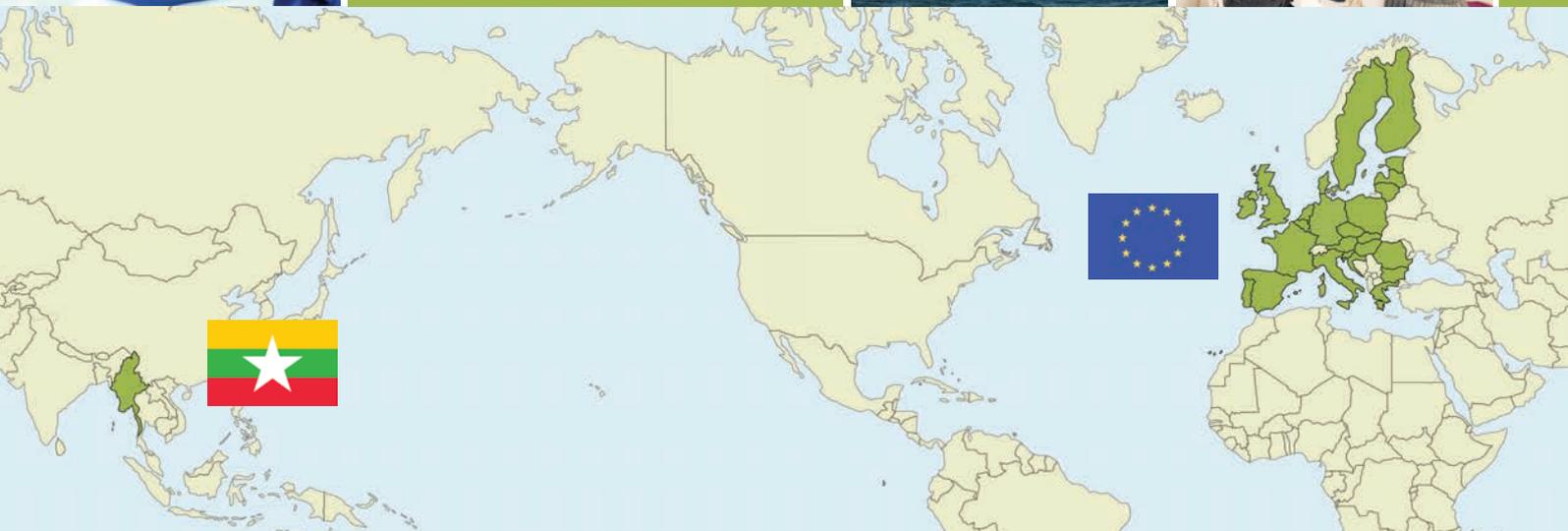




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SMART Myanmar Export Promotion Guide

for Myanmar Garment Manufacturers

Funded by the European Union



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Container in Yangon's international port

SMART Myanmar
Export Promotion Guide

for Myanmar Garment Manufacturers

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Implemented by:



Message



U Myint Soe
Chairman
Myanmar Garment
Manufacturers
Association



Simone Lehmann
Project Director SMART
Myanmar
sequa gGmbH

Dear readers,

Greetings from SMART Myanmar and the Myanmar Garment Manufacturers Association (MGMA). We are delighted to provide you with this 2015 Export Promotion Guide, which has been specially designed to assist Myanmar manufacturers who wish to export garments to the European Union (EU), a market encompassing 28 nations and more than 500 million consumers.

Myanmar's garment manufacturers have, for the past several years, primarily exported to Japan and South Korea. This has provided dependable business opportunities for the industry, but there is tremendous potential for garment manufacturers in Myanmar to discover new opportunities exporting their products to the EU.

Maybe you are a manufacturer seeking to better understand EU trade procedures, laws and documentation. Or perhaps, you are trying to re-configure your production set-up to better cater to the needs of European buyers. Whatever your present situation, this guide explores and maps out the various technical and procedural considerations essential for engaging with European buyers.

As such, we feel strongly that this guide can be a reliable resource for garment manufacturers in Myanmar and we hope you use it to its full capacity.

Warm Wishes,



U Myint Soe
Chairman MGMA



Simone Lehmann
Project Director SMART
Myanmar



Export Promotion Guide for Myanmar Garment Manufacturers

The Export Promotion Guide was specifically written for Myanmar garment manufacturers that are interested in expanding their business opportunities and considers exporting to the European market. No matter if your current export market is Japan, the Republic of Korea or if you already export to a member country in the European Union; no matter what mode of production you use at present: this guide will help you understand the EU, its market and the requirements necessary to leverage such potential business opportunities to the benefit of your company.

As such, this guide can accompany you through all the steps involved in becoming an exporter to the EU. Indeed, this is why the table of contents is not structured in the usual way, but rather is set-up as a route for a journey. A journey that you, as a manufacturer in Myanmar, can travel to reach the European Union and its hundreds of millions of customers. The starting point is chapter one where the current state of the Myanmar garment industry is briefly summarized and its future development plans are outlined in the Myanmar National Export Strategy 2015-2019; furthermore the Myanmar Garment Industry 10-Year Strategy is introduced.

Chapter two describes the end of the voyage or your target market: the European Union. You get to know about the political and economical partnership of currently 28 European countries commonly known as the European Union and its unique market opportunities for you as an exporter or soon-to-be exporter.

The different stages of your travel are chapters three to six. Your first step in becoming an exporter is detailed in chapter three where the different production modes in the garment industry are discussed and compared. Becoming a full-fledged exporter includes developing the capabilities and the knowledge to cover all production steps in garment manufacturing: from pre-production processes to shipment of goods, commonly dubbed as FOB mode of production. The chapter will give you deeper insights about the advantages and disadvantages of FOB manufacturing and what capabilities you need to develop to be ready for it.

Chapter four is the most comprehensive one. Here you will learn about requirements from both sides, Myanmar and the EU, in becoming an exporter. It covers acquiring export certificates and licenses, trade documentation required by Myanmar and the EU, particularities in trading with the EU and legal requirements for garment exports. Moreover, it gives you an idea about common EU buyer requirements such as certain standards that are not legally required but expected by most buyers and niche market requirements.

The next stage of your journey is dealing with the customer and everything that is related to him such as market segments, distribution channels and retail sourcing trends.

In this chapter (chapter 5) you will get an idea about different distribution channels that are based on diverse purchasing strategies that customers have according to their retailing business, products and marketing strategies. The various resulting order and delivery models in the apparel supply chain are discussed and the latest developments in the apparel retail market in the EU and the consequential challenges for the sourcing industry are summarized. Finally, a selection of trade fairs for market research and sourcing tops off the last part of this chapter.

Chapter 6, eventually, offers you a comprehensive listing of organizations that can support you in your plan of becoming an exporter to the EU. The listing is divided into two main parts: contacts in Myanmar and international contacts. In the first part you can find business associations and other organizations, government agencies, and commercial service providers and in the second part associations of trade agents, wholesalers and retailers organizations from Europe, international federations, and trade promotion organizations.

The annexes offer you a summary of the most relevant HS codes for garment manufacturers (HS 61 & 62), a compilation of care labeling symbols according to ISO standard and a comprehensive listing of major buyers and buying associations in the key importing countries of the EU (Germany, UK and France).

Although the information gathered for the guide has been carefully selected and examined you should be aware that the guide does not claim to be exhaustive. Furthermore, conditions and legal requirements especially in Myanmar are changing constantly due to the rapid development of the country. Therefore, all information given in the guide reflects the status quo on the publishing date and might not be completely up to date when you actually read it. Please always check with the respective government agencies and other organizations regarding the latest updates.

“...all information given in the guide reflects the status quo on the publishing date and might not be completely up to date when you actually read the guide.

Please always check with the respective government agencies and other organizations regarding the latest updates.”



1. Myanmar Garment Industry

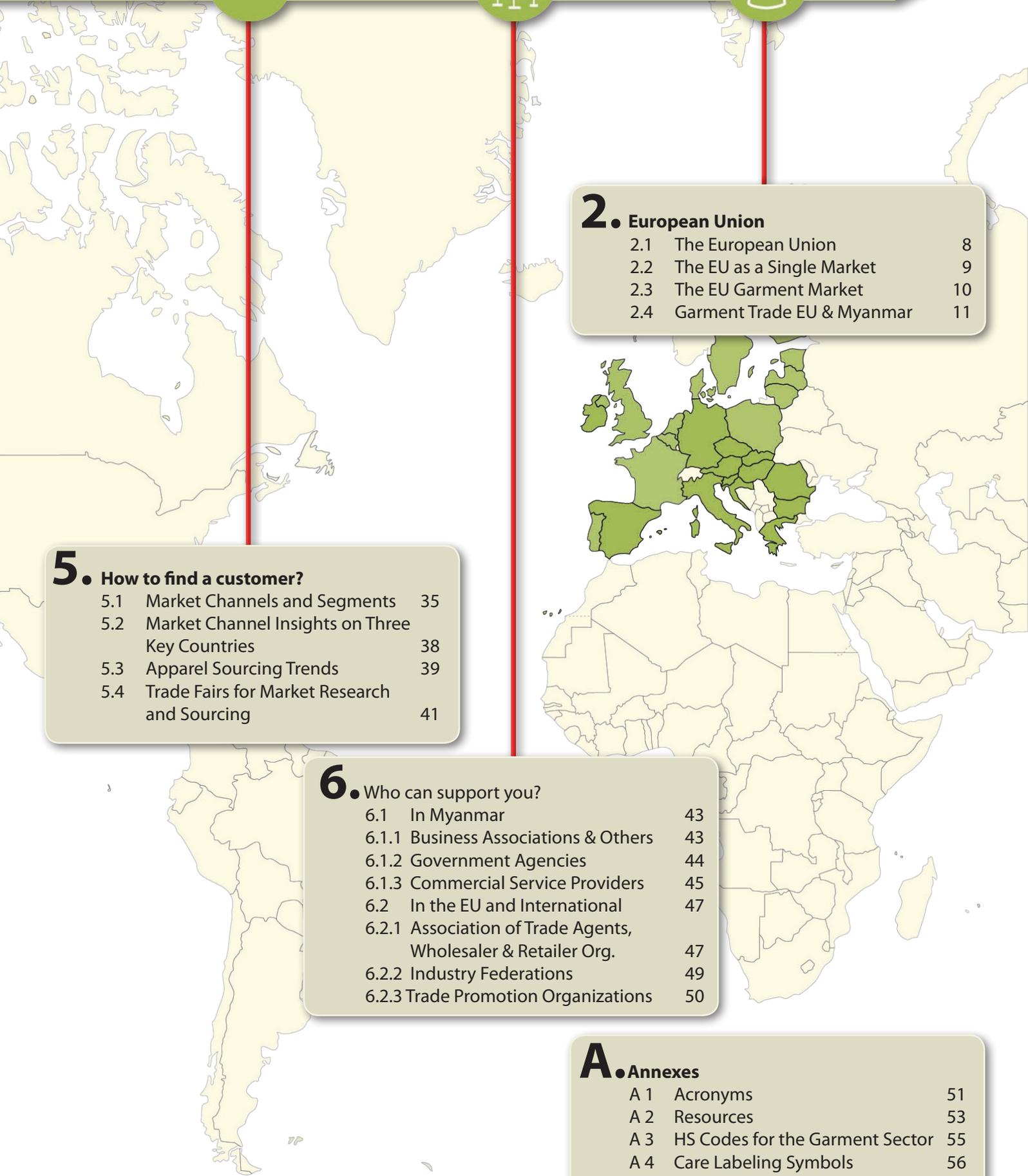
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1. The Myanmar Garment Industry

The first chapter of the Export Promotion Guide covers a topic that you as a Myanmar garment manufacturer are quite familiar with: the Myanmar garment industry. The chapter provides recent trade statistics and outlines the specific characteristics of the industry.

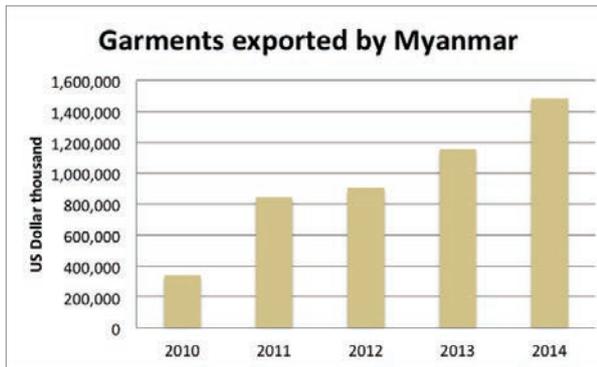
Furthermore, the main points of the recently formulated National Export Strategy that concern the textiles and garments industry sector and the MGMA Garment Industry Strategy 2015-2024 are summarized.



1.1 The Industry at a Glance

In Myanmar, the garment sector is regarded as one of the most dynamic sectors which accounted for about 6% of the country's total exports in 2014. It is the country's fourth most important export sector by value. More than a source of jobs and revenue, the garment sector is seen as a driver of future growth in manufacturing and therefore, an important stepping-stone to larger industrialization.

In 2011, Myanmar's democratic and governmental reforms re-opened the door for greater trade with the EU and the US again. Rapid increases in production volumes have been seen, with garment exports growing continuously from 904 million USD in 2012 to 1.48 billion USD in 2014.

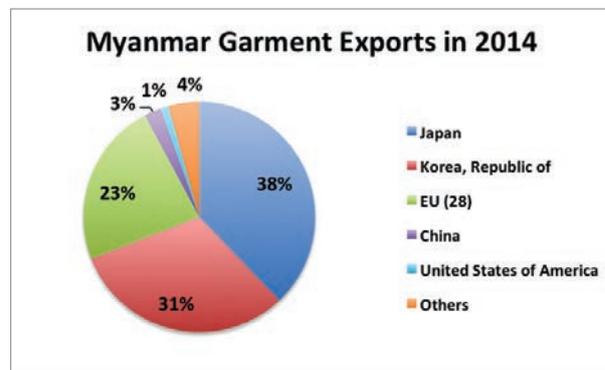


Source: ITC "Trademap" based on UN COMTRADE

At present, the garment industry in Myanmar consists of approximately 350 (exporting) factories employing a work force of roughly 230,000. Around 50% are locally or partially locally owned; the others are foreign owned. Foreign direct investment (FDI) comes predominantly from Korea, followed by other major sources of FDI from China, Chinese Taipei and Japan. Companies are often small to medium-sized with the number of workers ranging from 200 to more than a 1,000.

The industry, which is concentrated in Yangon, consists of production for the domestic market and assembly contracts for foreign buyers known as cut-make-pack (CMP). Under the CMP mode of production, buyers provide Myanmar firms with the inputs for a garment, which is then cut, sewn, assembled and packed by the manufacturer.

Currently, the markets are Japan (38%), the Republic of Korea (31%) and the European Union with its 28 member states (EU28) that accounts for 23%. Other important and rapidly growing markets are China and the US.



Source: ITC "Trademap" based on UN COMTRADE

The garment industry that survived the US sanctions and the phasing out of the Multi Fibre Agreement (MFA) on January 2005 did so by catering to mainly Asian markets and different consumer tastes. Japan became the major export destination followed by Korea. Manufacturers specialized in servicing Japan's smaller order quantities and high quality control demands. Furthermore, the industry developed high expertise in woven products, as Japan granted a tariff exemption for woven products from Myanmar. In 2012, 93% of Myanmar's garment exports were woven.

Recently, the industry developed more capacity for the production of knit or crocheted garments and in 2014 already 18.7% of the exports were knitted or crocheted. The industry is increasing its capabilities and product diversification; some companies have already specialized in children's apparel, undergarments or sportswear. When it comes to market segments Myanmar factories can cater to high, medium or low-end market segments but their capability to cater to medium or high-end markets is more pronounced. Interestingly, Myanmar barely produces lower quality and less complex items such as cheap T-shirts for export, as the country cannot compete with low cost producers in Bangladesh and China. This and several other

factors have incentivized the garment industry in Myanmar to focus more on mid-to-high quality range products and on slightly more complex items. This capability makes the industry interesting for EU buyers because their quality demands are usually quite high.

Myanmar is regarded as a new producer country which competes successfully with established garment-producing countries such as China due to its competitive advantages in cost-competitive labor, relatively high quality standards, and its "Everything But Arms" preferential trade regime which grants duty-and quota-free access to the European market for all products except for arms and ammunitions. At the same time, some buyers show weariness about dealing with Bangladesh, the region's next largest low-cost competitor, due to increased reputational risk after both a building collapse and a series of factory fires that killed thousands of garment workers.

Myanmar has progressed quickly since the re-opening of the economy in 2011. Key initiatives include banking reforms, which allow private banks to engage in international financial transactions, and drafting the new Myanmar Companies Act, which will modernize company structures in particular foreign shareholdings in Myanmar companies. Additionally, the new Myanmar Investment Law, which will merge the current Foreign Investment Law, with the Myanmar Citizens Investment Law is expected to create a

more transparent investment environment and to allow for significant improvement in the investment incentives regime. These initiatives represent significant improvements in the investment proposition for international investors.¹ Taken in totality, Myanmar companies benefit from both, the banking reforms and the better access to capital through increased foreign investment opportunities.

¹ PwC, "Myanmar Business Guide", third edition, September 2015



Garment production in Myanmar

1.2 The National Export Strategy



In March 2014, Myanmar's first-ever National Export Strategy (NES) – designed to fuel the country's sustainable development through export promotion – was launched. The strategy was spearheaded by the Ministry of Commerce and resulted from extensive public and private engagement to contribute to the development of the whole country. The NES is a five-year roadmap of the needs and priorities for Myanmar's sustainable development through trade. One part of the NES is the textiles and garments industry sector strategy.

According to the textiles and garments industry sector strategy, the strategic options for the Myanmar garment sector over the next five years can be put into five categories:

- **Production mode** – transition from CMP to FOB mode²
- **Volume** – ramping up of production volume
- **Quality** – establishment of industry-wide quality standards
- **Knit products** – development of capacity for production of knit garments
- **Design** – development of design capacity

The sector strategy vision will be achieved by implementing of the Plan of Action (PoA) for the sector. This PoA revolves around the following four strategic objectives, each spelling out specific sets of activities intended to address both challenges and opportunities facing the sector:

1. Secure public policies that will enable transformation of the Myanmar textile and garment sector from the CMP mode of manufacturing to the FOB mode.
2. Substantially increase production and exports of textiles and apparel according to international quality standards.
3. Greatly improve efficiency and reduce costs of the sector through the public provision of critical infrastructure in sector-dedicated zones and port facilities.
4. Achieve widespread adoption of worker protections and environmentally friendly technologies and practices.

It is planned that the proposed Myanmar Trade Development Committee (MTDC) and its executive secretariat shall manage the implementation of the PoA. The MTDC will play a coordinating and monitoring role in the implementation of the strategy in the overall framework of the NES in order to optimize the allocation of both resources and efforts across the wide spectrum of stakeholders.

² see annex A1: Acronyms



NES Strategy Teamleader for Textile and Garments:
Daw Khine Khine Nwe, General Secretary, Myanmar
Garment Manufacturers' Association

In order to achieve this vision, the MGMA also developed their own strategy document in mid-2015, which builds upon and complements the National Export Strategy, but which further details sectoral activities and responsibilities with which the MGMA is highly involved. In particular, MGMA's strategy provides more structure and guidance for improving and managing healthy industrial relations. MGMA has realized that factories, international brands, sourcing companies and their agents, various ministries and workers will be required to work together to develop the training, responsible sourcing, and best business practices that the strategy promotes, leading to the future prosperity of the industry as well as raised and improved employment opportunities. They started by developing their own Code of Conduct, getting into a dialogue with the unions and a statement on child labor.

Of course, much more needs to be done and many challenges to growth remain and will remain for several years. Chiefly, infrastructure issues, human resource constraints, and financial issues related to an underdeveloped banking sector. In addition, new labor related laws are still being finalized to replace out-dated ones.

Recently, Myanmar's government has approved the country's first-ever national minimum wage, which is effective since September 1, 2015. The government's National Minimum Wage Committee designated a basic and standard minimum eight-hour daily wage of 3,600 MMK for all workers in the country. It is expected that the discussions between the government, labour groups, employers and workers will continue about the details of the minimum wage (e.g. regional classification).

However, it can be expected that the implementation of the Myanmar Garment Industry Strategy will highly contribute to the growth of the garment industry and support the Myanmar Garment Manufacturers Association's vision:

"...for the Myanmar garment industry to become the highest revenue earning industry in Myanmar, penetrating the global market by offering high quality, value led products that can be manufactured in an ethical and sustainable manner."

For further information refer to:

*Myanmar National Export Strategy –
Textiles and Garments Sector Export Strategy
2015-2019*

*MGMA Myanmar Garment Industry –
10-Year Strategy 2015 - 2024*

*Myanmar Garment Manufacturers Association:
<http://www.myanmargarments.org>*

The European Union 2.

This chapter gives you a short overview about the European Union. It explains what the European Union is all about and why it is extremely interesting for exporting manufacturers from developing countries due to its single market and

other relevant facts. Furthermore, it summarizes briefly both sides of the EU garment market – its exports and imports and main trading partners outside the EU. The end of the chapter focuses specifically on Myanmar garment exports to the EU.

2.1 The European Union at a Glance



The European Union is a unique economic and political partnership between 28 European countries that together cover much of the continent. The special feature of the EU is that, although all sovereign, independent states, they have pooled some of their 'sovereignty' in order to gain strength

and the benefits of size. Pooling sovereignty means, in practice, that the Member States (MS) delegate some of their decision-making powers to the shared institutions they have created, so that decisions on specific matters of joint interest can be made democratically at European level.



The EU is based on the rule of law: everything that it does is founded on treaties, voluntarily and democratically agreed by all member countries. These treaties are negotiated and agreed by all EU Member States and then ratified by their parliaments or by referendum. The standardized system of laws applies in all member states and has led for example to the development of a single market.

Thanks to the abolition of border controls between EU countries by the Schengen Agreement, people can travel freely throughout most of the continent. Furthermore, the

monetary union, called Euro-zone, was established in 1999 and came into full force in 2002. The Euro-system, headed by the European Central Bank, is responsible for monetary policy within the Euro-zone.

It is currently composed of 19 member states that use the euro as their legal tender. Nine countries (Bulgaria, Croatia, Czech Republic, Denmark, Hungary, Poland, Romania, Sweden, and the United Kingdom) are EU members but do not use the euro.



2.2 The EU as a Single Market

EU policies were aimed to create a single market and the corresponding increase in trade and general economic activity. The Single European Market's cornerstones are the free movement of capital, labor, goods and services, also referred to as the "four freedoms". As a result of introducing the European single market, some policy areas have been harmonized on European level and remain under the authority of the EU. Among those are:

- The EU competition law
- The Schengen Agreement
- The Common system for VAT, excise and customs duties

Today, the EU is a major trading power trying to sustain economic growth by investing in transport, energy and research, while also seeking to minimize the environmental impact of further economic development.

The EU's economy — measured in terms of the goods and services it produces (GDP) — is the largest economy in the world, even bigger than the US or any other economic union. With just 7% of the world's population, the EU's trade with the rest of the world accounts for around 20% of global exports and imports. The EU is the top trading partner for 80 countries. By comparison, the US is the top trading partner for a little over 20 countries.

The EU in general is an attractive market, but for less developed countries it is an even more interesting trading partner. The EU believes that its success is inextricably bound up with the success of its trading partners, both in the developed and developing world. For this reason, sustainable development is central to EU's trade policy and the EU is the most open to developing countries. Fuels excluded, the EU imports more from developing countries than the USA, Canada, Japan and China put together. By working together, Europe has the weight to shape an open global trading system based on fair rules – and to ensure that those rules are respected. The EU benefits from being one of the most open economies in the world and remains committed to free trade.

If you are prepared and willing to explore new markets, then this should create opportunities for you as an exporter:

- The EU has 500 million consumers looking for quality goods with a GDP per head of around \$27,000 USD.
- It is the world's largest single market with transparent rules and regulations.
- It is the most open market to developing countries in the world.
- The average applied tariff for goods imported into the EU is very low. More than 70% of imports enter the EU at zero or reduced tariffs.
- The EU has a secure legal investment framework that is amongst the most open in the world.
- Myanmar is enjoying duty-free and quota-free access to the EU for all products except for arms and ammunition (see also chapter 4.2.1)

For further information refer to:

The European Union:
http://europa.eu/index_en.htm

The European Commission:
http://ec.europa.eu/index_en.htm

CBI Manual "Exporting to Europe – an Introduction to the EU":
<http://www.cbi.eu/sites/default/files/study/exporting-to-europe-introduction-manual.pdf>



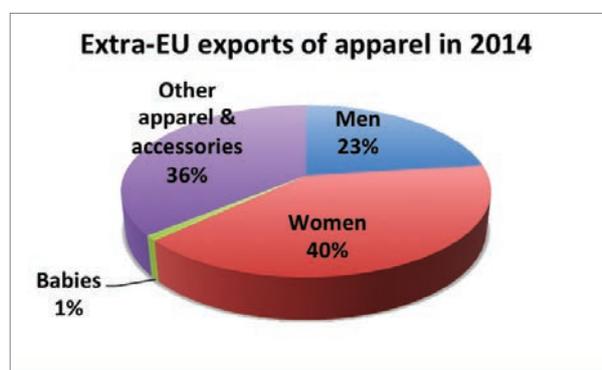
2.3 The EU Garment Market

Exports

The EU textile and clothing industry is a leader in world markets. The industry's exports to the rest of the world represent more than 30% of the world market. The leading world role of the EU textile and clothing sector is attributed to its high-end specialization, its flexibility, the continuous adaptation of its structure to the market, and the development of products that address new needs (such as technical textiles for industrial uses).¹

Clothing is a major sector of European industry, with an annual turnover of € 71.5 billion and a workforce of nearly a million people. All sub-sectors of apparel are produced in Europe, the majority (in value) pertaining to the manufacture of other outerwear, such as coats, jackets and trousers, and most of the rest coming from the manufacture of other apparel, such as accessories, baby garments, hats and headgear and body/or underwear.

The EU textile and clothing sector is an SME-based industry with very small, specialized companies. The industry is at a crucial phase with increasing competition and rising production costs. Eastern European countries have become important centers for apparel manufacture by European companies, because of the ability to deal with short delivery times, guarantee a qualified labor force and the presence of a developed infrastructure and relatively high social and environmental standards.²



Source: EURATEX key figures 2014

The main customers for EU manufactured clothing outside the EU (Extra-EU) are Switzerland, Russia, US, Hong Kong and Japan. The main products are women wear accounting for 40% whereas men wear only accounts for 23%. 36% are other apparel products and accessories. Baby wear is only reaching 1% of the total exports.

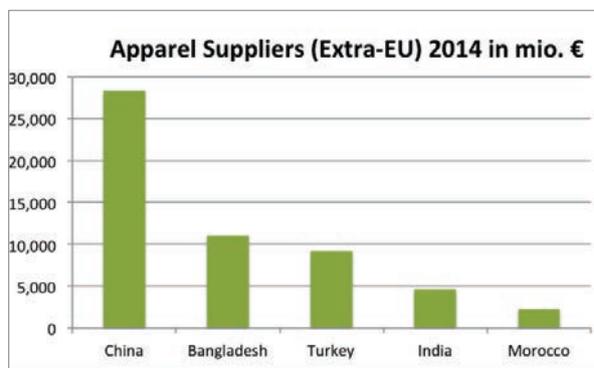
The key countries for apparel import from outside the EU are China, Bangladesh, Turkey, India and Morocco. China is still by far the biggest supplier with € 28,343 millions but other

¹ http://ec.europa.eu/growth/sectors/fashion/textiles-clothing/international-trade/index_en.htm

² <http://www.cbi.eu/market-information/apparel/trade-statistics>

sourcing destinations such as Bangladesh and Turkey are slowly catching up.

