

# Entering the European market for childrenswear

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Exporting childrenswear to the European Union (EU) offers access to a large and diverse market and opportunities for innovation and growth, but also comes with regulatory challenges and competitive pressures. There are many different markets and market players in Europe, but in general the required minimum order quantities and flexibility are not easy to meet. If you can meet buyer requirements, there is much opportunity for growth.

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## 1. What requirements and certification must children wear comply with to be allowed on the European market?

You need to comply with several requirements when exporting Children wear to Europe. Some are mandatory (both legal and non-legal). Others are voluntary but meeting them can give you a competitive advantage. Some requirements only apply to niches in the Children wear market.

### Mandatory requirements

There are many legal requirements for exporting Children wear to Europe, including those concerning product safety, the use of chemicals (REACH), quality and labelling. Check the [EU Access2Markets online helpdesk](#) for an overview. Follow these steps to ensure that your product complies with the relevant legal requirements:

1. Make sure your product complies with the EU's General Product Safety Directive ([GPSD: 2001/95/EC](#)). If your buyer supplied the product design, it is their responsibility to guarantee it is legally safe for consumers to use.
2. Pay special attention to the following safety standards that apply in the EU: [EN 14682](#) (contains requirements to ensure that cords and drawstrings are placed safely on apparel for children up to 14 years), [EN 14878](#) (specifies the burning behaviour of children's nightwear).
3. Make sure you comply with the EU's [REACH Regulation](#). This restricts the use of chemicals in apparel and trims, including certain Azo-dyes; flame retardants; waterproofing and stain-repelling chemicals and nickel. Test the input materials before production to prevent the risk of non-compliance.
4. Specify the material composition of every item of Children wear that you export to the EU, in accordance with [Regulation \(EU\) 1007/2011](#). Check the [EU Access2Markets online helpdesk](#) on how to do it.
5. Do not violate any [Intellectual Property \(IP\) rights](#) and do not copy or share designs with other buyers. If your buyer provides the design, they will be liable if the item is found to violate a property right.

### Tips:

Read the CBI study on [Buyer requirements](#) for an extensive overview of the legal, non-mandatory and

niche requirements you will face as an exporter of childrenswear to Europe.

View [this short video](#) by Compliance Gate about the relevant EU regulations for childrenswear.

See the [Q&A section on the website of the European Chemicals Agency](#) for answers to the most common questions about REACH and the use of chemicals in apparel, accessories and trims.

If you need help, always discuss compliance challenges and possible solutions with your buyer.

You or your authorised representative (or your representative in Europe for compliance matters, if you are outside the EU) must be able to provide a declaration of conformity (DoC) stating that your product follows the rules. Keep this document so you can show it if authorities ask for it. Keep records of testing and product information that show your childrenswear meets the legal requirements for export to Europe.

## Non-legal mandatory requirements

In addition to the legal requirements mentioned above, your buyer may have company-specific terms and conditions. Such requirements are non-legal, but still mandatory.

## The buyer manual

When you do business with a European buyer for the first time, they will typically give you a contract and/or a manual to sign. By signing the contract, you confirm that you will comply with all the listed requirements. This means you will be held accountable in case of a problem after the delivery of an order. Especially complying with REACH can be challenging. With small orders, most European buyers will not ask for expensive testing, but if illegal chemicals are discovered after delivery, you will bear all expenses involved.

## Acceptable quality limit

To guarantee product quality, your buyer may set an acceptable quality limit (AQL). This refers to the worst quality level that is still tolerable. For instance, AQL 2.5 means that your buyer will reject a batch if more than 2.5% of the whole order quantity is defective.

## Packaging requirements

In most cases, your buyer will give you instructions on how to package the order. If you agree to deliver Free on Board (FOB), which is the industry standard, your buyer will clear customs in the country of import. It is their responsibility to ensure the instructions comply with EU import procedures. Always try to reduce the environmental impact (and financial cost) of the use of packaging materials.

