

### Revue de presse / Press review n° 5

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## Cambodge : les exportations d'habillement et de chaussures en hausse de 12,6%

#### 29/09/2014 | 10:56:33

Lors des sept premiers mois de l'année, le Cambodge a exporté pour 3,47 milliards de dollars de textile-habillement et de chaussures, soit une hausse de 12,6% (l'équivalent à 390 millions de dollars) en variation annuelle, selon les données du ministère cambodgien du Commerce.

Le textile-habillement et les chaussures sont un secteur clé de l'économie cambodgienne, avec quelque 960 entreprises employant 620.000 ouvriers et dégageant la plus importante ressource de devises étrangères pour le pays. En 2013, sa valeur d'exportation a été estimée à 5,5 milliards de dollars, soit plus de 80% du total des exportations de ce pays.

Les plus grands débouchés sont l'Union européenne et les Etats-Unis. -VNA



## Cambodia says high US import taxes keep workers poor

October 3, 2014 2:27 pm

Phnom Penh (dpa) - The Cambodian government has blamed the low wages paid to the country's garment workers on high US import duties, local media reported Friday.

Cham Prasidh, minister of handicrafts and industry, said that as much as the government would like to increase workers' wages, to do so would spell economic suicide as "all the factories would run away," The Phnom Penh Post reported.

Cambodia's 600,000 garment workers earn a minimum monthly wage of 100 dollars. Unions and workers have recently been calling for a 77-dollar monthly increase, saying the current salary is not a living wage.

Textile workers in Cambodia produce clothes for US and European brands such as H&M, Zara and Nike.

Prasidh said in parliament on Thursday that Cambodia, which exported 5 billion dollars worth of garments in 2013, had paid 500 million dollars in import duties to the United States, one of the biggest importers.

"It is so unjust for us. It means that these days we help America with 500 million dollars every year," he said.

The US should follow the example of countries that have more relaxed duties because Cambodia is a developing country, he said. The European Union places no tax on Cambodian imports.

Opposition party leader Sam Rainsy had a different idea for how the government could raise the workers' monthly wage: cracking down on corruption.

"If we reduce under-the-table payments or clear out unofficial payments altogether, I believe that we will benefit benefit for the nation and for the workers," he said.



## Des consommateurs et des travailleurs belges interpellent H&M et ZarA SOCIETE | mardi 7 octobre 2014 à 17h04

Représentants des consommateurs, travailleurs belges et cambodgiens ont remis une déclaration communes aux responsables des enseignes H&M et Zara en Belgique. Objectif: réclamer de meilleures conditions de travail dans les usines textiles du Cambodge.

La déclaration est soutenue par les consommateurs. Des milliers de signatures pour demander aux grandes enseignes du textile d'agir concrètement pour le sort des travailleurs en Asie du sud-est. La démarche est exceptionnelle. C'est la première fois que les clients se mobilisent de cette manière. "Les gens sont davantage touchés quand il se passe des catastrophes. C'est plutôt la fibre émotionnelle. Tout ce qui reste lointain comme des débats, des discussions, négociations syndicales, etc. ça reste assez éloigné de leurs préoccupations et compliqué à expliquer à un consommateur lambda."

Présents aujourd'hui, des ouvriers cambodgiens invités par les organisations de consommateurs. C'est ce que l'on appelle la solidarité de filière. Ensemble du fabricant aux acheteurs prendre conscience des conditions de travail à l'intérieur d'usine à l'autre bout du monde. Vong Vuthi, représentant du syndicat cambodgien C. CAWDU explique : "Le 17 septembre dernier, au Cambodge, plus de 100.000 travailleurs de l'habillement ont exprimé leur demande de voir leur salaire augmenter à 137€. Actuellement, les travailleuses de l'habillement ne peuvent se nourrir correctement. Elles tombent en syncope par centaines dans les usines." Hong Chanthan est une travailleuse de l'habillement et milite plus un revenu plus élevé. "La loi cambodgienne dit que les travailleuses devraient avoir droit à un salaire vital, un salaire qui leur permet de subvenir à leurs besoins. La vérité, c'est que nous gagnons 100\$ par mois et ça ne couvre pas les dépenses quotidiennes, et c'est encore pire lorsqu'on a une famille à entretenir"

Les travailleurs cambodgiens de l'habillement se mobilisent pour élever le salaire minimum de 77 à 137 €. Huit enseignes européennes - Inditex (Zara, Bershka,...), Primark, New Look, Nbrow Group, Tchibo, Next, C&A et H&M, ont déjà adressé un courrier commun au gouvernement cambodgien et à la Fédération cambodgienne des employeurs de la confection. Mais si l'initiative est positive, il faut aller plus loin. "Il y a eu des engagements pris qui reconnaissent le droit des travailleurs à reconnaître un salaire qui leur permet de vivre dignement. Aujourd'hui, on est venu pour dire que c'est bien beau de prendre des engagements, mais ce que nous attendons, c'est du concret. Et c'est important en tant que consommateur de rappeler ce message-là." détaille Jean-Marc Caudron, coordinateur des actions urgentes chez achACT.

