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Cost Competitiveness of Pakistan's Textiles and Apparel Industry

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Cost Competitiveness of Pakistan's Textiles and Apparel Industry

When global textile and apparel quotas were eliminated in 2005 supply chains realigned to reflect the importance of competitiveness factors, such as the cost of materials, labor, electricity and rent. Competitiveness is also influenced by off-balance-sheet transaction costs, such as worker skills, infrastructure, productivity, the costs of doing business and corruption. Global adjustment to these factors is the subject of a May 2009 paper produced by USAID's Worldwide Support for Trade Capacity Building project (TCBoost).¹ USAID requested a short follow-on note to contextualize Pakistan's apparel export trends and benchmark production costs among regional comparators.

This analysis combines export trends, production input costs, product benchmark data and off-balance-sheet transaction costs to provide information on the competitive standing of Pakistan's textiles and apparel exporters. Judged by these measures, Pakistan's textile and apparel sector has a positive outlook. Product benchmark data are positive but input cost data are average, and export levels have risen and recently leveled off. The cost of doing business in Pakistan, particularly energy outages, textile quality, security and workforce specialization, are emerging factors that will influence sustained competitiveness.

EXPORT TRENDS

Figure 1 compares Pakistan's apparel exports to the United States to those of regional competitors. China, an outlier whose exports to the United States reached US\$24 billion in 2008, is excluded for the sake of clarity. Pakistan's apparel exports to the United States recorded net growth of 18 percent during the post-quota market liberalization period, but declined by 0.22 percent in 2008.² For context, total United States apparel imports declined by 3.3 percent in 2008.

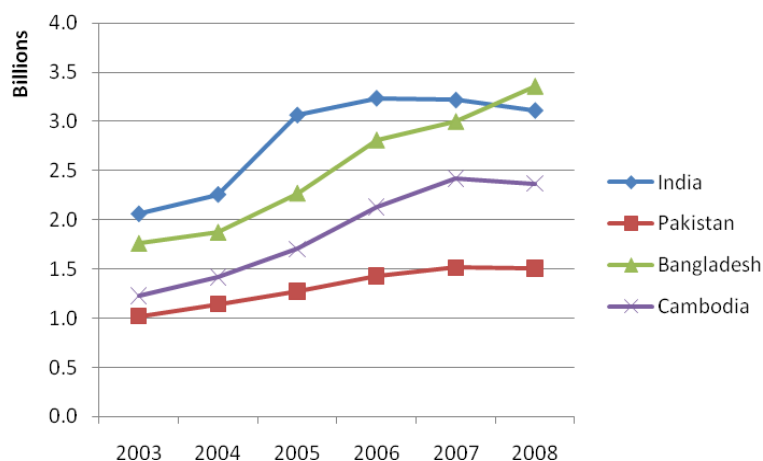
¹ *Post-Quota Textiles and Apparel Trade in Developing Countries*, a report published by USAID's Worldwide Support for Trade Capacity Building project (TCBoost), sheds light on textile and apparel trade trends and their implications for developing countries. To read the full report, please go to www.tcboostproject.com.

² Attributable to HS 61 (knitted apparel) decline of 1.8% from 2007. Source: USITC Dataweb.

Meanwhile, exports from Cambodia and India have declined and exports from Bangladesh, where labor and electricity costs are lowest, have been increasing. Despite Pakistan's clear cost advantage—evident in the product benchmark data presented below—its knitted apparel exports declined by 1.8 percent in 2007–2008, while Bangladesh's surged 15 percent. Before drawing any conclusions about export trends, a closer examination of input costs, product benchmark data, and off-balance-sheet transaction costs that influence Pakistan's competitive position is merited.

Figure 1

U.S. Import Value of Apparel Products (HS 61, HS 62) 2003–2008 (US\$ billions)



SOURCE: USITC Dataweb.