Reducing your use of packing materials or replacing them with sustainable alternatives not only minimises the environmental impact but also lowers costs and increases your competitive advantage. Some alternatives are:

- Recycled cardboard
- Biodegradable plastics

## Payment terms

For a first-time order, European buyers may agree with a down payment (for instance, 30%). They will pay the rest (70%) after the order has been completed. The safest payment method for you as a manufacturer is the LC (Letter of Credit). An LC obligates a buyer's bank to pay the supplier when both parties meet the conditions they have agreed upon. However, many buyers no longer favour LC payments, as this will block their cash flow. Be aware that LCs do not offer financial protection against bankruptcies!

For any further orders, most European buyers will ask for a TT (Telegraphic Transfer) after 30, 60, 90 or sometimes even 120 days. This means you as a manufacturer finish the production and hand over the shipment to the buyer, including the original documents, before payment is due. The payment will be made after the number of days that you have agreed on with the buyer. This is a risky payment agreement because you are taking the full financial risk.

## Transparency

Supply chain transparency is key for the European apparel industry due to ever stricter laws at EU and national levels. For instance, the EU's new Corporate Sustainability Due Diligence Directive ([CSDDD](#)) and the Corporate Sustainability Reporting Directive ([CSRD](#)) require all larger European companies to report on how they manage social and environmental risks.

Transparency means you have to not only disclose information about your own operations to buyers, but also help them gain as much insight as possible into their (and therefore your) whole supply chain.

## Restricted substances

Ask your buyer if they use a Restricted Substances List (RSL). These lists are often inspired by the guideline on safe chemicals use from the Zero Discharge of Hazardous Chemicals (ZDHC) foundation. Download the [ZDHC Conformance Guidance](#) here.

## Animal welfare

If you use wool, animal welfare is an important concern. Buyers may require that you only use [RWS-certified](#) wool. If you use merino, buyers may require that you use only [non-mulesing](#) wool.

## Regenerative agriculture

The use of organic cotton is as popular as ever amongst European fashion brands, but efforts to make cotton production more sustainable have expanded to include 'regenerative agriculture'. This concept is about phasing out harmful fertilisers and pesticides and 'regenerating' nature, including biodiversity, soil health and water. Several large European apparel retail groups have set goals in this area, including [H&M](#) and [Inditex](#). Control Union recently introduced the first certification for regenerative agriculture, called [regenagri](#).

## Carbon footprint

Many European brands [have committed to climate neutrality](#). Calculating the CO2 footprint of an apparel item is a complicated process, but several organisations have set benchmarks for specific materials and/ or products. See [the CBI study on tips to go green](#) for more information.

## Recycling

The EU is introducing [new legal measures](#) to increase circularity in textiles, including new directives for the [durability of textile products and a 'right to repair'](#). The EU is also considering the introduction of an [EU-wide apparel EPR](#) (extended producer responsibility). This would make companies responsible for the way their products are disposed of, recycled or repaired. Some countries have already implemented [national EPR schemes](#). Using recycled and repurposed materials will help your buyers to reduce waste and conserve resources.

## Certification

Many childrenswear companies require suppliers to get certified for sustainable and/or fair production or the use of sustainable materials. Below is an overview of the most popular standards and certifications in Europe. Note that BSCI is almost a standard requirement for many European apparel companies. For a more detailed overview of popular standards, see the [CBI study on buyer requirements](#).

Table 1: Europe's most popular standards

Standard	Logo	Type of compliance	Certification information
Amfori BSCI		Social	By buyer invitation. <a href="#">Amfori provides a list of organisations that can do an audit</a>
WRAP		Social	<a href="#">Read about the WRAP certification process here</a>
B Corp		Social, environmental	<a href="#">Read about the B Corp certification process here</a>
OEKO-TEX® STeP		Social, environmental	<a href="#">Read about the OEKO-TEX® STeP application process here</a>
GOTS		Social, environmental (organic production)	<a href="#">GOTS provides a list of organisations that can do an audit</a>
Recycled Claim Standard		Environmental (materials recycling)	<a href="#">Read about how to get certified here</a>

### Tips:

Check the [EU Access2Markets online helpdesk](#) for an overview of all legal requirements set for your product. Here, you can identify your product code to get a list of applicable requirements.