Imports



Source: EURATEX key figures 2014

When looking at the trends in compounded annual growth rate in woven and knitted apparel, the biggest segment in the apparel sector, it becomes obvious that the growth of imports from China is slowing down and other suppliers are emerging (see table below). Imports from Bangladesh display the fastest growth in knitted and woven clothing followed by Cambodia. Bangladesh is also experiencing strong growth in sports clothing, body wear and baby wear but Cambodia displays the fastest growth in sports wear.³

Knitted and Woven Clothing Suppliers to EU (HS 61 & 62)

DC Supplier	Value	Share	CAGR* 2009-2013
China	€ 14,091,874,431	33.9%	-1.1%
Bangladesh	€ 7,877,858,058	19.0%	14.8%
Turkey	€ 6,202,477,639	14.9%	4.7%
India	€ 2,793,412,199	6.7%	-1.6%
Morocco	€ 1,604,272,907	3.9%	1.2%
Tunisia	€ 1,314,745,595	3.2%	-3.5%
Cambodia	€ 1,161,271,136	2.8%	27.8%
Vietnam	€ 1,001,371,111	2.4%	11.0%
Pakistan	€ 925,475,016	2.2%	10.2%
Indonesia	€ 608,352,522	1.5%	-0.9%

*Compounded Annual Growth Rate

Source: Eurostat 2014

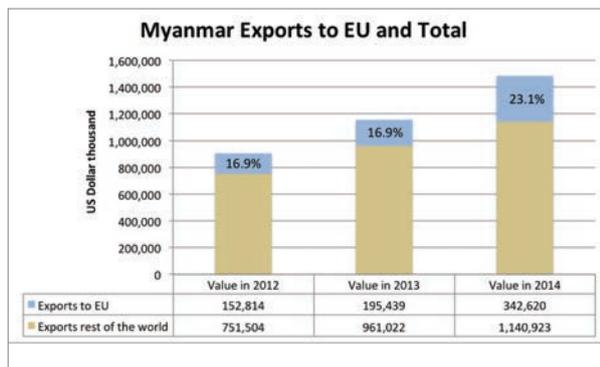
Despite the negative impact of the economic downturn on European domestic consumption of apparel, Europe remains an attractive market for exporters from developing countries (DC). Especially countries that enjoy a preferential treatment due to their status as Least Developed Countries (LDC) such as Bangladesh and Cambodia continue to increase their market share. The reputation of European brands abroad, as well as their global reach presents an opportunity for DC exporters to reach a wider market with apparel products.

³ <http://www.cbi.eu/market-information/apparel/trade-statistics>



2.4 Garment Trade between the EU and Myanmar

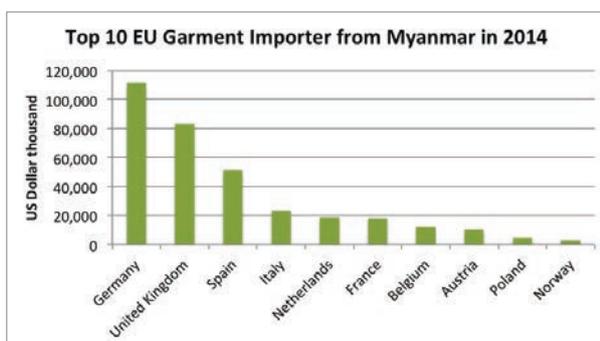
Myanmar’s garment exports to the world are not substantial but have grown steadily from 2010 to 2014 to reach 1.48 billion USD. The main markets are still Japan (38%) and the Republic of Korea (31%) but exports to the EU already accounted for 23% in 2014 (see chapter 1.1).



Source: ITC Trademap/ UN COMTRADE

Exports from Myanmar to the EU that remained quite stagnant at around 17% in 2012 and 2013, rebounded significantly in 2014, increasing by 75% from 2013 totals. The reason for this is primarily that several companies – including H&M, Adidas and nearly a dozen other major European brands – expanded their sourcing operations in Myanmar to capture the 0% GSP tariff incentive. It is expected that this trend will continue because Myanmar is one of the frontiers for cost-competitive garment manufacturing with many retailers eager to tap this market for sourcing.

Furthermore, the Myanmar Garment Manufacturers Association has registered more than one new garment factory opening each week throughout 2014 which is a consistent indicator of growth in the industry. Many existing factories have been investing in expanding and upgrading their manufacturing facilities to cope with increasing demand.



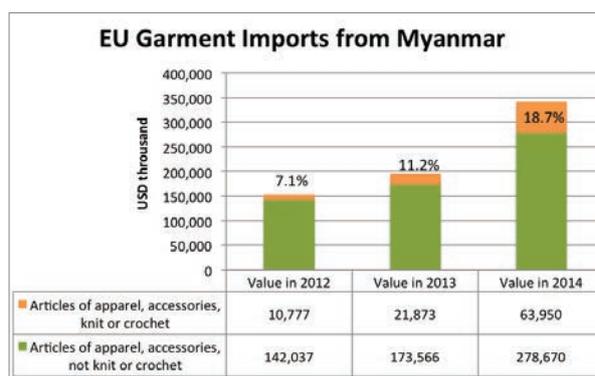
Source: ITC Trademap/ UN COMTRADE

The main importing countries of Myanmar garments are Germany with an import value of 111.5 million USD followed by the United Kingdom with 83 million USD and Spain

with less than half of Germany’s import value (51.5 million USD). The other seven of the top ten EU importers from Myanmar account only for 27% which is less than the 33% of Germany’s imports.

The Myanmar garment industry, being specialized for a long time in woven products, starts slowly to diversify into knitwear, as recommended in the garment sector’s export strategy as one of the strategic options. As recently as 2012, 93% of garment exports from Myanmar consisted of woven products, primarily jackets and outerwear, as well as woven shirts and blouses for the Japanese market.

Since the re-instatement of the European Union’s Generalized System of Preferences (GSP) on July 19th 2013, knitwear production has been expanding, much of it fueled by Chinese and other foreign investment. In consequence, Myanmar has several newly established knitwear factories, as well as a few smaller knitwear factories which survived the period after US sanctions. The percentage of knitwear in Myanmar’s garment exports more than doubled in two years reaching almost 19% in 2014.



Source: ITC Trademap/ UN COMTRADE

Further growth of Myanmar garment exports to the EU can be predicted and the pace will most probably increase further. If the industry continues to develop its capacity, productivity and product diversification and addresses issues of social standards and environmentally friendly production it can be expected that the EU market share will overtake Japan’s in a few years.

It is projected in the NES for the textile and garment sector that if all activities of the Plan of Action (PoA) are implemented, the value of Myanmar’s textile and garment exports will quadruple by 2020. The largest and most immediate export growth is expected to occur in not knitted, CMP, men’s garments to Japan and the Republic of Korea as well as to the EU, specifically Germany and the United Kingdom.

However, as United States sanctions are lifted and the value chain strengthens, creating reliably high quantities and quality, Myanmar should also become more competitive in North America and the EU for FOB garments, whether knit or woven.

For further information refer to:

CBI Trade Statistics for Apparel: <http://www.cbi.eu/market-information/apparel/trade-statistics>

Euratex Key Figures 2014:
<http://euratex.eu/press/key-data/>

ITC Trademap:
<http://www.trademap.org/Index.aspx>

How to Change from CMP to FOB 3.

Chapter three of the Export Promotion Guide deals with two specific models of production within the garment industry: CMP and FOB. The different business models are briefly described and advantages and disadvantages discussed. The comparison underpins the importance of FOB mode

of production in further developing the garment industry sector. Therefore, the end of the chapter elaborates on an incremental approach of changing into FOB business and outlines capabilities that have to be developed by garment manufacturers who want to target this mode of production.

3.1 CMP and FOB

There are basically two different modes of cooperating with a buyer in garment manufacturing: CMP and FOB.

CMP stands for Cut-Make-Pack and is a form of contract work. The buyer keeps the development of new styles and the materials under his control and outsources only the labor-intensive jobs. The buyer provides all inputs necessary for the product as well as the design. The contracted manufacturer carries out only the labor-intensive tasks of cutting the fabric, sewing garments together and then packing the garments for export to international markets. All documentation, paperwork and transport from the factory to the port is organized by the client or through domestic and regional agents.

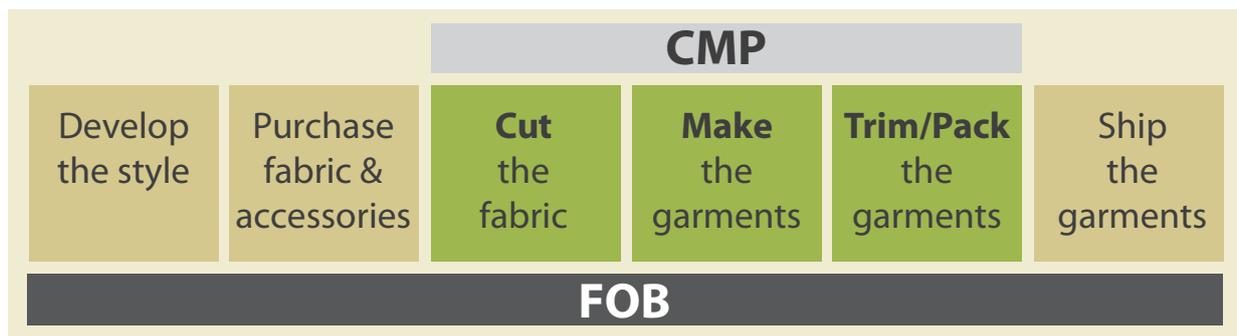
FOB is originally an International Commercial Term for "Free on Board" – a term of sale under which the price invoiced or quoted by an exporter manufacturer includes all charges up to placing the goods on board a ship at the port of departure specified by the buyer (see chapter 4.1.4). In the garment industry it describes a business model in which the manufacturer purchases its own inputs, rather than

assembling inputs provided by a buyer (CMP). The garment manufacturers are basically responsible for producing the garments in their entirety and arranging for shipment. The buyer simply makes a purchase and doesn't take as heavy-handed an involvement in the production process.

All of Myanmar's garment factories operate under the Cut-Make-Pack (CMP) system. The ones that are engaged in FOB business do that through a partnership with a foreign company based abroad so that the production in Myanmar remains CMP.

There are several reasons why CMP business is so dominant in Myanmar. The most pressing issue is a business environment that does not support manufacturers in starting their own sourcing/imports:

- **Tax** – The current system provides a tax exemption for CMP production. Garment producers in Myanmar must simply receive an endorsement certification from MGMA and subsequently they will receive an import license from the Ministry of Commerce (MoC) which they can use to secure a tax exemption on imports



Source: MGMA Website

through customs. If manufacturers would source and import the materials for FOB business they would not receive such tax exemption. Therefore, under the current tax system, which favors CMP production over FOB, FOB business is not competitive in Myanmar.

- **Finance** – Factories in Myanmar have only limited access to financial products which are very common in other countries (e.g. letter of credit, credit lines). The banking sector is underdeveloped.

Due to this unfavorable business environment manufacturers hardly engaged in FOB business and therefore, lack related competencies, mainly in:

- **Sourcing** – Most locally owned factories lack the relatively sophisticated sourcing networks and knowledge necessary to adequately procure materials and accessories for garment production.

- **Design & Style** – There is a lack of knowledge in locally owned factories regarding fashion design and styles.

Working under a CMP contract has some advantages for the manufacturer. The time intensive sourcing and a lot of the paperwork remains the buyer’s responsibility.

Furthermore, this form of contractual arrangement leaves all risks due to market uncertainty to the client. Risks stemming from market uncertainty are related to demand fluctuations that change frequently and unsystematically based on fashion trends and vogues. The buyer is analyzing and interpreting the market and develops designs that he thinks will sell. The CMP manufacturer has no responsibility for design decisions but produces only according to the buyer’s requirement with a guaranteed purchase based on the contract as long as it is in compliance with the agreed specifications.



3.2 Advantages of FOB

Therefore, for the reasons outlined, Myanmar’s garment factories engage in CMP production. Unfortunately, CMP mode of production has some major disadvantages for the manufacturer:

- Manufacturers earn a much lower rate than those producing on FOB terms.
- Manufacturers can be easily replaced by other manufacturers in untapped low-cost countries.
- Manufacturers only cover a small part of the value-adding activities in production.

The FOB model of garment production offers more opportunities for value retention and addition than CMP, and has been a common next step in the evolution of the garment industry in many countries. The main advantages of FOB are the following:

- Manufacturers earn a higher rate than those producing on CMP terms.

- Manufacturers cover a wider range of the value-adding activities in production (sourcing, eventually design).
- Manufacturers can extend their customer range and can tap buyers that do not do their own material sourcing (e.g. many medium-sized EU buyers).
- Manufacturers can specialize and develop their own “distinctive competence”.
- Specialized manufacturers can easier improve and optimize their quality level.
- Manufacturers can slowly build their own customer base and are valued for their specific capabilities. Therefore, buyers will not replace them easily.

The FOB model of garment production has been a common next step in the evolution of the garment industry in many countries.

Obviously, there are very good reasons to target a shift from CMP to FOB business but it will be only feasible if the framework conditions for FOB business change significantly in Myanmar.

- The current tax system has to change to allow manufacturers to import materials and accessories under similar conditions as for CMP business.
- The import/export requirements and procedures have to become more efficient and transparent to speed up the process and reduce red tape.
- Reforms in the Myanmar banking sector have to continue to further to improve service offers and upgrade the quality of financial products.

Without these changes FOB business in Myanmar is not competitive and lobbying for them is part of the garment

industry strategy plan that focuses on creating a business environment which enables the transition from CMP to FOB manufacturing.

Given recent improvements and reforms in Myanmar's business environment in the last three years one can be slightly optimistic that the Myanmar government will continue its path to reforms and modernization to create framework conditions favourable for export manufacturing in Myanmar.

Apart from major improvements in the external environment, garment manufacturers have to be aware that FOB business requires substantial capacity developments within the company and needs a lot of time to be developed. The following chapter will give you an idea about the steps involved in reaching for FOB.

3.3 Management Requirements to Reach for FOB



Generally, garment-manufacturing processes are categorized as:

- **Pre-production processes:** sampling, sourcing and testing of raw materials, approvals, costing, pattern making, production planning, material and line planning, pre-production meetings
- **Production processes:** cutting, sewing and finishing
- **Post-production processes:** thread trimming, pressing, checking, folding and packing, shipment inspection

Manufacturers focusing on CMP business are concentrating on the production processes and part of the post-production processes. They usually lack the skills and experience related to pre-production processes and shipment of the goods because they do not cover these steps in CMP. Furthermore, the organizational set-up of the companies focuses predominantly on production and post-production processes and mostly lacks departments handling the pre-production processes such as the following:

- **Merchandising and marketing department:** Communicating and meeting with buyers, handling orders from order receiving to shipment.
- **Sourcing department:** Sourcing all types of items that include raw materials, consumables, machinery and day-to-day requirements.
- **Sampling department:** Making various types of garment samples that are shown to buyers for approval.

- **Quality Assurance department:** Controlling and monitoring quality standards of incoming materials and finished products to meet buyers' requirements.
- **Testing Lab:** In export business a lot of standards have to be followed by the exporters. Testing labs test raw material quality standards and approve for further process. They can either be a department in the company or the testing can be outsourced.

Mainly the capabilities necessary to manage pre-production processes are key in order to realize upgrading from simple assembler type of operation (CMP) to the more advanced FOB mode. The reason for this is that these core competences are related to the capacity of enterprises in acquiring and transforming market information into real production and distribution network arrangements.

Experiences made in other Asian countries indicate that a transition from CMP to FOB for a garment sector can be rewarding but requires a substantial amount of effort, changes and knowledge transfer.

Vietnam's garment exports had increased by 86% in only three years (2001-2003) to reach 3.39 billion USD. It was assumed that the significant increases in exports were on the one hand based on higher export volumes; on the other hand the companies generated more added value due to a change into FOB production mode. A study paper takes a closer look at the actual operations which Vietnamese suppliers call FOB and reveals that the forms of FOB vary significantly. More specifically, the functional responsibilities in these are quite different, and they can be classified into the three types of FOBs where the range of responsibilities is gradually shifting from the buyer to the manufacturer.¹

¹ (Goto, Kenta, 2007, RCAPS Working Paper No.07-1)

FOB I:

Manufacturer purchases input materials for processing from suppliers that are designated by foreign buyers. The difference between this and CMP is thus very small.

FOB II:

Manufacturer receives garment samples from foreign buyers. Based on these samples, they produce similar garments using materials that they must procure somewhere without any directions from buyers.

FOB III:

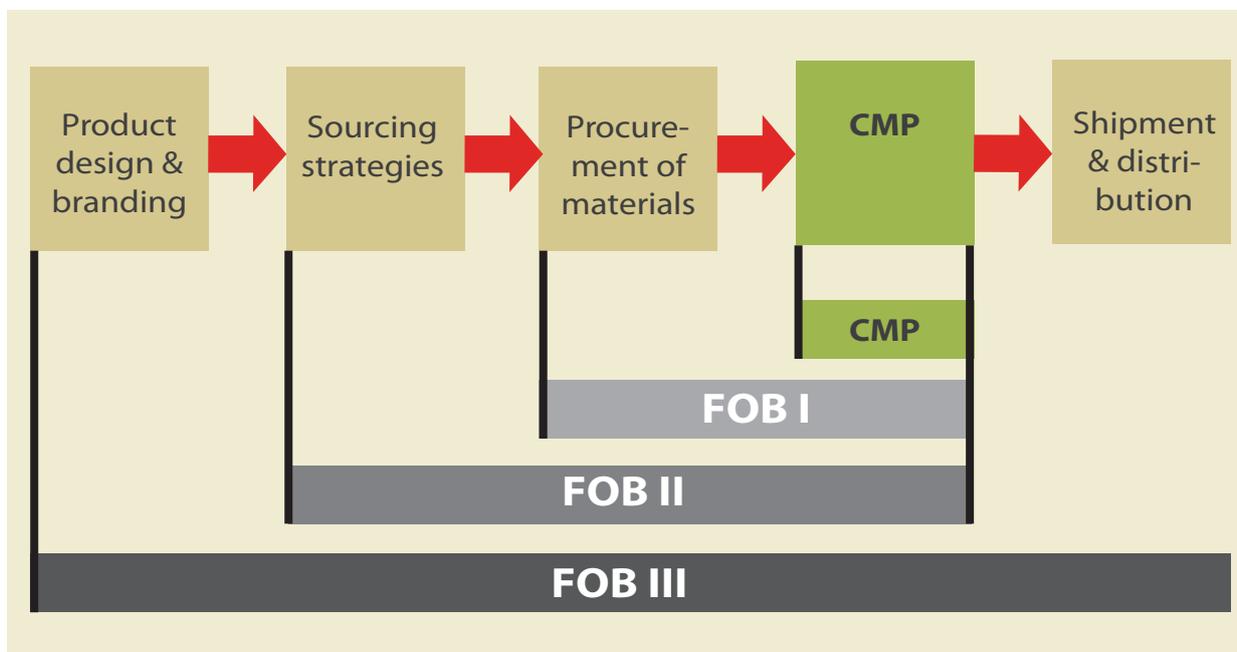
Under this arrangement, the manufacturer initiates production of garments based on their own design, with no prior commitment of any kind from foreign buyers.

Goto, Kenta, 2007, RCAPS Working Paper No.07-1

The study revealed that out of the 23 manufacturers interviewed, 20 had some form of FOB production. However, out of those 20 suppliers, 93.6% of their production were, on average, FOB I type arrangements. The remaining 6.4% were FOB II activities and there was literally no supplier that produced garments for exports under FOB III modality.

Main insights of the study are that there are different types of FOB production modes where the range of responsibilities, chance of enhanced value-added and associated risks shift gradually from buyer to manufacturer and that the majority of the manufacturers started to change slowly by changing part of their production first to FOB I.

It is important to realize that the FOB mode of production can be divided into three incremental stages and, thus, gives manufacturers a choice while reaching for FOB according to their capabilities and risk appetite. Such an incremental approach gives manufacturers ample time to develop capabilities and know-how.



Goto, Kenta, 2007, RCAPS Working Paper No.07-1

Moreover, it gives companies an option in how far they would like to go and if they really want to target eventually FOB III which in global value chain literature is referred to as "Original Brand Manufacturing". This mode of production provides the largest possibility to increase value-added but the associated risks become much larger as well.

Both FOB I and II type of arrangements are similar to what is more commonly referred to as original equipment manufacturers, or OEM. The most important difference between FOB II and I is that under FOB II, suppliers have some level of leeway to develop their own supply bases and create value-added through sourcing of input materials. Product specification, design and marketing all remain core functions of the buyer.

The most important competencies to be developed for FOB II are in the area of sourcing. But there are other capabilities in various areas that have to be developed or further developed by the manufacturers:

Sourcing

Establish a sourcing department and start to develop your own supplier database and sourcing network by contacting national and international suppliers, visit trade fairs, get various quotations, check quality standards, payment and delivery terms and import conditions. Have a special focus on social and environmental standards and the availability of certificates from the suppliers (see chapter 4.3.2). Keep in mind that you, as an exporter, are responsible to provide the

required standards and certificates according to the buyer's requirements.

Merchandising

In brief, a merchandiser promotes a correct product to the right customer and executes it by proper planning and sourcing, with good quality and competitive price on an appropriate time frame by utilising the needed resources. Employ or train a merchandiser so that he handles orders from order receiving to shipment. He checks the possibility of producing and sourcing for a new inquiry and achieves costs for the product. In case of a positive buyer's response the order preparation follows which means planning and controlling the production and purchasing costs by re-calculating with the quoted price and executing the production through various departments

Quality Assurance

Create a quality control system for raw materials and accessories according to buyer requirements. Have a system in place for the final quality control before shipment. Scout for testing facilities to outsource testing. As of now, Myanmar has no testing facilities available in the country but it can be expected that this will change in the future. For the final quality control according to the buyers' requirements (e.g. AQL 2.5) external service providers can be contracted (see chapter 6).

Cost calculation

Initiate to have a separate factory accounting respectively an internal cost accounting independent of your regular financial accounting. Here you will identify the various cost-factors within the costing scheme and generate a selling-price but costing/calculation is also necessary for the management to analyze and propose alternatives to optimize material, production and administration costs. It

also enables you to present alternatives to your customer and demonstrate to him that you are the competent professional for a long-term business relation.

Pre-production and production planning

Get familiar with the processes of pre-production planning such as the determination of actual consumption of fabric and trims along with the Standard Allowance Minutes (SAM) for sewing. Based on the SAM the production department has to provide the actual cost from Cutting - Making - Packing along with the production lead time based on the enquiry from customer. Have a proper set-up for production planning and control, including computer software.

Shipping and export documentation

Familiarize yourself with all the requirements necessary for exporting (see chapter 4). Contact several forwarders and get quotations. Be informed about rates, taxes and duties, and banking and documentation charges based on the shipment term and payment conditions of the customer. Consider external help by contracting clearing agents and quality control agencies.

Accounting

Develop the know-how necessary to process international payment transactions.

The underdeveloped design capability of manufacturers can in the medium run only be changed by engaged producers who want develop further and aim for FOB III as the next stepping stone for evolving their business. In the long term, the Myanmar government can support such development by providing a higher education for the garment sector that includes such skills in the curriculum.

How to Become an Exporter to the EU

4.

This chapter is the centerpiece of the Export Promotion Guide. It tries to answer the main questions a manufacturer in Myanmar would have when he plans to start exporting to the EU as part of FOB manufacturing. The first part outlines general trade information related to becoming an exporter in Myanmar. The second part compiles general trade information related to export into the EU including specific

rules and regulations and the trade documentation that is required. In the third part of this chapter you will learn about the requirements that EU buyers have; from legal necessities to common requirements that are not binding but you need to comply with in order to keep up with the market. The chapter ends with the description of requirements for certain niche markets that might be interesting for you as well.

4.1 General Trade Information Myanmar

In the past, the Ministry of Commerce (MoC) prescribed rules and regulations under the Control of Imports and Exports (Temporary) Act (1947) and released orders, notifications and press-releases from time to time through newspapers, journals and websites to enable traders and enterprises to become acquainted and comply with them.

On 7 September 2012, this Temporary Act was abolished and the Export Import Law was adopted. The rules and regulations under the new law are being developed at present. The MoC has the right to publish necessary regulations, rules and procedures by getting the approval of the Union Cabinet.¹

¹ Article VI, para 13 (b) of the Export Import Law





4.1.1 Myanmar Administrative Requirements

Myanmar has a lot of bureaucratic and legal requirements a company has to deal with and the processes are often complicated and time consuming. According to the the “Doing Business” project undertaken by the World Bank Group, which examines the procedures, time and costs in launching a commercial or industrial small- to medium-sized domestic business in 189 economies, Myanmar scores very low in the ranking.²

There are two requirements for a company before it can go into trading and apply for import/export licenses:

1. The company has to be registered at the Company Registration Office (CRO) at the Directorate of Investment and Company Administration (DICA) under the Ministry of National Planning and Economic Development (NPED).
2. The company has to be registered as an exporter/importer at the Directorate of Trade under the Ministry of Commerce (MOC).³

Based on an announcement by the Ministry of Commerce, the following individuals/enterprises desirous of carrying on an export/import business may apply to the Directorate of Trade for registration as exporter/importer:

- A citizen or associate citizen or naturalized citizen if the applicant is a sole proprietor;
- Partnership firms; and
- Enterprises registered under Myanmar Companies Act and Special Company Act of 1950, i.e.
 - Limited Companies (inclusive of foreign companies branches) and
 - joint venture corporations.

Only Myanmar nationals may engage in international trade; however, foreign investors registered under the Myanmar Foreign Investment Law (MFIL) as manufacturers may export their finished goods. Any investors – foreign companies, joint venture companies and Myanmar companies – should apply for Myanmar Investment Commission (MIC) Permit to get special privileges, tax incentives, and investment protection under Myanmar Foreign Investment Law (MFIL) or Myanmar Citizens Investment Law (MCIL).

Registration as an exporter/importer

An enterprise applying for a certificate of exporter/importer registration has to be a member of the Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI). Furthermore, it is required to have or to open a foreign currency bank account in any of the private or government banks for payment transactions.

² <http://www.doingbusiness.org/data/exploreeconomies/myanmar/starting-a-business>

³ <http://www.lawgazette.com.sg/2013-02/676.htm>

This is a requirement for trading companies, as there will be payment transactions involving foreign currencies when the company begins trading.

The import/export registration process at the Directorate of Trade (MoC) takes approximately one to two weeks. Application forms can be obtained from the Directorate of Trade, and are to be submitted together with:

- Memorandum and Articles of Association
- Application form with company letter head
- Exporter/Importer Registration Form
- Letter from the CRO for issuing the Certificate of Incorporation
- Certificate of Incorporation
- Form 26- Particulars of Directors, Managers and Managing Agents and of any changes therein
- National Registration Card or Citizenship Scrutiny Card,
- Photo and Specimen Signature of Board of Directors
- Certificate of membership from UMFCCI⁴

The registration as an exporter/importer is generally valid for minimum one year to maximum three years. Registration fees are 50,000 MMK for one year and 150,000 MMK for three years. It can be extended for another three years for the same amount. Applying for an extension 3 months prior to the date of expiry is recommended.

Registered exporters/importers may carry out the export/import business for all products and distribute the imported commodities in the local market, except for those products the export/import of which is prohibited or restricted by the State.

After receiving the Certificate of Exporter/Importer Registration, the registered exporter/importer would then apply for an export/import license separately for every export/import.

Getting export/import licenses

Once a company is registered as a trading company, the exporter/importer will still need to apply for an export/import license for each transaction. The license application form can be submitted at the Department of Commerce and Consumer Affairs, Ministry of Commerce, Nay Pyi Taw or Yangon regional office.

Prior to June 2012, all imports into Myanmar required a non-automatic import licence. This has changed since June 2012, when the Government eased import licensing requirements for 166 commodities (these correspond to more than 1,900 tariff lines) by allowing their importation with an automatic licence. Subsequently, in April 2013, all licensing requirements for these commodities were abolished.

⁴ Myanmar Trading Sector, Thura Swiss Ltd., 2014

Nonetheless, under the provisions of the Control of Imports and Exports (Temporary) Act 1947, most goods imported into Myanmar still require an import licence. The MoC issued a **negative list for import licensing** where all products are listed that require an import license. Products that are not part of the negative list do not require an import license.

After this point, the rules and regulations for CMP garment manufacturers and regular FOB manufacturers differ because the current tax system favors CMP production. CMP manufacturers have to be a member of the MGMA and apply for an endorsement certification from them. After having received it they will subsequently get an import license from the Directorate of Trade (under the MoC) which they can use to secure a tax exemption on imports of raw materials for manufacturing through customs. Furthermore, Myanmar authorities state that no licensing requirements are imposed on exports of CMP garments.⁵

Regular rules and regulations for exports/imports that would theoretically apply to Myanmar FOB manufacturers require not only an export and import license but also the payment of a license fee on imports, customs duty and commercial tax on imports and advanced income tax on imports and exports. **One has to understand that under the current framework conditions described hereafter, FOB manufacturing is not competitive and, therefore, not done. The export/import administrative requirements have to be reformed to make FOB manufacturing feasible.**

For the application of an **import license**, the following documents are required:

1. Import License application letter with company's letterhead and with six MMK revenue stamp
2. The original copy of pro-forma invoice
3. Sales contract
4. Copy of Certificate of Exporter & Importer Registration

If you are not a CMP manufacturer, imports are subjected to payment of license fees. Import license fee is payable on CIF (cost, insurance and freight). The following table details the cost of licensing fees for overseas trade:

CIF Value (Kyats)	Import License Fees (Kyats)
Up to 10,000	250
From 10,001 to 25,000	625
From 25,001 to 50,000	1,250
From 50,001 to 100,000	2,500
From 100,001 to 200,000	5,000
From 200,001 to 400,000	10,000
From 400,0001 to 1,000,000	20,000
1,000,001 and above	50,000

Exporters of most products require an export license. Recently, Myanmar has begun restructuring its export-

licensing regime, and from 2013, 152 types of goods no longer require export licenses.

