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### **Bangladesh to stay as top cotton importer**

Bangladesh, the second-largest exporter of readymade garment items, is poised to remain the world's largest raw cotton importer in the marketing year 2025-26, said the US Department of Agriculture.

However, the consumption of cotton is expected to witness a slight decline to 8.1 million bales, which was previously forecasted at 8.4 million bales in July of this year.

According to the data titled 'Cotton: World Markets and Trade' issued by the Foreign Agricultural Service under the USDA on Tuesday, Bangladesh is projected to import 8.1 million bales of cotton in MY26, which starts in August.

USDA data show that in MY25, Bangladesh's imports were expected to be 8.1 million bales, which was approximately 7.5 million bales in MY24.

According to the USDA report, the consumption forecast for Bangladesh was lowered by 3 lakh bales due to lower consumption expectations.

Vietnam, one of Bangladesh's closest competitors in RMG exports, is projected to import 8 million bales of cotton in MY26. In contrast, China is expected to import 5.3 million bales, having imported 15 million bales in MY24.

However, Bangladesh remained the top cotton importer, with 7 million bales imported in MY23 and 8.45 million bales in MY22.

Meanwhile, on March 31, the USDA, in its report titled 'Cotton and Products Annual', stated that Bangladesh's cotton imports would witness a slight increase in MY26 thanks to increasing demand for RMG items.

According to the Export Promotion Bureau's data, in FY25, Bangladesh's RMG exports experienced a positive year-on-year growth of 8.84 per cent to \$39.35 billion.

In MY24, West African cotton held the largest market share in Bangladesh (37 per cent), while other major exporters included Brazil (17 per cent), India (23 per cent), and the United States (9 per cent).

However, the scenario for the US might witness a significant change as Bangladesh is expected to import more cotton from the US.

As part of its tariff negotiations with the US counterpart to reduce the trade deficit, Bangladesh would increase imports of cotton from the US.

The US imposed a reciprocal tariff of 37 per cent on Bangladesh in April, which was subsequently lowered to 35 per cent on July 8 and further reduced to 20 per cent on July 31 following a series of negotiations.

Meanwhile, the Bangladesh Textile Mills Association held an emergency Board of Directors meeting on August 6, 2025, to share updates on the US visit and to outline the next steps.

During the meeting, the BTMA President Showkat Aziz Russell said that they intend to import \$1 billion worth of cotton from the United States as part of efforts to reduce the trade imbalance between the two countries.

Earlier, in 2023, Bangladesh lifted the double fumigation requirement for US cotton, allowing US cotton to enter Bangladesh without fumigation at the port of entry. This change saved importers millions of dollars and five days of waiting time.

According to the USDA report, global production is expected to decrease by more than 1.8 million bales to 116.6 million, as the production of minor crops in the US, Sudan, Uzbekistan, and Mali exceeds that of a larger crop in China in MY26.

China's production might be raised 500,000 bales to 31.5 million on higher yields; however, US production is expected to be lowered 1.4 million bales to 13.2 million on a smaller area harvested.

According to the USDA, Bangladeshi producers could produce approximately 153,000 bales of cotton on 45,000 hectares of land, which accounts for less than 2 per cent of its total consumption.