PRODUCTION INPUT COST COMPARISON

Table 1 presents a snapshot of the position of Pakistan in relation to India, China, Bangladesh, and Cambodia in six cost categories: labor cost, labor hours, electricity cost, ocean transport, land transport, and building.³

Table 1

Production Input Cost Ranking

Cost Category	1	2	3	4	5
Labor cost	Bangladesh	Cambodia	Pakistan	India	China
Labor hours	Bangladesh	China	Pakistan	India	Cambodia
Electricity cost	Bangladesh	China	Pakistan	India	Cambodia
Ocean transport cost	China	Bangladesh/Cambodia	Pakistan	India	
Land transport cost	Bangladesh	Pakistan	India	China	Cambodia
Building cost	China	Bangladesh	Cambodia	India	Pakistan

³ Appendix A provides detailed production input costs for India, China, Pakistan, Bangladesh, and Cambodia; data sources for the table are provided in Appendix B. Most data were generated after consulting numerous resources, including published information and company owners and managers.

With an hourly wage of \$0.55 per hour⁴, Pakistan ranks third on labor costs in our five-country sample. Bangladesh has the lowest hourly wage (\$0.32 per hour). Energy efficiency and reliability affect both the quality and volume of textile and apparel manufacturing and are of prime importance to the sector. Two studies have identified electricity cost as a constraint on Pakistan's manufacturing competitiveness.⁵ In Table 1, Pakistan ranks third in electricity costs (\$0.071/kWh) and Bangladesh, with an average cost of \$0.053 per kWh, has the lowest electricity cost. In its analysis of the denim jean value chain, FIAS describes the effect of energy constraints in Pakistan's cotton ginning sector: "The spinners are adversely affected by both the price and the unreliability in the supply of electricity, in some cases being forced to resort to self-generation with extra costs" (FIAS 2006, p. 7). Pakistan's tax structure for textiles and apparel inputs is relatively straightforward and appears to be cost neutral compared to other countries. However, slow duty and VAT rebate procedures may deter some investors. Details on comparative tax structures are provided in Appendix B.

A more detailed look at product-specific costs presents a more optimistic picture.

PRODUCT BENCHMARK DATA

Data on men's 100 percent cotton t-shirts and chinos reflect Pakistan's cost competitiveness in the region. Except in labor cost per garment, Pakistan ranks first in each cost summary category for all products. It is less expensive to import t-shirts and chinos into the United States from Pakistan than from India, China, Bangladesh, or Cambodia. The total C.I.F. cost of each product made in Pakistan is 7 percent less than products made in Bangladesh and on average 19 percent less than products made in China, the most expensive comparator. If sourcing decisions were based on cost alone, Pakistan would be the first best alternative for these products. These data suggest that the off balance sheet costs of doing business in Pakistan, such as design capabilities, product development services, corruption or security risks could be a barrier to greater sales.

The most notable advantage for Pakistan is fabric cost per kilogram (KG). Fabric is locally sourced in Pakistan at \$2.89 per KG versus \$3.37 per KG in Bangladesh and Cambodia, which both source their fabric from China. Pakistan's ability to supply its own fabric gives it a cost advantage and more secure input sourcing. The fabric cost advantage helps to offset the labor cost disadvantage (\$0.55 per hour vs. \$0.32 per hour in Bangladesh and \$0.34 per hour in Cambodia).

From order to delivery, it takes an average of 15 weeks to export chinos and 12 weeks to export t-shirts from Pakistan, making the country second among comparators on delivery time. Spinning, ginning, and apparel production are centered in Punjab province (Lahore, Faisalabad, and Multan) and Sindh province (Karachi and Hyderabad). Transport along the main arteries joining these production centers is reportedly fluid.⁶ China ranks first on delivery time, requiring only 10

⁴ Includes social charges and adjustments for days worked and holidays (see appendix A).

⁵ See FIAS, Pakistan Value Chain Analysis, March 2006; and ADBI, Industrial Competitiveness: The Challenge for Pakistan, October 2004.