The following documents are required to apply for an **export license**:

1. Export application form with the company's letterhead and six MMK revenue stamp
2. Pro-forma invoice
3. Sales contract
4. Copy of Certificate of Exporter & Importer Registration

Exports are exempted from license fees. Export licenses are granted for 3 months and exporters are to conduct trading activities within a period of 3 months before the license expires. If the export cannot be completed in the given time frame, application for a new export license is to be made. License extension can also be done with prescribed extension fees plus surcharges.

An export/import license shall not be transferred or handed over to another party without getting permission first. Licenses are to be returned or terminated if export activities cannot be executed for any reason.⁶ The garment industry is lobbying for an extension of the short validity of import/export licenses so that they meet actual production cycles duration.

Licensing requirements change rapidly. You should check with the MoC and your freight forwarder at an early stage.

⁶ Myanmar Trading Sector, Thura Swiss Ltd., 2014

For further information refer to:

*The Ministry of Commerce (MoC)
for Certificate of Exporter/Importer
Registration and export/import licensing:
<http://www.commerce.gov.mm>*

*The Directorate of Investment and Company
Administration:
<http://dica.gov.mm.x-aas.net>*

*The Negative Listing:
<http://www.commerce.gov.mm/sites/default/files/documents/2015/08/Negative%20List%20Order%20%2869-2015%29%20Update.pdf>*

*WTO Trade Policy Review: Myanmar, 11 and 13
March 2014
https://www.wto.org/english/tratop_e/tp_r_e/tp393_e.htm*

⁵ WTO Trade Policy Review: Myanmar, 2014



4.1.2 Quality Control, Customs Clearance and Taxes

Export and import procedures require specific quality controls and clearances. Merchandise imports into (and exports from) Myanmar are governed under the Sea Customs Act (1878), Land Customs Act (1924), the Export Import Law 2012, and the Tariff Law (1992). The acts and laws are administered by the Ministry of Finance and the Ministry of Commerce.⁷

The Tariff Law was enacted on March 12, 1992 with a view to assisting the market economic system to facilitate external trade. In accordance with the law, a notification was issued to regulate the classification of imported goods and assessment of duties. For modernization and standardization, in line with international practice, the Harmonized Commodity Description and Coding System (see chapter 4.2.1) was introduced in April 1992.

After incorporating necessary changes in the Myanmar Customs Tariff, the 1996 Version of the Harmonized System was applied on 1st January 1996.

The Myanmar Customs Tariff comprises of four schedules:

Schedule I -	Import Tariff
Schedule II -	Concessionary Tariff
Schedule III -	Export Tariff
Schedule IV -	Export Border Trade Tariff

The maximum tariff rate is 40% and the minimum is 0%. Customs tariff rates on imports of machinery, spare parts and inputs generally range from 0.5 % to 3%.

The simple applied MFN tariff was 8.9% for textiles and 16.8% for clothing in 2013. Tariff exemption is accorded to registered CMP businesses on imports of raw materials for manufacturing exports. Customs duty is zero for all the goods exported from the Union of Myanmar.⁸

Custom Duty, commercial tax and advanced income tax

Imports are subject to payment of customs duty and commercial tax.

Customs duty is payable according to the tariff schedule. Import duty is levied on the C.I.F value. The following formula explains how the customs duty is calculated on CIF basis:

$$\begin{aligned} \text{Assessable value} &= \text{CIF value} + \text{Landing charges (0.5\% of CIF)} \\ \text{Assessable value in Kyats} &= \text{Assessable value} \times \\ &\quad \text{Central Bank exchange rate} \\ \text{Customs Duty} &= \text{Assessable value in Kyats} \times \text{Tariff (in percentage)} \end{aligned}$$

⁷ WTO Trade Policy Review: Myanmar, 2014

⁸ <http://www.asean.org/communities/asean-economic-community/item/myanmar-3>

Different rates of tariff for over 8,000 goods have been prescribed by the Customs Department. Please refer for the full list to Myanmar Customs.

Commercial tax applies to the sale of goods by a domestic manufacturer, and to the resale and the import of goods. There is no commercial tax on the export of goods with very few exceptions (e.g. the exportation of petroleum, natural gas, gems, teak log and hardwood conversion).⁹

Together with customs duty, commercial tax is levied on the imported goods based on the landed cost, which is the sum of assessable value and import duty. Therefore, the commercial tax is calculated as follows:

$$\text{Commercial Tax} = (\text{Assessable value} + \text{Customs Duty}) \times \text{commercial tax rate}$$

The usual tax rate for imports is 5% with the exception of luxury goods, which are subject to a higher rate.

A 2% **advance income tax** is applicable to both exporters and importers. Advance income tax is calculated as:

$$\text{Advance Income Tax} = \text{Assessable value} \times 2\%$$

Summary of export/import requirements for imports/exporters (excluding CMP production*)

	Imports	Exports
License	Yes if part of the negative listing	Yes
License Fee	Yes	No
Customs Duty	Yes	No
Commercial Tax	Yes	No
Advanced Income Tax	Yes	Yes

* excluding imports for CMP production which falls under a special regulation. Tariff exemption is accorded to registered CMP businesses on imports of raw materials for manufacturing exports and no licensing requirements are imposed on exports of CMP garments. Only import licences and the recommendation of the MGMA under UMFCCL are needed to import CMP products.¹⁰

Import procedures

Inspections are to be carried out at the port of discharge. Quality inspections should be carried out on the seller's side before shipment and certificates from the relevant authorities are to be presented at the buyer's port.

Another round of inspections will be carried out at the port of discharge with the help of quality inspection agencies. Goods are to be processed for sales and distribution only after being certified by the concerned agencies or associations.

⁹ <http://www.mmtimes.com/index.php/business/8005-commercial-tax-like-vat-but-not-quite-the-fine-print-legal-tax-insight.html>

¹⁰ WTO Trade Policy Review: Myanmar, 2014

As with exports, certain goods are required to be examined by the relevant authorities before being accepted.¹¹

Under the existing rules and regulations all incoming consignments of goods (not part of manufacturing under the CMP business model) must be cleared through the Customs Department under Import Declaration Form (**CUSDEC - 1**). The Import Declaration Form is to be accompanied by the following documents:

1. Import license/permit
2. Invoice
3. Bill of Lading or Air Consignment Note
4. Packing list
5. Other certificates and permits issued by the relevant Government departments as a condition for import.¹²

The required documents must be submitted to Customs before the arrival of the goods. Customs assessment takes two hours, on average, and classification is based on the Customs Tariff of Myanmar (2012), which uses both the ASEAN harmonized nomenclature and the WCO harmonized system.

Myanmar does not apply the provisions of the WTO Customs Valuation Agreement. Customs valuation is based on the “real value”, which is taken to be the normal price or import value of goods at the time and place of importation. Being one of the original signatories of both GATT and WTO Myanmar shall inevitably have to apply the Customs Valuation methods prescribed in GATT article VII in due course and has taken measures to do so in the future.

Export procedures

In order to avoid unnecessary disputes between seller and buyer concerning the specification on exportable products and to ensure the quality of exportable products, export commodities to be shipped have to comply with a pre-shipment inspection by an inspection organization nominated by the buyer. Some frequently used quality control agencies for garments in Myanmar that offer complete pre-shipment investigation services are e.g. Intertek and Bureau Veritae.

Currently, the shipment of export commodities (not

¹¹ Myanmar Trading Sector (2014), Thura Swiss Ltd.

¹² <http://www.myanmarcustoms.gov.mm/importprocedure.aspx>

manufactured under the CMP business model) requires an Export Declaration Form (**CUSDEC - 2**). It must be submitted to the Customs Department together with the following documents:

1. Export license/permit
2. Invoice
3. Packing list
4. Sales contract
5. Shipping instruction
6. Letter of Credit or General Remittance Exemption Certificate
7. Payment advice referring Inward Telegraphic Transfer Private No./Inward Telegraphic Transfer Government No.
8. Sample of goods¹³

All taxes and duties are collected at the point of entry and the time of clearance. Payment of customs duties and commercial tax can be made by the following two methods:

1. By cash or payment order
Payment by cash not exceeding 5,000 MMK is accepted at the Customs Department. Payment for amounts exceeding 5,000 MMK must be made by payment order, which is easily obtainable from Myanmar Economic Bank and other banks.
2. By deduction from the current deposit account.¹⁴

The Myanmar Customs department is in the process of developing a Myanmar Automated Customs Clearance Service (MACCS) with the support of the Japanese government. Such a system would greatly improve the customs clearance system and add speed and transparency to it.

Streamlining the tax regime will make it easier for businesses and entrepreneurs to comply, thereby improving the business climate and increasing revenue mobilization. Replacing the commercial tax with a single-rate sales tax should become a priority for fiscal policy makers. Authorities have been contemplating replacing the current commercial tax value-added tax (VAT) for a number of years.

¹³ <http://www.myanmarcustoms.gov.mm/exportprocedure.aspx>

¹⁴ <http://www.asean.org/communities/asean-economic-community/item/myanmar-3>

Responsibilities of the Different Government Departments in Import/Export

Process	Department
Company registration	Directorate of Investment and Company Administration (DICA)
Registration of importer and exporter	Directorate of Trade, Ministry of Commerce (MoC)
Export/import license	Department of Commerce and Consumer Affairs (MoC)
Insurance and customs clearance	Relevant departments under the Ministry of Finance (MoF)
Banking	Central Bank of Myanmar
Port clearance	Myanmar Port Authority

Source: WTO Trade Policy Review: Myanmar, 2014

Clearing Agents

The role of clearing agents is crucial when dealing with customs formalities. A clearing agent is a company or an individual who has been granted a license by the Customs Department and authorized by traders to conduct business activities related to customs on behalf of clients.

Although exporters/importers are allowed to take part in customs clearance transactions, they often have insufficient knowledge of the complicated customs procedures. As regulations change often without formal notifications, clearing agents are used because they are well-informed and experienced in clearing customs. The Customs Department also encourages the use of clearing agents as they are efficient and effective. Clearing agents are paid service

charges based on the difficulty of the transaction. Normally, a fee of 50,000 to 200,000 MMK is charged per container.¹⁵

A licensed clearing agent is responsible for preparing and presenting declaration forms to customs, and may also sign other documents on behalf of the client as authorized by the Customs Act. The agent will ensure that all related taxes, facility usage charges, and fine charges are settled. They are also responsible for obtaining certificates of Country of Origin.

The Myanmar Customs Clearing Agents Association is the supporting body for its member clearing agents. The time taken for the clearing varies according to the goods, the complexity and the capability of the clearing agent.

¹⁵ Myanmar Trading Sector (2014), Thura Swiss Ltd.



4.1.3 Payment Systems

At present, under the overseas trade system, the United States Dollar (USD), Euro, Japanese Yen and Singapore Dollar are allowed. Payments can be made through designated banks both in the form of a Telegraphic Transfer (TT) as advance payment and Letter of Credit (L/C). Under the border trade system, local currencies of neighboring countries are also permitted: Myanmar Kyat (MMK), Chinese Yuan, and USD at the Myanmar-China border; MMK, Thai Baht, and USD at the Myanmar-Thailand border; and MMK, India Rupee, and USD at the Myanmar-India border.¹⁶

Telegraphic Transfer (TT)

Telegraphic Transfer (TT) is an outdated method of transferring funds through a telegraph or telex link. Also called wire transfer, it has been replaced by secure cable and wireless telecommunications networks in most countries but is still used in Myanmar due to an underdeveloped banking sector.

Furthermore, this system has some drawbacks for the buyer such as:

- (i) The risk of goods not being congruent with the initial sample.
- (ii) The possibility of loss of goods during delivery.
- (iii) A high amount of trust required between the buyer and seller.

Letters of Credit (L/C)

Letters of Credit (L/C) are one of the most secure instruments available to international traders. A L/C is a commitment by a bank on behalf of the buyer that payment will be made to the exporter, provided that the terms and conditions stated in the L/C have been met, as verified through the presentation of all required documents. The buyer establishes credit and pays his or her bank to render this service. A L/C is useful when reliable credit information about a foreign buyer is

difficult to obtain, but the exporter is satisfied with the creditworthiness of the buyer's foreign bank. A L/C also protects the buyer since no payment obligation arises until the goods have been shipped as promised.

L/C transactions are monitored by the International Chamber of Commerce. The parties involved in a Letter of Credit are:

- The exporter or seller (Beneficiary)
- The importer or buyer (Applicant)
- The issuing (Importer's/Buyer's) bank
- The advising bank

Please note that the advising bank is the bank in the exporters' country which verifies authenticity and forwards Letters of Credit to exporters.

Once the goods are shipped, the seller presents a list of documents to the buyer's bank through his advising bank as a proof of goods being shipped and the buyer then makes the payment.

For exports, an exporter is required to present the various documents to the buyer's bank through his advising bank after shipping the goods so that the buyer can proceed to make the payment. The basically necessary documents are listed below but please inquire about other documents that might be needed:

- Signed commercial invoice
- Bill of Lading
- Freight payable at destination
- Packing list
- Certificate of Country of Origin
- Inspection certificates
- Insurance certificates (if any)

¹⁶ <http://www.lawgazette.com.sg/2013-02/676.htm>

- Other certificates by the concerned ministries and associations (if any)
- Details of shipping incl. name and number of vessel

Back-to-Back Letters of credit

This is more of an arrangement than a type of letter of credit where an exporter or seller will receive a letter of credit in their favor and wants to use the security of the credit as collateral to issue another credit to the ultimate supplier. The two credits are entirely independent of each other.

Since 2012, Myanmar has given 15 private banks the opportunity to operate foreign currency accounts and engage in international financial transactions. According to the authorities, authorized private banks can now operate international current payments and transfers without prior approval from the Central Bank, and are submitted to the same regulations as the state-owned banks on this matter. Previously, this right was reserved to only four state-owned banks (Myanmar Economic Bank, Myanmar Foreign Trade Bank (MFTB) the Myanmar Agricultural Development Bank, and Myanmar Investment and Commercial Bank (MICB)).

Currently, the larger private banks offer L/C transactions, e.g. Kanbawza Bank (KBZ), CB Bank or AYA Bank although the system is still in the early stages of development. Credit to the private sector is very much limited in Myanmar compared to its regional peers. The situation will probably improve in the near future as the banking sector will develop further and foreign banks get more involved in Myanmar's financial sector.

For further information refer to:

Myanmar customs for export/import procedures:

<http://www.myanmarcustoms.gov.mm/importprocedure.aspx>

International Chamber of Commerce

Incoterms:

<http://www.iccwbo.org/products-and-services/trade-facilitation/incoterms-2010/the-incoterms-rules/>

4.1.4 International Commercial Terms

In order to facilitate international trade, the International Chamber of Commerce (ICC) introduced with Incoterms in 1963 a series of international sales terms that is nowadays widely used throughout the world.

Incoterms are primarily used to divide transaction costs and responsibilities between buyer and seller and reflect state-of-the-art transportation practices. They closely correspond to the U.N. Convention on Contracts for the International Sale of Goods.

Furthermore, Incoterms deal with questions related to the delivery of the products from the seller to the buyer. This includes the carriage of products, export and import clearance responsibilities, who pays for what, and who has the risk for the condition of the products at different locations within the transportation process.

Incoterms are devised and published by the ICC. Launched in mid-September 2010, Incoterms® 2010 came into effect on 1 January 2011 and is the most recent edition today.

The most widely used incoterms in Myanmar's overseas trading sector belong to the rules for sea and inland waterway transport and are CIF, FOB and CFR.

FOB Free On Board

"Free On Board" means that the seller has to load the goods on board the vessel at the loading point. The buyer can nominate his preferred carrier and the seller has to act according to the buyer's choice. The seller's risk of loss of or damage to the goods passes when the goods are on board the vessel and the buyer has to bear all the related costs incurred from shipping the goods to the point of destination.

CFR Cost and Freight

"Cost and Freight" means that the seller has to deliver the goods to the port of destination and bear the associated costs. The risk of loss of or damage to the goods passes when the goods are on board the vessel. CFR differs from CIF in that the seller is not obliged to cover insurance for the goods.

CIF Cost, Insurance and Freight

CIF means that the seller has to arrange for the goods to be loaded and shipped to the port of destination as well as cover insurance costs against the buyer's risk of loss of or damage to the goods during carriage. Both the buyer and seller are obliged to precisely identify the port of discharge and the buyer can nominate a preferred carrier. Under this

rule, the seller is only required to obtain minimum coverage insurance. If the buyer wishes to have more protection

over his goods, he should either deal with the seller to obtain more coverage or make his own extra insurance arrangements.

DESCRIPTION	COSTS		RISK		INSURANCE		FREIGHT/RISKS
	SELLER	BUYER	SELLER	BUYER	SELLER	BUYER	
FAS Free Alongside Ship	SELLER	BUYER	SELLER	BUYER	SELLER	BUYER	Freight: Shipside in port of departure Risk: Shipside in port of departure
FOB Free on Board	SELLER	BUYER	SELLER	BUYER	SELLER	BUYER	Freight: Onboard ship Risk: Onboard ship
CFR Cost and Freight	SELLER	BUYER	SELLER	BUYER	SELLER	BUYER	Freight: Port of destination Risk: Onboard ship
CIF Cost, Insurance and Freight	SELLER	BUYER	SELLER	BUYER	SELLER	BUYER	Freight: Port of destination Risk: Port of destination



4.2 General trade information EU

4.2.1 The Harmonized System, Combined Nomenclature and TARIC

The Harmonized System (HS)

The Harmonized Commodity Description and Coding System generally referred to as “Harmonized System” or simply “HS” is a multi-purpose international product nomenclature developed and maintained by the World Customs Organization (WCO).

At the international level, the Harmonized System for classifying goods is a six-digit code system. The HS comprises approximately 5,000 article/product descriptions that appear as headings and subheadings, arranged in 97 chapters, grouped in 21 sections.

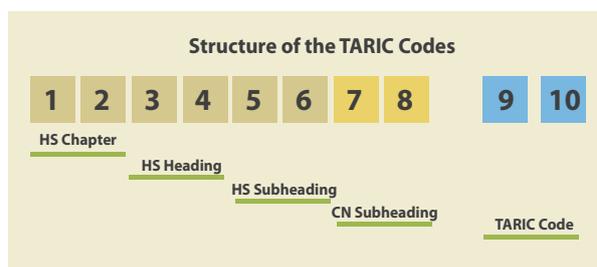
The six digits can be broken down into three parts. The first two digits (HS-2) identify the chapter the goods are classified in, e.g. 61 = articles of apparel and clothing accessories, not knitted or crocheted.

“The Harmonized System is used by more than 200 countries. Over 98% of the merchandise in international trade is classified in terms of the HS.”

The next two digits (HS-4) identify groupings within that chapter, e.g. 61.03 = men’s or boys’ suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches and shorts (other than swimwear)

The next two digits (HS-6) are even more specific, e.g. 61.03.42 = Men’s or boys’ trousers, bib and brace overalls, breeches and shorts of cotton, knitted or crocheted (excl. swimwear and underpants)

Up to the HS-6 digit level, different countries classification codes are identical. Beyond this, countries are free to introduce national distinctions for tariffs by adding more digits to make the HS classification of products even more specific. This greater level of specificity is referred to as the national tariff line level (see next paragraph).



The system is used by more than 200 countries and economies as a basis for their customs tariffs and for the collection of international trade statistics. Over 98% of the merchandise in international trade is classified in terms of the HS.

Combined Nomenclature (CN) and TARIC

In order to apply more specific export measures for certain categories of goods falling under the same HS number, the EU Member States added 2 figures to the HS code to create the combined nomenclature (CN). The CN code is therefore composed of 8 figures (6 from the HS and an additional 2 for the CN). It is the same throughout the European Union.

In order to apply specific import measures, the EU member states added an additional 2 figures to the CN to create the Integrated Tariff of the European Communities (TARIC). The TARIC code is therefore composed of 10 figures (8 from the CN code and an additional 2 for the TARIC code).

Knowing the right code of one's product is vitally important for successful export. The HS, CN, or TARIC codes are necessary for the determination of tariffs, quotas, regulations, rules of origin, etc. Enterprises exporting to the EU will have to know the TARIC-Code of the exported products.

For further information refer to:

Find a HS product code:
<http://www.tariffnumber.com>

HS-Nomenclature :
<http://www.wcoomd.org/en/topics/nomenclature/overview/what-is-the-harmonized-system.aspx>

International Trade Centre
Public access to tariff rates by product code:
<http://www.macmap.org/>

Export Helpdesk - My export:
Products requirements, tariffs and rules of origin:
http://exporthelp.europa.eu/thdapp/display.htm?page=form%2fform_MyExport.html&docType=main&languageId=en

4.2.2 GSP and EBA

Generalized System of Preferences (GSP)

The Generalized System of Preferences (GSP) is a system of tariff preferences for developing countries, by which developed countries let certain manufactured and semi-manufactured imports from developing countries enter at lower tariffs than the same products from developed countries.

It is an economic tool to support developing countries by encouraging import from these countries to strengthen their economy. The EU has established the most progressive system of preferences of all developed countries. It consists of:

- (i) general arrangements,
- (ii) special incentive arrangements to foster environmental protection, human rights, good governance, etc., (GSP+), and
- (iii) the Everything But Arms (EBA) initiative for least developed countries.

Everything But Arms initiative (EBA)

The Everything But Arms initiative allows quota and duty free access of virtually all products from least developed countries (LDC) to the EU. As the name indicates, arms and ammunition are exempt from this preferred treatment. This means 99.8% of all tariff lines are covered. Unlike other GSP arrangements, the EBA is open-ended and has no time limit.

Myanmar was reinstated into the GSP tariff preferences in July 2013. As a Least Developed Country, Myanmar benefits from the most favorable regime available under the EU's GSP, the Everything But Arms (EBA) scheme and thus, enjoys quota and duty free access to the European market for virtually all. Hence, all products manufactured by the garment industry enjoy 0% tariff access. In order to profit from the EBA export products need to comply with the Rules of Origin (RoO).

4.2.3 Rules of Origin

Rules of Origin (RoO)

Rules of Origin are used to determine the country of origin of a product for purposes of international trade. There are two common types of rules of origin: the preferential and non-preferential. Preferential RoO are part of a free trade area or preferential trade arrangement which includes tariff concessions. The preferential Rules of Origin specify eligibility criteria for the GSP and for the EBA.

The RoO objective is to make sure that only those products which truly originated in an LDC get the preferential treatment. At the same time, the RoO and their thresholds are designed to ensure a specific level of domestic production contributing to economic development in line with the goals of the EU GSP. Rules of Origin also effectively prevent circumvention of the EU GSP preferences, avoiding for instance simple transshipment through Myanmar, or

repackaging operations. Again, the preferences are meant for Myanmar products, not those from developing or industrialized countries.

Products have originating status if they are either wholly obtained or sufficiently worked or processed. This applies to all preferential origin arrangements.

Wholly obtained

Wholly obtained applies mainly to natural products from the beneficiary country and to goods made entirely in that country. This means that a product may not contain imported non-originating elements. In most cases, this rule applies to basic materials and natural products and not to manufactured goods.

Sufficiently worked or processed

Non-originating materials or components must be sufficiently worked in order to obtain origin. Sufficiently worked is defined in the specifications of the "list rules". The "list rules" state exactly what kind of transformation must occur to the imported material in order for the exported product to be considered as originating in the country of exportation.

The List Rules

The List Rules are a list of the working or processing steps each product manufactured from non-originating materials or components must undergo in order to obtain originating status. They set out the least amount of working or processing required on non-originating materials in order for the resulting goods to obtain originating status. Work and processes going beyond that are acceptable and will not affect the origin thus obtained.

The structure of the list of working or processing requirements is based on the structure of the HS. So, before being able to determine what processing a specific product must undergo it is necessary to know its HS classification.

The country of origin for suchlike products is established by means of product specific criteria. In most cases the origin is established by means of one of the following three types of criteria:

1. **Change of heading criterion:** the export product counts as originating in the exporting country if it is listed under a four-digit heading of the Harmonized System Nomenclature different from the heading of the non-originating products used in the manufacture.
2. **Value or ad valorem criterion:** a product counts as originating in the exporting country if the value of the non-originating products used is below a certain percentage of the export product's final value (the so called ex-works price).
3. **Specific process criterion:** this criterion specifies certain operations or stages in manufacturing that have to be carried out on any non-originating materials used.

Furthermore, bilateral or regional cumulation play an important role in determining the country of origin.

Bilateral Cumulation (Article 84)

The manufacturer in the beneficiary country is allowed to use materials originated in the EU in local production and account for them as originating Myanmar materials in the determination of origin. Below specific condition of bilateral cumulation:

A product which is to be imported into the EU may be considered as originating in e.g. Myanmar if:

- (a) more than minimal processing has been done in Myanmar, and
- (b) the relevant parts used in the manufacture that are not of Myanmar origin are of EU origin.

Regional Cumulation (Article 86 (1) – (6), (9))

Regional cumulation means a system whereby products which originate in a country which is a member of a regional group are considered as materials originating in another country of the same regional group when further processed or incorporated in a product manufactured here.

Four groups of countries generally qualify for regional accumulation; Myanmar is a member of group I, among Cambodia, Indonesia, Laos, the Philippines and Vietnam.

An export product can be considered as originating in Myanmar if:

- (a) the relevant parts used in the production that are not of Myanmar origin originate in one of the other countries of group I, and
- (b) more than minimal processing has been done in Myanmar.

Both bilateral and regional cumulation provisions may be used together in combination (Article 87).

Binding Origin Information (BOI)

If, having considered the legal text and available guidance, you are still in doubt about the origin of your products, or if you simply want legal certainty, you may apply for a Binding Origin Information decision (BOI). Please note that for being entitled to apply for such a decision you should be able to demonstrate that your enquiry relates to an import or export operation actually envisaged in the EU.

Regional accumulation (in 2015) for Myanmar is possible with the following countries : Cambodia, Indonesia, Laos, the Philippines and Vietnam.

BOIs may be issued for both export and import. They are binding on all customs administrations in the European Union for a period of three years from their date of issue where the goods being imported or exported and the circumstances governing the acquisition of origin correspond in every respect with what is described in the BOI.

Applications should be made in writing to the competent customs authorities in the member state or member states in which the information is to be used, or to the competent customs authorities in the member state in which the applicant is established. A list of the authorities responsible for issuing BOIs is published in the EU Official Journal.¹⁷ Note that the existence of a BOI does not exempt you from the requirement to provide proof of origin, as described below.

Certificate of Origin Form A

For a product to obtain originating status for exports to Europe, the Myanmar exporter has to provide a Certificate of Origin Form A which is issued by the Department of Trade, Ministry of Commerce (MoC) (see chapter 4.1.3). You can obtain the Form A for a fee of MMK 300. The processing is usually done in one day and the corresponding fee is 3,000 MMK.

Exporters should fill out the application form on the back of the certificate of origin and the front of the Form A. Please date and sign the application form at the back. A duly authorized representative can also perform these tasks, but the exporter remains liable.

Along with Form A and the application form the exporter has to submit the supporting documentation that proves that he satisfies the EU GSP rules of origin. Usually the following documents are required but check with the MoC:

- Letter of Credit (L/C) or Sales contract
- Commercial invoice
- Bill of Lading (B/L)/Airway Bill

If the consignment totals less than € 6,000 Form A is not necessary; in this case an invoice declaration is sufficient.

It has to be clear to all exporters in Myanmar that the correct origin determination in the beneficiary country is essential for the EU importer as the latter will bear the risk of a wrong claim preferential tariff treatment.

The EU, Switzerland, Norway and recently also Turkey have agreed to apply similar rules of origin for their respective GSPs and recognize proof of origin established by each other's customs administrations. As a result, Myanmar exporters can benefit from the following improvements:

- Recognition of origin in the EU is also valid in Norway, Switzerland and Turkey;
- Enhanced cumulation is possible with materials from Norway, Switzerland and Turkey;

- Easier transit of GSP-benefitting products across the European continent.

Starting 2017 the Rules of Origin arrangements will change to a system called Registered Exporter (REX) – a self-certification in form of statements of origin. The EU GSP RoO requests the competent authorities of the beneficiary country to establish and keep up to date at all times an electronic record of registered exporters located in that country. The competent authority must be able to attribute a register number to exporters applying for it. Exporters can then issue – once registered – simple statements of origin regardless of the value of the consignment.