Check the freely accessible [CSR Risk Check database](#) to discover the social and environmental risks associated with apparel production in your country and ways to manage them.

Do not take financial risks with new buyers. Check their credibility and insure your orders with an insurance company or insist on a letter of credit.

If you agree to an extended payment, don't forget to calculate and add interest.

Read the buyers manual carefully and don't be afraid to negotiate terms and conditions before signing any agreement.

### What additional requirements do buyers often have?

European buyers are looking for manufacturers that offer low minimal order quantities (MOQs) and flexibility and can deliver multiple product variations, including detailed designs and special decorations. However, keep in mind that prices for children's clothing are typically lower than for adult apparel. Still, prices for Children wear

are far below those of adult styles. This means that you need to have a highly efficient manufacturing setup to comply with the buyers' expectations and still make a profit.

## Product design and development

European buyers are always looking for special designs, materials or production methods that will help them stand out in the market. Features that are highly appreciated by European buyers of Children wear are:

- The use of chemical-free, hypoallergenic, sustainable materials (such as organic cotton, Tencel, recycled materials or plant-based dyes);
- Ease of washing (at high temperatures);
- Resistance to staining during wear;
- Colourful coatings and prints, preferably using sustainable techniques;
- Highly comfortable fabrics (jersey, use of elastane).

## Printing

Prints are highly popular in Children wear. There are different printing techniques: lithography (using printing plates and rollers on fabric); digital printing (inkjet and laser, allows for small production runs); and screen printing (transferring images onto fabric or garments using a fine material or mesh/film. Printing can be outsourced, but having your own printing and embroidery machines increases your flexibility.

## Communication

Smooth communication is an implicit requirement of all buyers. Always reply to every email within 24 hours, even if it is just to confirm that you have received the email and will reply in full later. If you have a problem with a production order, let your buyer know as soon as possible and try to offer a solution. Another good tip is to create a T&A (time and arrival) for every order and share it with your buyer. This file will help you to manage expectations and monitor progress and is the best guarantee of on-time delivery.

### Tip:

Be proactive and prompt in your communication. For short updates to your buyer via text, photo or video, try [WhatsApp](#) or [Signal](#). To make free video calls you can also try [Teams](#), [Skype](#) or [Google Meet](#).

## Flexibility

If you want to start a business relationship with a European buyer, be prepared to accept complicated orders first. Buyers will want to test your factory before giving you large, easy orders. Make sure at the start that a buyer will not continue to place only difficult orders with you and convenient orders elsewhere.

Expect a European buyer to require in their first order:

- High material quality and impeccable workmanship;
- Order quantities below your normal minimum order quantity (MOQ);
- A price level that is lower than you would normally accept for small-quantity orders.

## What are the requirements for niche markets?

The following niche categories offer opportunities for Children wear manufacturers. The required qualities, styles and quantities may differ from mainstream production.

## Sustainable Children wear

Ever more European Children wear brands and retailers are using sustainable materials in their collections. For instance, check out Swedish brand [Polarn O. Pyret](#) or [C&A](#). Buyers may focus on organic natural materials such as organic cotton or merino wool or bamboo, bio-degradable plastics and recycled fabrics such as regenerated nylon or polyester.

Figure 1: Understated designs made with sustainable materials are a growing niche



Source: Photo by [Amina Filkins](#) on [Pexels](#)

## Second hand

The growing second-hand market in Europe is serviced by online platforms such as [vestiairecollective.com](#), [vinted.com](#), [depop.com](#) and national websites such as [marktplaats.nl](#) (in the Netherlands), where end consumers can sell their used apparel. Brands try to benefit by incentivising end consumers to return used garments by offering them discounts on future purchases. They appreciate your efforts to develop styles that can easily be cleaned, repaired (using stock fabrics and trims) or disassembled.

