

Navigating Unrest and Automation: The Fight to Future-Proof Bangladesh's Apparel Sector for Sustainable Growth



Bangladesh recently went through a significant period of political upheaval, lasting from July to early August 2024, marking a pivotal moment for the nation. With Dr. Yunus stepping in as head of the interim government, his leadership presents a unique opportunity for Bangladesh. His esteemed global reputation and strong diplomatic ties with Western economies are expected to foster positive outcomes in upcoming trade benefit negotiations. By leveraging these international connections, the interim government aims to navigate the post-LDC trade landscape smoothly, ensuring export stability and sustaining the country's economic growth on the global stage.

The political transition has brought short-term challenges, particularly in the Ready-Made Garments (RMG) sector. Worker unrest over wage demands and broader issues of law and order, such as student protests, have caused uncertainties for international buyers, prompting some to shift orders to competing countries. While export growth, compliance, and environmental sustainability are key priorities, worker wellbeing is essential for long-term success, and restoring global buyer confidence is crucial for maintaining Bangladesh's competitiveness.

On the global front, Bangladesh faces new challenges, including automation from the 4th Industrial Revolution, geopolitical shifts, stringent circularity and decarbonization regulations from the EU, and the upcoming Least Developed Country (LDC) graduation, further straining the RMG sector.

It's also important to highlight that the apparel sector supports over 4 million workers, with women comprising 60% of this workforce. Any upheaval in the industry poses a significant threat to their livelihoods. As the sector grapples with these challenges, the well-being of millions, particularly women who are essential to its success, hangs in the balance.

In light of these challenges, LightCastle Partners, an international consulting firm, in collaboration with The Policy Exchange of Bangladesh, hosted their final and fourth dialogue event titled 'Future-Proofing RMG: Tackling Automation for Sustainable Growth and Worker Wellbeing' as a part of the Bunon 2030 initiative. This initiative is part of LightCastle's ongoing commitment to strengthening the apparel ecosystem through comprehensive research, private-sector engagement, and targeted advocacy efforts.

Oporajita and Bunon: United for Collective Impact and Women Workers' Wellbeing

Bunon 2030, supported by the H&M Foundation and facilitated by The Asia Foundation, is part of the 'Oporajita: Collective Impact on the Future of Work in Bangladesh' initiative. It shares a common goal of protecting the future livelihoods of women garment workers in Bangladesh. The project focuses on enhancing sector competitiveness, skills development, and employment opportunities for women in the apparel industry, informed by a deeper understanding of how technology and automation are reshaping the landscape.

The Bunon 2030 initiative has conducted scenario mapping, assessed key policy needs, and organized a series of dialogues with cross-sector stakeholders. The first dialogue addressed Circular, Decarbonization, and Competitiveness, followed by a focus on Wellbeing and the future of apparel workers. The third was a policy roundtable on 'Sustainable Apparel's Future by 2030,' and the final dialogue on October 21 concluded the series. Looking ahead, Bunon 2030 plans to host a national dissemination event to unite innovators, industry leaders, and policymakers, ensuring sustainable livelihoods for women garment workers amid evolving challenges.

Future-Proofing Jobs and Industry in Bangladesh's RMG Sector



The dialogue commenced with opening remarks from Kazi Faisal Bin Seraj, Country Representative of The Asia Foundation, who underscored the urgent need for collective action to future-proof the RMG industry.

He highlighted that while automation should drive higher productivity, it is also crucial to prioritize worker wellbeing in this process. Recognizing the complexities of the situation, he stated "Brands like H&M are actively identifying the challenges and engaging relevant stakeholders such as FSG and The Asia Foundation, alongside LightCastle Partners and Policy Exchange, to enhance dialogue and research efforts. The emphasis remains on increasing productivity without overlooking the importance of ensuring the wellbeing of workers throughout this transition."

With this narrative in place, the session began with a virtual presentation from Sumit Manchanda, Senior Advisor for Green Growth Strategies, who previously led green manufacturing initiatives at the International Finance Corporation (IFC), part of the World Bank Group.

He highlighted how Bangladesh can leverage its apparel sector for future economic development and diversification as it

Distinguished Dialogue Panelists & Speakers:



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Director, Program Development
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M Masrur Reaz, PhD
Chairman and CEO
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Habibullah N. Karim
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Mohsina Yasmin
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