For further information refer to:

GSP and EBA:
http://ec.europa.eu/trade/policy/countries-and-regions/development/generalised-scheme-of-preferences/index_en.htm

Guidance on the EU generalized scheme of preferences and its rules of origin – Stefan F. Moser, March 2014
http://eeas.europa.eu/delegations/myanmar/documents/page_content/gsp_guidance_en.pdf

The European Union's Rules of Origin for the Generalized System of Preferences – A Guide for users:
http://ec.europa.eu/taxation_customs/customs/customs_duties/rules_origin/preferential/article_839_en.htm

Table of list rules applicable to products:
http://ec.europa.eu/taxation_customs/customs/customs_duties/rules_origin/non-preferential/article_1622_en.htm

¹⁷ (OJ C 329, 24.12.2008, p. 10



4.2.4 EU Trade Documentation for Customs Clearance

The following documents have to be submitted for the export to Europe of all types of products equally:

Commercial Invoice (C/I)

The C/I is a record or evidence of the transaction between the exporter and the importer. Once the goods are available, the exporter issues a commercial invoice to the importer in order to charge him for the goods. A C/I is always required for customs clearance. There is no standardized format for a Commercial Invoice, but it should include the following minimum information, including those specific to trade:

- Information on the exporter and the importer (name and address)
- Date of issue
- Invoice number
- Description of the goods (name, quality, etc.)
- Unit of measure
- Quantity of goods
- Unit value
- Total item value
- Total invoice value and currency of payment. The equivalent amount must be indicated in a currency freely convertible to Euro or other legal tender in the importing member state
- The terms of payment (method and date of payment, discounts, etc.)
- The terms of delivery according to the appropriate Incoterm
- Means of transport

The C/I is to be prepared by the exporter according to standard business practice and it must be submitted in the original along with at least one copy. It generally needs not be signed. In practice, the original and the copy of the commercial invoice are often signed. The C/I may be prepared in any language. However, English translation is recommended.

Customs Value Declaration

The Customs Value Declaration is a document which must be presented to the customs authorities when the value of the imported goods exceeds € 10,000. This form must be presented with the Single Administrative Document (SAD) (see later in this chapter).

The main purpose of this requirement is to assess the value of the transaction in order to fix the customs value (taxable value) to apply the tariff duties. The customs value corresponds to the value of the goods including all the costs incurred (e.g.: commercial price, transport, insurance) up to the first point of entry in the EU.

The usual method for establishing the customs value is using the transaction value (the price paid or payable for the imported goods). In certain cases the transaction value of the imported goods may be subject to adjustments.

Freight Documents (Transport Documentation)

The required transport documents will depend on the transport mode used to deliver the goods to their final destination. The documents necessary have to be filled in and presented to the customs authorities of the importing EU Member State (MS) upon importation in order for the goods to be cleared.

The following list provides an overview of the most commonly used transport documents for sea and air transportation:

Bill of Lading

The Bill of Lading (B/L) is a document issued by the shipping company to the operating shipper which acknowledges that the goods have been received on board serving as proof of receipt of the goods by the carrier obliging him to deliver the goods to the consignee.

It contains the details of the goods, vessel and port of destination. It evidences the contract of carriage and conveys title to the goods, meaning that the bearer of the B/L is the owner of the goods.

The B/L may be a negotiable document. A number of different types of bills of lading can be used. "Clean Bills of Lading" state that the goods have been received in an apparent good order and condition. "Unclean or Dirty Bills of Lading" indicate that the goods are damaged or in bad order, in this case, the financing bank may refuse to accept the consignor's documents.

FIATA Bill of Lading

The FIATA Bill of Lading is a document designed to be used as a multimodal or combined transport document with negotiable status which has been developed by the International Federation of Forwarding Agents' Associations (FIATA).

Air Waybill (AWB)

The air waybill is a document proving the transport contract between the consignor and the carrier's company. It is issued by the carrier's agent and falls under the provisions of the Warsaw Convention. A single air waybill may be used for multiple transportation of goods, it contains three originals and several extra copies. One original is kept by each of the parties involved in the transport (the consignor, the consignee and the carrier). The copies may be required at the airport of departure/destination, for the delivery and in some cases, for further freight carriers. A specific type of

Air Waybill is the one used by all carriers belonging to the International Air Transport Association (IATA); a bill called the IATA Standard Air Waybill.

ATA Carnet

ATA carnets are international customs documents used for the temporary entry of certain goods, e.g. commercial samples, professional equipment, advertising films or goods for international exhibitions. In most countries those carnets are issued by chambers of commerce.¹⁸

Freight Insurance

Insurance covers common risks during handling, storing, loading or transporting cargo, but also rare risks, such as riots, strikes or terrorism. There is a difference between the goods transport insurance and the carrier's responsibility insurance. The covered risks, fixed compensation and indemnity of the contract of transport insurance are left to the holder's choice.

Nevertheless, the forwarder's responsibility insurance is determined by different regulations. Depending on the means of transport, indemnity is limited by the weight and value of the goods and is only given in cases where the transporter cannot be held responsible. The insurance invoice is required for customs clearance only when the relevant data do not appear in the commercial invoice indicating the premium paid to insure the merchandise.

The standard extent of the transporter's responsibility is laid down in the following international conventions:

The shipping company

The 1968 International Convention on Bill of Lading, also known as "The Hague Rules" or the "Brussels Convention" dictates the marine carrier's responsibilities when transporting international goods.

There is no harmonization at EU level regarding compensation. It is normally limited to a certain sum per kilo lost or damaged goods. This system causes a problem in case of accidents, namely that the exporter is likely to lose much of the value of the goods.

The air carrier

The 1929 Warsaw Convention as well as the Montreal draft Treaty of 1975 states the air carrier's responsibilities when transporting international goods.

There is no EU standard concerning the injured party's indemnification. Compensation is normally limited to a set amount per gross kilo damaged or lost goods.

For **road and rail transportation** the following conventions apply:

- International transport of goods by road is governed by the Convention for the Contract of the International Carriage of Goods by Road (CMR Convention).
- International transport of goods by rail is regulated by the Convention concerning Intercarriage by Rail (CIM Convention).

Packing List

The packing list is a commercial document accompanying the commercial invoice and the transport documents, and providing information on the imported items and the packaging details of each shipment (weight, dimensions, handling issues, etc.). It is required for customs clearance as an inventory of the incoming cargo.

The data generally included are:

- Information on the exporter, the importer and the transport company
- Date of issue
- Number of the freight invoice
- Type of packaging (drum, crate, carton, box, barrel, bag, etc.)
- Number of packages
- Content of each package (description of the goods and number of items per package)
- Marks and numbers
- Net weight, gross weight and measurement of the packages

No specific form is required. The packing list is to be prepared by the exporter according to standard business practice and it must be submitted in the original along with at least one copy. It generally needs not be signed. However, in practice, the original and the copy of the packing list are often signed. The packing list may be prepared in any language. However, English translation is recommended.

Single Administrative Document (SAD)

All goods imported into the EU must be declared to the customs authorities of the respective EU country using the Single Administrative Document (SAD), which is the common import declaration form for all the EU countries, laid down in Commission Regulation (EC) No 2286/2003.

The declaration must be drawn up in one of the official languages of the EU, which is acceptable to the customs authorities of the EU country where the formalities are carried out.

The SAD may be presented either by using an approved computerized system linked to customs authorities or lodging it with the designated customs office premises. The main information to be declared is:

¹⁸ http://www.iccwbo.org/index_ata.asp

- identifying data of the parties involved (importer, exporter, representative, etc.)
- customs-approved treatment (release for free circulation, release for consumption, temporary importation, transit, etc.)
- identifying data of the goods (Taric code, weight, units), location and packaging
- the means of transport
- data about country of origin, country of export and destination
- commercial and financial information (Incoterms, invoice value, invoice currency, exchange rate, insurance etc.)
- list of documents associated with the SAD (import licenses, inspection certificates, document of origin, transport document, commercial invoice etc.)
- declaration and method of payment of import taxes (tariff duties, VAT, excises, etc.)

The SAD set consists of eight copies; the operator completes all or part of the sheets depending on the type of operation.

For imports, generally three copies are used: one is retained by the authorities of the EU country in which arrival formalities are completed, another is used for statistical purposes by the EU country of destination and the last is returned to the consignee after being stamped by the customs authority.

For further information refer to:

EU Trade Documentation for Customs Clearance:

http://exporthelp.europa.eu/thdapp/display.htm?page=rt/rt_DocumentsForCustomsClearance.html&docType=main&languageId=EN

4.3 EU Buyer Requirements for Garments

In this chapter you get an idea about the different requirements a EU buyer has to fulfill. It is differentiated into three categories:

Compulsory requirements

Requirements you must meet in order to enter the market, such as legal requirements.

Common requirements

Requirements which most of your competitors have already implemented, in other words, the ones you need to comply with in order to keep up with the market.

Niche market requirements

Requirements for specific market segments that you will fulfill only if you target such a niche.

In practice, European buyers often provide supplier manuals in which all buyer requirements (legal and non-legal) are described but in case they do not have such a document you have to find out about these requirements yourself. The following sub-chapters will provide useful information.

4.3.1 Legal requirements

Legal requirements are compulsory and they were formulated to protect the health and safety of consumers and inform them correctly about product ingredients.

The following legal requirements apply or might apply for apparel:

- Product safety – applicable to all products
- Chemicals (REACH) – specific for textiles, leather and accessories
- Labeling – specific rules for garments

- CITES – applicable to products made from wild plants and animals
- Liability & packaging - applicable to all products

Product Safety - General Safety Requirement

The General Product Safety Directive (GPSD 2001/95/EC) basically states that all products marketed in the EU must be safe to use and forms a framework for all specific legislation established for specific products and issues. If no specific legal requirements have been established for your product and its uses, the General Product Safety Directive still applies. If there are specific requirements applicable to you, the General Product Safety Directive applies in addition,

covering all other safety aspects which may not have been described specifically.

Producers are obliged to place only safe products on the market. When the manufacturer is not established in the EU, this obligation applies to his representative in the EU or, in the absence of a representative, to the importer.

A safe product is one which poses no threat or only a reduced threat in accordance with the nature of its use and which is acceptable in view of maintaining a high level of protection for the human health and safety, taking into account the following points:

- the characteristics of the product, including its composition, packaging, instructions for assembly and for installation and maintenance;
- the effect on other products, where it is reasonably foreseeable that it will be used with other products;
- the presentation of the product, the labeling, any warnings and instructions for its use and disposal and any other indication or information regarding the product;
- the categories of consumers at risk when using the product, in particular children and the elderly.

Be informed about these general legal requirements and check also if there are specific national legislations regarding product safety. Some countries have additional national legislations e.g. regarding the flammability of nightwear (Ireland, the Netherlands and the UK) or the use of cords and drawstrings on children's clothing (Ireland and the UK).

Make sure you keep yourself updated on specific requirements of the country you export to but also use your common sense to ensure the product does not tear, catch fire or cause any other danger in its normal use, especially when intended for children. For children clothing, do not use cords in the neck areas or with long free ends that can become trapped and parts (e.g. buttons) that can easily be detached and swallowed by children. Keep in mind the normal behavior and activities of children for their age and stage of development, for example playing in playgrounds, climbing trees, travelling by bus or train, etc.

To get an idea about dangerous products, you can check the RAPEX database where all EU products that are rejected at the border or withdrawn from the market are reported. RAPEX stands for the Rapid Alert System for dangerous non-food products and allows the participating countries and the European Commission to exchange information on products posing a risk to health and safety of consumers and on the measures taken by these countries.

Chemicals

The EU has restricted a great number of chemicals in products that are marketed in the EU. These are listed in the so called REACH regulation (Regulation (EC) 1907/2006). Which chemicals are of relevance for you will depend on your specific product and the materials used to manufacture it.

According to this regulation, the main chemical substances, group of substances or mixtures which are not allowed in textile and leather articles are:

- Flame retardants: in textile products that come into contact with the skin flame retardants are restricted. Often used flame retardants are Tris (2,3 dibromopropyl) phosphate (TRIS), Tris (aziridinyl) phosphineoxide (TEPA) and Polybromobiphenyles (PBB).
- Organotin compounds: Organotin compounds Dioctyltin (DOT) compounds and Dibutyltin (DBT) compounds can be used in textiles products (e.g. print on T-shirts and other garments). Their use is restricted as they can pose a risk to human health.
- Azo dyes: if you dye your textile make sure you do not use any of the azo dyes that release any of the 22 aromatic amines which are prohibited. The EU legislation lists the aromatic amines, not the azo dyes which release them.
- Mercury compounds in the impregnation of heavy-duty industrial textiles and yarn intended for their manufacture.
- Nickel in articles intended to come into direct and prolonged contact with the skin, such as rivets buttons, tighteners, rivets, zippers and metal marks, when these are used in garments.
- Nonylphenol and nonylphenol ethoxylates in textile and leather processing.

All manufactures and importers of chemical substances must identify and manage the risks linked to the substances they manufacture and market in the EU. The European Chemicals Agency (ECHA) manages and coordinates the registration, evaluation, authorization and restriction processes of chemical substances to ensure consistency in management of chemicals across the EU.

Some EU countries have additional or stricter national restrictions on chemical substances used in apparel. For example, formaldehyde in textiles (Austria, Germany, Finland and the Netherlands) and PCP (Austria, Denmark, Germany, the Netherlands) and disperse dyes in textiles (Germany). To find out more contact the helpdesk of the European Chemicals Agency (ECHA) or the respective European national agencies.

Note that there is also lot of attention for chemicals in garments from NGOs and consumers. This may lead to buyer requirements that are even stricter than the legislative requirements (see next chapter).

Labeling

When placing a textile product on the market, the manufacturer, distributor or importer of the textile product must ensure the supply of the label or marking indicating its fiber composition in compliance with Regulation (EU) No 1007/2011 of the European Parliament and of the Council (OJ L-272 18/10/2011).

The information must be accurate, not misleading and easily understandable. The aim of this common set of labeling rules is to ensure that the consumer knows what he is buying. The label or mark shall be durable, easily legible, visible, accessible and, in the case of a label, securely attached. Besides, it shall be provided in the official language or languages of the member state where the product is offered to the consumer unless otherwise provided for by the member state concerned.

The information displayed on the labels should not contain abbreviations, with the exception of mechanized processing codes, or where the abbreviations are defined in international standards. Specific requirements can be found in the EU export helpdesk.

Made-in labeling

The European Commission is working on mandatory origin labeling (the 'made-in label') in Europe for all non-food products including textiles. Currently, made-in labeling is voluntary. Some EU countries and certain buyers already require made-in labeling or want to experiment with it in the upcoming years, as the EU parliament has still to decide when it becomes a requirement.

Care Labeling

There is no EU wide legislation on the use of symbols for washing instructions and other care aspect of textile articles. But consumers consider care information the second most important information on a product's label (after size).

Individual technical committees of the European Union and international Standards Organization (ISO) reviewed existing care label standards, and have created a unified system under the ISO scheme which is published as **ISO 3785:2005** (see annex A4). The textile care labeling symbols are managed by Ginetex (International Association for Textile Care Labeling). The symbols are registered as international trademarks. Ginetex has 16 member countries, the national committees of which administer the right to reproduce these symbols in their own countries.

The table on the next page gives you an overview about the mandatory labeling requirements in the EU. It is still important to check with the specific regulation of the member state you plan to export to and with specific requirements of your buyer/importer.

Please take note that the table only covers the four main aspects; others such as flammability (UK) or name of manufacturer (e.g. Spain) are not included.

Mandatory EU labeling requirements by country

EU Country	Fibre content	Care	CoO	Size
Austria	Yes	Yes		
Belgium	Yes			
Bulgaria	Yes		Recom.	
Croatia	Yes			
Rep. of Cyprus	Yes	Yes		
Czech Republic	Yes	Yes	Yes	Yes
Denmark	Yes			
Estonia	Yes	Yes	Yes	Yes
Finland	Yes			
France	Yes	Recom.		Recom.
Germany	Yes			
Greece	Yes			
Hungary	Yes	Yes	Yes	Yes
Ireland	Yes			
Italy	Yes			
Latvia	Yes			
Lithuania	Yes	Yes	Yes	Yes
Luxembourg	Yes			
Malta	Yes			
Netherlands	Yes			
Poland	Yes	Yes	Yes	Yes
Portugal	Yes	Recom.		
Romania	Yes	Yes	Yes	
Slovakia	Yes			
Slovenia	Yes	Yes	Yes	Yes
Spain	Yes			
Sweden	Yes	Recom.		
United Kingdom	Yes	Recom.	Recom.	Recom.

<http://web.ita.doc.gov/tacgi/overseasnew.nsf/annexview/EU+Member+Labeling+Requirements>

A correct care label for European countries is required to consist of five symbols in the following sequence: washing, bleaching, drying, ironing and professional care.

CITES- products from wild plants and animals

If your products are (partially) made from wild plants or animals, you need to make sure that these do not fall under the restrictions of the Convention on International Trade in Endangered Species (CITES). The EU has implemented the requirements in Regulation 338/97 and lists restricted species (including products thereof). You can check in the EU helpdesk if CITES is relevant for your product.

Liability and Packaging

Furthermore, there is also non-product specific legislation on packaging and liability that apply to all goods marketed in the EU.

If you are an exporter of products, you have to take into account that you can be held responsible for damage caused by defects in your products. This is called product liability. Injuries caused by defects in your products can damage your name and corporate image. EU consumers may also require financial compensation for injuries caused by defective products. The EU legislation on product liability holds producers and distributors responsible for injuries caused by defective products. In case of imported products, the EU importer is considered to be the producer and, thus, liable. However, your EU buyer may pass on a claim to you, if your products do not meet the agreed expectations.

All packaging placed on the EU market, including packaging designed for industrial, commercial and domestic purposes, must comply with the essential requirements on the composition and the heavy metals limits specified in European Parliament and Council Directive 94/62/EC, aiming at minimizing the impact of packaging waste on the environment.

In the second half of the 20th century, garment retailers and established brands became global agents awarding contracts under which the early stages of production (i.e. the delivery of raw materials, manufacturing, and packaging) are performed by suppliers and contractors in less developed countries comprising a complex network known as “a global supply chain”. One end of the chain are markets dominated by several leading retailers and renowned brands, and the other end is a workforce busily producing garments for minimum wages earned under sometimes unacceptable conditions.

This led to a growing community of conscious and demanding consumers that insists more and more that manufacturers respect the principles of ethical conduct, people and the natural environment. The keyword here is sustainability and the means of offering sustainable products are numerous, ranging from labor issues to choice

of sustainable materials to certification and use of labels. In particular, social aspects like basic labor rights are major issues in the garments industry. If you consider exporting to the EU you have to be aware that you have to address sustainability issues in order to keep up with the market.

For further information refer to:

Summary of legislation on general product safety:

http://ec.europa.eu/consumers/consumers_safety/index_en.htm

RAPEX database:

<http://ec.europa.eu/consumers/safety/rapex/alerts/main/index.cfm?event=main.search>

ECHA helpdesk:

<http://echa.europa.eu/support/helpdesks>

Understanding REACH :

<http://echa.europa.eu/regulations/reach/understanding-reach>

EU Buyer requirements – CBI :

<http://www.cbi.eu/market-information/apparel/buyer-requirements>

EU Export Helpdesk:

http://exporthelp.europa.eu/thdapp/display.htm?page=form%2fform_MyExport.html&docType=main&languageId=en

4.3.2 Common requirements

Social Standards and Initiatives

Efforts of producers and retailers on improving the social aspects in textile and garment manufacturing focus primarily on establishing fair working conditions, setting social standards, establishing minimum wages, ensuring occupational safety and imposing a ban on child and forced labor. The most popular standards are:

OHSAS 18000 is an international occupational health and safety management system specification that comprises of two parts (18001 and 18002). OHSAS 18001 was created via a concerted effort from a number of the world's leading national standards bodies, certification bodies, and specialist consultancies. A main driver for this was to try to remove confusion in the workplace from the proliferation of certifiable OH&S specifications.¹⁹

¹⁹ <http://www.ohsas-18001-occupational-health-and-safety.com/index.htm>

The **SA8000** standard is the central document of the work at Social Accountability International (SAI). It is an auditable certification standard that encourages organizations to develop, maintain, and apply socially acceptable practices in the workplace, across all industrial sectors. It is based on the UN Declaration of Human Rights, conventions of the ILO, UN and national law, and spans industry and corporate codes to create a common language to measure social performance.²⁰

Moreover, several initiatives have gained quite some ground in (particularly) western European countries and, thus, are mentioned in more detail:

Business Social Compliance Initiative (BSCI)

The Business Social Compliance Initiative (BSCI) is a leading business-driven initiative supporting retailers, importers and

²⁰ <http://www.sa-intl.org/index.cfm?fuseaction=Page.ViewPage&PageID=937>

brands to improve working conditions in supplying factories and farms worldwide. BSCI's vision is a world of free trade and sustainable global supply chains, in which factories and farms are compliant with national labor legislation as well as with ILO conventions protecting workers' rights.²¹

The Ethical Trading Initiative (ETI)

The Ethical Trading Initiative (ETI) is a leading alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the globe. Ethical trade means that retailers, brands and their suppliers take responsibility for improving the working conditions of the people who make the products they sell. Companies with a commitment to ethical trade adopt a code of labor practice that they expect all their suppliers to work towards. Many large buyers in the UK use ETI.²²

Fair Wear Foundation (FWF)



Fair Wear Foundation is an independent, non-profit organization that works with companies and factories to improve labor conditions of garment workers. FWF's 80 member companies represent over 120 brands, and are based in seven European countries; member products are sold in over 20,000 retail outlets in more than 80 countries around the world. FWF is active in 11 production countries in Asia, Europe and Africa.²³

Fair Labor Association (FLA)

FLA is a collaborative effort of universities, civil society organizations and socially responsible companies dedicated to protecting workers' rights around the world. As part of FLA, some of the world's leading brands such as Adidas, H&M, Nike and Hugo Boss have committed to ensuring fair labor practices and safe and humane working conditions throughout their supply chains.²⁴

Environmental Standards and Initiatives

As businesses have come to recognize that environmental concerns may be translated into a market advantage for certain products and services, various environmental declarations/claims/labels have emerged on products and services in the marketplace (e.g. natural, recyclable, eco-friendly, low energy, recycled content, etc.).

As part of its ISO 14000 series of environmental standards, the International Standards Organization has drawn up a group of standards specifically governing environmental labeling. The ISO 14020 family covers three types of labeling schemes:

- Type I is a multi-attribute label developed by a third party;
- Type II is a single-attribute label developed by the producer;
- Type III is an eco-label whose awarding is based on a full life-cycle assessment.

²¹ <http://www.bsci-intl.org>

²² <http://www.ethicaltrade.org/about-eti>

²³ <http://www.fairwear.org/22/about/>

²⁴ <http://www.fairlabor.org/about-us>

Eco-labeling programs that meet the requirements of ISO 14024 include:

- The Nordic Swan, Scandinavia
<http://www.nordic-ecolabel.org>
- The Blue Angel (Blauer Engel), Germany
<https://www.blauer-engel.de/en/our-label-environment>
- Umweltzeichen, Austria
<http://www.umweltzeichen.at/cms/de/home/content.html>

Two of the most common Eco-Labels which can be found in Europe are the **Oeko-Tex standard 100 mark**, which looks particularly at health standards, and the **European Eco-Label for Textile Products**. Some other initiatives have also gained popularity and are mentioned in more detail below:

The Oeko-Tex® Standard 100

The Oeko-Tex® Standard 100 was introduced at the beginning of the 1990s in response to the general public's demand for textiles posing no health hazards. "Poison in textiles" and other negative headlines were common at that time and indiscriminately branded all chemicals used in textile manufacturing as negative and dangerous to health.²⁵



European Eco-Label for Textile Products

A voluntary scheme designed to encourage businesses to market products and services that are kinder to the environment and for European consumers - including public and private purchasers - to easily identify them.²⁶



The Detox Campaign by Greenpeace

The Detox campaign was launched in 2011 to expose the direct links between global clothing brands, their suppliers and toxic water pollution around the world. So far, the campaign has been able to secure public commitments from 19 international fashion companies. In October 2013 Greenpeace International released the Detox Catwalk, assessing the steps taken by clothing companies towards their detox commitments.²⁷

ZDHC (Zero Discharge of Hazardous Chemicals)

In 2011, a group of major apparel and footwear brands and retailers made a shared commitment to help lead the industry towards zero discharge of hazardous chemicals by 2020 through a joint roadmap. This roadmap is highly ambitious; it is a plan that sets a new standard of environmental performance for the global apparel and footwear industry. It includes specific commitments and timelines to realize this shared goal.²⁸

²⁵ https://www.oeko-tex.com/en/manufacturers/concept/oeko_tex_standard_100/oeko_tex_standard_100.xhtml

²⁶ http://ec.europa.eu/environment/ecolabel/index_en.htm

²⁷ <http://www.greenpeace.org/international/en/campaigns/detox/water/detox/intro/>

²⁸ <http://www.roadmaptozero.com/about-zdhc.php>

Another private initiative establishing environmental and social standards has also been set up and taken up both by producers and retailers.

Sustainable Apparel Coalition (SAC)

A business-led initiative of relevance is currently being developed by the Sustainable Apparel Coalition. The Sustainable Apparel Coalition's vision is of an apparel, footwear, and home textiles industry that produces no unnecessary environmental harm and has a positive impact on the people and communities associated with its activities.

One of the objectives of this initiative is the development of the Higg Index, an indicator based tool for apparel that enables companies to evaluate material types, products, facilities and processes based on a range of environmental and product design choices.²⁹



²⁹ <http://apparelcoalition.org/the-coalition/>

4.3.3 Niche Marketing

Although the definition of a niche market is a bit blurred one can consider Fair Trade a well-known niche market and organic textiles are another popular niche market product. Moreover, one could also consider products with environmental labels as a niche market.

Fairtrade



Fairtrade is an ethical trade system that puts people first. Fairtrade offers farmers and workers in developing countries a better deal, and the opportunity to improve their lives and invest in their future. Fairtrade gives consumers the opportunity to help reduce poverty and instigate change through everyday shopping.

Fairtrade International is an association of 25 organizations around the world, including national initiatives that promote and license the FAIRTRADE Mark. When a product carries the FAIRTRADE Certification Mark, it means the producers and traders have met Fairtrade Standards. Fairtrade Standards include social, environmental and economic criteria, as well progress requirements and terms of trade.

Currently, Fairtrade only certifies the cotton in Fairtrade clothing and there is no fair-trade label which covers the whole garment production process from start to finish, but they work on a Fairtrade textile standard that will certify all players in the supply chain.³⁰

EFTA (the European Fair Trade Association)

EFTA is an association of eleven Fair Trade importers in nine European countries (Austria, Belgium, France, Germany, Italy, The Netherlands, Spain, Switzerland and the United Kingdom). EFTA was established informally in 1987 by some of the oldest and largest Fair Trade importers.

Global Organic Textile Standard (GOTS)

The Global Organic Textile Standard is the worldwide leading textile processing standard for organic fibres, including ecological and social criteria, backed up by independent certification of the entire textile supply chain. This standard for organic textiles covers the production, processing, manufacturing, packaging, labeling, exportation,

³⁰ <http://www.fairtrade.net>

importation and distribution of all natural fibres. The final products may include, but are not limited to, fibre products, yarns, fabrics and clothes. The standard focuses on compulsory criteria only.³¹

How to find the right standard - ITC's Standards Map

As you have seen there is a huge range of different labels and initiatives in the textile and garment industry addressing environmental and social sustainability, consumers' health, social and ethical standards. To help you find the right standards for your business you can use a search tool developed by the International Trade Centre: the ITC's Standards Map.

This is a very useful online platform which enables you to explore and compare over 170 sustainability standards, and build your personalized business' roadmap towards sustainable trade.

As a user you can:

- identify standards or codes of conduct which apply to your own business;
- review the main features of the selected standards and codes;
- generate comparisons of standards' content requirements;
- self-assess your business against standard requirements,
- generate your personalized sustainability diagnostic report which traces out a roadmap towards sustainable trade.

A basic search that specified manufacturers from Asia that export to the EU gives you 32 different standards that apply to the textile and garment sector. You can further narrow down your search by specifying your focus in the any of these areas: social, quality, environment, management and ethics.

Refer to the online platform:

ITC Standards Map for sustainability standards.

<http://www.standardsmap.org>

³¹ <http://www.global-standard.org/the-standard.html>

5. How to find a customer

In this section you will get an idea about the different market channels and types of buyers that you will encounter when going into exporting. Different channels are based on diverse purchasing strategies that customers have according to their retailing business, products and marketing strategies. It is important to understand the resulting order and delivery models in the apparel supply chain and the segmentation of the market from low-end mass market to haute couture when you decide which customers match your capabilities and products.

To get a better idea on how the market channel structures can vary in different countries the three biggest EU apparel importing nations are analyzed in more detail. This part is complemented by annex A5, where you can find a comprehensive listing of major buyers and buying associations in the following key importing countries of the EU:

- Germany
- United Kingdom
- France¹

Following, the chapter summarizes the latest developments in the apparel retail market in the EU and the consequential challenges for the sourcing industry. The most pressing issues prevalent for chief sourcing officers at leading apparel companies are examined to help you address their concerns in advance.

Finally, a selection of trade fairs for market research and sourcing tops off the last part of the chapter.

¹ OUTERWEAR – “Overview and Marketing Guide on Switzerland and the Major Markets in the European Union”, Switzerland Global Enterprise, 2013



5.1 Market Channels and Segments

The apparel sector is a consumer-oriented industry. There is a huge variety of different kinds of products, which can be differentiated by style, price-range, fast fashion or standards, etc. The mass market, which covers a very wide range of consumers, is divided into branded - those carrying nationally or internationally recognized brand names (e.g. Esprit, Lacoste) and private label merchandise - also known as “house brands” because they are sold in individual company’s stores (e.g. Zara, H&M).