## Licensed graphics

Many Children wear collections in the lower market segments feature licensed graphics and characters from popular cartoons, books or brands, such as [Mickey Mouse](#) or [NASA](#). Such designs may only be used with permission from the copyright holder.

## Gender-Neutral Fashion

Gender-neutral and unisex apparel has become more popular in Europe recently. They allow children to express themselves without conforming to traditional gender norms.

## Matching Family Outfits

Coordinated family outfits for parents and children have become fashionable for special occasions and photoshoots.

## Personalised and Customised Apparel

Options for customisation such as monogramming or the addition of personal messages allow parents to add unique touches to their children's clothing.

## 2. Through what channels can you get Children wear on the European market?

Before you start to approach European Children wear buyers, you need to determine what market segment fits your company best and through which sales channel(s) you want to sell your product.

### How is the end market segmented?

The childrenswear market in the EU can be broken down based on many different criteria, such as age (primary school age, teenage), gender (boys, girls, unisex), occasion (everyday, formal, activewear), seasonality (spring/summer, autumn/winter), styles (classic, fashionable, natural), ethnicity, price/quality, mainstream or niche markets. However, the most useful breakdown is by price/quality level.

Table 2: Children wear market segmentation

Consumer type	Price level	Fashionability	Material use	Order quantities
Luxury consumer	Very high retail prices	Highly fashionable, 'adult' and unique designs	Luxury materials	Low order quantities
Fashion-conscious consumer	High retail prices	Styles in line with latest trends	High-quality, sometimes organic materials	Low to medium order quantities
Practical consumer	Medium retail prices	Practical, fashion-conscious designs	Medium-quality, sometimes organic materials	High order quantities
Price-conscious consumer	Low or extremely low retail prices	Basic and functional styles, use of licensed graphics	Medium to low-quality materials	High order quantities

### Luxury consumers

High fashion consumers shop at luxury brands and retailers such as [Galeries Lafayette](#) and high-fashion brands such as [Versace](#) or [Emilio Pucci](#). These consumers expect their Children wear to represent a strong brand image and the latest fashion trends. Children wear brands in the luxury market require top-quality materials and manufacturing, the latest technical innovations and highly comfortable designs.

### Fashion-conscious consumers

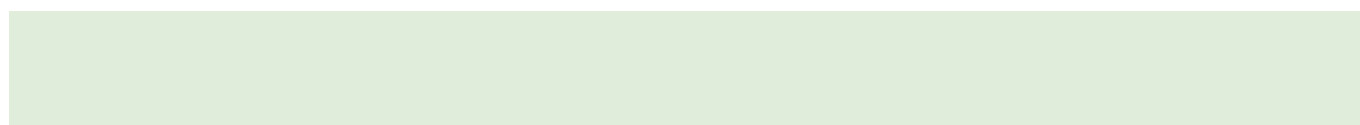
In the middle market, lifestyle brands such as [Lacoste](#) and [Guess](#) sell collections created around a brand image with fashionable and comfortable designs. These brands offer a good-quality product for a mid to high-level price. Products must have the technical look of a high-end product, but retail prices are substantially lower.

### The middle market: practical consumers

Practical consumers shop for functional and fashionable items at middle market brands and retailers such as [Mango](#) or [WE](#). The focus is on safety, washability, durability, fit and medium-quality materials. Buyers will sometimes require organic fabrics. Order quantities are high, retail prices low to medium.

### Price-conscious consumers

The budget market includes companies such as [Primark](#) and [H&M](#), which cater to the price-conscious consumers. Design and technical innovation are less important, but the item needs to give the impression that it is fit for purpose and in line with the latest fashion trends. Prices are low and competition is heavy.



## Tips:

Do thorough research to understand the EU childrenswear market. Analyse consumer preferences, trends and competitors.

