

Growth  
Research  
Programme

# Consultation on **DFID-ESRC Growth Research Programme (DEGRP)**

Policy Dialogue on

## **Bangladesh's Garments Sector: Upgradation and Structural Transformation**

Thursday 20 February 2014

Ball Room, Ruposhi Bangla Hotel, Dhaka, Bangladesh

### **Mauritius Structural Transformation GARMENT**

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Global Finance Mauritius

*Organised by*



Research jointly supported by the ESRC and DFID



CENTRE FOR POLICY DIALOGUE (CPD)  
B A N G L A D E S H  
a civil society think tank



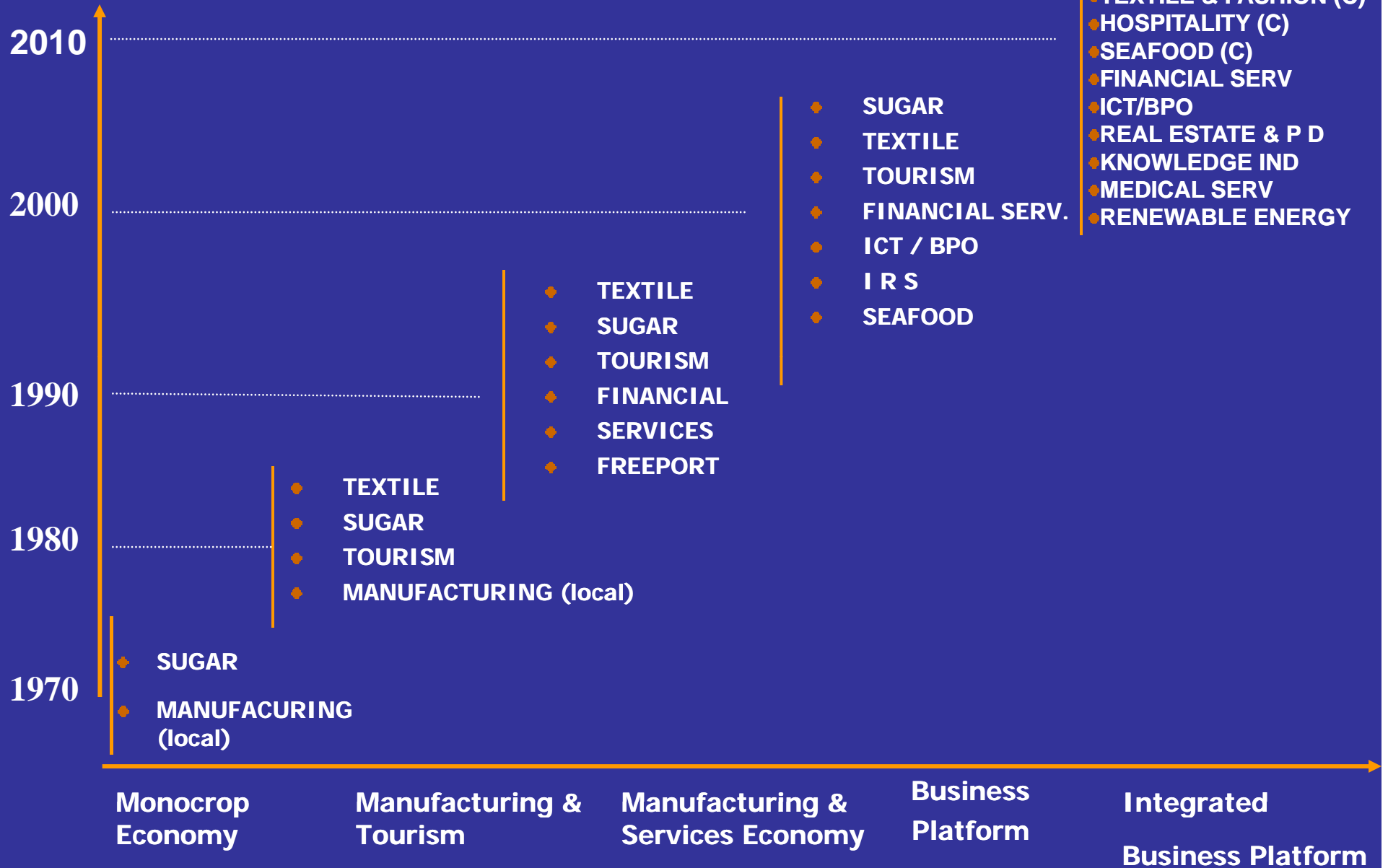
# **Mauritius Structural Transformation GARMENT**