According to the product diversification many different types of retailers with different strategies exist ranging from e-retailers, small boutiques and department stores to huge cloth chains with many outlets.

All these EU retailers have different purchasing channels and strategies, some buy directly from manufacturers abroad or in Europe, others avail themselves of the services of purchasing agents or buying houses while others get their products from wholesalers and distributors (see chart next page). Even some European manufacturers are interested in sourcing products from developing country (DC) manufacturers since they do not manufacture all their products themselves.

As a DC manufacturer you can find customers on all levels of the market channel but you have to make sure that you can fulfill the requirements of this specific customer. Key consideration points are:

- quality
- price
- order volume

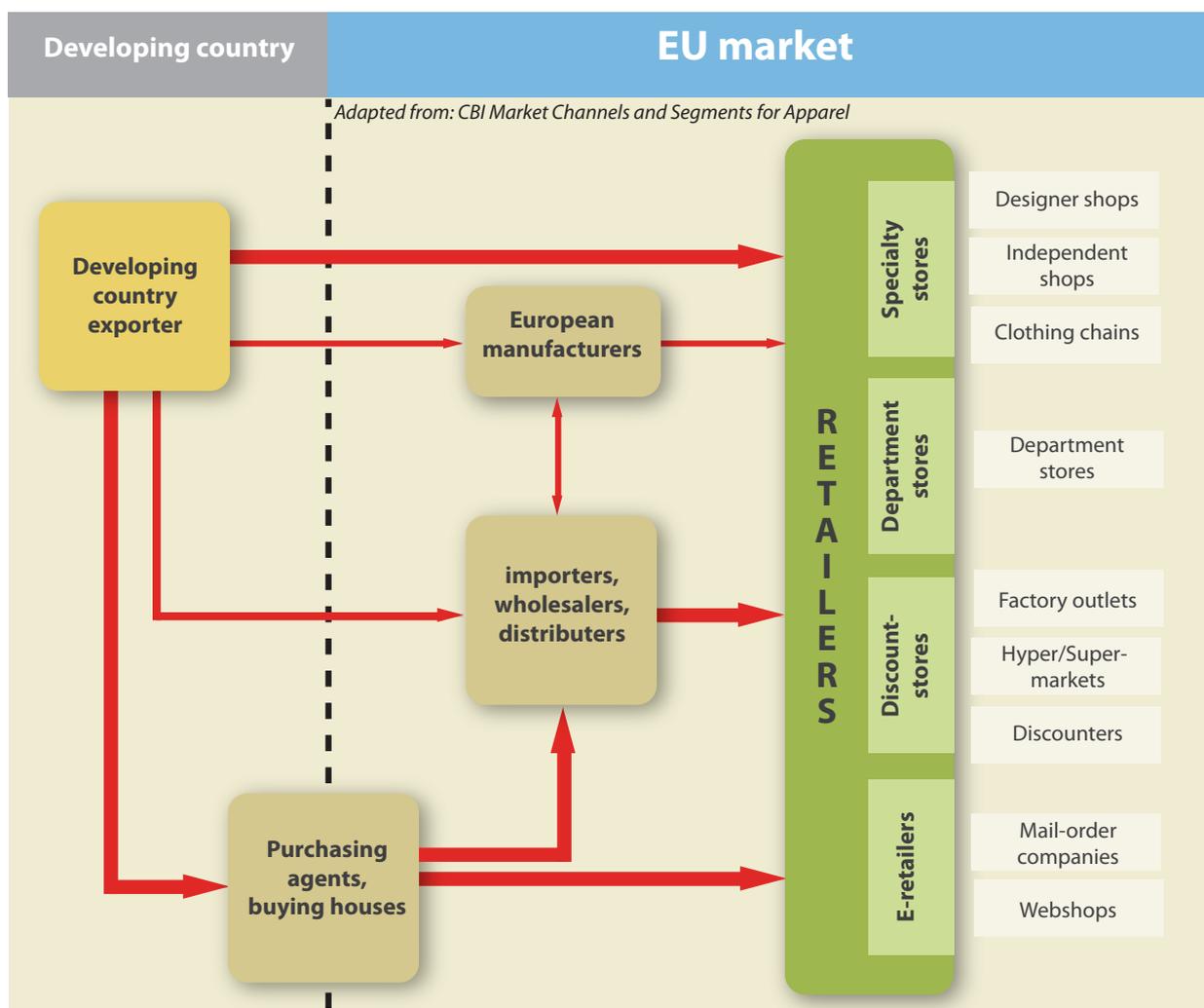
- lead time
- expected pre-production services

Some requirements are easier to meet for you as a manufacturer than others. Therefore, it is important to understand the different order and delivery models the apparel industry has put in place.

Order and delivery models are based on the longevity of sales period of an item, which can be grouped into seasonal items and standard items sold for many seasons, also according to customers classifications. Please take note that the customer is the retailer, not the end consumer. Customer classifications can be differentiated into small retailers with only one or few sales points and large retailers such as clothing chains or department stores with many sales points.

According to your capacity you can decide which order and delivery model you can cater to. Many manufacturers in developing countries have difficulties with short lead times and very large order volumes. Therefore, smaller retailers such as independent retailers are a favorable customer group for them.

In terms of products, standard products and seasonal products are interesting whereas hot fashion articles pose a challenge due to the rapid response requirement. The non-replenishing approach (in which a garment is not replenished when out of stock) and the introduction of mid-season orders by some retailers illustrate a trend towards more frequent, smaller batches and increasingly flexible orders. As a consequence, production of ultra-fashionable clothing often remains in Europe or the Eastern EU (see table next page).

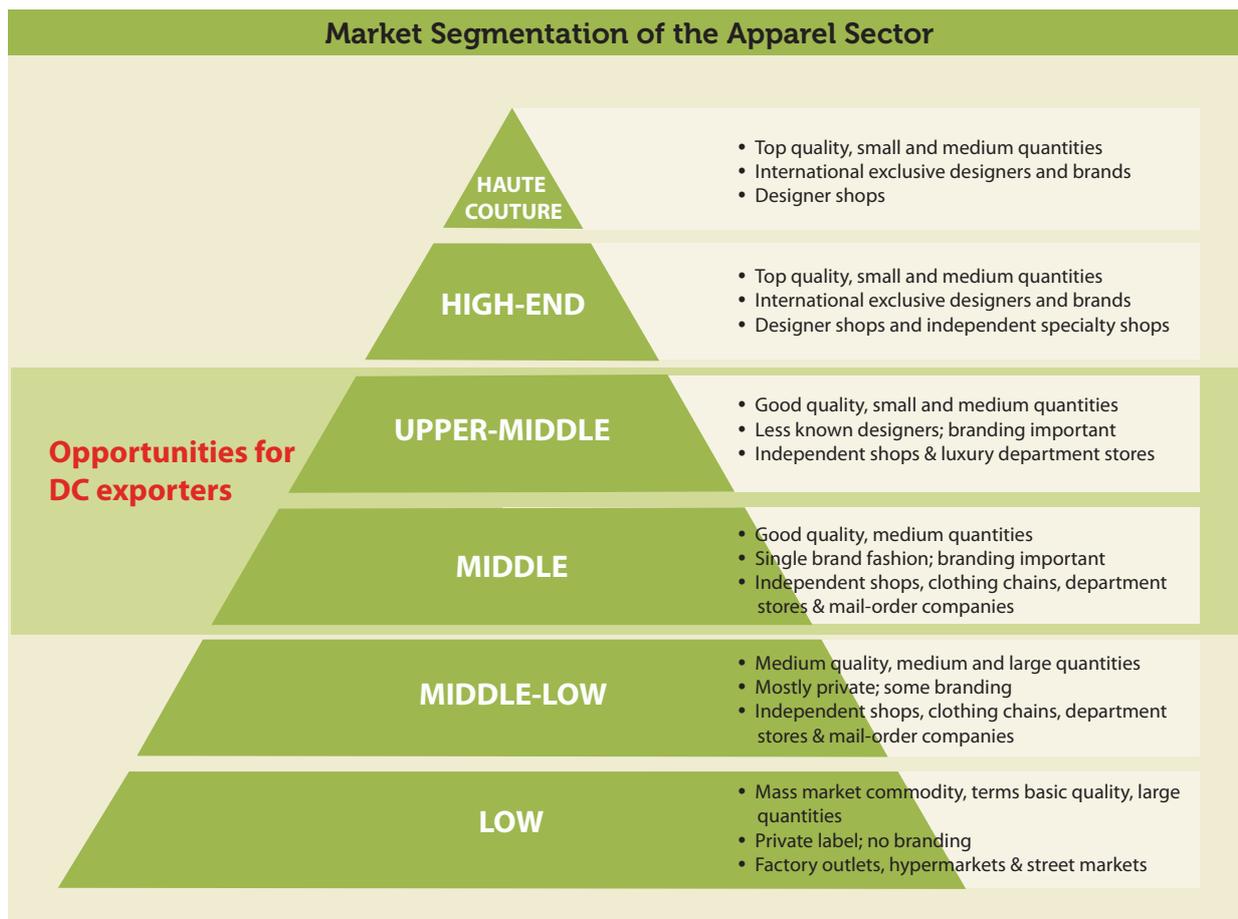


Order and Delivery Models in Apparel Supply Chains			
Type of product	Delivery strategy	Customer classification	
		Small retailers	Large retailers
Standard products: Sold over several seasonal periods with little or no modification (non-seasonal, long-term sales)	<ul style="list-style-type: none"> • Make-to-stock • Make-to-order • Replenish products 	<ul style="list-style-type: none"> • Warehouse stock based delivery • Never-out-of-stock delivery 	<ul style="list-style-type: none"> • Never-out-of-stock delivery • Continuous flow of delivery
Seasonal articles: Fashion collection items which are created and sold only for one season and thus follow recent fashion trends	<ul style="list-style-type: none"> • Make-to-order 	<ul style="list-style-type: none"> • Classical seasonal order: up to 7-10 collections a year in small volumes. • Purchase order until output time (lead time): 45-60 days 	<ul style="list-style-type: none"> • Large retail orders. • Purchase order until output time (lead time): 60-90 days
Hot fashion articles: Must-have items for the fashion season based on catwalk collection pieces	<ul style="list-style-type: none"> • Make-to-order: • Short term, rapid response and puts emphasis on sourcing abilities of the supplier 	<ul style="list-style-type: none"> • Seasonal filling up • Short deliveries and focus on seasonal style elements 	<ul style="list-style-type: none"> • Seasonal filling up • Short deliveries and focus on seasonal style elements

Source: Ahlert and Dieckheuer, 2001, Bruckner and Mueller, 2003 in "Flexible product allocation in distribution processes in an apparel supply chain", Bremer Institut fuer Produktion und Logistik GmbH, 2011

Another option of understanding the apparel sector is by segmentation of products. Apparel products can be divided into six segments. The low segment offers basic quality clothing at very low prices and in large quantities. Hypermarkets, supermarkets and discounters are usually presenting this segment. Retailers in the middle-low segment (clothing chains, department stores, mail-order companies and independent retailers) offer medium quality items at a medium-low price in medium to large quantities.

The middle segment is almost identical to the middle-low segment concerning retail channels but the differences lie in expectations of higher quality, medium quantity requirements and higher prices. Independent shops and luxury department stores offer good quality garments in the upper middle segment. Unique standard products are produced in small to medium-sized quantities that are not particularly season-based. At the high end and haute couture market segment, designers mostly sell exclusive and unique top-quality garments through their own shops and channels.



Source: CBI - Market Channels and Segments for Apparel

The opportunities for DC exporters are in the middle to upper-middle segments, where good quality and well-priced garments are offered by independent shops, fashion retailers, brands and luxury department stores. The advantages of independent shops are that extensive supply chain processes are unnecessary. Furthermore, the quantities required are low to medium and the items do not require particularly rapid delivery.

As an exporter you have to focus on the refinement of pre-production processes and services (e.g. sourcing and collection proposals), increasing your efficiency and productivity to shorten your lead time and increase your price competitiveness. You can work together with another manufacturer to boost your capacity for order volumes or cooperate with another company higher in the value chain to be able to offer several services.²

² CBI market information database
<http://www.cbi.eu/market-information/apparel/channels-segments>



5.2 Market Channel Insights on 3 Key Countries

The market channels of the three major EU apparel-importing nations Germany, United Kingdom and France are briefly examined to get a better idea on how market channel structures can vary.

Germany



Clothing Manufacturers

Manufacturing companies play a pivotal role in the clothing distribution system in Germany. Most of the German clothing brands work in a dual way: On the one hand they buy directly from developing countries in the Far and Middle East on a full import basis (finished products). On the other hand, Germany is by far the largest European buyer of clothing on outsourcing basis (CMP business). Due to its proximity to Eastern European countries, Germany was the 'pioneer' country in outsourcing production in the neighboring countries to the east.

The clothing industry has been shrinking since the beginning of the nineties, to the point where now only the 'fittest' have survived. Larger companies sell through their own outlets. These brands are normally positioned in the mid- to upper market segment. The tendency towards self-retailing by clothing brands/manufacturers has increased and taken on different forms such as concessions, shop-within-the-shop, sales corners in department stores and own mono-brand shops.

Central Buying Associations

More than half of all independent clothing retailers in Germany are members of a buying association. This figure underlines the significant role of buying associations for the majority of specialized independent retailers. The buying policy is similar to that of multiple stores (buying directly or through buying agents abroad). They operate in the mid to upper market segment. The leading associations are Katag and Unitex. Some are specialized in children's wear, or in active sports- and hardware. The German buying associations also have members from the Netherlands, Belgium, Austria and Switzerland.

Sales Agents

Sales agents for clothing in Germany play a major role in the market, especially for the renowned clothing brands. The more reputable agents are members of the Central Association of German Sales Agents (CDH) in Cologne. They often have their own showrooms in fashion centres of major German cities such as Düsseldorf, Frankfurt, Hamburg and Munich. Only strong manufacturers from non-European countries with a market oriented range and an excellent service might find the right partner in the CDH News published monthly.

Importers / Wholesalers

It is estimated that there are approx. 1,000 importers/wholesalers for clothing in Germany. They range from very small units run by the owner, to larger companies with more than 100 employees worldwide. They often operate through their buying offices in the Far East, which take over the order and control function on the 'sourcing spot'. The importers/wholesalers play an important role as they have excellent know-how about worldwide sourcing and supply directly to all kinds of retailers in Germany and the neighboring countries. The most reputable importers are members of the Association of non-food importers (VFI) in Hamburg.

United Kingdom



Clothing Manufacturers

In addition to retailers and wholesalers that import clothing to the UK, in some cases UK manufacturers partly outsource their production activities to manufacturers abroad. Due to the strong increase of production costs in the UK, clothing manufacturers (mainly brands) have started outsourcing to Eastern Europe and Northern Africa. Many products (e.g. most of the knitted outerwear) are bought from Asia and Turkey. British clothing 'manufacturers' are nowadays more management and marketing units than producers. They mainly concentrate on the design and fashion as well as on marketing and sales.

The brands sell their products to selected distribution channels that correspond with their marketing strategy. In any case, practically all British clothing brands source products abroad in one way or another and offer various sales opportunities for clothing manufacturers from abroad.

Central Buying Associations

Co-ordinated buying through central buying associations is a way for smaller UK retailers to gain more purchasing power. Since the clothing market in the UK is highly concentrated, with only a few big players who mainly buy directly from clothing manufacturers and there is little market share for small independent shops, the importance of central buying associations in the UK is still low.

In Great Britain, importers/wholesalers have often taken over the 'buying function' for smaller retailers, as the latter do not have the know-how and the means to import goods on their own.

Sales Agents

There are different methods of indirect distribution from abroad to the various clothing retailers in the UK. One option is that local 'agents' identify the clothing suppliers abroad, but the UK retailer is still the one who negotiates with their in-house buying team and organizes all the logistics including shipping etc. Most often British retailers use several forms of indirect contacts. Roughly speaking,

half of these agents or wholesalers are located in the UK and half are located outside the UK.

A further option for the clothing manufacturer from abroad is selling through regional agents in the UK. The condition is that the manufacturer has a clear marketing strategy with a market oriented collection for the British market. The basis is a detailed 'Business Plan'. The manufacturer from abroad should consider that the area of 'Greater London' is highly competitive and it might be more advantageous to start the market entry in areas like Manchester, the North West or even Ireland.

France



Clothing Manufacturers

French manufacturers have slid against the retailers and their position has weakened in recent years. This is also confirmed by the fact that there are fewer 'manufacturer's brands', because they are partially being replaced by the 'retailer's brands'. The industry is characterized by high price pressure: on the one hand, consumers have become more price conscious; on the other, imports of cheap garments from abroad lower the prices. Manufacturers have no chance but to follow the retailers. French manufacturers often produce their core product range on their own, but they also buy a considerable share of their product assortment from manufacturers abroad. Apparently, they do so in order to add certain products to complete their collection. Opportunities exist for exporters who are interested in forming relationships or partnerships with French producers.

Central Buying Associations

There are not many important buying organizations for independent retailers in France. For the most part, meaningful buying associations can be found in the sportswear segment, for instance Intersport, Go Sport and Sport 2000.

Sales Agents

Clothing exports into the French market via a sales agent are very common. Especially in the case of France, it is recommended for foreign manufacturers to work with agents as the buying of clothing is very much concentrated on the so called 'centrales d'achats'. The buying managers often import through sales agents based in France who represent reliable manufacturers from abroad.

Importers/Wholesalers

Some French retailers (mainly super- and hypermarkets, textile discounters and to some extent clothing chains) prefer not to run their own control and sourcing units in overseas markets. These retailers buy their products via importers/wholesalers and often get attractive conditions. Since the end of the eighties, the importers have gained importance as the previously very strong national French clothing industry became less competitive due to increasing production costs. As a result, many importers/wholesalers enjoy increasing orders and revenues.

For further information refer to:

OUTERWEAR – "Overview and Marketing Guide on Switzerland and the Major Markets in the European Union", Switzerland Global Enterprise, 2013
http://www.s-ge.com/sites/default/files/OUTERWEAR_update_final_2013.pdf



5.3 Sourcing Trends in the Apparel Sector

Developments in the retail sector, such as a growing concentration at retail level, expanding by internationalization and growing competition, lead to an increased demand for fashionable products against low prices.

- The EU market has witnessed the relentless growth of clothing multiple chains and franchised outlets, leading to the decline of the formerly strong independents' sector. This trend will continue in the coming years.
- The hypermarket format, with its strong non-food component and international character, plays an increasingly important role in outerwear sales in Western as well as in Eastern EU countries.
- The fast-changing demand in the clothing market is a significant factor. Because of the higher dynamics of the clothing markets in terms of more rapidly changing consumer preferences and more seasons per year, there is a general tendency in the clothing sector to demand shorter delivery times and smaller volumes of series and orders.
- The role of importing wholesalers and importers remains relatively important but will slightly decline, while the role of clothing multiples and, to a lesser degree, buying groups or franchise formula will increase in the coming years. Parallel to the trend for suppliers to make their clothing abroad is a trend for retailers or wholesalers to bypass the local industry totally, by means of direct imports.

Undeniably, because of this, apparel sourcing is becoming more challenging. In a survey done by McKinsey in 2013 and 2014 with chief purchasing officers (CPOs) at leading apparel companies it became obvious that CPOs, once focused primarily on cost, must now take several other important factors into consideration.

Costs are rising steadily

Most of the survey respondents expect sourcing costs to rise in the near term. And unlike past cost increases, this time the trend is expected to last—even with cyclical dips in raw-material prices—due in large part to structural factors, including the steady upward trajectory of labor costs in China and rising energy costs worldwide.

Almost three-fourths of sourcing executives report that they want to reduce their exposure to China, Europe's largest apparel supplier. With consumers unlikely to tolerate higher apparel prices, companies are forced to find other solutions to relieve margin pressure. On this front, two trends are emerging: some companies are seeking to reduce costs further by sourcing from largely untapped low-cost countries in Southeast Asia and sub-Saharan Africa, while others are looking for ways to boost the productivity of their current suppliers. Apparel buyers are working closely with suppliers, for example, to implement lean techniques in factories.

Importance of compliance is increasing

In Bangladesh, home to thousands of garment factories, a series of tragic industrial accidents has made consumers and the media pay closer attention to where, by whom and under what conditions clothing is manufactured.

In engaging more deeply with suppliers, apparel companies are aiming to improve not only productivity but also compliance—particularly with rules on building, fire safety and other occupational health and safety issues. But other social aspects such as basic labor rights, general working conditions and imposing a ban on child and forced labor play an important role as well.



Good working conditions - content workers

Corporate social responsibility is now more than a buzzword: leading apparel companies are working to improve standards throughout the value chain and adhere to sustainability strategies consistently.

In evaluating new sourcing markets and new suppliers, social and environmental compliance is now a top criterion for CPOs, along with cost and capacity. Manufacturing subject to Corporate Social Responsibility (CSR), products that are ecological, organic or ethical, and new developments to reduce buyers' carbon footprints add to consumer buying value and will all contribute to the retailer's identity in an overcrowded landscape. As a DC manufacturer you have to keep up with the development and offer your buyers social and environmental standards that are acceptable for them.

Buyers look to new sourcing markets

The European retail market for fashion garments is under extreme pressure. Margins and profits have declined owing to the economic recession and lack of consumer confidence. Based on consumer demand, there is a higher rotation of collections and retailers have to keep pace with consumer demands for prompt fashion items at good prices, providing an identity shopping experience and answering new market requirements. European retailers in the crowded middle market segment are fighting over the same target groups and tastes within a saturated market.

Predominantly, the sourcing of such items and collections continues to take place in Asia, but retail and brand buyers are widening their outlook with regard to alternative sourcing destinations. Price and EU import preferences will remain key drivers in procurement and relocation strategies. Myanmar is only one of the low-cost countries piquing the interest of apparel buyers. Others include countries in sub-Saharan Africa and regions in close proximity to Western Europe.

Seventy percent of the sourcing executives McKinsey surveyed said they would like to move more of their manufacturing closer to Europe, making the Mediterranean and Eastern Europe appealing options. In particular, CPOs are interested in "proximity sourcing" (either nearshoring or onshoring) when it comes to high-quality products and fast-fashion items. Fast fashion demands short supplier lead times and increased consumer choice through continuous product replenishment. Midmarket apparel players find proximity sourcing especially attractive, but some discount retailers are joining in as well.³

³ Berg, Achim, Hedrich, Saskia, "What's next in Apparel Sourcing?"; McKinsey & Company, 2014

In evaluating new sourcing markets and new suppliers, social and environmental compliance is now a top criterion for CPOs, along with cost and capacity.

The optimal mix of sourcing markets differs for every apparel company. Each company first defines its procurement requirements and then compares them with the strengths and weaknesses of various countries, weighing the trade-offs among five main criteria: quality, capacity and speed versus costs and risk.

DC exporters need to focus on speed to market, just-in-time deliveries and preproduction services in order to best compete in the changing sourcing landscape.

For further information refer to:

CBI market information database
<http://www.cbi.eu/market-information/apparel/trends-supply-chain>

Berg, Achim, Hedrich, Saskia,
 "What's next in Apparel Sourcing?"; McKinsey & Company, 2014



5.4 Trade Fairs for Market Research & Sourcing

Most DC manufacturers think about trade fairs as a very expensive platform for exhibiting their products/collections. But a trade fair is first and foremost a great source of information and THE place for networking. Visiting a trade fair in your product segment is applied market research: you see the newest trends and get to know your competitors. You can compare quality, prices and presentations and get an idea what excites other trade fair visitors and what does not. The information is immediate, unadulterated and, best of all, you have the chance to start a conversation and can ask questions.

Therefore, the trade fairs listed below were not chosen as exhibiting venues for you but as great opportunities for market research and networking:

Selected Prime Fashion Fairs in the EU:

Who's next, Paris

(Ready-to-wear international exhibition)
<http://www.whosnext-tradeshows.com>

Fashion fairs in Florence and Milan:

Pitti Uomo

(men's clothing and accessory collections)

Pitti Bimbo

(children's wear)

Modaprima

(fashion & accessories collections)

<http://www.pittimagine.com/en/corporate/fairs.html>

Panorama, Berlin

(contemporary selection of women's and men's collections, shoes and accessories by market leading brands)
<http://www.panorama-berlin.com/>

Bread & Butter, Berlin

(selected brands that stand for all aspects of modern urban lifestyle)
<http://www.breadandbutter.com/>

Premium, Berlin

(high fashion segment)
<https://www.premiumexhibitions.com/>

HOT 1, Salzburg

(traditional order fair for Austrian dealers)
 Together with "Tracht & Country Premiere"
<http://www.brandboxx.at/de/messe/hot1-tracht-country-premiere/aktuelles>

Modafabriek, Amsterdam

(innovative and distinctive business-to business tradeshow for labels)
<http://www.modafabriek.nl/>

Copenhagen International Fashion Fair (CIFF)

CIFF Raven

(sharply curated menswear and lifestyle platform)

CIFF Kids

(North Europe's most progressive children's fashion fair)

CIFF Showrooms

(Scandinavia's largest and strongest fashion house for professionals. It is a shopping forum where more than 500+ leading Scandinavian and international fashion brands have their permanent showrooms)

<http://ciff.dk>

Pure, London

(the UK's premier fashion event)

<http://www.purelondon.com>

Moda, Birmingham

(business to business trade fair of the fashion industry)

<http://www.moda-uk.co.uk>

CPM, Moscow

(international fashion fair for women, men, and kid's wear)

<http://www.cpm-moscow.com/>

In case you are into FOB manufacturing or plan for it, trade fairs for material sourcing are very interesting for you. On the one hand a sourcing trade fair visit is a great research opportunity but on the other hand you can actually start working on a supplier base for your FOB business. Find some selected trade fairs for sourcing below:

Trade fairs for fabrics, accessories and components in the EU:

Première Vision, Paris

(fashion & sourcing: yarns, fabrics, leather, accessories, manufacturing & design).

<http://www.premierevision.com>

Apparel Sourcing, Paris

(worldwide apparel sourcing trade fair)

<http://apparelsourcing.fr.messefrankfurt.com/paris/en/exhibitors/welcome.html>

Texworld, Paris together with Apparel Sourcing

(fabrics, trims, accessories)

<http://texworld.fr.messefrankfurt.com/paris/en/visitors/welcome.html>

Munich Fabric Start

(highly competitive range of textiles, accessories and denim, street- and sportswear)

<http://www.munichfabricstart.com>

Pitti Filati

(main international event for showcasing yarns for the knitting industry)

<http://www.pittimmagine.com/en/corporate/fairs/filati.html>

Trade fairs for fabrics, accessories and components in Asia:

Intertextile Shanghai Apparel Fabrics

(comprehensive platform for supreme apparel fabrics and accessories)

<http://intertextile-shanghai-apparel-fabrics-spring.hk.messefrankfurt.com/shanghai/en/visitors/welcome.html>

Interfilière Shanghai

(leading trade show for lingerie and swimwear fabrics and accessories)

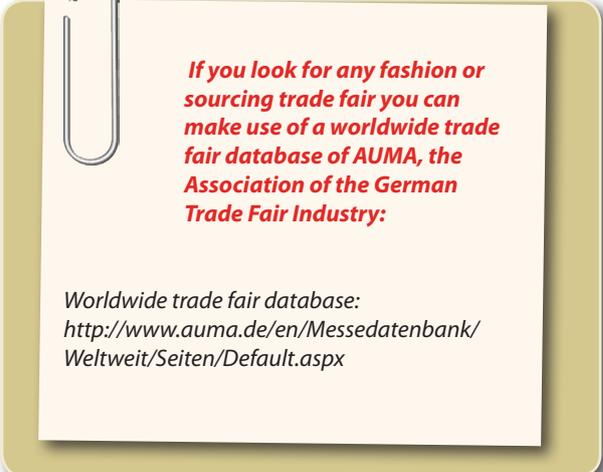
<http://www.interfiliere.com/shanghai/>

ITMA Asia + CITME, Shanghai

(huge showcase of cutting-edge solutions for textile manufacturing)

<http://www.itmaasia.com>

Before you start thinking about participating in a trade fair as an exhibitor you should visit some trade fairs to do market research and get an idea about the right venue for your product.



If you look for any fashion or sourcing trade fair you can make use of a worldwide trade fair database of AUMA, the Association of the German Trade Fair Industry:

Worldwide trade fair database:
<http://www.auma.de/en/Messedatenbank/Weltweit/Seiten/Default.aspx>

6. Who can support you?

In this chapter you will find a comprehensive listing of various support organizations that you might find interesting or useful to contact. Please take note that it is not exhaustive and that it can not be guaranteed that all contact details are up-to-date during the time you read it.

The contacts are sorted in two geographic groups: contacts in Myanmar and international contacts, mostly in the EU. Both parts are further divided into thematic groups such as e.g. government agencies, commercial service providers, industry federations and business associations.