Collaborate with EU-based distributors, wholesalers and/or retailers for market access. Don't forget to choose an entry strategy, whether exporting directly to retailers, participating in trade fairs or establishing a local presence.

## Through what channels does a product end up on the end-market?

Their place up the value chain determines how buyers will do business with you. Each buyer requires a specific approach. Always try to find out in what part of the value chain your buyer is operating, what challenges they face in the market and how you can contribute to their sales strategy.

- If you want to target European end consumers, try selling via platforms such as [Alibaba](#), [Wish](#), [Amazon](#) or [Wolf & Badger](#) for independent brands. Most online consumers can be found in countries in Europe's northwest. You will need to invest in a web shop, stock, order management and customer service. Your biggest challenges will be return policies and a lack of brand awareness.
- [The growing second-hand market](#) in Europe is serviced by online platforms such as [vestiairecollective.com](#), [vinted.com](#), [depop.com](#) or national websites such as [marktplaats.nl](#) (the Netherlands).
- Online multi-brand retailers such as [Zalando](#), [Nickis](#) and [Wehkamp](#) sell existing Children wear brands and develop their own private collections. They can detect market interest very fast and will immediately react upon sales data. Usually, such companies will place a small test order first. If the item is selling well, they will place the actual production order. Fast delivery is a must.
- Most European retail chains, department stores and supermarkets sell both adult and Children wear. Especially in Northern EU countries, Children wear is mostly part of a total concept servicing children, men and women. Notable exceptions are [Polarn O. Pyret](#), [Petit Bateau](#) and [jacadi](#).
- Children wear brands develop their collections 6-12 months in advance. You will need a large sample room, as brands require salesman samples (SMS) of each collection style. Every sample needs to be current: meaning it must look exactly like the product will in the shop, with branded hangtags and accessories. It may take many months before orders are placed.
- Intermediaries such as agents, distributors, traders, importers and private label companies sell your product on to buyers up the value chain. They are price focused and require flexibility in quantities and qualities. Some are located near or in the production countries and primarily do sourcing and logistics, such as [Li & Fung](#). Others, such as [HVEG Fashion Group](#) or [Jolo](#), work from Europe and also do market research and design.

## Tips:

Find potential buyers on the exhibitor lists of trade fairs for Children wear such as [INDX Kidswear](#) (United Kingdom), [Kind + Jugend](#) (Germany) or [Pitti Imagine Bimbo](#) (Italy). For an overview of trade fairs, check [TradeFairDates](#).

