Advances in cotton value creation, value addition, and value utilization

Md. Fakhre Alam Ibne Tabib, PhD
Executive Director
Cotton Development Board, Bangladesh

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### Economy of Bangladesh

**FY 2021-22**

<table>
<thead>
<tr>
<th>Major Economic sector</th>
<th>value (billion USD)</th>
<th>share</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A. Gross Domestic Product (GDP) size</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Agriculture</td>
<td>30.65</td>
<td>11.66%</td>
</tr>
<tr>
<td>2. Industry</td>
<td>97.44</td>
<td>35.27% (T&amp;C 13%)</td>
</tr>
<tr>
<td>3. Services</td>
<td>135.87</td>
<td>53.07%</td>
</tr>
<tr>
<td><strong>B. Total Export value</strong></td>
<td>52.07</td>
<td></td>
</tr>
<tr>
<td>1. Textile and clothings</td>
<td>42.61</td>
<td>81.82%</td>
</tr>
<tr>
<td>Knitwear</td>
<td>23.21</td>
<td>44.57%</td>
</tr>
<tr>
<td>Woven</td>
<td>19.40</td>
<td>37.25%</td>
</tr>
<tr>
<td>2. Agricultural product</td>
<td>1.16</td>
<td>2.23%</td>
</tr>
<tr>
<td>3. Leather and Leather products</td>
<td>1.24</td>
<td>2.39%</td>
</tr>
<tr>
<td>4. Home Textile</td>
<td>1.62</td>
<td>3.11%</td>
</tr>
<tr>
<td>5. Jute and Jute products</td>
<td>1.13</td>
<td>2.17%</td>
</tr>
<tr>
<td>6. Others</td>
<td>4.31</td>
<td>8.28%</td>
</tr>
</tbody>
</table>

**Source:** BBS & EPB
Bangladesh Sector Share of Foreign Direct Investment, 2022 (%)

- Computer software and IT services: 0.7%
- Leather and leather products: 1.7% (3.0% FDI gross inflows)
- Telecommunications: 5.2% (6.6% FDI stock)
- Textile and wearing apparel: 18.5% (25.2% FDI gross inflows)

Source: BB, 2022
Optimize RMG quality

Optimize Fiber quality

Farm to Fashion Cotton Value Chain

Cotton Production → Ginning & Processing → Spinning → Fabric Production → Garment Production → Retailing

Seed Cotton → Cotton Lint → Cotton Yarn → Grey Fabric → Garments

Cotton Plant → Plant Roots → Lint → Weft Yarn → Weaving

Weaving preparation → Weft Knit → Wrap Knit

Wrap Yarn → Weft Yarn → Single/Rib/Purl → Tricot/Raschel

Yarn → Weaving → Knitting

Designers → Department stores → Brands → Consumer demand

Labelling → Packaging & Distribution

Dyeing → Cutting & Sewing → Finishing

Trimming, Buttons, Zips, etc.

Grey Fabric → Grey Fabric

RMG waste

Cotton Bale → Intermediate fiber strands → Yarn

Loose Fiber → Cotton Bale

Cotton Yarn → Grey Fabric

Grey Fabric → Grey Fabric

Weed Yarn

Ginning & Processing

Optimize Yarn quality

Optimize Fabric quality

Optimize RMG quality

Demand Flow

Seed Cotton

Cotton Lint

Cotton Yarn

Grey Fabric

Garments

Retailing

Designers

Department stores

Brands

Consumer demand

Labelling

Packaging & Distribution

Dyeing

Cutting & Sewing

Finishing

Trimming, Buttons, Zips, etc.

Grey Fabric

Grey Fabric

Grey Fabric

Grey Fabric

Grey Fabric

Grey Fabric

Grey Fabric

Grey Fabric

Grey Fabric

Grey Fabric

Grey Fabric
Cotton Research Centre, Sadarpur, Dinajpur

Cotton Research Centre, Jagadishpur, Jessore

Cotton Research Centre, Mahiganj, Rangpur

Cotton Research Centre, Sreepur, Gazipur

Hill Cotton Research Centre, Balaghata, Bandarban

Cotton Research Station, Chapainawabganj

Cotton Research Station, Barguna

• CDB established in 1972
• Research activities: 1991
• NARS inclusion: 2012
• Extension activities operated by-
  • 4 Region
  • 13 Zone
  • 185 Unit Offices
• District covered- 39
• Research Center: 5+2
  • Sub-center: 3

864 (Officer 110)
Research-44
Extension-820
Existing-489, Vacant- 375
Cotton Production Trends in Bangladesh

Source: CDB
Volume of cotton imports in Bangladesh

Source: statista
Textile & Clothing Sector in Bangladesh

Cotton Fiber
- Domestic production: 0.2 million bales
- Cotton requirement for local fabric: 1.6 million bale
- Domestic consumption: 8.5 million bales (480 lbs)
- Import: 7.9 million bales
- Ending stock: 2.6 million bales
- Import cost: $3.0 billion

Total workforce in T&C
- 4.5 million of which 60% female

Source: BTMA

Over 15.00 billion US$
Investment in the Primary Textile Sector

Export Earning
- Over 84% of the export earning comes from Textiles & Textile related products.