**Presented  
By  
Nikhil Treebhooon**

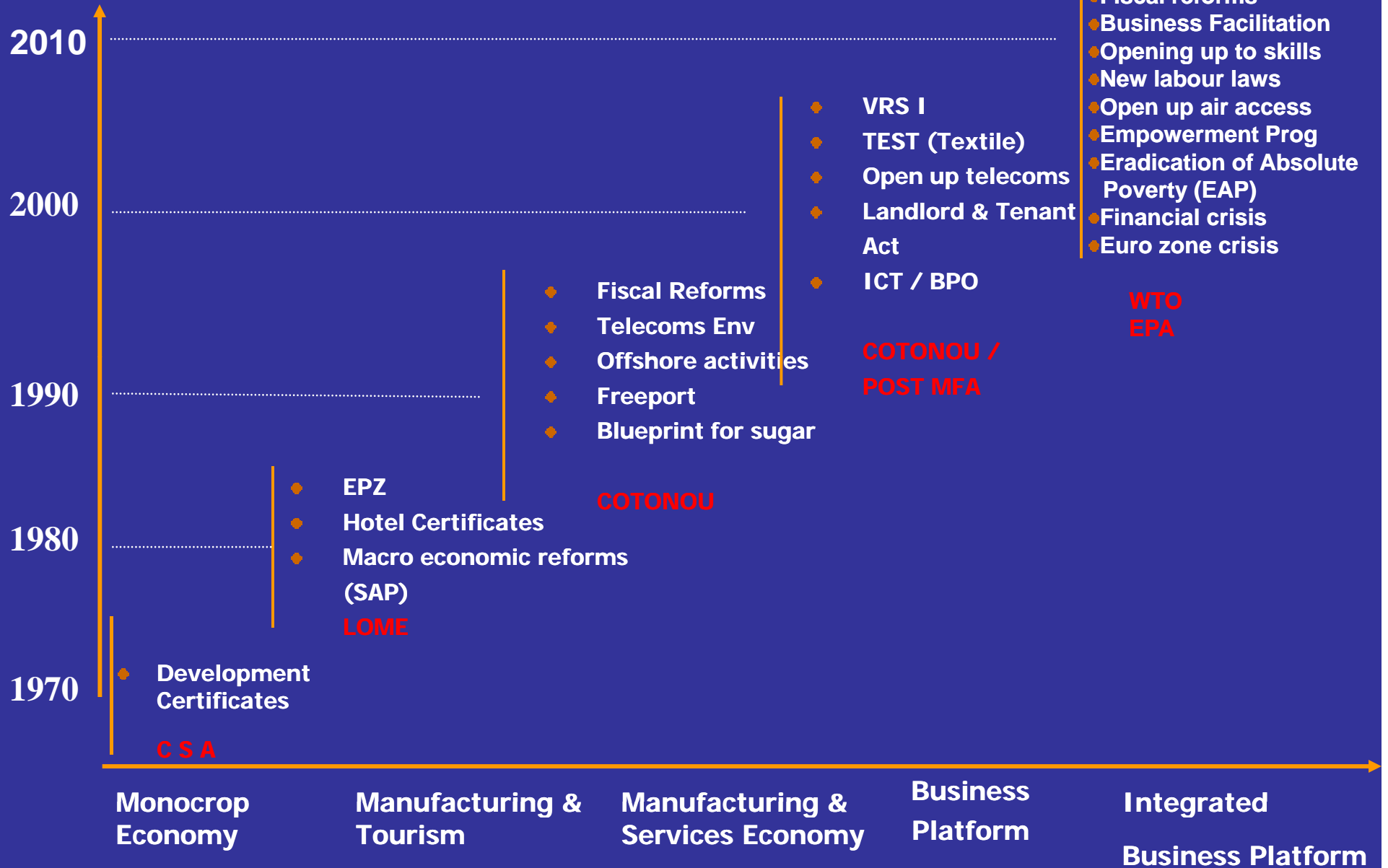
**CEO, Global Finance Mauritius**

**20 February 2014, Dhaka**

# Economic Trajectory



# Implementing Reforms



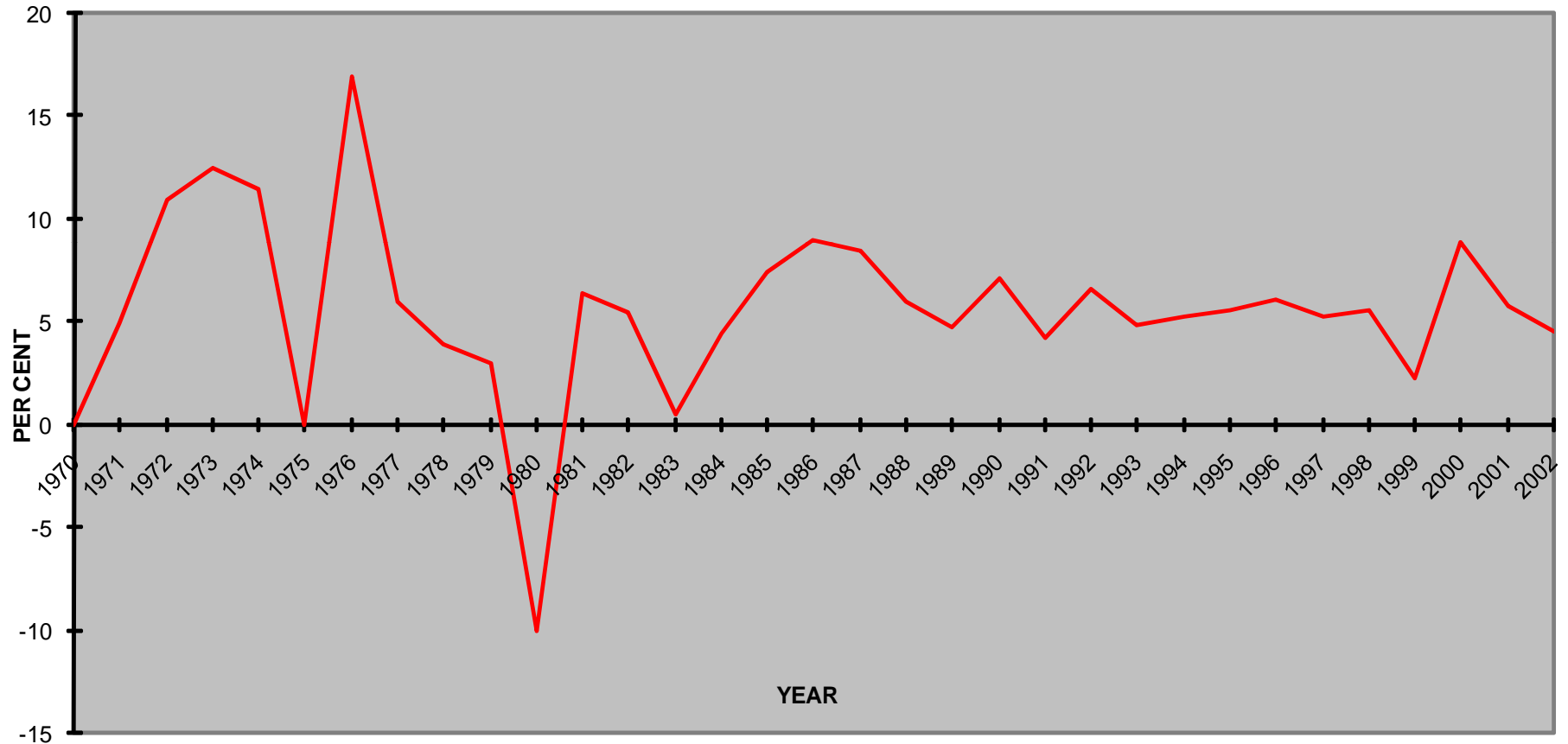
# PRIVATE SECTOR CONTRIBUTION TO THE ECONOMY

- GDP 78%
- Investment 76%
- Employment 80%

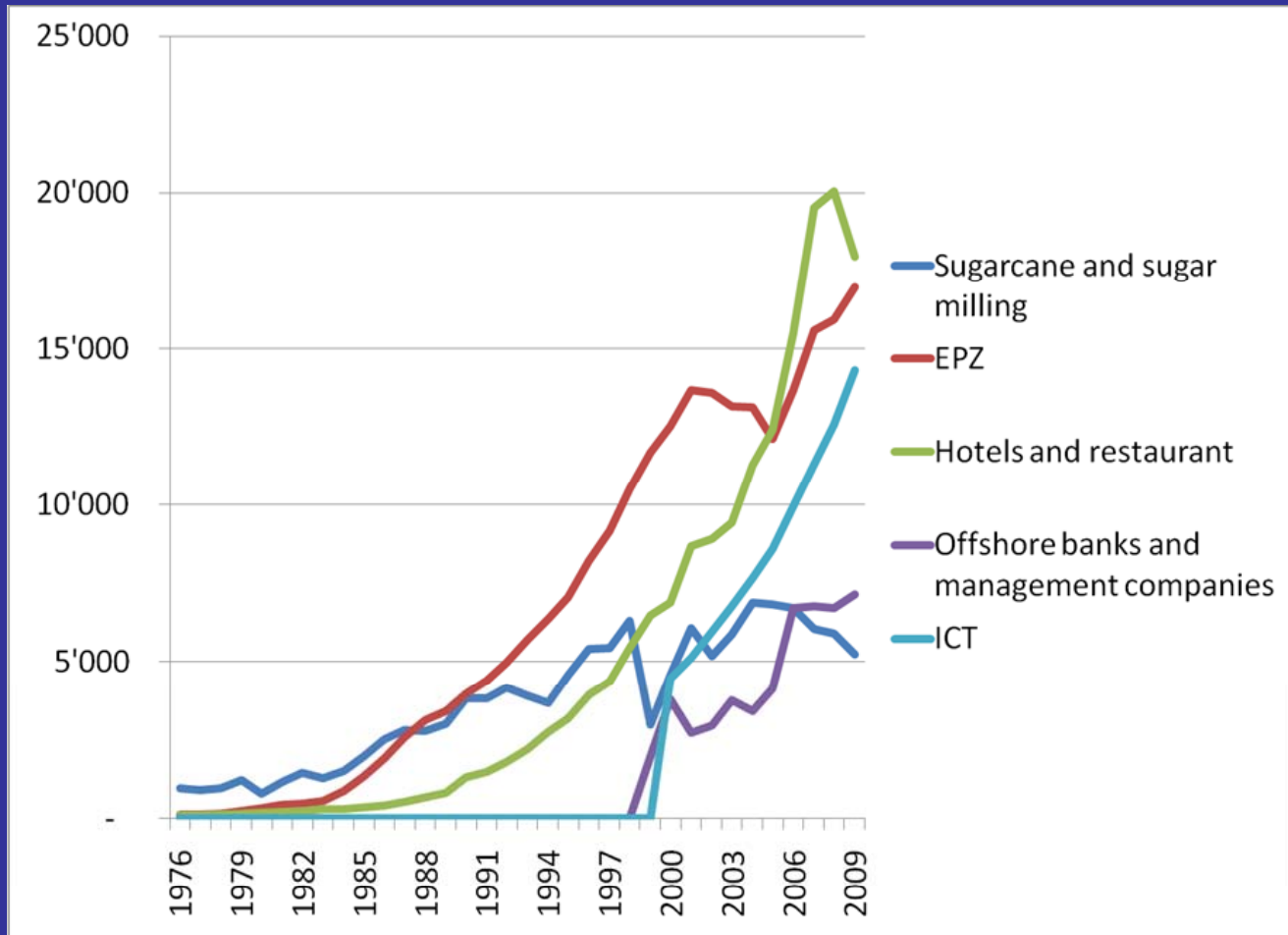
# Mauritius – Performance



**GDP GROWTH RATE, 1970-2002**

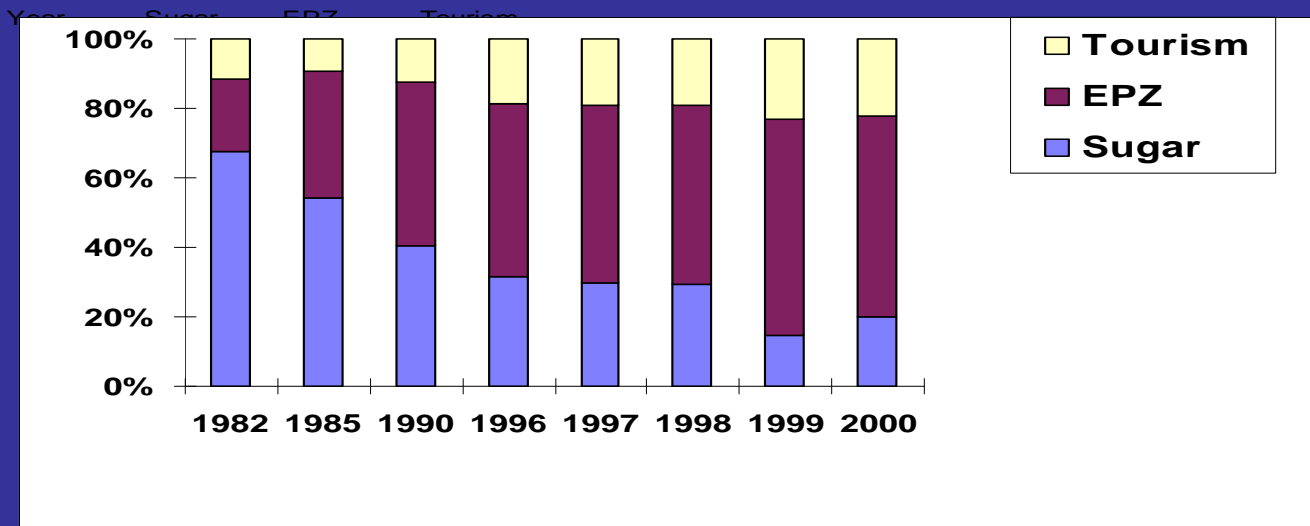