⁶ Pakistan Trade Facilitation Audit: Summary Report, October 2005.

weeks for t-shirts; 13 weeks for chinos. Additional data on export time is available in the following section.

At the product-level Pakistan is a cost-competitive source of cotton apparel among the comparators. U.S. imports of T-shirts from Pakistan (HS 610910) expanded dramatically in 2006–2008, rising 60 percent relative to a 2 percent increase in the U.S. import market. At the same time, U.S. imports of chinos from Pakistan (HS 610342) declined by 27 percent relative to a 9 percent decline in U.S. imports.⁷ These opposing trends occurred for two products with almost identical marginal cost advantages. We next examine the external factors that influence the competitiveness of Pakistan’s textiles and apparel industry.

TRANSACTION COSTS IN PAKISTAN

Though more difficult to quantify or monetize, off-balance-sheet transaction costs reveal several macroeconomic constraints on the textile and apparel sector—transport efficiency, including customs and port procedures; product standards; public resource utilization; and investment in workforce development.

In the World Bank’s *Doing Business* survey for 2010, Pakistan ranks 78 on the “trading across borders” indicator, outperforming the entire region in average export time and export cost but slightly underperforming on the average number of documents required to export.⁸ On the same indicator, China ranks 44, India 94, Bangladesh 107, and Cambodia 127. Table 2 compares the performance of all comparators on time and costs associated with exporting a standardized shipment of goods. Pakistan ranks third in shipment time and second in shipment cost.

Table 2

Doing Business Trading Across Borders Export Procedures 2010

Export Procedures	India		China		Pakistan		Bangladesh		Cambodia	
	Days	US\$	Days	US\$	Days	US\$	Days	US\$	Days	US\$
Documents preparation	8	350	14	250	11	96	14	290	14	220
Customs clearance and technical control	2	120	2	70	3	200	3	120	3	262
Ports and terminal handling	3	175	2	85	4	115	5	420	3	100
Inland transportation and handling	4	300	3	95	4	200	3	140	2	150
Comparative rank	1	4	2	1	3	2	4	5	3	3

Other transaction costs unaccounted for in our input cost summary affect the competitiveness of Pakistan’s textiles and apparel sector as well. For example, in its assessment of the denim jeans value chain, FIAS named inefficient water usage, low worker skill levels, and the absence of

⁷ Source: Data from USITC Dataweb; analysis by Nathan Associates Inc.

⁸ <http://www.doingbusiness.org/ExploreEconomies/?economyid=147>

cotton-grading standards as constraints on competitiveness. FIAS suggests that a lint-grading system is necessary to specialize in higher-value products and that trade barriers are driving up the price of chemical inputs used in dyeing. In addition, the refund procedure for these chemicals is costly and slow and impedes cash flow. Tariff rationalization for these inputs would result in net benefits for the apparel sector. FIAS also noted the high demand in Pakistan for development of the textile and apparel industry workforce. According to unofficial estimates from 2006, about 500 textile and apparel technicians had graduated from institutions of higher and vocational education, but demand in the value chain for 1,200 ginners, 450 spinners, and thousands of garment workers is at least 10 times the existing supply (FIAS 18).

SUMMARY

Product benchmark data suggest that Pakistan remains competitive in two key product subsectors primarily because of its ability to self-source cotton fabric. Production input cost data place Pakistan consistently near the median of the comparator countries. Apparel export trends reflect the positive benchmark cost data trending upward in the post quota era and, more recently, declining less than overall contractions in US apparel imports. Attention to off-balance-sheet costs is important to the sustained competitiveness of the sector. Off-balance-sheet items could include improving duty rebate programs, improving worker skills to better serve the textile and apparel industries, improving cotton grading systems and standards, or improving pre-production services required by buyers, such as developing new fabric finishes, styles, markers, samples and patterns. A more extensive field survey would be required to identify specific areas of the value chain which could be leveraged to increase export sales.

