

Denmark Apparel Import from India Remains Buoyant



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Denmark has been a modern market economy with world-leading firms in maritime shipping and a high dependence on foreign trade. The country was strongly hit by financial crisis, due to its high degree of openness to international trade and to the high level of financialisation of its economy. However, profiting from the resumption of trade, Denmark has experienced a more dynamic economic recovery than its European neighbours. In spite of the financial upheaval in the ED, Denmark's fiscal position remains amongst the strongest in the ED. Denmark made a modest recovery in 2010 in part because of increased government spending. In terms of GDP, Denmark is the 52nd largest economy in the world, while in terms of per capita income; it is the 31st largest economy in the world.

Table 1: Key Macro-Economic Indicators of Denmark		
Details	Year	Figures
Population	(2010 est.)	5,515,575
Population Growth Rate	(2010 est.)	0.27%
GDP (Purchasing Power Parity - PPP)	(2009 est.)	\$197.5 billion
Annual Rate of Inflation	(2009 est.)	1.30%
GDP Per Capita (PPP)	(2009 est.)	\$35,900
Industry	(2009 est.)	20.20%
Major Ports	Aalborg, Aarhus, Copenhagen, Ensted, Esbjerg, Fredericia, Kalundborg	

Source: World Fact Book, CIA

Denmark's Global Imports & Exports

The country's global imports declined heavily in 2009 by 25.4 per cent and the total imports were US\$ 79.2 billion. India was ranked at the 20th position with 0.9 per cent share amongst the import partners of Denmark. Imports from India had declined by 14.2 per cent in 2009. The major supplier countries to Denmark were Germany, Sweden, Netherlands, China, UK, Norway, Italy, France, Belgium and USA, constituting 73.1 per cent.

Table 2: Share of Knit Apparel and Woven Apparel in Denmark's RMG Imports								
HS	Description	Value of Import			%age share			%age change 2009-08
		2007	2008	2009	2007	2008	2009	
	RMG	4197.7	4468.3	3753.9	100	100	100	-16.0
61	Knit Apparel	1922.5	2038.6	1722.4	45.8	45.6	45.9	0.6
62	Woven Apparel	2275.3	2429.7	2031.5	54.2	54.4	54.1	-0.5

Source: UN Comtrade, 2010

RMG Imports

Being the 12th largest importer of apparel in the world, Denmark has a share of 1.04 per cent amongst the world. It is ranked as the seventh largest importer of apparel in EU with a total import of RMG at US\$ 3.75 billion in 2009 showing a decline by 16 per cent from 2008. This decline in 2009 can be attributed to the financial crisis in EU. Woven garments share in RMG import was higher than the knitted garments and the share of knit in total apparel import from the world declined from 2007. (Refer Table 2)

Denmark's global exports also declined by 19.3 per cent in 2009 and total exports were US\$ 87.8 billion. India was the 33rd destination having only 0.41 per cent share. Other major destination countries of Denmark were mainly EU Countries like Germany, Sweden, UK, Norway, France, Netherlands, Italy and Finland. USA (non-EU country) was the fifth largest destination country in Denmark's exports in 2009 and the country's exports to USA grew by 5 per cent too.

Major Supplier Countries to Denmark for RMG

Table 3: Major Supplier Countries to Denmark							
Countries	Values of RMG Imports			% share			% change
	2007	2008	2009	2007	2008	2009	09/08
World	4197.7	4468.3	3753.9	100	100	100	-16.0
China	1203.1	1517.0	1356.2	28.7	34.0	36.1	-10.6
Turkey	595.5	541.1	430.2	14.2	12.1	11.5	-20.5