# DRIVERS



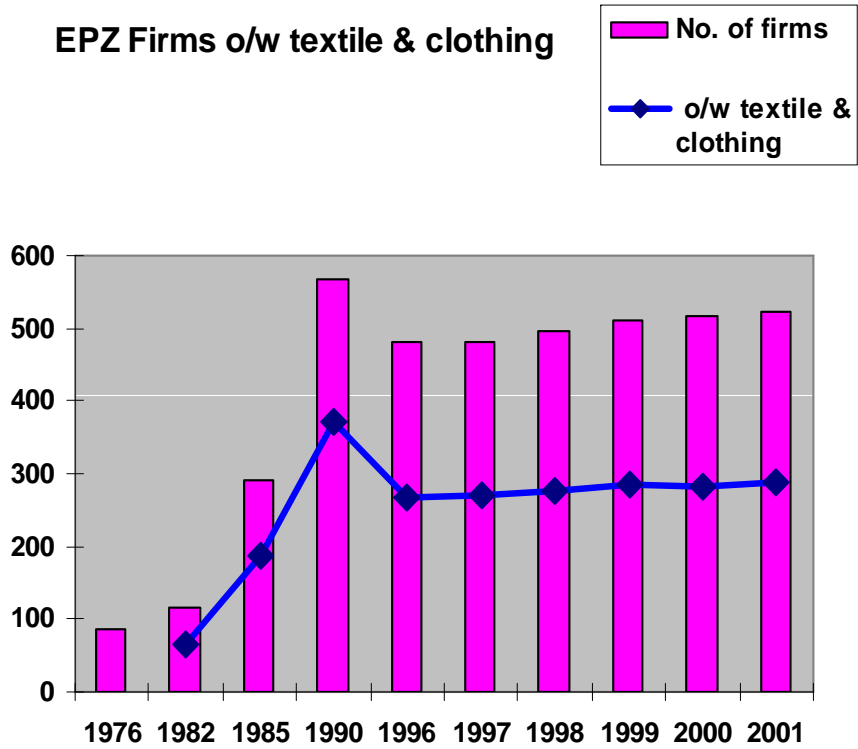
## National Income

Share in GDP at current factor cost

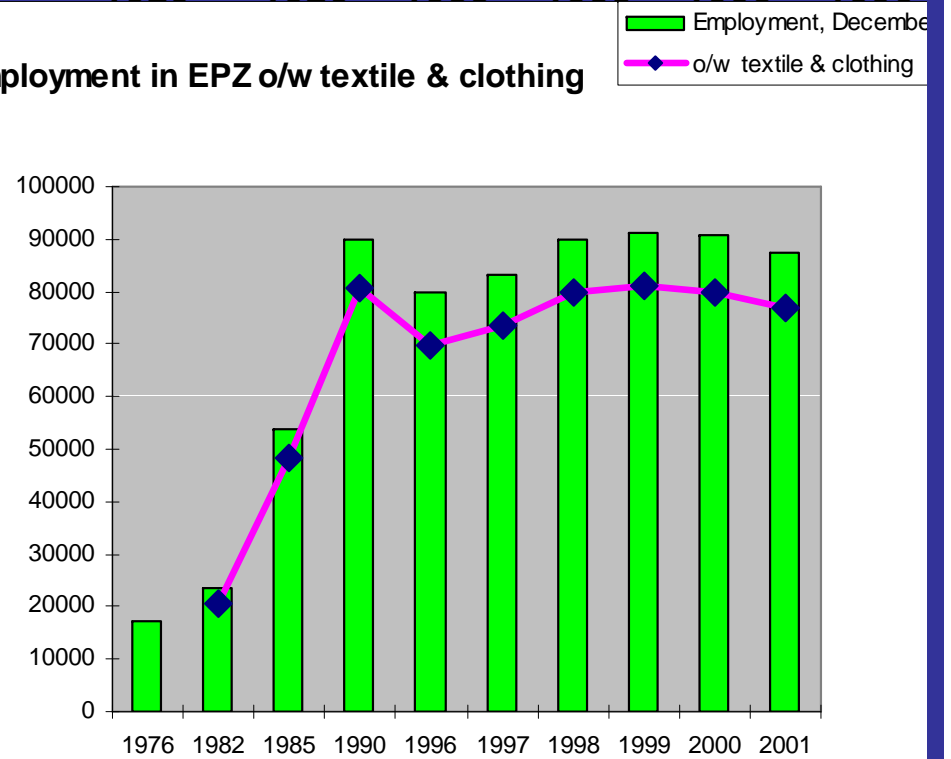




### EPZ Firms o/w textile & clothing



### Employment in EPZ o/w textile & clothing



# Employment in some main sectors (in thousand)

	<b>1983</b>		<b>1986</b>		<b>1991</b>		<b>1996</b>		<b>2000</b>	
	% Share		% Share		% Share		% Share		% Share	
<b>Total Employment</b>	<b>194</b>		<b>238</b>		<b>282</b>		<b>287</b>		<b>297</b>	