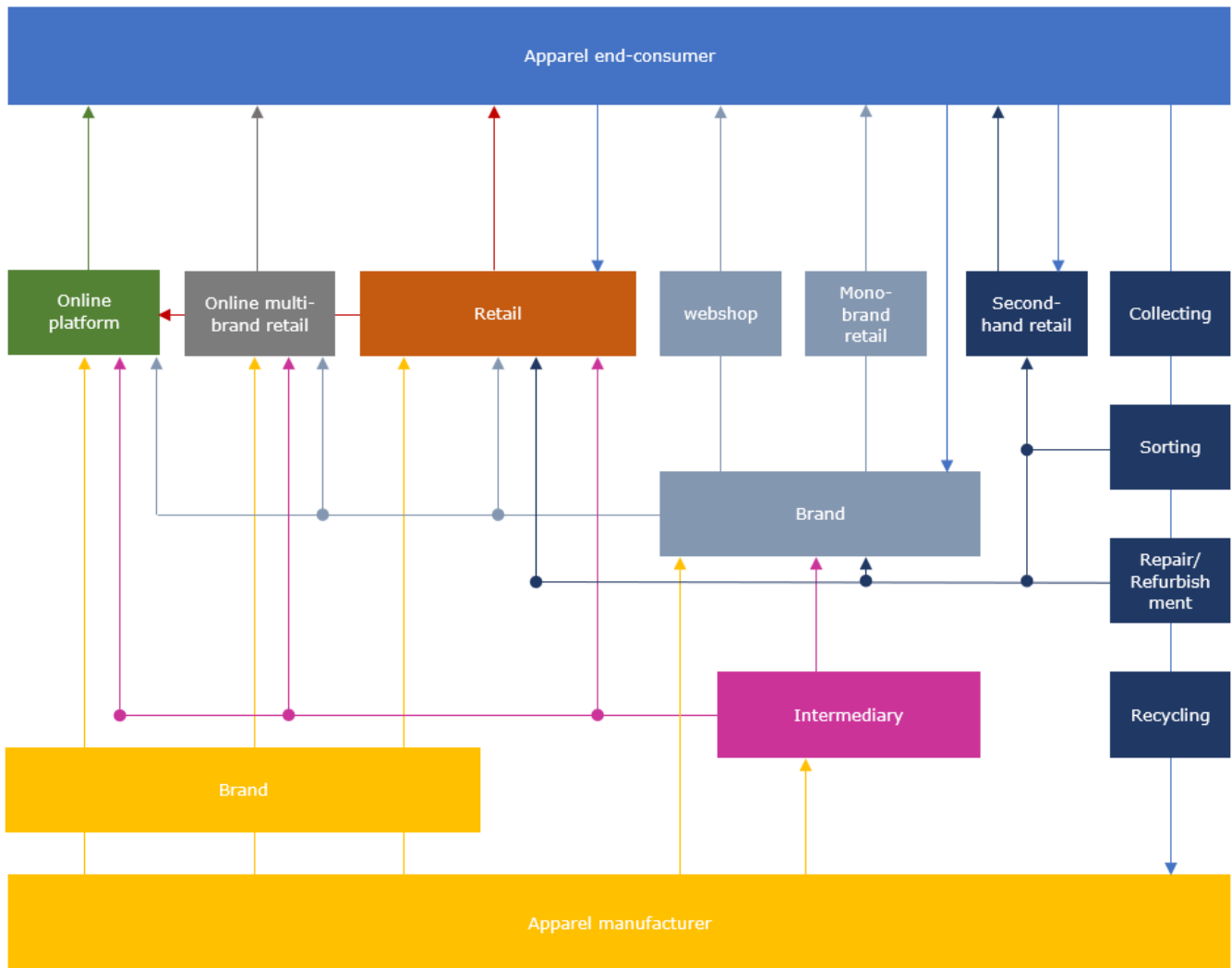
If you plan to meet a buyer or potential buyer at a trade fair, check what collections they have and prepare matching or even improved samples. Also, work out the costing before you introduce your company and your samples to a potential buyer.

Approach your local business support organisation to help you get in touch with buyers.

Participate in development programmes that can educate you and match you with buyers. Examples are [CBI](#), [GIZ](#), [UNIDO](#) and [USAID](#).



Figure 2: Apparel market value chain



## What is the most interesting channel for you?

As you move higher up the value chain, your margin will increase, but so will the service level that your buyer will require from you. When you have little experience with exporting to Europe, intermediaries and brands are likely the best starting point.

### Tips:

If you are not sure which intermediary is right for you, consider using an “agent for agents”, such as [Anton Dell](#). Otherwise, try to find intermediaries specialised in Children wear by using an online search engine. Use keywords such as “full service”, “garment”, “agent”, “distributor” or “Children wear” plus “solution”. Trader’s websites usually show the brands they are working with.

Focus on starting to produce for a trendsetting company. This will help you understand the market and use developments to open doors to new buyers.

Visit trade fairs and talk to exhibiting companies, and try to make initial contacts.

### 3. What competition do you face on the European children wear market?

Children wear is manufactured worldwide, so you will likely face stiff competition in this market. The most important ways to create a competitive advantage over manufacturers in other countries are: technical knowledge, service level, flexibility, efficiency and beneficial trade agreements.

#### Which countries are you competing with?

In this overview we have focused on exporting countries that are capable of manufacturing Children wear with flexible MOQ.