6.1 In Myanmar



6.1.1 Business Associations and Others

Myanmar Garment Manufacturers Association (MGMA)

Floor 7, UMFCCI Tower, 29 Min Ye Kyaw Swar Street, Yangon
T: +95-1-2300253
E: inquiries@myanmargarments.org
W: <http://www.myanmargarments.org>
Official representation of the sector. Trade information, promotion and trainings.

Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)

No. (29), Min Ye Kyaw Swar Street, Lanmadaw Township, Yangon
T: +95-1-214344~49
W: <http://www.umfcci.com.mm>
Trade information, promotion and trainings. Compulsory membership for all exporters

Myanmar Customs Clearing Agents Association

105 (1st Floor), 38th Street, Kyauktada Township, Yangon
T: +95-1-246684
Custom clearing service information

Myanmar International Freight Forwarders Association (MIFFA)

No (35/87), Lower Kyee Myin Daing Road, Building C, 1st Floor, Seik Kan Ar Nar Paing Compound, Yangon
T: +95-1-230 0236, +95-9-501 3284
Fax : +95-1-392 149
E: miffa@myanmar.com.mm
W: <http://www.miffa.org>
Information on freight procedures and shipment costs

Myanmar Banks Association

No. 2 Sibin New Road, Yanking Township, Myanmar
T: +95-1-559487 / +95-1-584146/ +95-1-559506
F:+95-1-559487 / +95-1-548146
E: mba.mib@mptmail.com.mm
Information on banking issues

Office of European Union

Hledan Centre- Corner of Pyay Road and Hledan Road – 6th Floor, Kamayut Township, Yangon, Myanmar
T: +95 (0)1 230 56 50
E: DELEGATIONMYANMAR@eeas.europa.eu
EU information

International Labor Organization (ILO)

No.1 (A) , Kanbae (Thitsar) Road, Yankin Township, Yangon
T: +95-1-566 538 , 566 539 , 578925 , 579 956
F: +95-1-566 582
E: yangon@ilo.org

SMART Myanmar

c/o UMFCCI (11th Floor) NO.29, Min Ye Kyaw Swar Street, Lanmadaw Township, Yangon, Myanmar
T: +95(9)5158286
E: sutayarlin@googlemail.com
W: www.smartmyanmar.org
Promoting sustainable production in the garment sector

British Chamber of Commerce Myanmar

4th Floor, 192, Bo Myat Htun St. (Middle Block) Pazundaung Township, Yangon, Myanmar
E: info@britishchambermyanmar.com
W: <http://www.britishchambermyanmar.com>

French Myanmar Chamber of Commerce & Industry

Parkside One, 271/273 Bagayar Street, Sanchaung Township, Yangon, Myanmar.
T : +95-1-523 700
E: director@ccifrance-myanmar.org
W: <http://www.ccifrance-myanmar.org>

Delegation of German Industry & Commerce in Myanmar

11th F, No.29, Min Ye Kyaw Swar Street, Lanmadaw Township, Yangon
Dr. Monika Stärk
M: +95-9-2501 35833
T: +95 (0) 1 230 1823
F: +95 (0) 1 230 1823
E: monika.staerk@myanmar.ahk.de
W: <http://myanmar.ahk.de>

German Myanmar Business Chamber

c/o Delegation of German Industry and Commerce in Myanmar
 E: info@gm-bc.com
 W: <http://myanmar.ahk.de/gmbc/>

Myanmar Centre for Responsible Business (MCRB)

Hnin Wut Yee (Programme & Outreach Manager)
 No.15, Shan Yeik Thar Street, Sanchaung Township, Yangon,
 T: 95 1 510069
 M: 95 9 450051946
 E: hninwut.yee@myanmar-responsiblebusiness.org
 W: www.myanmar-responsiblebusiness.org

Worldwide Responsible Accredited Production (WRAP)

Bart Seliger (Director of Southeast Asia)
 E: bseliger@wrapcompliance.org

Eurocham Myanmar

Parkside One, 271/273 Bagayar Street, Sanchaung Township, Yangon
 Executive Director: Filip A. Lauwersen
 T: + 95 9 260961001, + 95 1 1523700
 E: filip.lauwersen@eurocham-myanmar.org
 W: <http://myanmar.ahk.de/gmbc/>

Puls Trading Far East Ltd. (H&M)

608, Merchant Street (corner of Merchant & 31st), Hintha Business Centres, Pabedan Township, Yangon, Myanmar
 T: +95 1 4413410
 E: Julia.Bakutis@hm.com
 Hassan.Shafquat@hm.com
 Buying Agent for H & M

6.1.2 Government Agencies

**Directorate of Investment and Company Administration (DICA),****Company Registration Office (CRO)**

Building No.1, Thit Sar Road, Yankin Township, Yangon
 T: +95-1-657891
 F: +95-1-657825
 E: dica.ip.mm@gmail.com
Investment promotion, company registration.

Ministry of Commerce (MoC),**Directorate of Trade, (Yangon Regional Office)**

228-240, 2nd Floor, Strand Road, Yangon
 T: +95-1-241241, 251197
 F: +95-1-253028
 W: <http://www.commerce.gov.mm>
www.myanmartradenet.com.mm
Exporter/importer registration, export/import licenses, preferential Certificate of Origin.

Myanmar Investment Commission (MIC)

c/o DICA
 Building No.1, Thit Sar Road, Yankin Township, Yangon
 T: +95-1-657891
 F: +95-1-657825
 E: dica.ip.mm@gmail.com
Investment approvals.

Myanmar Trade Center

No. 228-240, 2nd Floor, corner of Strand Road and Shwe Bon Thar Street, Yangon
 T: +95-1-254024
 F: +95-1-254023
 E: tradecenter.myanmar@gmail.com, itpic.moc@gmail.com
 W: <http://www.trade.gov.mm>
Trade information and trade promotion.

Bureau of Customs/ Customs House

No.132, Strand Road, Kyauktada Township, Yangon
 T: +95-1-391430-36
 F: +95-1-371229/371231
 Duty officer: +95-1 391442
 Director (Import/Export): +95-1-380725
 Deputy Director (Export/Import): +95-1-387151
 International Section, Admin Division: +95-1-387161
 E: mcd.ygn@mptmail.net.mm
 W: <http://www.myanmarcustoms.gov.mm>
Customs clearance, inspections, customs duties.

Myanmar Port Authority (MPA)

10, Pansodan Street, P.O. Box 1, Yangon
 T: +95-1-382722, 384732, 384738
 F: +95-1-295134, 256321, 256336, 391355, 246781
 E: mpa@mptmail.net.mm,
 mpa-sad@mptmail.net.mm
 W: <http://www.mpa.gov.mm>
Administers all coastal ports, under the management of MoT.

Ministry of Transport (MoT)

DEPARTMENT OF CIVIL AVIATION Ministry of
 Transport Building No (5), Nay Pyi Taw
 T: +95-1-533015, 067-411006
 F: +95-1-533016, 067-411426
 E: dgdca@dca.gov.mm

Ministry of Immigration & Population (MoIP)

Ministry of Immigration & Population, Office Building (48),
 Nay Pyi Taw
<http://www.mip.gov.mm/>
Permits for foreign technicians or other foreign personnel.



6.1.3 Commercial Service Providers

Société Générale de Surveillance Co. Ltd (SGS)

79/80, Bahosi Housing Complex, Wardan Street
Lanmadaw Township, P.O. Box 975, Yangon
T: +95(1)220 225, 211 537-38
F: +95(1)211 548-49
E: sgs@myanmar.com.mm
W: <http://www.sgs-myanmar.com>
Testing, inspection and certification services

Control Union

RM No. 413/A, 4th Floor (La Pyayt Wun Plaza), 37, Alan Pya
Pagoda Road, Dagon Township, Yangon
T: +95 11221650/+95 95098631
Testing, inspection and certification services

Intertek

Intertek Testing Services (Thailand) Ltd.
1285/5 Prachachuen Road, Wong-Sawang Bangsue,
Bangkok 10800, Thailand
T: +66 2 837 2999 Ext. 2958
F: +66 2 837 2959
D: +66 2 837 2958
E: sunida.jarumonphorn@intertek.com
W: intertek.co.th
Testing, inspection and certification services
Office soon to open in Yangon

Bureau Veritae

W: <http://www.bureauveritas.com>
Testing, Inspection and Certification services
Office soon to open in Yangon

TUV Rheinland

FRITZ WERNER Services and Solutions Ltd.
#A05-01, Dagon Centre, 262-264 Pyay Road, Sanchaung
Township, Yangon
Sales Executive: Aung Moe +95-9-792721157
W: <http://www.tuv.com>
Testing, inspection and certification services

TUV Sued

NNS & Associates Co.,Ltd.
No.3, Shwe Tha Pyay Yeik Mon(2), Nawarad Street, 10/North
Ward, Tha Ke Ta Township, Yangon
T: +95-1-910048
Director: Ye Myint Thu @ Arthur, +95-1-9 975554232
Manager: Pan Ei Thu Thu @ Ju Ju, +95-1-9 975554344
Web: <http://www.tuv-sud.com>
Testing, inspection and certification services

Globalgroup

No. 146, 1st Floor, 47th Street, Botataung Township, Yangon
T: + 9519000376 to 9
F: +9519000376 (Ext. 119)
W: <http://www.globalgroup.net>
Testing, inspection and certification services

Forwarder

DB Schenker

Schenker (Thai) Ltd., Yangon Branch
59A, U Lung Maung Street, 7 mile, Mayangone Township,
Yangon
T: +95-1-651-250, +95-1-666-646, +95-1-667-686
F: +95-1-651-250, +95-1-667 686
E: schenker.yangon@dbschenker.com

DHL Express

c/o HB Logistics
No.45, Pyay Road, 6 1/2 Mile, Hlaing Township, Yangon
T: +95-1-507471 - 75
F: +95-1-507476

Claridon Myanmar Co., Ltd.

Fl 3, 608 Merchant Road, (Corner of Merchant & 31st Street)
Pabedan Township, Yangon, Myanmar
E: myanmar@claridon.com
F: +95 (1)383591
T: +95 (1)4413410/26

HYPER SHINE FORWARDING CO.,LTD

No.7, Nagayone Pagoda Street, 8 ½ mile, Mayangone
Township, Yangon
T: 09 7302826770
F: 01 651733

Helio International Company Limited

RM No.610, 6th Floor, La Pyei Wun Plaza . No.37 Alan Pya
Bagoda Road , Dagon Township, Yangon
T : 00-95-1-384609 , 375756 , 373637
F: 00-95-1-375756
E: heliointl@myanmar.com.mm
W: www.heliointl.com

Ever Flow River Forwarding & General Services Co Ltd

Top Floor, MPA-Allied Yangon, Inland Container Depot,
Botataung Zay Street, Seikkan Township, Yangon
T: +951 298544
F: +951 299553

The Freight Co., Ltd. (Myanmar)

No.19 - B, Sein Lei Mei Avenue,, Ka Ba Aye Pagoda Road,
Yankin, ,Yangon
T: +95 1 657 018-21

Land Sea Air Services Company Limited

No - 132, 1st Floor (Right), Seik Kan Thar Street, Kyaukdata
Township, Yangon
T: +95 1 249345
F: +95 1 249543
E: Isargn@myanmar.com.mm
W: www.landseairmyanmar.com

Myanmar Euro Pac Forwarding Co Ltd

La Pyayt Wun Plaza, Unit 803, No.37 Alan Pya Pagoda Road,
Dagon Township, Yangon, , 1245
T: +95-1-243546
F: +95-1-256079
E: jerrysim@rgn-europac.com.mm

Prime Link Freight Management Co Ltd

No. 91/93 ,Bldg #1, Rm 205, Pyay Road, 8th Mile junction,
Mayangone Township, Yangon
T: +951 667708, 667688, (ext 3105)
F: +95-1 - 667752 (3105)
E: primelinkmm@gmail.com

UNI-GLOBAL MYANMAR CO.,LTD

No.(52) Wut Kyaung Street,Yay Kyaw,Pazundaung
Township,Yangon
T: +959 73203354
F: 01562639

Unstoppable Logistics & Trading Co.,Ltd

No.36, Room No.A1&B1 ,Alanpya Pagoda Road, Mingalar
Taungnyunt Township, Yangon,
T: +951 255560
F: +951 255506

SARS Logistics Services & Trading Co.,Ltd.

No.141/149,Room 403,, Bagayar Condo,, Sanchaung,Yangon
T: +95949221781

Win Logistics

Myaitta Yeikmon Housing, Thamainbran Road, Natchung,
Tamwe, ,Yangon
T: +951 553846
F: +951 541646

Unity Global Transport Services Co., Ltd.

No.B5/7 1st floor, Yadana St , Thingangyun township, Yangon
T: +959 73065547
F: +951 564974

Ability Project Services Co., Ltd.

Building B-2 (2), Thirimingalar Yeiktha, Strand Road, Ahlone
Township, Yangon
T: +95 1 2301235
F: +95 1 212161

ZAK Logistics Co., Ltd.

29,Ground Floor, Yay Kyaw Main Road, Pazundaung
Township, Yangon
T: +951294770, 951292496
F: +9518610264

Eternal Alliance Logistics Ltd.

No.439, 3rd Floor (Left), Merchant Road, Corner of 44th
Street, Botataung Township, Yangon
T: +959-73139486, 959-4500 65195, 959-4500 65196
F: +951-296262

Solitaire Logistics & Services Co., Ltd

TOP Floor, MPA - Allied Inland Container Depot (ICD 1),
Botataung Zay Street, Seikkan Township, Yangon
T: + 95 1 9010200 / 9010210
F: + 95 1 9010200

Unlimited Express (Myanmar) Co., Ltd.

Room 1003, 10th Floor, Yuzana Condo Tower, No 69, Shwe
Gone Daing Road, Bahan Township, Yangon
T: +951 558660
F: +951 558664
E: airexport@uecrgn.com.mm
W: www.uecgroup.com

Worldbridge Service Ltd

No 438, Theinbyu Road, Mingalar Taung Nyunt Township,
Yangon
T: +951 394869
F: +951 394869

Myanmar Speedmark Transportation Ltd

Room No. (6), Lower Kyee Mint Daing Road,
Myanma Port Authority Compound, Alone Township,
Yangon, Myanmar
T: + 95-1-225410
F: + 95-1-225410
E: info@mstl.com.mm

OV Container Line LTD

Room 903, M.M.G. Tower No. 44/56, Kannar Rd, 41-42 Street,
Botataung Township, Yangon
T: (951) 383 5312, 385586
F: (951) 387 472
E: info@ovclmyanmar.com
W: http://www.ovclasia.com

Secure Shipping Service Co., Ltd

910 (H), 9th Floor, La Pyayt Wun Plaza,
No.37, Alan Pya Pagoda Road,
Dagon Township, Yangon
T: +951 376462, 376469, 382535
F: +951 376462, 376469, 382535
M: info@seureshippingsservices.com
secure.wpp@gmail.com
W: www.seureshippingsservices.com

Htin Thiha Shipping Agency & Logistics Co., Ltd.

254, Rm71 ,Mingalar Tower Seikkan Thar St, Kyauktada Tsp,
Seikkan Thar St, Kyauktada Tsp, Yangon
T: +951 398024, 384479, 392757, 392759 F: +951 938023



6.2 In the EU and International

6.2.1 Associations of Trade Agents, Wholesalers & Retailers Organizations

Europe



AEDT

European Association of National Organisations of Textile Retailers
9-13/4th, Avenue des Nerviens
B - 1040 Bruxelles
Tel.: +32 - 2 - 230 5296
Fax: +32 - 2 - 230 2569
www.aedt.org
info@aedt.org

France



FEDERATION NATIONALE DES ENTREPRISES A COMMERCES MULTIPLES

Federation of multiples and department stores
46, Bd Magenta
F - 75010 Paris
Tel.: +33 - 1 - 4202 1769
Fax: +33 - 1 - 4206 5209
(no website)

FEDERATION NATIONALE DES GRANDS MAGASINS ET DES MAGASINS POPULAIRES

National federation of department stores
11, rue Saint-Florentin
F - 75008 Paris
Tel.: +33 - 1 - 42 60 02
Fax: +33 - 1 - 42 60 15 09
(no website)

Germany



AUSSENHANDELSVEREINIGUNG DES DEUTSCHEN EINZELHANDELS eV (AVE)

Foreign Trade Association of German Retailers
Mauritiussteinweg 1
D - 50676 K.In
Tel.: +49 - 221 - 921834 - 0
Fax: +49 - 221 - 921834 - 6
www.ave-koeln.de
info@ave-koeln.de

BUNDESVERBAND DES DEUTSCHEN GROSS- UND AUSSENHANDELS e.V. (BGA)

Federal Association of German Wholesalers and Exporters
Am Weidendamm 1 A
D - 10117 Berlin
Tel.: +49 - 305 - 900 995 - 0
Fax: +49 - 305 - 900 995 - 19
www.bga.de
info@bga.de

BUNDESVERBAND DES DEUTSCHEN TEXTILEINZELHANDELS e. V. (BTE)

Association of German Textile Retailers
An Lyskirchen 14
D - 50676 K.In
Tel.: +49 - 221 - 921 509 - 0
Fax: +49 - 221 - 921 509 - 10
www.bte.de
info@bte.de

BUNDESVERBAND DES DEUTSCHEN VERSANDHANDELS eV

Association of German Mail Order Companies
Johann-Klotz-Str. 12
D - 60528 Frankfurt/M.
Tel.: +49 - 69 - 678 656 - 0
Fax: +49 - 69 - 678 656 - 29
www.versandhandel.org
info@versandhandel.org

CENTRALVEREINIGUNG DEUTSCHER WIRTSCHAFTSVERB.NDE F.R HANDELSVERMITTLUNG UND VERTRIEB (CDH)

National Association of Trade Agents
Am Weidenbaum 1 A
D - 10117 Berlin
Tel.: +49 - 30 - 726 25600
Fax: +49 - 30 - 726 25699
www.cdh.de
centralvereinigung@cdh.de

Italy



CAMERA NAZIONALE DELLA MODA ITALIANA

National Fashion Organisation
V. Morone Gerolamo 6
I - 20121 Milano (MI)
Tel.: +39 (0) - 2 777 1081
Fax: +39 (0) - 2 777 10850 62
www.cameramoda.it
cameramoda@cameramoda.it

FEDERAZIONE NAZIONALE ASSOCIAZIONI AGENTI E RAPPRESENTANTI DI COMMERCIO

National Organisation of Trade Agents and Representatives
Corso Venezia, 51
I - 20121 Milano
Tel.: +39 (0) - 2 - 764 5191
Fax: +39 (0) - 2 - 7600 8493
www.fnaarc.it
info@fnaarc.it

FEDERAZIONE NAZIONALE DETTAGLIANTI TESSILI E ABBIGLIAMENTO

National Organisation of Textile and Clothing Retailers
Via Palestro, 24
I - 20121 Milano
Tel.: +39 (0) – 2 – 7601 5212
Fax: +39 (0) – 2 – 7600 3779
(no website)

FEDERAZIONE MODA ITALIA

Italian Fashion Organisation Via Durini, 14
I - 20122 – Milano
Tel.: +39 (0) – 2-7601 5212
Fax: +39 (0) – 2-7600 3779
www.federazionemodaitalia.it
info@federazionemodaitalia.it

SISTEMA MODA ITALIA (SMI)

Association of Italian Textile and Clothing Industry
Viale Sarca, 223
I - 20126 Milano
Tel.: +39 (0) – 2 641191
Fax: +39 (0) – 2 66103667
www.sistemamodaitalia.it
info@sistemamodaitalia.it

Denmark



DTB - Federation of Danish Textile and Clothing Industries

Birk Centerpark 38 | 7400 Herning
Tel.: +45 22 22 04 08
mhi@dmogt.dk
Tel.: +45 22 22 04 05
sgj@dmogt.dk
www.dmogt.dk/
info@dmogt.dk

Denmark Skohandlerforening

Trade organization in the fashion industry
Langebrogade 5 | 1411 Copenhagen K.
Tel.: 33 91 46 07
bm@skohandlerforening.dk
www.skohandlerforening.dk/

United Kingdom



BRITISH AGENTS REGISTER

5A Cheltenham Mount, Harrogate, North Yorkshire
GB - HG1 1DW
Tel.: +44-1423-560608/9
Fax: +44-1423-561204
www.agentsregister.com
info@agentsregister.com

BRITISH FASHION COUNCIL

Somerset House, South Wing Strand, London, WC2R 1LA
Tel.: +44 - 20-7759 1999
www.britishfashioncouncil.com
info@britishfashioncouncil.com

BRITISH MENSWEAR GUILD

5 Portland Place, GB - London, W1B 1PW
Tel.: +44-20-7580 8783
Fax: +44-20-7436 8833
www.british-menswear-guild.co.uk
director@british-mens-wearguild.co.uk

BRITISH SHOPS AND STORE ASSOCIATION Ltd. (BSSA)

Middleton House, 2 Main Road – Middleton Cheney
GB - Banbury – Oxon OX17 2TN
Tel.: +44-1295-712277
Fax: +44-1295-711665
www.british-shops.co.uk
info@bssa.co.uk

Switzerland



SWISS FASHION STORES

Association of Fashion retailers
c/o KPMG Fides - Hofgut
H - 3073 Gümlingen
Tel.: +41-31-384 77 04
Fax: +41-31-384 76 96
www.swiss-fashion-stores.ch
office@swiss-fashion-stores.ch

SWISS RETAIL FEDERATION

Federation of retailers
Marktgasse 50
CH - 3000 Bern 7
Tel.: +41-31-312 40 40
Fax: +41-31-312 40 41
www.swiss-retail.ch
info@swiss-retail.ch

VSF – VERBAND SCHWEIZERISCHER FILIALUNTERNEHMEN

Federation of Swiss Chain Stores -
c/o Advokaturbüro Utzinger Frohburgstr. 98
CH - 8006 Zürich
Tel.: +41-44-363 14 00
Fax: +41-44-363 15 25
www.vsf-schweiz.ch
vsf@ku-law.ch

VSIG – VEREINIGUNG DES SCHWEIZER IMPORT- UND GROSSHANDELS

Association of Swiss Importers and Wholesalers
Güterstr. 78
CH - 4010 Basel
Tel.: +41-61-228 90 30
Fax: +41-61-228 90 39
www.vsig.ch
info@vsig.ch

**VSV – VERBAND DES SCHWEIZERISCHEN
VERSANDHANDELS**

Federation of Swiss Mail Order Companies
General Wille-Strasse 144
8706 Meilen
Tel.: +41-58 - 310 07 17
Fax: +41-58-310 07 18
www.vsv-versandhandel.ch
info@vsv-versandhandel.ch

6.2.2 Industry Federations

Europe



EURATEX

European Apparel and Textile Confederation
24, rue Montoyer; Bte. 10 B-1000 Brussels
phone 1 : +32-2-285.48.83
phone 2 : +32-2-285.48.81
fax : +32-2-230.60.54
www.euratex.eu
info@euratex.eu

Federation of the European Sporting Goods Industry (FESI)

Rue Belliard 20, 1040 Bruxelles, Belgique
Phone: 00 32 2 762 86 48
Fax: 00 32 2 771 87 46
www.fesi-sport.org
info@fesi-sport.org

France



UNION FRANCAISE DES INDUSTRIES DE L'HABILLEMENT (UFIH)

French Clothing Manufacturers Association
8, rue de Montesquieu
F - 75001 Paris
Tel: + 33 - 1 44 55 66 60
Fax: +33 - 1 44 55 66 66
www.lamodefrancaise.org
secretariatufih@lamodefrancaise.org

UNION DES INDUSTRIES TEXTILES (UIT)

Textile Industry Association
37/39, rue de Neuilly
F - 92110 Clichy
Tel.: +33 - 1 - 4756 3100
Fax: +33 - 1 - 4730 2528
www.textile.fr
admin@textile.fr

Germany



German Fashion Modeverband Deutschland e.V

German Fashion Federation
An Lyskirchen 14
D - 50676 K.In
Tel.: +49 - 221 - 7744 - 0
Fax: +49 - 221 - 7744 - 137
www.germanfashion.net
info@germanfashion.net

Gesamtverband der deutschen Textil- und Modeindustrie e.V.

German Textile and Fashion Industry
Reinhardtstr. 12 -14
10117 Berlin
Tel: +49 - 30 726220-0
Fax +49 - 30 726220-44
www.textile-online.de
info@textil-mode.de

Italy



FEDERTESSILE

Textile Industry Federation
Viale Sarca 223
I - 20126 Milano
Tel.: +39 (0) - 2-6610 3440
Fax: 39 (0) - 2-6610 3455

Denmark



Confederation of Danish Industry

Manufacturing, trade and service industry
1787 COPENHAGEN
Tel.: +45 3377 3377
di.dk
di@di.dk

United Kingdom



BRITISH APPAREL & TEXTILE CONFEDERATION

5, Portland Place
 GB - London W1N 3AA
 Tel: +44-171-636 7788
 Fax: +44-171-636 7515
www.apparel-textiles.co.uk

THE BRITISH CHAMBERS OF COMMERCE

65 Petty France, St James Park
 GB - London SW1H 9E4
 Tel.: +44-20-7654 5800
 Fax : +44-20-7654 5819
www.britishchambers.org.uk
info@britishchambers.org.uk

CONFEDERATION OF BRITISH WOOL TEXTILES

Textile House
 Red Doles Lane, Huddersfield HD2 1YF
 Tel.: +44-1484 346500
 Fax: +44-1484 346501
www.cbwt.co.uk
info@cbwt.co.uk

Switzerland



SCHWEIZERISCHER GEWERBEVERBAND

Swiss Trade Association
 Schwarztorstrasse 26, Postfach
 CH-3001 Bern
 Tel: +41 31 380 14 14
 Fax: +41 31 380 14 15
www.sgv-usam.ch
info@sgv.usam.ch

SWISSFASHION – GESAMTVERBAND DER SCHWEIZERISCHEN BEKLEIDUNGSINDUSTRIE

Swiss Clothing Manufacturers Association
 Beethovenstrasse 20
 CH - 8022 Zürich
 Tel.: +41-44-289 79 79
 Fax: +41-44-289 79 80
www.swisstextiles.ch
zuerich@swisstextiles.ch

6.2.3 Trade Promotion Organizations

CBI – CENTRUM TOT BEVORDERING VAN DE IMPORT UIT ONTWIKKELINGSLANDEN

Centre for the Promotion of Imports from Developing Countries
 WTC-Beurs Building, Beursplein 37
 P.O.Box 30009
 NL - 3001 DA Rotterdam
 Tel.: +31 – 10 – 2013 434
 Fax: +31 – 10 – 4114 081
www.cbi.nl, cbi@cbi.nl

Import Promotion Desk (IPD)

Project Office Bonn
 c/o sequa gGmbH
 Alexanderstr. 10
 53111 Bonn, Germany
 Dr. Julia Hoffmann, Head of Import Promotion Desk
 T: +49 (0) 228 965 05 891
 F: +49 (0) 228 926 37 989
hoffmann@importpromotiondesk.de

DIPO

Danish Import Promotion Office Boersen
 B.rsen, Slotsholmsgade,
 DK - 1217 Copenhagen K
 Tel.: +45 3374 6000
 Fax: +45 3374 6080
www.dipo.eu
dipp@danskerhverv.com

GIZ

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
 Dag-Hammarskjöld-Weg 1-5
 D - 65726 Eschborn
 Tel: +49 – 6196 – 79 0
 Fax: +49 – 6196 – 79 1115
www.giz.de
info@giz.de

INTERNATIONAL TRADE CENTRE UNCTAD/WTO (ITC)

Palais des Nations
 CH - 1211 Geneva 10
 Tel : +41 – 22 – 730 0111
 Fax : +41 – 22 – 733 4439
www.intracen.org
itcreg@intracen.org

SIDA

Swedish International Development Cooperation Agency Sweavagen 20
 Postbox 3144
 S - 10525 Stockholm
 Tel.: +46 – 8 – 698 5000
 Fax: +46 – 8 – 208864
www.sida.se
info@sida.se

