



## MMD

TUESDAY, DECEMBER 31, 2013 # \$3.00 # WOMEN'S WEAR DAILY

BANGLADESH AND CAMBODIA

## Political Turmoil Hits Key Supplier Nations

By DENE-HERN CHEN and MAYU SAINI

TWO OF the world's largest apparel manufacturing countries remained in chaos Monday as protests and strikes shut down the fashion industries in Cambodia and Bangladesh.

and Bangladesh.

The protests were driven by demands for change in the governments of the two countries, but also reflected growing pressure for increases in the minimum wage in their apparel industries, which is one of the key manufacturing sectors for both nations. The demonstrations in Cambodia and Bangladesh again put the focus on what has been a key issue for the global fashion industry this year, and one that

is expected to remain in the spotlight in 2014: working conditions in factories in low-cost countries.

In Cambodia, garment workers on Monday continued the nation-wide protests involving a higher minimum wage that began last week and ballooned on Sunday to tens of thousands of people at a rally held by the opposition Cambodia National Rescue Party. A meeting was scheduled for Monday between the Garment Manufacturers Association in Cambodia, which represents the country's exporting factories, and independent unions to discuss the minimum wage, but GMAC refused to attend.

Since the government said last Tuesday that the minimum wage for Cambodia's garment workers would be increased by \$15 to \$95 a SEE PAGE 6

## New EU Rules Boost Pakistan

By MAHLIA S. LONE

LAHORE, Pakistan — The textile industry here is primed to benefit in the new year from the Generalized System of Preferences Plus status granted to Pakistan by the European Union this month.

The deal gives 3,500 Pakistani products duty-free or preferential rate status for exports to the European market for three years beginning Wednesday, although it still faces competition from Asian earlibree.

The benefit covers 90 percent of Pakistan's exports to 27 countries of the EU, with 67 percent of the products textile-related. The GSP Plus status will allow almost 20 percent of Pakistani exports to enter the EU market at zero tariff and 70 percent at low preferential rates. Pakistani textile exports to the EU now attract an average 11 percent duty. Apparel products from Pakistan, including denim jeans and knitwear, will enjoy a savings of 9.6 percent.

GSP Plus status was conditional to ratification and implementation of 27 conventions on human and labor rights; governance issues such as terrorism, narcotics and money laundering, and development issues like environmental

SEE PAGE 6

