

Clothing Manufacturers, Including SDF Clothing, Face \$814 Million Loss Amidst Bangladesh Unrest

Clothing manufacturers, including SDF Clothing, face significant disruptions and \$814 million in losses due to recent unrest in Bangladesh.

DHAKA, BARIDHARA, BANGLADESH, July 30, 2024 /EINPresswire.com/ -- The recent political and social unrest in Bangladesh has inflicted severe disruptions on the nation's garment industry, leading to unprecedented financial losses for clothing manufacturers, including SDF Clothing. The student-led protests over state employment quotas, which escalated into violent clashes and government-imposed curfews, have paralyzed the sector, causing an estimated \$814 million in losses.



Md. Fazlul Hoque, Managing Director of Plummy

Fashions, expressed grave concerns about the industry's future. "The total disconnection we experienced was highly abnormal, even surpassing the disruptions during the COVID-19 lockdowns," Hoque stated. "The involuntary downtime has resulted in significant delays and



We must restore confidence among clothing manufacturers and international buyers to mitigate long-term impacts," said Chowdhury Remon, founder of SDF Clothing" Chowdhury Remon

increased freight costs, with factories losing \$150 million a day. Clothing manufacturers are now facing a critical period of recovery."

The Supreme Court's recent decision to open government posts to merit-based competition has helped ease immediate tensions, allowing factories to gradually resume operations. However, the garment industry faces ongoing challenges as international buyers, including major brands like H&M Group, Inditex, and Walmart, reconsider their sourcing strategies. Munir Mashooqullah, founder of

apparel supply chain firm M5 Group, noted that European retailers are already evaluating their production allocations to Bangladesh, which could have long-term ramifications for clothing manufacturers in the country.

Chowdhury Remon, founder of SDF Clothing, emphasized the need for the Bangladeshi government to act prudently to restore confidence among clothing manufacturers and international buyers. "This event has both short-term and long-term impacts on the supply chain and sourcing strategy," Remon stated. "If the situation does not stabilize soon, it could have a deeper impact in the long run."

Despite the severe disruptions, some industry experts, such as Md. Rafiqul Islam Rana from the University of South Carolina, report that there have been no major backlash or order cancellations from buyers. Instead, brands have shown a willingness to extend shipment deadlines, recognizing the national crisis. However, Rana warned that there is a tendency among industry professionals and state-controlled media to downplay negative aspects to avoid alarming international buyers.



Bangladesh garment factory affected by recent unrest and curfews



Chowdhury Remon, founder of SDF Clothing, addresses the impact of political turmoil on clothing manufacturers.

In response to the crisis, many clothing manufacturers may need to resort to overtime, subcontracting, and hiring part-time workers to meet production shortfalls. The Ethical Trading Initiative has urged businesses to adjust expectations and extend deadlines to help mitigate the impact.

As the situation remains fluid, the primary concern for Bangladesh's garment industry is maintaining international buyers' confidence. "The bigger loss will be if we don't get the expected orders because buyers feel apprehensive about placing orders in Bangladesh," Hoque added. "That is a possibility that clothing manufacturers are concerned about.

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