Table 3: Overview of exporting countries

Country	Strengths	Weaknesses	Image in Europe	Future developments
Portugal	Quality	Price	High quality	Growing industry
Morocco	Price	Flexibility	Fast fashion	Customer diversification
Turkey	Flexibility	Inflation	Fast fashion	Growing export to the US
Sri Lanka	Price	Speed	Quality	Industry is struggling
Egypt	Price/flexibility	Communication	High cotton quality	Sustainability

#### Tip:

Outsource your volume orders to larger factories specialised in volume business in order to become more flexible.

#### Which companies are you competing with?

[Longratex](#) is a childrenswear manufacturer based in Portugal with a long-standing history of producing high-quality clothing for children of all ages. With a strong commitment to both style and comfort, Longratex offers a diverse range of fashionable and durable clothing options for kids. Their dedication to ethical and sustainable practices ensures that their products meet the highest quality and safety standards.

[Lemon Tekstil](#) is a renowned textile manufacturer based in Turkey and specialised in producing a wide range of

childrenswear, from fabrics to garments. With a commitment to quality and innovation, Lemon Tekstil has earned a reputation for delivering high-quality products for various industries and markets.

[Naturtex](#) is an Egyptian manufacturer of clothing for babies and children, all made from certified GOTS cotton. The company is the market leader in Egypt and mainly focused on export to the EU.

## Which products are you competing with?

Childrenswear competes in a diverse market and parents' spending decisions are influenced by their child's age, needs and the family budget. Each of the following categories targets different aspects of a child's life, and parents make choices based on their priorities.

### Adult Clothing

Childrenswear designs may copy those of adult collections. This can be seen in all market segments, but particularly in the high-fashion luxury segment and in the 'mini me' trend (parents and their children wearing identical or similar styles). Older schoolchildren (from age 12) also sometimes prefer styles that are inspired by adult collections and may therefore shop for smaller-sized items in adult collections.

Figure 3: Children wear styles are often inspired by adult collections, especially for older children



Source: Photo by [Marta Wave on Pexels](#)

### Outdoor Activities and Sports Equipment/clothing

Outdoor activities and sportswear may compete with children's clothing, especially for older kids involved in sports.

## 4. What are the prices for Children wear on the European market?

Your product's factory price is influenced by many factors, including the materials cost, workforce efficiency and your overhead and profit margin. For a step-by-step guide on how to calculate the [Free On Board](#) (FOB) price of apparel items, see [this CBI study on cost-price calculation](#).

The average cost breakdown of your FOB price should look like this:

The challenge with Children wear is that, although the average fabric consumption is less than for adult wear, the designs are often more complicated, order quantities are lower and so is the average FOB-price level. This makes it a challenge to keep production efficiency high and make a profit.

### Retail pricing

The retail price of an apparel item is on average 4-8 times the FOB price (this is called the 'retail markup'). It follows that the FOB-price is on average 12,5-25% of the retail price of the product. Exceptions do occur. In the budget market, some large European retail chains may only double the FOB price mark up. Retailers mark up the FOB-price by 4-8 times because they need to account for (amongst other things) import duties, transport, rent, marketing, overhead, stock keeping, markdowns, VAT (15-27% in EU-countries).

Source: Eurostat

According to [Eurostat's 2022 comparison of retail prices for apparel](#) in Europe, of the top 3 European apparel and footwear importers, France has the highest price level, at 105.4 points compared to the European average of 100, followed by Germany (98.7) and Spain (84.8). Denmark is the EU country with the highest price point (134.4), while Switzerland is the most expensive European country for apparel (141.5).

## **Price development**

Online commerce and a strong budget segment have made consumers in Europe accustomed to low prices. However, a stronger focus on sustainability and rising costs for materials, production (due to global political instability) and shipping have put manufacturers, suppliers and buyers under huge price pressure. Inflation declined somewhat in Europe in 2023, but [is still higher than normal](#).

[FT Journalistiek](#) carried out this study on behalf of CBI.

Please review our [market information disclaimer](#).