Appendix A. Production Input Cost Summary

Cost	Unit	India	China	Pakistan	Bangladesh	Cambodia
Labor cost ^a	US\$/hour	0.83	1.44	0.55	0.32	0.53
Hours worked ^b						
Hours per operator		8	8	8	8	8
Hours per week		48	48	49	48	42
National holidays days/year		17	11	18	10	18
W/o overtime-weekly less national holidays + 10 days vacation	Hours/year	2,280	2,328	2,324	2,336	1,960
Electricity cost ^c	US\$/Kwh	0.086	0.065	0.071	0.053	0.14
Transport ^d	US\$/TEU					
Ocean		2,100	1,800	2,000	1,900	1,900
Land		400	470	300	250	600
Building cost	\$/sqm	140	97	150	120	130
Taxation						
Corporate tax on profits	% of profit	33.6	25	35	35	20
Sales tax	% of sales	--	--	15	--	--
VAT	% value added	12.5	17	15	15	10

^a From Werner Salary Survey. Adjusted for holiday, vacation, and social charges but excludes severance.

^b Without overtime.

^c Energy information agency: www.eia.doe.gov - for industry and industry sources.

^d Source to Long Beach.

SOURCE: Werner International.

Appendix B. Data Sources and Notes for Production Input Cost Summary

Various sources were consulted to produce the data in Appendix A. In some cases, representatives of factories and freight forwarders were interviewed.

Labor Cost

The main source of wage data was the Werner International Labor Cost Comparison. (http://www.wernerinternational.com/html/hourly_wage_report/register.html). Values are collected from a large number of companies in each country, and average values are shown in the annual analysis and report.

Hours Worked

Hours per year are taken from the operator hours per day and per week, with national holidays and an assumed 10 days of vacation (which may not be applicable to all companies and contracts of employment) deducted.

Electricity Rates

The general source of information is the Energy Information Administration (www.eia.doe.gov). Our primary research found that rates varied considerably depending on the area of the country (different states with different tariffs) and rates have been significantly more volatile in 2008 and 2009, with big swings in the price per barrel of oil making comparisons, even over a short period, uncertain. Werner International collected information on actual kWh costs from various companies over the 2008–2009 period. In many instances, we found companies reported significantly different costs than the official rate schedule. Table B-1 summarizes the data we found.

Transport Costs

The ocean transport cost of a standard 20-foot container from various ports has a variable value. Several transport companies were approached for information. It should be noted that, even for the same route, prices could vary by as much as 40 percent with only weeks separating the shipping quotes.

Table B-1*Electricity Rates from Company Interviews*

Country	No. of Companies Reporting	Average Rate Reported (US\$/kwh)
Bangladesh	1	0.0418
China	15	0.065
India	5	0.0433
Pakistan	5	0.0491

Note: A recent report by the Confederation of the Indian Textile Industry (CITI) quoted a very different rate: India US\$0.11, China US\$0.08, and Bangladesh US\$0.08.

Land Transport

The cost of transporting a container by road from factory to seaport depends on distance, from less than 50 miles to 2,500 miles. The figures in Appendix A are representative of information collected from individual companies in major production hubs.

Building Costs

Building costs per square meter are for a steel construction and for a garment factory with little requirement for special facilities such as steam pipes, reinforced floors, and other features of the primary textile industries. Again, the figures can vary significantly from one region to another. Many companies rent rather than own factories.

Taxes

Taxes, such as sales, profit and value-added, vary significantly from country to country. Most countries offer production incentives, especially for export-bound sales, that lower or eliminate these taxes. According to the rules of the World Trade Organization (WTO), countries are supposed to phase out such export subsidies. Phasing out has been slow, however, and the WTO has issued many countries extensions. Further complicating matters, most export promotion programs provide full credits or tax reductions for a few years (and some up to 10 years) then phase them out, which slowly raises taxes on export industries.

