US Tariff Proposal Puts Pressure on Bangladesh's Apparel Sector

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Bangladesh's apparel industry is facing renewed pressure amid proposed tariff hikes on US imports. According to Iqbal Hossain, Managing Director of Patriot Eco Apparels Ltd, a large order of one million swimsuits for Walmart has been put on hold. He told Reuters that the company received the suspension notice last Thursday.

In an email to suppliers, Faruk Saikat, Assistant Merchandising Manager at Classic Fashion, wrote, "Due to the proposed high tariff on US imports, we are suspending all spring season orders." He later told Reuters that the decision to halt the orders was made by Classic Fashion itself, not Walmart. Reuters reached out to Walmart for comment, but the company did not respond.

Industry leaders in Bangladesh have expressed concern over the situation. Mohiuddin Rubel, Managing Director of Denim Expert Ltd, said, "If a 35% tariff is imposed, survival will become extremely difficult. The current flow of orders will not continue." He noted that buyers are already bearing part of the existing tariff burden, and there is no scope to request them to absorb further costs. According to him, while large companies might withstand the pressure, small and medium enterprises (SMEs) will be severely affected.

Meanwhile, Levi's, which imports from Bangladesh, stated that it has already stocked 60% of the goods it needs for the remainder of 2025.

The Bangladeshi government is currently engaged in discussions with Washington to reduce the proposed tariffs. However, the situation has become more complicated following former President Donald Trump's renewed calls for higher import duties on foreign goods.

According to data from the US International Trade Commission, apparel imports from Bangladesh reached $3.38 billion in the first five months of 2025—an increase of 21% compared to the same period last year. Despite this positive trend, industry insiders fear that the proposed tariff changes may disrupt future growth