7. Annexes

A 1 Acronyms

AQL 2.5	Acceptance Quality Limit (part of ISO 2859-1 standard). The AQL is the worst tolerable process average in percentage or ratio that is still considered acceptable; that is, it is at an acceptable quality level.	FIATA	International Federation of Forwarding Agents' Associations
B/L	Bill of Lading	FLA	Fair Labor Association
BOI	Binding Origin Information	FOB	International Commercial Term for "Free on Board" – a term of sale under which the price invoiced or quoted by an exporter manufacturer includes all charges up to placing the goods on board a ship at the port of departure specified by the buyer. In the garment industry a mode of production in which the manufacturer purchases its own inputs, rather than assembling inputs provided by a buyer (CMP).
BSCI	Business Social Compliance Initiative	FWF	Fair Wear Foundation
C/I	Commercial Invoice	GATT	General Agreement on Tariffs and Trade
CFR	Cost and Freight	GDP	Gross Domestic Product
CIF	Cost-Insurance-Freight	GIZ	Deutsche Gesellschaft fuer Internationale Zusammenarbeit
CITES	Convention on International Trade in Endangered Species	GOTS	Global Organic Textile Standard
CMP	Cut-Make-Pack. The buyer keeps the development of new styles and the materials under his control, and outsources the labor-intensive jobs: cut, make (sew, trim, final QC) and pack.	GSP	Generalized System of Preferences
CN	Combined Nomenclature	HR	Human Resource
CO	Certificate of Origin	HS	Harmonized Commodity Description and Coding System
CPO	Chief Purchasing Officer	IATA	International Air Transport Association
CRO	Company Registration Office	ICC	International Chamber of Commerce
CSR	Corporate Social Responsibility	ILO	International Labor Organization
DC	Developing Country	Incoterms	International Commercial Terms
DICA	Directorate of Investment and Company Administration	ISO	International Standards Organization
EBA	Everything but Arms Initiative	ITC	International Trade Center
ECHA	European Chemicals Agency	L/C	Letter of Credit
EFTA	European Fair Trade Association	LDC	Least Developed Countries
ETI	Ethical Trading Initiative	MACCS	Myanmar Automated Customs Clearance Service
EU	European Union		

MFIL	Myanmar Foreign Investment Law	SAM	Standard Allowed Minute. A term of industrial engineering. SAM is a method for calculating the cost of a garment based on cost of labor per minute to finish a garment.
MFN	Most Favored Nation. Under the WTO agreements, countries cannot normally discriminate between their trading partners. Grant someone a special favour (such as a lower customs duty rate for one of their products) and you have to do the same for all other WTO members.	SCP	Sustainable Consumption and Production
		SMART	SMEs for environmental Accountability, Responsibility and Transparency
MFTB	Myanmar Foreign Trade Bank	SME	Small and Medium sized Enterprise
MGMA	Myanmar Garment Manufacturers Association	TARIC	Integrated Tariff of the European Communities
MIC	Myanmar Investment Commission	TT	Telegraphic Transfer
MICB	Myanmar Investment and Commercial Bank	UMFCCI	Union of Myanmar Federation of Chambers of Commerce and Industry
MIFFA	Myanmar International Freight Forwarders Association	VAT	Value Added Tax
MITS	Myanmar Inspection & Testing Services	WCO	World Customs Organization
MPA	Myanmar Port Authority	WTO	World Trade Organization
MS	Member State	ZDHC	Zero Discharge of Hazardous Chemicals
MTDC	Myanmar Trade Development Committee		
NES	National Export Strategy		
NPED	Ministry of National Planning and Economic Development		
OHSAS	Occupational Health and Safety Advisory Services		
OMIC	Overseas Merchandise Inspection Co. Ltd		
PoA	Plan of Action		
QC	Quality Control		
RAPEX	Rapid Alert System for dangerous non-food products		
REACH	Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals		
REX	Registered Exporter		
RoO	Rules of Origin		
SAC	Sustainable Apparel Coalition		
SAD	Single Administrative Document		
SAI	Social Accountability International		

A 2 Resources and References

Publications and Reports

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Myanmar National Export Strategy – Textiles and Garments Sector Export Strategy 2015-2019

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<http://www.mmmtimes.com/index.php/business/8005-commercial-tax-like-vat-but-not-quite-the-fine-print-legal-tax-insight.html>

WTO Trade Policy Review: Myanmar, 11 and 13 March 2014
https://www.wto.org/english/tratop_e/tpr_e/tp393_e.htm

Internet Resources

Association of Southeast Asian Nations	http://www.asean.org/communities/asean-economic-community/item/myanmar-3
Business Social Compliance Initiative (BSCI)	http://www.bsci-intl.org
CBI market information database	http://www.cbi.eu/market-information/apparel/channels-segments
CITES	https://cites.org
EFTA (the European Fair Trade Association)	http://www.european-fair-trade-association.org/efta/
EU Export Helpdesk	http://exporthelp.europa.eu/thdapp/index.htm
EU Trade Documentation for Customs Clearance	http://exporthelp.europa.eu/thdapp/display.htm?page=rt/rt_DocumentsForCustomsClearance.html&docType=main&languageId=EN
EURATEX	http://euratex.eu/press/key-data/
European Commission	http://ec.europa.eu/index_en.htm
European Commission – GSP and EBA	http://ec.europa.eu/trade/policy/countries-and-regions/development/generalised-scheme-of-preferences/index_en.htm
European Eco-Label for Textile Products	http://ec.europa.eu/environment/ecolabel/index_en.htm
Fair Labor Association (FLA)	http://www.fairlabor.org/about-us
Fair Wear Foundation (FWF)	http://www.fairwear.org/22/about/
Fairtrade International	http://www.fairtrade.net
Federation of Forwarding Agents' Associations	http://www.fiata.com
Global Organic Textile Standard (GOTS)	http://www.global-standard.org/the-standard.html
Greenpeace Detox	http://www.greenpeace.org/international/en/campaigns/detox/water/detox/intro/
International Air Transport Association (IATA)	http://www.iata.org
International Chamber of Commerce & Industry	http://www.iccwbo.org/products-and-services/trade-facilitation/incoterms-2010/the-incoterms-rules/
ITC Standards Map	http://www.standardsmap.org
ITC Trademap	http://www.trademap.org/Index.aspx
Lawgazette	http://www.lawgazette.com.sg/2013-02/676.htm
Myanmar Customs Office	http://www.myanmarcustoms.gov.mm/
Myanmar Garment Manufacturers Association	http://www.myanmargarments.org
Myanmar Ministry of Commerce and Industry	http://www.commerce.gov.mm/
OFFICE OF TEXTILES AND APPAREL (OTEXA)	http://web.ita.doc.gov/tacgi/overseasnew.nsf/annexview/EU+Member+Labeling+Requirements
Official Website of the European Union	http://europa.eu/index_en.htm
OHSAS	http://www.ohsas-18001-occupational-health-and-safety.com/index.htm
REACH – European Chemicals Agency	http://echa.europa.eu/regulations/reach/understanding-reach
Social Accountability International (SAI)	http://www.sa-intl.org/index.cfm?fuseaction=Page.ViewPage&PageID=937
Sustainable Apparel Coalition (SAC).	http://apparelcoalition.org/the-coalition/
DICA	http://dica.gov.mm.x-aas.net
The Ethical Trading Initiative (ETI)	http://www.ethicaltrade.org/about-eti
The Oeko-Tex® Standard 100	https://www.oeko-tex.com/en/manufacturers/concept/oeko_tex_standard_100/oeko_tex_standard_100.xhtml
UMFCCI	http://www.umfcci.com.mm/index.php
United Nations Statistics Division	http://unstats.un.org/unsd/cr/registry/regcst.asp?cl=14
World Customs Organization	http://www.wcoomd.org/en/
Worldwide trade fair database:	http://www.auma.de/en/Messedatenbank/Weltweit/Seiten/Default.aspx
ZDHC	http://www.roadmaptozero.com/about-zdhc.php

A 3 HS Codes Garment Sector

HS Code	Category description
61	Articles of apparel & clothing accessories - knitted or crocheted
61.01	Men's or boys' overcoats etc - knitted or crocheted
61.02	Women's or girls' overcoats etc - knitted or crocheted
61.03	Men's or boys' suits, ensembles etc - knitted or crocheted
61.04	Women's or girls' suits, ensembles etc - knitted or crocheted
61.05	Men's or boys' shirts - knitted or crocheted
61.06	Women's or girls' blouses - knitted or crocheted
61.09	T-shirts, singlets, tank tops etc - knitted or crocheted
61.10	Sweaters, pullovers, vests etc - knitted or crocheted
61.11	Babies' garments & accessories - knitted or crocheted
61.12	Track suits, ski-suits & swimwear - knitted or crocheted
61.13	Garments, knitted etc, coated etc rubber, plastic etc
61.14	Other garments - knitted or crocheted
61.16	Gloves, mittens and mitts, knitted or crocheted
61.17	Other made-up clothing accessories, knitted or crocheted
62	Articles of apparel & clothing accessories - not knitted or crocheted
62.01	Men's or boys' overcoats, cloaks etc - not knitted or crocheted
62.02	Women's or girls' overcoats etc - not knitted or crocheted
62.03	Men's or boys' suits, ensembles etc - not knitted or crocheted
62.04	Women's or girls' suits, ensembles etc - not knitted or crocheted
62.05	Men's or boys' shirts - not knitted or crocheted
62.06	Women's or girls' blouses - not knitted or crocheted
62.09	Babies' garments & accessories - not knitted or crocheted
62.10	Garments, of felt etc, or fabric impregnated etc
62.11	Track suits, ski-suits & swimwear - not knitted or crocheted
62.14	Shawls, scarves, mufflers, mantillas, veils and the like
62.15	Ties, bow ties and cravats
62.16	Gloves, mittens and mitts
62.17	Other made-up clothing accessories and parts of garments

A 4 Care Labeling Symbols

WASHING

All garments worn close to the skin should preferably be washable at 60° C., normal mechanical agitation. All other garments should be washable at 40° C., normal mechanical agitation. The bar under the wash tub should only be used in the case of delicate fabrics. The bar indicates that the

mechanical agitation should be reduced. The broken bar should only be used in the case of machine washable wool and machine washable silk. The broken bar indicates that the mechanical agitation should be much reduced. The hand-wash symbol should only be used for articles which cannot be washed in the washing machine.

The washing labelling symbols (according to ISO 3758)		
Symbols	Max. washing temperature	Care process
	95 °C	mechanical action normal rinsing normal spinning normal
	95 °C	mechanical action reduced rinsing at gradually decreasing temperature spinning reduced
	60 °C	mechanical action normal rinsing normal spinning normal
	60 °C	mechanical action reduced rinsing at gradually decreasing temperature spinning reduced
	40 °C	mechanical action normal rinsing normal spinning normal
	40 °C	mechanical action reduced rinsing at gradually decreasing temperature spinning reduced
	40 °C	mechanical action highly reduced rinsing at gradually decreasing temperature spinning highly reduced
	30 °C	mechanical action normal rinsing normal spinning normal

The washing labelling symbols (according to ISO 3758)		
Symbols	Max. washing temperature	Care process
	30 °C	mechanical action reduced rinsing at gradually decreasing temperature spinning reduced
	30 °C	mechanical action highly reduced rinsing at gradually decreasing temperature spinning highly reduced
	40 °C	hand wash only
	-	Do not wash

IRONING

The ironing labelling symbols (according to ISO 3758)	
Symbols	Care process
	Iron at maximum soleplate temperature of 200 °C
	Iron at maximum soleplate temperature of 150 °C
	Iron at maximum soleplate temperature of 110 °C
	Do not iron

DRY CLEANING

Letters (A, P and F) in the circle refer to the solvents which may be used by dry cleaners. Underlining the circle indicates that a specific process should be used (mild process with strict limitations on the addition of water and/or mechanical action and/or temperature during cleaning and/or drying). In this case, self-service cleaning is not allowed.

The dry cleaning labelling symbols (according to ISO 3758)	
Symbols	Care process
	Dry-cleaning in all solvents normally used for dry-cleaning except trichloro-ethylene with normal cleaning procedures. Self-service cleaning is possible.
	The bar placed under the circle indicates strict limitations on the addition of water and/or mechanical action and/or temperature during cleaning and/or drying. Self-service cleaning is not allowed
	Only petroleum solvents may be used with normal cleaning procedures
	The bar placed under the circle indicates strict limitations on the addition of water and/or mechanical action and/or temperature during cleaning and/or drying. Self-service cleaning is not allowed.
	Do not dry-clean - no stain removal with solvents
	No wet-cleaning possible
	Wet-cleaning possible
	Gentle wet-cleaning possible
	Very gentle wet-cleaning possible

TUMBLE DRYING

The tumble drying symbol (a circle in a square) must be completed by one or two dots for two different temperature levels. Two dots for all cotton and linen articles, one dot for all other compositions. Care should be taken that articles are finished properly to prevent excessive shrinkage. This should be tested.

Note: the 'weakest' fibre determines the selection of the symbols in blended materials.

The tumble drying labelling symbols (according to ISO 3758)	
Symbols	Care process
	No restrictions concerning the temperature of tumble drying after a washing process.
	Tumble drying possible at lower temperature setting (60 °C maximum) after a washing process.
	Don not tumble dry.

BLEACHING

The bleaching labelling symbols (according to ISO 3758)	
Symbols	Care process
	The empty triangle means that all bleaching processes are allowed.
	The triangle with the two lines means that only oxygen based bleach and no chloride based bleach is allowed.
	The crossed black triangle means that bleaching is not possible (normal washing powder allowed).

A 5 Listing of Major Buyers

GERMANY



Clothing chain stores

Bonita Gefühl für Mode GmbH & Co. KG
Kesseldorfer Rott 39
D - 46499 Hamminkeln
Tel.: +49 - 2852 - 9500
Fax: +49 - 2852 - 950100
info@bonita.de
www.bonita.de

Product range: Women's wear
Price segment: Lower to mid-level
Number of outlets: 920

E. Breuninger GmbH & Co.
Marktstr. 1 - 3
D - 70173 Stuttgart
Tel.: +49 - 711 - 211-0
Fax: +49 - 711 - 211-3053
kontakt@breuninger.de
www.breuninger.de

Product range: Women's, men's and children's wear
Price segment: Upper level
Number of outlets: 10

C&A Mode KG
Wanheimer Stra.e 70
40468 Düsseldorf
Tel.: +49 - 211 - 98720
service@shop-CundA.de
www.cunda.de

Product range: Women's, men's and children's wear
Price segment: Lower to mid-level
Number of outlets: 503

Appelrath-Cüpper
Zeppelinstrasse 2
D - 50667 K.In
Tel.: +49 - 221 - 20 59 90
info@appelrath-cuepper.de
www.appelrath-cuepper.de

Product range: Women's wear
Price segment: Mid to upper level
Number of outlets: 13
Note: belongs to Douglas Holding AG

Pohland-Herrenkleidung GmbH & Co. KG
Brückenstra.e 17
D - 50677 K.In
Tel.: +49 - 221 - 270497 - 0
Fax: +49 - 221 - 270497 - 39
info@pohland.de
www.pohland.de

Product range: Men's wear
Price segment: Mid to upper level
Number of outlets: 12
Note: belongs to Douglas Holding AG

Esprit Europe GmbH
Esprit Europe GmbH
Esprit-Allee
D-40882 Ratingen
Tel.: +49 - 2102 - 123 - 0
Fax: +49 - 2102 - 123 - 45 - 100
info@esprit.com
www.esprit.com

Product range: Women's, men's and children's wear
Price segment: Upper level
Number of outlets: 185 retail stores in Germany and over 800 directly managed outlets worldwide

Hettlage + Fischer GmbH
Industriestra.e 1
D - 48644 Coesfeld-Lette
Tel.: +49 - 2546 9345 - 0
Fax: +49 - 2546 9345 - 79
info@hettlage-fischer.com
www.hettlage-fischer.de

Product range: Ladies, men's and children's wear
Price segment: Mid to upper level
Number of outlets: 2



H&M Hennes & Mauritz
GmbH
Spitalerstrasse 12
D - 20095 Hamburg
Tel: +49 - 40 - 350 95 50
www.hm.com

Product range: Women's wear
Price segment: Lower to mid level
Number of outlets: 202
Note: belongs to Mulliez Group

Peek & Cloppenburg KG
Berliner Allee 2
D - 40212 Düsseldorf
Tel.: +49 - 211 - 3662 - 0
Fax: +49 - 211 - 3662 - 697
dialog@peekundcloppenburg.de
www.peekundcloppenburg.de
http://b2b.peek-und-cloppenburg.de/

Product range: Ladies men's and
childrenswear
Price segment: Upper level
Number of outlets: 64

SinnLeffers AG
Bathey Str. 115 - 117
D - 58099 Hagen
Tel.: +49 - 2331 - 620 - 0
Fax: +49 - 2331 - 620 - 100
info@sinnleffers.de
www.sinnleffers.de

Product range: Ladies men's and
childrenswear
Price segment: Mid to upper level
Number of outlets: 22

s.Oliver Bernd Freier GmbH & Co. KG
s.Oliver Stra.e 1
D - 97228 Rottendorf
Tel.: +49 - 93 02 / 3 09 - 0
Fax: +49 - 93 02 / 3 09 - 473
info@soliver.de
onlineshop@soliver.com
www.soliver.de

Product range: Ladies', men's and
childrenswear
Price segment: Mid to upper level
Number of owned stores: 262
Number of stores with partners: 323

Takko Holding GmbH
Alfred Krupp Str. 21
D - 48291 Telgte
Tel.: +49 - 2504 - 923 - 0
Fax: +49 - 2504 - 923 - 277
info@takko.de
www.takko.de

Product range: Ladies', men's and
Childrenswear (and Accessoires, Jewelry)
Price segment: Lower level
Number of outlets: 1140 Germany (1,704 worldwide)

Tchibo GmbH
.berseering 18
D - 22297 Hamburg
Tel.: +49 - 40 - 6387 - 2876
Fax: +49 - 40 - 6387 - 2530
info@tchibo.com
www.tchibo.de

Product range: Ladies', men's and
childrenswear
Price segment: Lower level
Number of outlets: over 800

Charles V.gele Deutschland GmbH
Zeppelinstrasse 2-8
72488 Sigmaringen
Tel.: +49 - 7571 723 0
Fax +49 - 7571 723 171
kundendienst.de@charles-voegele.com
www.voegele-mode.de

Product range: Ladies', men's and
childrenswear
Price segment: Lower to mid level
Number of outlets: 294

Wehmeyer Lifestyle GmbH
 Rotter Bruch 17
 D - 52068 Aachen
 Tel.: +49 - 2 41 / 51 97 - 0
 Fax: +49 - 241 51 97 107
 www.wehmeyer.com
 www.w-lifestyle.de
 kundenbetreuung@wehmeyer.com

Product range: Ladies' and menswear
 Price segment: Lower to mid level
 Number of outlets: 44



Rudolf W. hrl AG
 Lina-Amman-Str. 10
 D - 90471 Nürnberg
 Tel.: +49 - 911 - 8121 - 0
 Fax: +49 - 911 - 8121 - 100
 info@woehrl.de
 www.woehrl.de

Product range: Ladies', men's and
 childrenswear
 Price segment: Upper level
 (brands mainly)
 Number of outlets: 38

Department stores (selection)
 Zara
 Moenckebergstrasse, 10
 D - 20095 Hamburg
 Tel.: +49 - 40 3 030 97 28
 Fax: +49 - 40 30 96 22 40
 www.zara.de

Product range: Ladies' and
 menswear
 Price segment: Lower to mid level
 Number of outlets: 69

Deutsche Woolworth GmbH
 Lyoner Str. 52
 D - 60528 Fr Woolworth ankfurt a.M.
 Tel.: +49 - 69 - 6601 - 1
 Fax +49 - 69 - 6601 - 2399
 info@woolworth.de
 www.woolworth.de

Product range: Ladies', men's and
 childrenswear
 Price segment: Lower level
 Number of outlets: 200 in Germany

Metro AG
 Schlüterstra.e 1
 D - 40235 Düsseldorf
 Tel.: +49 211 6886 10 51 or 19 36
 Fax: +49 211 6886 37 59
 kontakt@metro.de
 www.metro-ag.de
 www.metrogroup.de
 www.investorrelations@metro.de

Product range: Ladies', men's,
 childrenswear and sportswear
 Price segment: Mid to upper level
 Number of outlets: Real/Extra 316,
 Kaufhof 137 in Germany

Kaufhof Warenhaus AG
 Leonhard-Tietz-Str. 1
 D - 50676 K.In
 Tel.: +49 02 21 223 55 95
 Fax: +49 02 21 223 55 99
 www.galeria-kaufhof.de
 Callcenter Tel: +49 01805 17 25 17
 Callcenter Fax: +49 01805 17 35 17
 service@galeria-kaufhof.de

Product range: Ladies', men's and
 childrenswear
 Price segment: Mid to upper level
 Number of outlets: 122
 Note: Belongs to Metro AG

Strauss Innovation GmbH & Co. KG
 Raiffeisenstr. 15-18
 D - 40764 Langenfeld
 Tel.: +49 - 2173 - 99 00 01
 Fax +49 - 2173 - 99 23 90
 fragenundantworten@strauss-innovation.de
 gutesundschlechtes@strauss-innovation.de
 www.strauss-innovation.de

Product range: Ladies' and
 menswear
 Price segment: Lower to mid level
 Number of outlets: 93



Wal-Mart Germany GmbH & Co. KG
 Friedrich-Engels-Allee 28
 D-42103 Wuppertal
 Tel: +49 – 202 – 2829 – 0
 Fax: +49 – 202 – 2829 – 1724
 kontakt@wal-mart.com
 www.walmart.de

Product range: Ladies', men's,
 childrenswear and sportswear
 Price segment: Lower level
 (for clothing)
 Number of outlets: 85

Clothing manufacturers (importing) and wholesalers / importers

HEINRICH NICKEL GMBH & CO.KG
 Wilhelm-Bergner-Str. 10
 D - 21509 Glinde
 Tel.: +49(0)40 7270 241
 Fax: +49(0)40 7270 224
 www.nickel-sportswear.com
 office@nickel-sportswear.com

Importer of men's, ladies and
 children's sportswear

APRIORI Textilvertriebs GmbH
 Harkortstr. 24
 D - 48163 Münster
 Tel.: +49 (0)251 7135-0
 Fax: +49 (0)251 7135-837
 dialog@apriori-fashion.de
 www.apriori-fashion.de

Wholesaler of ladies wear
 Number of owned stores: Approximately 120
 Belongs 100% to:
 PRIMERA GmbH & Co.

Bay City Textilhandels & Co.KG
 An'n Slagboom 7
 Postfach 3165
 D-22848 Norderstedt
 Tel.: +49 (40) 534 13 300
 Fax: +49 (40) 534 13 301
 baycity@fashioncenter.net
 www.fashioncenter.net/baycity
 www.bay-city.de

Importer for jeans, casual and
 active sportswear
 founded: 1975 and belongs to Schmid Gruppe
 License Contract with Unilever (Lable: Langnese)

F.W. Brinkmann GmbH
 Waltgeristra.e 1-5
 32049 Herford
 Tel: +49 (0) 52 21 / 88 40
 Fax: +49 (0) 52 21 / 88 42 81
 info@bugatti.de
 www.bugatti.de

Manufacturer of classic men's and
 sportswear (mainly CMT business –
 brand orientated)

Bütel Bekleidungswerke GmbH
 Rheiner Str. 28
 D - 48499 Salzbergen
 Tel.: +49 – 5976 – 270
 Fax: +49 – 5976 – 27410
 www.bueltel.com
 info@bueltel.com

Manufacturer of men's sportswear

elho Business & Sport Vertriebs GmbH
 Bronkhorstr. 56 / 2. Etage
 D – 47137 Duisburg
 Tel.: +49 – 89 – 42091 – 0
 Fax: +49 – 89 – 42091 – 213
 www.elho.de
 otto.schwarz@elho.de

Manufacturer of active and casual
 sportswear (full import and CMT)

Frontline GmbH
Hinüberstra.e 4A
30175 Hannover
Tel.: +49 – 4105 – 6105 – 0
Fax: +49 – 4105 – 6105 – 64
www.frontline.de

Distributor of garments of all kinds



GARDEUR GmbH
Alsstra.e 155
D - 41063 M.nchengladbach
Tel.: +49 – 2161 – 816 – 0
Fax: +49 – 2161 – 183833
www.gardeur.com
info@gardeur.de

Manufacturer of classic ladies' and menswear specialised in trousers (CMT business – brand oriented)
GARDEUR GmbH, founded in 1920, has recently been acquired by HSH Private Equity (Hamburg)

HUCKE AG
Ravensberger Str. 41
D - 32312 Lübbecke
Tel.: +49 – 5741 – 364 – 0
Fax: +49 – 5741 – 364 – 414
www.hucke.de

Multi Brand manufacturer of ladies', men's and childrenswear (full import and CMT)
Hucke Fashion GmbH, K.nigsmühle u. R. Overmeyer Bekleidungs GmbH

"mail order companies"

ALBA MODA GMBH
Daimlerstr. 13
D - 32108 Bad Salzuflen
Tel.: +49 – (0) 180 540 55
Fax: +49 – (0) 180 540 59 99
www.albaModa.de

Product range: Ladies' and menswear
Price segment: Mid to upper level
Note: Fashion orientated (not young fashion)

Baur Versand (GmbH & Co. KG)
Bahnhofstra.e 10
96224 Burgkunstadt
Tel.: +49 – 0 95 72 - 91 0
www.baur.de
service@baur.de

Product range: All kinds of goods, ladies', men's, children's wear
Price segment: Mid market level
Note: one of the larger mail-order companies

BRUNO BADER GmbH + Co KG
Maximilianstra.e 48
D - 75172 Pforzheim
Tel.: +49 – 180 – 5 222 111
Fax: +49 – 180 – 5 222 777
www.bader.de
service@bader.de

Product range: All kinds of goods, ladies', men's, childrenswear
Price segment: Mid market level
Note: one of the larger mail-order Companies

CYRILLUS DEUTSCHLAND GmbH
Sonneaue 69
D - 47804 Krefeld
Tel.: +49 – 180 5 095 095
Fax: +49 – 180 5 000 955
www.cyrillus.de
mailbox2@cyrillus.com

Product range: Ladies', men's, childrenswear
Price segment: Mid level
Note: Niche market mail-order house

HEINRICH HEINE GMBH
Windeckstr. 15
D - 76135 Karlsruhe
Tel.: +49 – (0) 180 – 536 36
Fax: +49 – (0) 180 - 5 524 524
Tel. Kundenbetreuung:
+49 (0) 180 - 522 66
www.heine.de
service@heine.de

Products: Home textiles, furniture, accessories, ladies', menswear
Price segment: Mid to upper level
Note: more classic styles



Versandhaus Robert Klingel
Sachsenstr. 23
D - 75177 Pforzheim
Tel.: +49 – 0180 53 200
Fax: +49 – 0180 530 56 70
www.klingel.de
service@klingel.de

Product range: All kinds of goods,
ladies', men's and childrenswear
Price segment: Mid level

Neckermann Versand AG
Hanauer Landstra.e 360
D - 60386 Frankfurt am Main
Tel.: +49 – 180 55414
www.neckermann.de
service@neckermann.de

Product range: All kinds of goods,
ladies', men's, childrenswear
Price segment: Mid-market level
Note: one of the larger mail-order
companies

Otto (GmbH & Co KG)
Wandsbeker Stra.e 3-7
D - 22172 Hamburg
OTTO-Hotline: 0180 - 5 30 30
Hotline: +49 (0) 180 530 30
Tel.: +49 40 - 64 61 - 0
Fax: +49 40 - 64 61 - 85 71
OTTO-Hotline: 0180 - 5 30 30
www.otto.de
service@otto.de

Product range: Ladies', men's and Children's wear
and other goods
Price segment: Lower to mid level
Note: Largest mail order house in the world selling
worldwide

SportScheck GmbH
Sendlinger Str. 6
D - 80331 München
Tel: +49 89 2166-0
Fax: +49 89 2166-1420
Tel. Kundenbetreuung:
Tel.: +49 – 180 55050*
Fax: +49 – 180 55051*
www.sportscheck.com
filiale_muenchen@sportscheck.com

Product range: All kinds of goods, women's and
children' wear, sportswear
Price segment: Mid to upper level

Jeans-, sportswear and young fashion

Western Store Beran
Mister-Lady GmbH
Sprottauer Str. 4 – 8
D - 90475 Nürnberg
Tel.: +49 – 911 – 984 760
Fax: +49 – 911 – 984 73 04
www.wsberan.de

Product range: Jeans and sportswear, young
fashion
Price segment: Lower to mid level

DIESEL DEUTSCHLAND GMBH
Kasernenstr. 1
D - 40213 Düsseldorf
Tel.: +49 211 8622 966
www.diesel.com
Jeans Palast G.rgens GmbH

Product range: Jeans, young fashion
Price segment: Mid to upper level
Number of outlets: 12

Schildergasse 55
D - 50667 K.In
Tel.: +49 221 – 257 86 49
Fax: +49 221 – 258 85 51
jeans-palast-koeln@goergens-gruppe.de
http://filialnetz.guna.de/filialnetz/koeln/jeanspalast/

Product range: Jeans, young fashion
Price segment: Mid to upper level
Number of outlets: Approximately 55

Jeans Fritz
Handelsgesellschaft für Mode mbH
Tengerner Stra.e 143
D - 32609 Hüllhorst
Tel.: +49 (0) 5744 512 – 0
Fax: +49 (0) 5744 512 – 111
www.jeans-fritz.de

Product range: Jeans, leisurewear
Price segment: Mid level



New Yorker S.H.K Jeans GmbH
Hansestra.e 48
D - 38112 Braunschweig
Tel.: +49 – 531 – 2135 – 0
Fax: +49 – 531 – 2135 – 187
www.newyorker.de
smattern@newyorker.de
(Produktanfragen & Expansion)