<b>Sugar</b>	<b>56.9</b>	<b>29</b>			<b>41.4</b>	<b>15</b>	<b>34.1</b>	<b>12</b>	<b>27.0</b>	<b>9</b>
<b>EPZ</b>	<b>25.3</b>	<b>13</b>	<b>74.0</b>	<b>31</b>	<b>90.9</b>	<b>32</b>	<b>79.8</b>	<b>28</b>	<b>88.1</b>	<b>29.7</b>
<b>Tourism</b>	<b>4.2</b>	<b>2</b>	<b>5.1</b>	<b>2</b>	<b>10.1</b>	<b>4</b>	<b>14.4</b>	<b>5</b>	<b>14.7</b>	<b>4.9</b>

\* Year 1976

# PROBLEMS

1. LIMITED PRODUCT BASE (T-SHIRTS, PULLOVERS, TROUSERS, MEN'S SHIRTS)
2. ABSENCE OF A DELOCALISATION STRATEGY
3. LOW PRODUCTIVITY
4. INAPPROPRIATE TECHNOLOGY
5. DEFICIENT PUBLIC INFRASTRUCTURE
6. HUMAN RESOURCES
7. MARKETING

# Problems in BD

- LABOUR MARKET ISSUES
- POLITICAL INSTABILITY
- COMPLICATED BANKING PROCEDURES
- CUSTOMS/PORT INEFFICIENCIES
- INADEQUATE INFRASTRUCTURE
- AUTOCRATIC MANAGEMENT STYLE
- LACK OF TRAINING

# Transformation: HOW

- INSTITUTIONAL SUPPORT (MEDIA, EPZDA)
- PQC CONCEPT
- TDS

# PQC

- NATIONAL – AWARENESS CAMPAIGN
- INDUSTRY – TRENDS FORUM, TRAINING
- FIRM – IN-PLANT INTERVENTION

# STRATEGIES

- DIVERSIFICATION OF PRODUCT RANGE
- HIGH TECH (CAD/CAM)
- DISTRIBUTION
- IMPROVE DESIGN CAPABILITY
- IMPROVED RESPONSE
- DELOCALISE LABOUR INTENSIVE PROCESSES

# TEXTILE AND CLOTHING POST MFA

- **Textile Emergency Support Team (TEST)**

MoF / JEC/ NPCC

- **Corporate Debt Restructuring Committee (CDRC)**

BoM / MoF / JEC



**THANK YOU**