Nearly every country in our benchmark exercise has free trade zones and bonded warehouse programs in which companies operate tax free or nearly so. Furthermore, every country has some type of program to provide tax credits for capital equipment investments, further distorting official tax rates. Duty drawback programs for imported inputs for re-export are universal, but the conditions under which a company can obtain drawbacks varies significantly—even within the same country. For example, companies exporting 95 percent or more of their production are provided efficient rebate programs and credits, but firms exporting less than 90 percent often have trouble getting rebates. For the purposes of our analysis, we tracked tax rates as generally applied, understanding that many tax programs could reduce or eliminate them entirely.

Pakistan. A value-added tax (VAT) of 15 percent applies to textiles and apparel. Only recently has the uniform rate of 15 percent been applied. Earlier, the system included numerous rates

depending on sector and stage of production. Export producers may file for full exemption from VAT.

The corporate tax on profits is 33 percent, but the government plans to reduce it to 30 percent. Our research, including company interviews, revealed that producers unanimously see that “the whole textile chain, from raw materials to finished product, is free of taxes on inputs.” The one exception is on packaging and materials to which VAT applies but can be refunded within 3 to 6 months. Factory managers had a more nuanced perspective on corporate taxes, indicating that their final liability for tax was 1 percent of total export value. There are a number of ways to reduce local profit taxes, especially in the first years of investment. In addition to existing export processing zones, which provide relief from most taxes and tariffs, the government is considering establishing new “reconstruction” zones that may obtain duty-free exports to the EU (free from EU duties). The U.S. Government is considering a similar program for reconstruction.

China. The VAT applied to textiles in China is 7 percent. Exports are either not subject to VAT or are eligible for VAT rebates ranging from 50 to 100 percent. A 13 percent VAT is collected on tap water, heating, cooling, hot air supplying, hot water, gas, liquefied petroleum gas, natural gas, and coal/charcoal products. Coal and gas supply for industry is exempt. Corporate tax on profits of 25 percent applies as of January 2008.

India. India charges textiles and apparel producers a 12.5 percent VAT. Companies meeting certain conditions are charged rates as low as 1 to 4 percent. Companies seeking relief from VAT for export production must file monthly or quarterly to obtain a rebate. It has been reported that VAT is not yet universal in India (the current program was started in 2005) and that some regions may still apply a sale tax. Local taxes in India are common, with local bodies levying tax on property and utilities such as waste and drainage. Effective corporate tax on profits in India is 33.66 percent, consisting of a 20 percent corporate tax plus 10 percent surcharge and 3 percent education levy.

Bangladesh. A VAT of 15 percent is charged in Bangladesh. Goods for export are exempt from VAT. Corporate tax on profits is 37.5 percent and applies to any income collected or gained by a company doing business in Bangladesh, whether resident or not. A lower rate is available for publicly traded companies. A tax holiday for textile and apparel producers is in force through 2011. Additionally, fiscal incentives exist for capital investment (<http://www.nbr-bd.org/incometax.html>).

Cambodia. A 10 percent VAT applies in Cambodia. Goods to be exported are exempt, and the exemption includes the cost of international transport services. The corporate tax in Cambodia is 20 percent of profits or 1 percent of sales, whichever is higher. Tax holidays for investors and exporters are in place and are phased out after 10 years. Cambodia has reduced the corporate tax on firms exceeding the holiday in light of the financial crisis. Most firms pay between 1 and 2 percent of sales value.