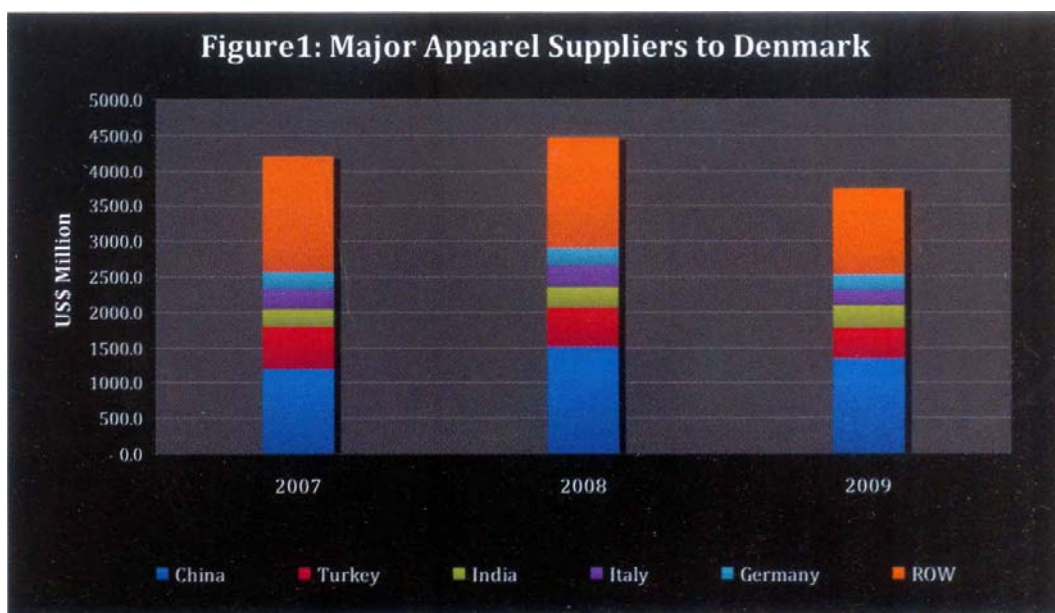
Source: UN Comtrade, 2010

China emerged as the top supplier of apparel to Denmark, third time in a row and its share had also increased during the period from 29 to 36 per cent, despite the decline in growth of RMG imports from China by 11 per cent. India was the third largest supplier to Denmark in 2009, after China and Turkey with 8.1 per cent share and the RMG imports from India grew by 3.8 per cent in 2009. It is interesting to note that the import share of India in the last three years increased from 6 to 8 per cent despite the financial crisis in Denmark. (Refer Table 3)

Table 3 indicates the share of top three supplier countries to Denmark during last three years.

The top five apparel supplies to Denmark accounted from more than 67 per cent share in total import and rest is supplied by other countries. Amongst the top 5 suppliers, India is the only supplier whose import had grown from the previous year, while rest of the partners experienced the jolt of financial crisis. In figure 1, the position of top five apparel suppliers, vis-à-vis rest of the world is depicted.





Imports at HS 4 Digit

The top five product groups constituted 58.4 per cent share in Denmark's RMG imports. However, India's share for these five product groups was only six per cent. Top five apparel imports from India constituted 74.8 per cent share in the total apparel import. At HS 4 digit, 34 apparel items were imported by Denmark from India, out of which 15 product groups grew positively from the previous year, while rest of the 19 products grew negatively.



Top 4 import items from India are Women's or girls' blouses, shirts (6206), Women's or girls' suits, ensembles (6204), shawls, scarves, mufflers, mantilla (6214), track suits, ski suits and swimwear (6211) (Refer Table 4).

Table depicts the top three import items from the world at HS 4 digit.

Table 4: Top 3 Imports of Apparel at HS 4 digit

HS	Description	World		India				
		2008	2009	2008	2009	% Share 2008	% Share 2009	% Change 09/08
6204	Women's or girls' suits, ensembles,	782.7	658.0	59.7	68.6	7.6	10.4	0.1
6110	cardigans, wais	593.7	480.9	18.0	12.6	3.0	2.6	-0.1
6203	Men's or boys' suits, ensembles, ja	567.4	459.7	3.9	4.3	0.7	0.9	0.0

Source: UN Comtrade, 2010

In the case of Denmark, India's major competitors are China, Turkey, Italy and Germany. The unit value realisation is high in the case of China and Turkey, while for India the unit value realisation has declined. Countries like Turkey, Italy and Germany enjoy location advantage. Technological and low cost advantage can be seen in China for Denmark. All these favorable factors make Denmark inclined towards these countries. (Refer Table 5)

Table 5 depicts the top three import items vis-à-vis share of top five suppliers including India.

Table 5: Top 3 Imports of Apparel at HS 4 digit and Share of 5 Major Suppliers						
HS	Description	Share in %	Import From World (US\$ Million)	Import From India (US\$ Million)	India's Share %	% Change 09/08
6204	Women's or girls' suits, ensembles	China(44.2), Turkey(12.7), Italy(2), Germany(7.2)	658.0	68.6	10.4	0.1
6110	Jerseys, pullovers, cardigans, wais	China(48.6), Turkey(8.1), Italy(3.1), Germany(4.4)	480.9	12.6	2.6	-0.1
6203	Men's or boys' suits, ensembles, jackets	China(26.4), Turkey(12.4), Italy(16.3), Germany(6.6)	459.7	4.3	0.9	0.0

Source: UN Comtrade, 2010

Denmark imports almost 217 items at HS 6 from the world. There are 195 items imported from India at HS 6 digit. At HS 6 digit 89 items had grown positively from before while rest of the 106 items had grown negatively. List of the top three apparel import from the World is given in table 6.

Top 6: Apparel Import from World At HS 6 Digit								
Rank in 2009	HS	Description	World		India			
			Value of RMG Imports, 2009	Unit Price \$	Value of RMG Imports, 2009	%age Share	%age Change 09/08	Unit Price \$
1	620462	Overcoat, Capes, Cloaks, Anoraks etc Of Cotton	311.61	13.73	5.68	1.88	38.43	13.73
2	620342	Overcoat, Car-Coats, etc Of Man-Made Fibres	308.05	14.37	2.72	0.9	162.05	14.37
3	610910	Overcoat etc Of Other Textile Materials	304.67	5.69	32.38	10.71	-9.23	5.69

Source: UN Comtrade, 2010

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Image Courtesy: urban1972.com