Contribution in GDP
- Textile sector contributes more than 13% in GDP.
Bangladesh gross export by major sectors (%)
RMG in Bangladesh

- 4114 factories - 40% Knitwear & Sweater
  - 60% Oven
- Employment 4.5 million - 60% are women
- Total Exports $ 42.61 billion in 2021-22 fiscal year
- 150 countries importing RMG from Bangladesh
- Major RMG importing countries - Europe, America, Canada, Japan and Australia
- Major exported RMG products - Trousers, T-shirts, Sweaters, Shirts & Blouses and Under wear
- Top 7 green garments in the world out of 10 - M&J Group, SSG BD, Envoy Textile, UHM ltd. etc.
Total Export Oriented RMG Factories found

4114

Source:
RMG STRENGTHS - trusted hub of apparel sourcing across the globe

- 37 years of experience
- Competitive Price
- Quality
- Workforce
- Safe
- Green
- Commitment
- Market Access
- Versatility
- Backward Linkage
Woven and Knit export trends in Bangladesh

Source: [Provided Image]
Main Apparel Items Exported From Bangladesh

![Bar chart showing the export of different apparel items from Bangladesh from 2015-16 to 2022-23. The chart indicates a steady increase in total export value, with specific contributions from underwear, shirts & blouses, sweaters, T-shirts & knitted shirts, and trousers.](source URL)

Source: [Source Logo]
Value addition by domestic cotton (2022-2023)

Seed Cotton 91455 mt

- Fiber 36582 mt
  - 63.44 million USD

- Seed 53044 mt
  - Oil 3200 mt
    - 3.34 million USD
  - Oil cake 16970 mt
    - 5.33 million USD

Foreign Currency Savings: 72 million US$

Source: CDB
Value addition of cotton plant
Cotton Oil Cake as animal feed

Cotton plant as fuel

Cotton Linters
Silk cotton

Silk cotton seedling

Silk cotton roots selling shop

T&C waste management and Silk cotton

RMG waste shop

Waste cotton shop

Silk cotton root for herbal
Hill cotton-white

Hill cotton-color

Hill cotton picking

Hill cotton- Gossypium arboreum

Hill cotton fabric market

Hill cotton weaving

Hill cotton spinning
women farmer become entrepreneur for selling cotton seedling to other farmers
Cotton Based Cropping Pattern, Relay & Intercrop

<table>
<thead>
<tr>
<th>Cropping pattern</th>
<th>Intercrop</th>
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<tbody>
<tr>
<td>Cotton- Jute</td>
<td>Summer Onion</td>
</tr>
<tr>
<td>Cotton- Boro Rice- Leafy Vegetable</td>
<td>Mungbean</td>
</tr>
<tr>
<td>Cotton- Aus Rice (BRRI Dhan-48, 98)</td>
<td>corriender leaf</td>
</tr>
<tr>
<td>Cotton- Maize</td>
<td>Red amaranth</td>
</tr>
<tr>
<td>Cotton-Maize (relay)- Culiflower (ice boll)</td>
<td>Danta</td>
</tr>
<tr>
<td>Cotton-Mungbean</td>
<td>Raddish</td>
</tr>
<tr>
<td>Cotton-Sesame</td>
<td></td>
</tr>
<tr>
<td>Cotton-Wheat (relay)-Sesame/Mungbean</td>
<td></td>
</tr>
</tbody>
</table>

Relay Crop
- Chilli
- Turmeric
- Arum
Inter and relay cropping with cotton

- Cotton relayed with chilli
- Cotton relayed with Turmaric
- Cotton relayed with Arum

Wheat relayed with cotton
Bangladesh revived Muslin with the continuous effort of Cotton Development Board, Bangladesh Handloom Board and Rajshahi University and get GI certification in 2018
Farm to Fashion

**Stakeholders**

- **Primark, CC, TMSS and NGOs**
- **Ministries - MOTJ, MOA, MOC, MOFA, etc.**
- **Researchers and Extension workers**
- **Departments - CDB, DAE, BTMC, BIDA, EPZ, etc.**
- **Cotton byers, RMG bying house**
- **Seeds company & Local Dealers**
- **Universities and Research Institutions**
- **Textile Industries - weaving & knitting, etc.**
- **Beef fattening, etc.**
- **RMG - composite, dyeing, finishing, etc.**
- **Media - print, electronic, social, etc.**
- **Spimmers**
- **Ginners**
- **Harbal Companies, by-product industries**
- **Cotton byers, RMG bying house**
- **Associations - BTMA, BKMEA, BCA, BGMEA, ICA, CGA, etc.**
- **Farmers & commercial producers - contact farming**
Threats in T&C Value chain

• Natural disaster (flood, cyclone), political instability and labor unrest
• Economic recession, currency fluctuation and bankruptcy
• Raw material price fluctuation and dependence on imported material and lack of backward linkage
• Delay in custom clearance and delay for congestion and inefficiency in port
• Demand fluctuation/uncertainty and opportunism of buyers
• Problem of integration and real-time information
• Lack of domestic availability of primary raw materials, cotton sourcing
• Discontinuation of benefits granted by preferential trading schemes due to graduation from LDC in 2026
THANK YOU & STAY CONNECT

Dr. Md Fakhre Alam Ibne Tabib
Executive Director
Cotton Development Board, Ministry of Agriculture
Tula Bhaban, Krishi Khamar Sarak, Farmgate, Dhaka-1215, Bangladesh.
Cell : +880 1711227054
E-mail : tabibfai@gmail.com
URL : https://www.cdb.gov.bd