



Myanmar – EU Trade Helpdesk



Myanmar Product Profile: Outdoor Jackets

Myanmar Outdoor Jackets

The Myanmar garment industry tends to specialise in higher-quality garments, such as outdoor jackets, rather than low cost bulk items. The garment sector represents the second largest export sector of the country. It is rapidly growing and the World Bank estimates that the garment sector represents an 18% share of total exports in 2018. 90% of the total production volume comes from foreign-owned (mainly Chinese, Korean, Japanese, and Taiwanese), and local-foreign joint venture factories.

Why You Should Buy from Myanmar

- **The most famous international producers of outdoor jackets** are already present in Myanmar with hundreds of sourcing factories. Consumers all around the world wear high-quality jackets with a Made in Myanmar label.
- **Myanmar has a ready supply of well-educated labour for the production of outdoor jackets.** As labour costs are rising in China, which has been the largest producer of garments and textiles over the last decade, Myanmar has been emerging as a new promising sourcing location for leading buyers.
- **In recent years, Myanmar outdoor jacket producers have improved their compliance with international social and labour standards.**

Myanmar factory workers producing outdoor jackets



Source: Drapers

Production Data

Garment manufacturing for export accounts for a significant portion of Myanmar's non-agricultural exports. Most of this is in the form of "Cut-Make-Pack" (CMP) operations. Many garment factories are contracted by foreign buyers to cut and make specific garments according to design specifications. These are then packaged and exported to foreign markets.

Made in Myanmar jacket label



Source: eBay

The predominant production model is still CMP. The final aim is original brand manufacturing, where Myanmar companies develop and sell their own brands of outdoor jackets either in collaboration with the original client (for a specific target market) or independently.

According to the Myanmar Garment Manufacturers Association (MGMA), EUR 58 million in foreign investment was dedicated to CMP clothing factories as of May 2017. The main factors that attract investors from the European Union (EU) are the competitive labour costs and Myanmar's status as a duty-free exporting country under the EU Generalised Scheme of Preferences (GSP). Some leading EU brands have already organised production in Myanmar. For example, Swedish-owned brand H&M works with more than 60 manufacturing and more than 40 processing factories in Myanmar. According to MGMA estimation, the sector employs 380,000 workers.

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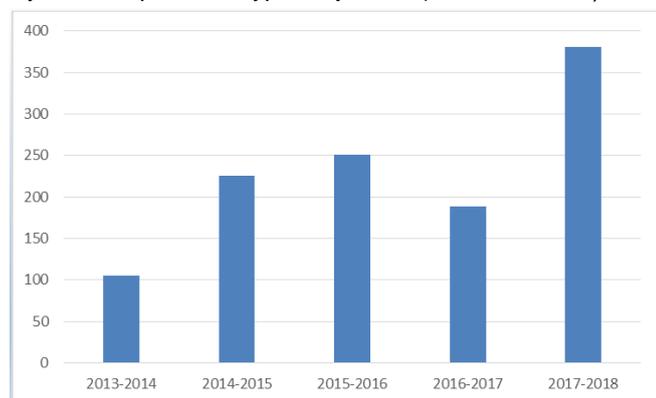


Export Structure

Exports of outdoor jackets from Myanmar grew from EUR 90 million in 2013 to more than EUR 360 million in 2017. The total export quantity of outdoor jackets in 2017 was nearly 60 million pieces. Waterproof jackets made from artificial and synthetic fibres account for the largest share of these exports.

More than one-third of Myanmar's outdoor jacket exports are shipped to Japan, followed by South Korea, and China. The largest EU market for Myanmar's outdoor jackets is the United Kingdom. Myanmar is the fourth largest supplier of outdoor jackets to the EU after China, Vietnam, and Bangladesh.

Myanmar export of all types of jackets (in EUR million)



Source: Myanmar Ministry of Commerce, 2018

Companies

According to MGMA data from 2018, out of 500 garment factories, 279 are run by foreign investors, 152 are owned by domestic investors, and 27 are joint ventures. Nearly 300 facilities produce outdoor jackets. 95% of the factories are located in the Yangon Region.

Myanmar outdoor jacket producers are increasingly implementing Corporate Social Responsibility (CSR) practices across many production locations. Many companies already adopted the Ethical Trading Initiative (ETI) base code as a minimum standard, and use production monitors and sustainability audits such as Sedex Members Ethical Trade Audit (SMETA) or Business Social Compliance Initiative (BSCI).

Myanmar factory worker producing outdoor jacket



Source: Business and Human Rights Resource Centre

Government and Support Organisations

There are several organisations and projects in Myanmar supporting the garment sector. Some of the relevant organisations and projects are:

- [The Myanmar Garment Manufacturers Association \(MGMA\)](#): The largest business association with more than 500 members, supporting development of the sector and facilitating many projects and investments.
- [SMART Myanmar](#): A four-year project (2016-2019) funded by the EU, promoting and supporting the sustainable production of garments made in Myanmar.
- [Aung Myin Hmu Training Center](#): Funded by the [Livelihoods and Food Security Trust Fund \(LIFT\)](#), is a model training centre to deliver garment industry skills training including sewing, supervision, and computer skills to internal migrant workers.

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This publication was produced with the financial support of the European Union. Its contents are the sole responsibility of the author (Aleksandar Jovanovic) and do not necessarily reflect the views of the European Union or any other party.

July 2018

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