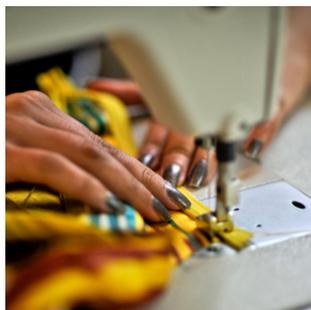


# A MARKET OVERVIEW OF SRI LANKA'S APPAREL INDUSTRY

## Apparel in Numbers

- Sri Lanka's textile industry generated USD 4.86 billion in export revenue in 2023, contributing 41.82% of the nation's total export earnings for the year.
- The market is expected to grow at an annual rate of 2.14% (CAGR) from 2024 to 2029. Within the market, Women's Apparel is the largest segment, with an anticipated market volume of USD 0.85 billion in 2024.
- The apparel industry of Sri Lanka employs about 15% of the country's workforce, around 350,000 people directly. The total female workforce participation rounds up to 34%.
- Sri Lanka is among the top apparel-producing countries in the world relative to its population.



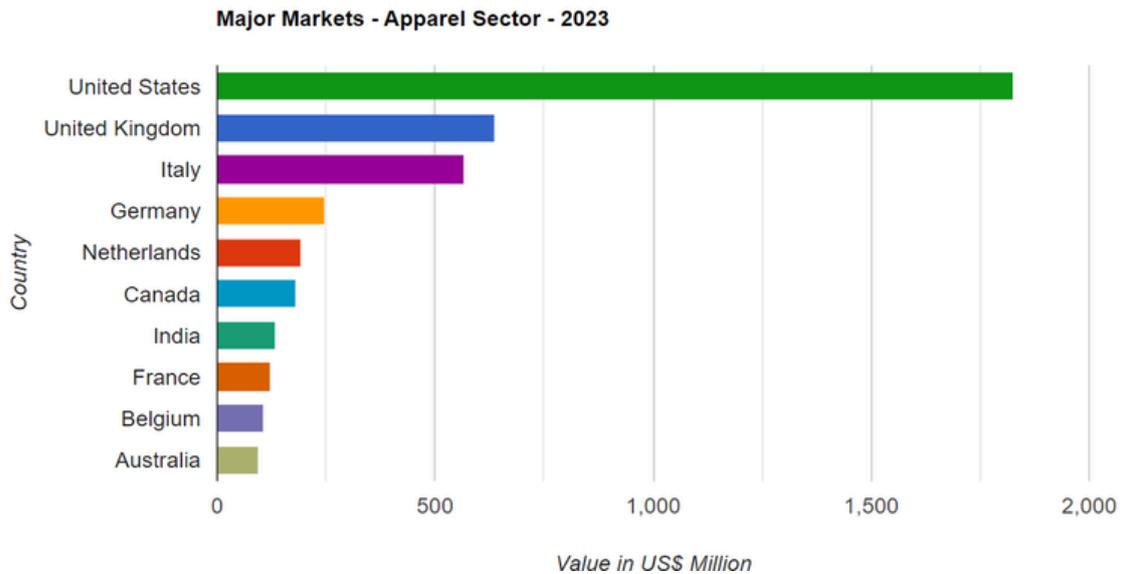
*Sri Lanka Apparel is one of the world's leading destinations for 'Ethical Business and Manufacturing Practices' in the Global Fashion and Apparel Sourcing Business.*



## Garments without Guilt

- Sri Lankan garments are marketed as "Garments without Guilt" in export markets.
- Employee councils are established in all plants, allowing employees and employers to resolve issues together.
- Independent third-party audits ensure compliance with local laws and buyer requirements.
- Factory employees typically earn around Rs. 40,000 per month, with additional benefits such as transport, meals, and insurance.
- There are no sweatshops or underage employment in the industry.

# Market Insights



- By 2025, the country aims to reach an export revenue target of USD 8 billion by increasing investment in local supply chains as the economic crisis restricted access to inputs for the sector.
- In 2023, Sri Lanka's apparel sector experienced strong demand from several key international market with the United States being the largest market, accounting for nearly USD 2,000 million in exports. The United Kingdom follows as the second-largest market, with apparel exports valued at over USD 500 million. Italy and Germany rank next, with exports reaching approximately USD 450 million and USD 400 million.
- The industry possesses an impressive partnership portfolio which includes world renowned labels such as Gap, Liz Claiborne, Next, Jones NewYork, Nike, Tommy Hilfiger, Pink, Triumph, Ann Taylor, Speedo, Abercrombie & Fitch, Land's End, Marks & Spencer and Intimissi.
- The top three apparel-producing companies in Sri Lanka are Hula Global, MAS Holdings, and Brandix.



## Opportunities

- With the growing demand for organic products, Sri Lanka has an opportunity to supply certified organic, sustainable, and fair trade spices to eco-conscious consumers in the EU and the U.S.
- Sri Lanka's unique, high-quality spices can cater to gourmet chefs, specialty food stores, and high-end culinary brands worldwide, appealing to the culinary market.
- Value-added products like spice blends, essential oils, and extracts offer opportunities for export, meeting the demand for convenient, packaged products in Western and Asian markets.

(Sources: EDB, Statista, International Trade Administration)