Appendix C. T-shirt Product Benchmark Data

Garment making up by country	India	India	China	Pakistan	Bangladesh	Cambodia
Fabric source	India	China	China	Pakistan	China	China
Main Fabric						
Fabric cost per KG (US\$)	3.019	3.336	3.336	2.894	3.336	3.336
Fabric Shipping cost per KG (US\$)	0	0.069	0	0	0.06	0.069
Fabric usage per garment (KG)	0.235	0.235	0.235	0.235	0.235	0.235
Fabric waste (short pieces, end of rolls, faults) %	5	5	5	5	5	5
Main fabric cost per garment (US\$)	0.71	0.801	0.784	0.68	0.798	0.801
Trim cost per garment (US\$)						
Thread	0.045	0.045	0.045	0.045	0.045	0.045
Labels, tags	0.037	0.037	0.037	0.037	0.037	0.037
Packaging per garment (US\$)						
Plastic poly bag	0.018	0.018	0.018	0.018	0.018	0.018
Cardboard box/carton	0.06	0.06	0.06	0.06	0.06	0.06
Total materials cost per garment	0.87	0.961	0.944	0.84	0.958	0.961
Labor hour \$ cost in making up	0.83	0.83	1.44	0.55	0.32	0.335
Standard minutes per garment cut make trim finish	6.12	6.12	6.12	6.12	6.12	6.12
Efficiency adjustment	25	25	15	30	50	70
Labor cost per garment (US\$)	0.106	0.106	0.169	0.073	0.049	0.058
Reject garments 3%	0.029	0.032	0.033	0.027	0.03	0.031
Manufacturing overhead per garment (25% on labor) (US\$)	0.026	0.026	0.042	0.018	0.012	0.015
Inclusive of electricity, rent, indirect labor						
Sales and administration costs (10% on labor) (US\$)	0.011	0.011	0.017	0.007	0.005	0.006
Total cost per garment - fabric, labor, overhead (US\$)						
Sales and administration	1.042	1.136	1.206	0.966	1.055	1.07
Agent fees per garment (4% on total cost)	0.042	0.045	0.048	0.039	0.042	0.043

Garment making up by country	India	India	China	Pakistan	Bangladesh	Cambodia
Factory gate cost per garment	1.084	1.181	1.254	1.005	1.097	1.112
Shipping and Insurance to Long Beach, CA (TEU)						
Land transport cost to port (US\$)	400	400	470	300	250	600
Ocean freight from X to Long Beach	Mumbai	Mumbai	Shanghai	Karachi	Dhaka	Sihanoukville
Ocean transport cost per container incl. insurance (US\$)	2100	2100	1800	2000	1900	1900
Units per container	18000	18000	18000	18000	18000	18000
Transport and insurance cost per garment (US\$)	0.139	0.139	0.126	0.128	0.119	0.139
Total cost per garment including C.I.F (US\$)	1.223	1.32	1.38	1.133	1.216	1.251
Tariff % (import duty to US)	16.1	16.1	16.1	16.1	16.1	16.1
Tariff per garment (US\$)	0.197	0.212	0.222	0.182	0.196	0.201
Quota cost per garment (US\$)	0	0	0	0	0	0
VAT percentage	12.5	12.5	17	15	15	10
VAT applied (US\$)	0.15	0.16	0	0	0.18	0
Cost per garment - tariff, quota and VAT (US\$)	0.35	0.377	0.222	0.182	0.378	0.201
Full landed cost per garment duty paid (US\$)	1.572	1.697	1.602	1.315	1.595	1.453
TIMESCALE (WEEKS)						
Fabric production time	4	4	4	4	4	4
Delivery time fabric	1	3	1	1	3	3
Making up operations	2	2	2	2	2	2
Garment shipment time	5	5	3	5	5	4
Total delivery cycle	12	14	10	12	14	13