Product range: Jeans, leisurewear
Price segment: Mid level
Number of outlets: 299

HIS TEXTIL GmbH
Bellevue 7
D - 22301
Tel.: +49 – 89 – 329070
Fax: +49 – 89 – 32907108
www.his-jeans.de
www.info@his-jeans.com

Product range: Jeans
Price segment : Mid to upper level
Note: Manufacturer + clothing chain

MUSTANG Jeans GmbH & Co.KG
P.O. Box 1264
D – 74642 Künzelsau
Tel.: +49 – 7940 – 125 – 0
Fax: +49 – 7940 – 125 – 102
www.mustang.de
info@mustang.de

Product range: Jeans and sportswear
Price segment : Mid to upper level
Note: Manufacturer + clothing chain
Number of outlets: Approximately 1100 (an present in over 31 countries worldwide)

Buying associations

ARDEK eG (proBABY c/o)
Robert Bosch Str. 9
D - 65719 Hofheim-Wallau
Tel.: +49 – 6122 – 72 – 0
Fax: +49 – 6122 – 72338
www.ardek.de
info@ardek.de
www.probaby.de
info@probaby.de

Product range: Products for children,
Children's wear, pro-BABY-Line / Products for
babies (100 Member companies)
Price segment: Mid to upper level
Member companies: over than 500

INTERSPORT Deutschland eG
Wannen.ckerstr. 50
D - 74078 Heilbronn
Tel.: +49 – 7131 – 288 – 0
Fax: +49 – 7131 – 21257
www.intersport.com
contact@intersport.com

Product range: (Active) sportswear
Price segment: Mid to upper level
Member companies: 1,450
Note: Market leader for active
Sportswear

KATAG AG
Stralsunder Str. 5
D - 33605 Bielefeld
Tel.: +49 – 521 – 292 – 0
Fax: +49 – 521 – 292 – 101
www.katag.net
www.info@katag.de

Product range: Men's, ladies' and
childrenswear
Price segment: Mid to upper level
Member companies: 1'200



KURTENBACH GbmH & CO. KG
Offheimer Weg 45
D - 65549 Limburg
Tel.: +49 - 6431 - 503 - 0
Fax: +49 - 6431 - 503 - 201
www.mut-kurtenbach.de
Gesch.ftsleitung@Kurtenbach.de

Product range: All kinds of garments
Price segment: Lower level
Member companies: 2000



UNITED KINGDOM

Clothing Chain Stores

Arcadia Group Ltd.
Colegrave House
70 Berners Street
GB - London W1T 3NL
Tel.: +44 - 0844 243 0000
www.arcadiagroup.co.uk
customer.service@arcadiagroup.co.uk

Product range: Ladies, men's, childrenswear
Price segment: Mid-level
Number of outlets: 2500 + 615 international franchise stores+ mail order business
Note: Arcadia Group is privately owned by Taveta Investments Ltd, the investment vehicle owned by Sir Philip Green and his family

TOP MAN
Colegrave House
70 Berners Street
GB - London W1T 3NL
Tel.: +44 - 207 - 636 8040
European Customers: +44 844 984 0264
customer.service@topman.com
www.topman.co.uk

Product range: Menswear
Price segment: Lower to mid-level
Number of outlets: 167 + mail order service
Note: belongs to ARCADIA Group

TOP SHOP
Colegrave House
70 Berners Street
GB - London W1T 3NL
Tel.: +44 - 207 - 636 8040
Fax: +44 - 207 - 927 2434
www.topshop.co.uk
customer.service@TOPSHOP.COM

Product range: Womenswear (young fashion)
Price segment: Mid-level
Number of outlets: 288 + mail order service
Note: belongs to ARCADIA Group

Wallis Fashion Group Ltd.
Colegrave House
70 Berners Street
GB - London W1T 3NL
Tel.: +44 - 207 - 636 8040
customer.service@wallis.co.uk
www.wallis-fashion.com

Product range: Womenswear
Price segment: Lower to mid-level
Number of outlets: 289 + mail order service
Note: belongs to ARCADIA Group

WEW Group PLC
296 Springfield Road
GB - Glasgow G40 3HZ
Tel.: +44 - 141 - 5567111
Fax: +44 - 141 - 5567262

Product range: Ladies, men's, childrenswear
Price segment: Mid-level
Number of outlets: 40

Bhs International
Euston House
132 Hampstead Road
GB - London NW1 2PS
Tel.: +44 - 207 - 2623288
international@bhs.co.uk
www.bhs.co.uk

Product range: Ladies, men's, childrenswear, Home
Price segment: Mid-level
Number of outlets: over 100 in the UK



Bon March. Ltd.
Jubilee Way
Grange Moor
GB - Wakefield WF4 4SJ
Tel.: +44(0)1924 700100
Fax: +44(0)1924 700249
info@bonmarche.co.uk
www.bonmarche.co.uk

Product range: Womens wear
Price segment: Lower level
Number of outlets: 261 (350 at the end 2008)
Note: belongs to Peacock Group

Greenwoods Ltd.
Greenwood House
Albion Road, Greengates
GB - Bradford BD10 9TQ
Tel.: +44 - 127 - 4659650
Fax: +44 - 127 - 4659692
info@gwmw.com
www.gwmw.com

Product range: Menswear
Price segment: Upper level
Number of outlets: 150

H&M Hennes Ltd.
2nd Floor, Holden House
57 Rathbone Place
GB - London W1T 1HE
Tel.: +44 - 020 - 7323 2211
www.hm.com

Product range: Ladies, men's, childrenswear
Price segment: lower level
Number of outlets: 228

Matalan Retail Ltd.
Gillibrands Road
Skelmersdale
GB - WN8 9TB, West Lancashire
Tel.: +44 - 169 - 5552400
www.matalan.co.uk

Product range: Ladies, men's, childrenswear
Price segment: mid to upper level
Number of outlets: 217

MANGO (head office in Spain)
Mercaders 9-11
P.I. Riera de Caldes
Apartado de Correos 280
E - 08184 Palau-solit. i
Plegamans (Barcelona)
Tel.: +34 - 93 860 24 24
Fax:+34 - 93 860 22 07
www.mango.es

Product range: Ladies, men's, childrenswear
Price segment: Lower level (value for money)
Number of outlets: 84 in UK

Store Twenty One (Earlier Know as Q S PLC)
Harbour House
121 Gardener Road, Portslade
GB - Brighton BN1 IQS
Tel.: +44 - 1273 - 874444
Fax: +44 - 1273 - 874433
<http://www.storetwentyone.co.uk/about-us/customerservices@storetwentyone.co.uk>

Subsidiary of Grabel Alok
Product range: Ladies, men's, childrenswear
Price segment: Lower level (value for money)
Number of outlets: 279

River Island Clothing Co.
Ltd.
Chelsea House, West Gate
GB - London W5 1DR
Tel.: +44 - 208 - 9914500
Fax: +44 - 208 - 9914500
www.riverisland.com

Product range: Ladies' and menswear
Price segment: Mid to upper level
Number of outlets: 200



Zara
48, Warwick Street
GB - London, W1B 5 FE
Tel.: +44 20 7851 43 00
Fax: +44 20 7851 43 01
www.zara.com

Product range: Ladies, men's, childrenswear
Price segment: Mid-level
Number of outlets: 42
(Remark: Buying via Spain)

Department Stores

Debenhams Retail Plc.
1 Welbeck Street
GB - London W1G 6AA
Tel.: +44 - 207 - 408 4444
Fax: +44 - 207 - 408 3366
www.debenhams.com

Product range: Ladies', men's and childrenswear
Price segment: Mid-level
Number of outlets: 117 in UK (240 Stores across 28 countries)

House of Fraser PLC
1 Howick Place
GB - London SW1P 1BH
Tel.: +44 - 207 - 963 2000
Fax: +44 - 207 - 821 5348
www.houseoffraser.co.uk

Product range: Ladies' and menswear
Price segment: Upper level (brand orientation)
Number of outlets: 62 (In UK and Ireland)

John Lewis Partnership Ltd.
John Lewis Department Stores
171 Victoria Street
GB - London SW1E 5NN
Tel.: +44 - 207 - 828 1000_
Fax: +44 - 207 - 592 6333
www.johnlewis.co.uk
www.johnlewispartnership.co.uk

Product range: Sports and Leisurewear
Price segment: Lower to mid-level
Number of outlets: 27 stores + 169 Supermarkets

Liberty PLC
Regent Street
GB - London W1B 5AH
Tel.: +44 - 207 - 734 1234
Fax: +44 - 020 - 7573 9898
www.liberty.co.uk

Product range: Ladies', men's and childrenswear
Price segment: Lower to mid-level
Number of outlets: 120 + 166 catalogue Shops

Marks + Spencer Group PLC
Waterside House
35 North Wharf Road
GB - London W21 NW
Tel.: +44 - 020 7935 4422
www.marksandspencer.com
retailcustomer.services@marksandspencer.com

Product range: Ladies', men's and childrenswear
Price segment: Mid-level
Number of outlets: 375 stores + over 130 franchising partners

Next plc.
Company secretary: Mr A J R McKinlay
Desford Road
GB - Enderby Leicester LE19 4AT
Tel.: +44 - 0 - 844 844 88 88
Fax: +44 - 116 - 284 8998
www.next.co.uk

Product range: Ladies', men's and childrenswear
Price segment: Mid-level
Number of outlets 500 stores + 43 franchising partners + home shopping

Woolworths PLC
1st Floor, Skyways House, Speke Road, GB - Speke, Liverpool L70 1AB
Tel.: +44 - 207 - 262 1222
Fax: +44 - 207 - 706 5416
www.woolworths.co.uk

Product range: Childrenswear
Price segment: Lower to mid-level
Number of outlets: 806

Manufacturers/Importer and Wholesalers/Importers

J. Brownleader Ltd.
49c Oxford Road
GB - London W5 3SR
Tel: +44 - 207 - 354 2468
Fax: +44 - 207 - 354 2593

Westbridge International Group Ltd.
Westbridge House
Holland Street, Hyson Green
GB - Nottingham NG7 5DS
Tel.: +44 - 115 - 978 2254
Fax: +44 - 115 942 0547
www.wbig.co.uk

Mail Order Companies
Redcats (Brands) Ltd.
(formerly Empire Stores Ltd.)
18, Canal Road
GB - Bradford B99 4XB - W.
Yorkshire
Tel.: +44 - 1274 - 72 9544
Fax: +44 - 1274 - 76 3816
www.empirestores.co.uk

Freemans PLC
Amberley Street
GB - Sheffield S9 2 FS
www.freemans.com

Great Universal Stores PLC
(GUS)
Universal House
251-256 Tottenham Court Road
GB - London W1A 1BZ
Tel.: +44 71 636 4080
Fax: +44 71 631 3641
info@gusplc.com
www.gusplc.com

Grattan PLC
P.O. Box 3856
GB - Sheffield S96 5WD
www.grattan.co.uk

JD Williams + Co. Ltd.
Griffin House
40 Lever Street
GB - Manchester M60 6ES
Tel.: +44 - 870 - 160 61 00
www.jdwilliams.co.uk

Propeller UK Ltd.
A.M.C. House
33 GREAT Queen Street Covent Garden London
wc2b 5AA
Tel.: +44 - 020 7836 2736

Product range: Ladies', men's and
childrenswear
Price level: Lower level

Product range: Ladies', men's and
childrenswear
Price level: Lower to mid-level
(value for money)

Product range: Ladies', men's and childrenswear
Price level: from Lower to upper level
Note: 12 different mail-order lines

Product range: Ladies', men's and
childrenswear
Price level: Lower to mid-level

Product range: Ladies', men's and
childrenswear
Price level: Mid to lower level
Note: No. 1 in UK with 20 catalogue
brands
Note: part of N. Brown Group PLC

Jeans and Young Fashion Chain

Alexon A Division of Alexon Int. Ltd.
Pitfield
Kiln Farm
GB - Milton Keynes MK 11 3LW
help@alexon.co.uk
www.alexon.co.uk

Product range: Sportswear (outdoor)
Price segment: Mid-level
Number of outlets: 125
Note: belongs to Blacks Leisure
Group plc.



Blacks Leisure Group PLC
440-450 Cob Drive
Swan Valley
GB – Northampton NN4 9BB
Tel.: +44 (0) 1604 597 000
Fax +44 (0) 1604 597 171
www.blacks.co.uk

Product range: Sportswear (outdoor)
Price segment: Mid-level
Number of outlets: 125

Cromwells Madhouse plc.
Fulton Road, Unit 3, Palace of
Industry
GB - Wembley HA9 OTL –
Middlesex
Tel.: +44 – 181 – 903 5888
Fax: +44 – 181 – 903 0303
www.madhouse.co.uk

Product range: Ladies' and men's
jeans wear
Price segment: Lower to mid-level
Number of outlets: 55

Gilesports plc
Fortran Road, St. Mellons
GB - Cardiff CF3 OLT
Tel.: +44 – 1222 – 77 44 00
Fax: +44 – 1222 – 77 44 01
www.gilesports.com

Price segment: Upper level (mainly
brands)
Number of outlets: 50

Paco Life in Colour
Unit K3/Waterside Shopping Centre
High Street
Lincoln, LN2 1AP
Tel.: +44 01 522 568637
www.dancingdress.co.uk

Product range: Sportswear
Price segment: Mid-level
Number of outlets: 82

French Connection Group plc
Head Office
3 Hancock Road
Bromley-by-Bow
GB - London, E3 3DA
Tel.: +44 – 20 7036 7000
Fax: +44 – 20 7036 7001
www.frenchconnection.com

Product range: Stylish sports and
casual wear
Price segment: Mid to upper level
Number of outlets: 430
Note: Largest British retailer for
sportswear

Buying Associations

Co-operative Wholesale (CWS) Ltd.
New Century House – P.O.B. 53
GB - Manchester M60 4ES
Tel.: +44 – 161 – 834 1212
Fax: +44 – 161 – 834 4507
www.Co-op.co.uk

INTERSPORT UK
Shirley Solihull
GB - B90 4LF West Midlands
Tel.: +44 - 121 - 683 1449
Fax: +44 - 121 - 683 1467
www.intersport.co.uk
contact@intersport.co.uk



Clothing Chain Stores

CMC agn.s b.
17, rue de Dieu
F - 75010 Paris
Tel.: +33 – 1 – 4003 45 00
Fax: +33 – 1 – 4003 45 50
www.europe.agnesb.fr
mailing@agnesb.fr

Product range: ladies', men's,
children's wear
Price segment: high price level
Number of outlets:
428 shops
(51 in France)

Caroll International
38, rue du Hameau
F - 75740 Paris Cedex 15
Tel.: +33 -0- 810 30 40 30
Fax: +33 -01- 56 23 34 07
contact@caroll.com or
adenaes@caroll.com
(Direction commerciale internationale)
www.caroll.com

Product range: womenswear
Price segment: mid-price level
Number of outlets:
460 Boutiques worldwide
(301 in France)

Chattawak
29, boulevard des Italiens
F - 75002 Paris
Tel.: +33 – 1 – 44 94 80 60
Fax: +33 – 1 – 42 66 93 92
www.chattawak.fr
courrier@chattawak.fr

Product range: ladies', menswear
Price segment: mid-price level
Number of outlets: 130 shops
including 25 affiliated

Brice
152, avenue Alfred Motte
F - 59100 ROUBAIX
Tel.: +33 (0)3 20 99 36 36
www.brice.fr
contact@brice.fr

Product range: menswear
Price segment: mid-price level
Number of outlets: 220

Aubert France
4, rue de la Ferme - BP 30130
F - 68705 Cernay
aubert.contact@aubert.fr
www.aubert.fr

Product range: babies' wear
Price segment: mid-price level
Number of outlets:
more than 200 shops
(in Europe)
+ mail order

Infinitif
26, rue du Caire
F - 75002 Paris
Tel.: +33 – 1 – 45 08 15 29
www.infinitif.com
info@infinitif.com

Product range: womenswear
Price segment: mid- to high price
level
Number of outlets: 10 in F
+ 400 franchising partners

Kookai
45, avenue Victor Hugo
93534 SAINT DENIS LA PLAINE CEDEX
Tel.: +33 – 399 292 994
www.kookai.fr
serviceclient.kookai@mixcommerce.com

Product range: womenswear
Price segment: mid-price level
Number of outlets: 30 outlets + 120
franchise partners + 320 franchise
partners abroad
Note: belongs to the former
Andr.Group, Paris



La Halle aux V.tements
26, rue de Flandres
F - 75019 Paris
Tel.: +33 - 1 - 533 50 425
Fax: +33 - 1 - 533 50 480
contact@contact-lahalle.com www.lahalle.com

Product range: ladies', men's, childrenswear
Price segment: low to mid-price level
Number of outlets: 480
Note: belongs to the former
Andr.Group, Paris

Oliver Grant Diffusion
74, rue Elys.e Reclus
F - 69150 D.cibes Cedex
Tel.: +33 - 472 - 81 25 60
Fax: +33 - 472 - 81 25 61
contact@olivergrant.com
www.olivergrant.com

Product range: womenswear,
menswear, sportswear
Price segment:
mid - to high price level
Number of outlets: 32 shops,
3 franchising partners

PROMOD - Centrale d'Achat
Chemin du Verseau
F - 59847 Marq en Baroeul Cedex
Tel.: +33 - 3 - 204 57 551
Fax: +33 - 3 - 204 57 454
contact@promod.fr
www.promod.fr

Product range: womenswear
Price segment: low price level
Number of outlets:
1006 stores in 56 countries
(In France 325 stores)

TARTINE-ET-CHOCOLAT.COM
BEBEO SA
Parc des Docks de Saint-Ouen,
Lot 567 - Portes B et C
50, rue Ardoin
F - 93400 ST OUEN 1 - 4562339
www.tartine-et-chocolat.com

Product range: childrenswear
Price segment: mid-price level
Number of outlets: 3 shops,
15 franchising partners

TATI SA
81, rue Cartier Bresson
F - 93697 Pantin Cedex
tati_contact@agora-distribution.com
www.tati.fr

Product range: all kinds of clothing
Price segment: low price level
Number of outlets:
60 (of which 20 are for marriage clothing)
and 2 (in Poland & Spain)

Groupe Zannier
Head Office
6 bis, rue Gabriel Laumain
F - 75010 Paris
Tel.: +33 - 1 - 44 83 45 45
Fax: +33 - 1 - 44 83 45 30
jffrousseau@groupezannier.fr
www.groupezannier.fr

Product range: childrenswear
Price segment: mid-price level
Number of outlets: 270 outlets
Note: own brands like Trios Pommes,
Hawai - 60% of the clothing is sourced
from outside

Jeans- and Sportswear

CHAUSPORT
Belongs to Soci.t. Spodis
96 rue du Pont Rompu
F-5920 Tourcoing
T: +33 -3- 59 36 02 86
service-client@chausport.fr
www.chausport.com

Product range: Casual wear and
active sportswear, sports articles
Price segment: mid-price level
Number of outlets: 80 stores in France

Decathlon-Sport
4, Boulevard de Mons
F - 59650 Villeneuve d'Asqu
Tel.: +33 - 3 - 203 350 00
Fax: +33 - 3 - 203 350 01
contact@decathlon.com
www.decathlon.com

Product range: Casual wear and
active sportswear
Price segment: mid-price level
Number of outlets: 250 stores in France

Decouverte Vtements
 Cloup Diffusion CD Textile
 28, rue Maillot
 F – 81100 Castres
 Tel.: +33 – 5 63 59 24 39
 Fax: +33 – 5 63 59 31 43
 cdtexile@aol.com
 www.creatives-decouverte.com

Product range: Womenswear and sportswear
 Price segment: mid-price level
 Number of outlets: 10 + 45 franchise partners (Brands: Cache Cache, Caroll, Old River)



ITM Entreprises S.A.
 24 rue Auguste Chadrieres
 F-65737 Paris Cedex 5
 Tel. : +33 - 1 45 33 74 17
 Fax : +33 - 1 45 33 39 13
 www.itmentreprises.fr

Product range: all kinds of clothing incl. sportswear
 Price segment: lower price level
 Number of outlets: 163 shops 'Vetimarch'

Lasserre (modern cottage)
 20, chemin de Laporte
 F - 31300 Toulouse
 Tel.: +33 – 561 – 49 13 13
 Fax: +33 – 561 – 49 98 48
 enquiries@lasserre.co.uk

Product range: sportswear
 Price segment: mid-price level
 Number of outlets: 40 + 35 franchisePartners

NAF NAF SAS
 6-10, Boulevard Foch
 F - 93807 Epinaysur Seine
 Tel.: +33 – 1 – 4813 8888
 Fax: +33 – 1 – 4813 8850
 serviceclients@nafnaf.fr
 direction.internationale@nafnaf.fr
 dircom@nafnaf.fr
 www.nafnaf-sa.com

Product range: womenswear
 Price segment: mid- to high price level
 Number of outlets: 257 in France (over 581 worldwide, in over 40 countries)

Department Stores

Au Bon Marche (ABM)
 24, rue des S.vres
 F – 75007 Paris
 Tel.: +33 - 1 – 44 39 80 00
 Fax: +33 - 1 – 44 39 81 19
 www.lebonmarche.fr

Product range: all kinds of clothing
 Price segment: mid-price level
 Number of outlets: approx. 150
 Note: textile share app. 49% - 1'500 employees - mail-order business

Galerias Lafayette
 40, Boulevard Haussmann
 F - 75009 Paris Cedex 07
 Tel.: +33 – 14 – 878 25 19
 Fax: +33 – 14 – 282 80 23
 www.galeriaslafayette.fr
 www.groupegaleriaslafayette.fr

Product range: womenswear
 Price segment: high price level
 Number of outlets: 250 stores

Nouvelles Galeries R.unis
 66, rue des Archives
 F - 75150 Paris Cedex
 Tel.: +33 – 1 – 427 48 212
 Fax: +33 – 1 – 427 46 652

Product range: all kinds of clothing
 Price segment: mid-price level
 Number of outlets: 287 shops
 Note: belongs to Galeries Lafayette Group – textile share in assortment 25% - app. 25'000 employees

Printemps
 102, rue des Provence
 F - 75009 Paris
 Tel.: +33 – 1 – 42855000
 Fax: +33 – 1 – 42823600
 17 shops + related shops
 www.printemps.com

Product range: all kinds of clothing
 Price segment: mid-price level
 Number of outlets: 20

Mail Order Companies(product range: generally all kinds of clothing, price segment: low to middle)

Cyrillus (Redcats)
Avenue Amsterdam
F - 59910 Bondues
Tel.: +33 - 3 - 209 9330
Fax: +33 - 3 - 209 9332
Products: ladies', men's,
children's wear, Mailorder + 31
shops also in B, CH and
www.cyrillus.fr

Good Life
33, rue de l'Assomption
F - 75016 Paris
Tel.: +33 - 1 - 45245650
Fax: +33 - 1 - 45245599
Products: ladies', men's wear
Mailorder + retail
www.goodlife.fr

La Blanche Porte
22, rue de la Blanche
F - 59200 Tourcoing
Tel.: +33 - 3 - 20282028
Fax: +33 - 3 - 20282029
www.lablancheporte.fr

La Redoute a Roubaix S.A.
(Redcats)
57, rue Blanchemaille
F - 59100 Roubaix
Tel.: +33 - 3 - 206 96 000
Fax: +33 - 3 - 202 40 337
www.redcats.com

Maison de Valerie
ZI, rue Jacquart
F - 41350 Vineuil
Tel.: +33 - 2 - 54425254
Fax: +33 - 2 - 54815053
www.lamaisondevalerie.fr

Neckermann Sarl
5, rue du Ch.teau d'Angleterre
F - 67300 Schiltigheim
Tel. +33 - 3 - 88191010
Fax: +33 - 3 - 88191030
Note: all kinds of clothing - 260
employees - textile share 75%
www.neckermann.fr

Trois Suisses International
4, place de la R.publique
F - 59962 Croix
Tel.: +33 - 3 - 20203062
Fax: +33 - 3 - 20720406
www.3suisses.fr
www.3suissesinternational.com

Super- and hypermarkets

<p>Auchan Rue de la Recherche 200 F - 59650 Villeneuve-d'Asqu Tel.: +33 - 320 - 431212 Fax: +33 - 320 - 436400</p>	<p>Product range: all products Price segment: mid-price level Number of outlets: 14 countries, 294 hypermarkets, 588 supermarkets</p>
<p>Carrefour SA ZAC Saint-Gu.nault BP 75 F - 91002 EvryCedex Tel.: +33 - 360 - 913737 Fax: +33 - 360 - 794498 www.carrefour.com</p>	<p>Product range: all products Price segment: mid-price level Number of outlets: 1350 hypermarkets worldwide (in 19 countries)</p>
<p>Casino-Groupe 24, rue de la Montat F - 42004 Saint-Etienne Tel.: +33 - 477 - 454256 Fax: +33 - 477 - 454365</p>	<p>Product range: all products Price segment: mid-price level More than 6000 outlets (not all selling clothing)</p>
<p>Intermarche. 1, rue du Chemin Blanc F - 91160 Longjumeau Tel.: +33 - 164 - 545500 Fax: +33 - 164 - 545190</p>	<p>Product range: all products Price segment: mid-price level Number of outlets: approx. 75</p>
<p>E. Leclerc 52, rue Camille Desmoulins F - 92451 Issy Les Moulineaux Tel.: +33 - 146 - 625200 Fax: +33 - 146 - 629600 www.e-leclerc.com</p>	<p>Product range: all products Price segment: mid-price level</p>
<p>Promodes Z.I. route de Paris F - 14127 Mondeville Cedex Tel.: +33 - 231 - 706000 Fax: +33 - 231 - 706000</p>	<p>Product range: all products Price segment: mid-price level</p>

Manufacturers / importers and wholesalers / importers

<p>Adolphe Lafont SA 320, rue Georges Foulc F - 69665 Villefranche sur Saone Tel.: +33 - 474 - 62 68 68 Fax: +33 - 474 - 62 23 99</p>	<p>Products: ladies', men's wear, professional wear, manufacturer and wholesaler</p>
<p>Chipie International 11, avenue du G.n.ral Leclerc F - 11003 Carcassonne Cedex Tel.: +33 - 468 10 54 54 Fax: +33 - 468 10 54 55</p>	<p>Products: ladies', men's, children's wear, Manufacturer of sportswear, leisure wear, 35 own shops - brand 'Chipie' - high price level www.chipie.tm.fr</p>
<p>Catimini SA 94, rue Choletaise F - 49 - 450 St.Macaire-en-Mauges Tel.: +33 - 241 - 71 41 41 Fax: +33 - 241 - 71 41 32</p>	<p>Product : children's wear and maternity wear Outlets: 95 shops in France</p>



Chouette Sportswear
216, rue St. Denis
F - 75002 Paris
Tel.: +33 - 1 - 42 36 39 50
Fax: +33 - 1- 42 36 4 554

Products: ladies' wear, sportswear.
Manufacturer

Class Affaire
67, rue de Sedaine
F - 75011 Paris
Tel.: +33 - 1 - 48 06 46 06
Fax: +33 - 1 - 48 06 46 92

Products: ladies', menswear
Manufacturer +37 shops

Coup de Coeur
6, rue de Bachaumont
F - 75002 Paris
Tel.: +33 - 1 - 448 28 500
Fax: +33 - 1 - 448 28 501

Product: womenswear
Manufacturer + 10 shops

Eden Park
9, av. Hoche
F - 75008 Paris
Tel.: +33 - 1 - 538 90 010
Fax: +33 - 1 - 495 30 697

Product: menswear
Manufacturer+ 7 shops,
15 franchising partners
www.eden-park.tm.fr

Buying associations

Fusalp (Creations) SA
114, avenue de France
F - 74000 Annecy
Tel.: +33 - 450 - 238888
Fax: +33 - 450 - 238899

Manufacturer jeans- and sportswear
www.catimini.com

Disco SA
18 - 20, avenue Gustave Ferrie
Zone Industrielle, BP 926
F - 49309 Cholet
Tel.: +33 - 241 - 714 452
Fax: +33 - 241 - 714399

Buying for app. 4,000 retailers -
approximately
1.5 billion € turn-over p.a.

Sagam SA
4, all.e Verte
F - 75011 Paris
Tel.: +33 - 1 -143577748
Fax: +33 - 1 - 143574658

Product: childrenswear and maternity
dresses - 226 members

Promodes
9, rue Close Famille/B.P. 19
F - 78240 Chambourcy
Tel.: +33 - 139 - 793944
Fax: +33 - 139 - 794662

Buying association for Discounters,
buying via C.I.M.

Sport Europe Distribution
S.E.D.
10, rue d'Arcelle
F - 38600 Fontaine
Tel.: +33 - 4 - 76859276
Fax: +33 - 4 - 76531067

Product: sportswear

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No. (29), Min Ye Kyaw Swar Road
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www.smartmyanmar.org

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