.7
2	611030	Jerseys, pullovers, cardigans, waistcoats and similar articles, of man-made fibres, knitted ...	40.9	34.3	-16.2	16.7	13.3
3	621790	Parts of garments or clothing accessories, of all types of textile materials, n.e.s. (excluding ...	15.1	16.2	7.1	6.2	6.3
4	611020	Jerseys, pullovers, cardigans, waistcoats and similar articles, of cotton, knitted or crocheted ...	23.2	13.7	-41.1	9.5	5.3

5	621710	Made-up clothing accessories, of all types of textile materials, n.e.s. (excluding knitted ...	11.4	13.3	16.2	4.7	5.2
6	611780	Ties, bow ties, cravats and other made-up clothing accessories, knitted or crocheted, n.e.s. ...	5.0	7.0	39.9	2.1	2.7
7	621290	Corsets, braces, garters, suspenders and similar articles and parts thereof, incl. parts of ...	7.6	6.2	-18.3	3.1	2.4
8	621210	Brassieres of all types of textile materials, whether or not elasticated, incl. knitted or ...	3.6	5.8	63.6	1.5	2.3
9	610990	T-shirts, singlets and other vests of textile materials, knitted or crocheted (excluding cotton)	4.1	5.8	40.0	1.7	2.3
10	610432	Women's or girls' jackets and blazers of cotton, knitted or crocheted (excluding wind-jackets ...	2.8	4.0	42.8	1.1	1.5
Source: UN Comtrade, 2020							

Based on the above information and statistics, AEPC requests its members to encash the opportunity arising out of EU's withdrawal of benefits to Cambodia and this is the opportune time for EU to open gates for Indian Apparel Industry.

AEPC's Export Promotion Department is ready to give more information and details in this regard and also welcomes new suggestions at chairman@aepecindia.com

Warm Regards,

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