Appendix D. Chinos Product Benchmark Data

Garment making up by country	India	India	China	Pakistan	Bangladesh	Cambodia
Fabric source	India	China	China	Pakistan	China	China
Main Fabric						
Fabric cost per linear meter (150 cm wide) (US\$)	1.734	1.936	1.936	1.676	1.936	1.936
Fabric Shipping cost per linear meter (US\$)	0	0.095	0	0	0.081	0.095
Fabric usage per garment in linear meters (LM)	1.6	1.6	1.6	1.6	1.6	1.6
Fabric waste (short pieces, end of rolls, faults) (%)	5%	5%	5%	5%	5%	5%
Main fabric cost per garment (US\$)	2.776	3.251	3.099	2.683	3.23	3.251
Lining and pocketing fabric						
Fabric cost per LM including shipping (US\$)	0.6	0.63	0.6	0.58	0.63	0.62
Fabric usage per garment incl. waste (LM)	0.5	0.5	0.5	0.5	0.5	0.5
Pocket/lining fabric cost per garment (US\$)	0.3	0.315	0.3	0.29	0.315	0.31
Trim cost per garment (US\$)						
Binding	0.04	0.04	0.04	0.04	0.04	0.04
Interlining	0.05	0.05	0.05	0.05	0.05	0.05
Buttons, zip, thread	0.85	0.85	0.8	0.85	0.85	0.9
Packaging per garment (US\$)						
Cardboard insert	0.015	0.015	0.015	0.015	0.015	0.015
Photograph	0.03	0.03	0.03	0.03	0.03	0.03
Plastic poly bag	0.014	0.014	0.014	0.014	0.014	0.014
Care label, hang tag	0.01	0.01	0.01	0.01	0.01	0.01
Cardboard box/carton	0.034	0.034	0.034	0.034	0.034	0.034
Total materials cost per garment	4.119	4.609	4.392	4.016	4.588	4.654
Labor hour \$ cost in making up	0.83	0.83	1.44	0.55	0.32	0.335
Standard minutes per garment cut make trim finish	40	40	40	40	40	40
Efficiency adjustment	25	25	15	30	50	70
Labor cost per garment (US\$)	0.692	0.692	1.104	0.477	0.32	0.38

Garment making up by country	India	India	China	Pakistan	Bangladesh	Cambodia
Reject garments 3%	0.144	0.159	0.165	0.135	0.147	0.151
Manufacturing overhead per garment (25% on labor) (US\$)	0.173	0.173	0.276	0.119	0.08	0.095
Inclusive of electricity, rent, indirect labor						
Sales and administration costs (10% on labor) (US\$)	0.069	0.069	0.11	0.048	0.032	0.038
Total cost per garment - fabric, labor, overhead						
Sales and administration (US\$)	5.197	5.702	6.048	4.794	5.167	5.318
Agent fees per garment (4% on total cost) (US\$)	0.208	0.228	0.242	0.192	0.207	0.213
Factory gate cost per garment (US\$)	5.405	5.93	6.29	4.986	5.374	5.53
Shipping and Insurance to Long Beach, CA (TEU)						
Land transport cost to port (US\$)	400	400	470	300	250	600
Ocean freight from to Long Beach	Mumbai	Mumbai	Shanghai	Karachi	Dhaka	Sihanoukville
Ocean transport cost per container incl. insurance (US\$)	2100	2100	1800	2000	1900	1900
Units per container	8800	8800	8800	8800	8800	8800
Transport and insurance cost per garment (US\$)	0.284	0.284	0.258	0.261	0.244	0.284
Total cost per garment including C.I.F. (US\$)	5.689	6.214	6.548	5.248	5.618	5.814
Tariff % (import duty to USA)	16.1	16.1	16.1	16.1	16.1	16.1
Tariff per garment (US\$)	0.916	1	1.054	0.845	0.904	0.936
Quota cost per garment (US\$)	0	0	0	0	0	0
VAT percentage	12.5	12.5	17	15	15	10
VAT applied (US\$)	0.71	0.78	0	0	0	0
Cost per garment - tariff, quota and VAT (US\$)	1.627	1.777	1.054	0.845	0.904	0.936
Full landed cost per garment duty paid	7.316	7.991	7.602	6.092	6.522	6.75
TIMESCALE (WEEKS)						
Fabric production time	6	6	6	6	6	6
Delivery time fabric	1	3	1	1	3	3
Making up operation	3	3	3	3	3	3
Garment shipment time	5	5	3	5	5	4
Total delivery cycle	15	17	13	15	17	16