L'initiative est également soutenue par les syndicats en front commun des employés de ces enseignes ici en Belgique. Tous présents pour réclamer plus de solidarité et le respect des droits humains fondamentaux.

#### M. Bilterijs

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## Global Brands Pledge to Pay More for Garments

BY HOLLY ROBERTSON AND SEK ODOM | SEPTEMBER 20, 2014

Global fashion brands have waded into the fray over setting a new minimum wage for Cambodia's 600,000 garment workers, committing for the first time to pay higher prices for stock so workers can receive "a fair living wage."

Eight major firms—including Swedish powerhouse H&M, Inditex, the owner of Spanish chain Zara, and British high street retailers Primark, Next and New Look—wrote to the government and the Garment Manufacturers Association in Cambodia (GMAC) this week outlining their position on the ongoing wage negotiations.

A raise to the existing minimum monthly wage of \$100 is expected to be decided on next month and will take effect in January. Unions are demanding a \$177 floor wage while factories are pushing for \$110.

In a letter dated Thursday and addressed to Deputy Prime Minister Keat Chhon and GMAC Secretary-General Ken Loo, the brands acknowledge that they will have to shell out more for Cambodian-made garments if workers are to be paid more than the current minimum wage of \$100 a month.

"As responsible Business' [sic] our purchasing practices will enable the payment of a fair living wage and increased wages will be reflected in our FOB prices," reads the letter, which is also signed by representatives from Dutch fashion house C&A, British retailer N Brown Group and German chain Tchibo.

FOB refers to "free on board," or the cost of the products when they are transferred from the factories to the brands.

The letter comes after eight Cambodian unions, backed by activists and labor unions around the world, began a campaign this Wednesday to pressure major buyers to back a new minimum wage of \$177.

Dave Welsh, country director for the Solidarity Center, a U.S.-based labor rights group, called the intervention from buyers a "promising" step forward in the wage negotiations.

"It's crucial," he said of the brand's engagement. "To my knowledge, it's the first time brands have gone on the record to say they will adjust the cost of the supply chain to make sure there are no excuses on the ground in Cambodia, on the factories' or on the government side, to absorb to increases in the minimum wage."

However, Mr. Welsh pointed out that several major players were missing from the list, with not a single U.S. brand signed on to the letter.

"The call will go out to the American brands as to where they are, and there are some noticeable absences in European brands, such as M&S and Puma. So the question is, where are they?" he said, adding that many of the missing brands had also remained silent following nationwide garment sector strikes earlier this year that were fatally suppressed by military police, who shot dead five protesters on January 3.

Mr. Loo of GMAC, which represents the country's approximately 500 export-certified factories, also welcomed the letter, but advised caution until the promise became a reality.

"H&M is the largest single company sourcing from Cambodia, but they don't represent the majority and we still don't know what is the position of the rest of the buyers, so that's important because ultimately we are talking about ensuring the viability and survival of as many factories as we can," he said. "So we want as many buyers to be on board as we can."

Mr. Loo said he did not expect the letter to directly impact wage negotiations, which are scheduled to culminate by early October with a vote by the tripartite Labor Advisory Council made up of representatives from the government, unions and GMAC.

But two union leaders, who were part of a delegation Friday that delivered strongly worded petitions about the need for higher wages to the local offices of H&M, C&A and M&S, disagreed.

Pav Sina, the president of the Collective Union of Movement of Workers, and Yaing Sophorn, the president of the Cambodian Alliance of Trade Unions, both said they believed the buyers' input would smooth the wage negotiation process.

"We expect the buyers will increase the chances of success because many suppliers who are buying garments from Cambodia make large profits, so they can offer to increase the amount they pay," Mr. Sina said.

The letter does not specify how much more the brands are willing to pay for Cambodian-made garments and says that workers will also be expected to improve their skills in return.

"Our experience within global sourcing markets shows, when we compare the productivity and efficiency within Cambodian factories, that there are significant opportunities for development and improvement," it says.

The brands also say they expect the government and GMAC to establish processes to ensure all workers receive the new wage, once it is set, and implement an annual collective bargaining process for the industry.

"While our sourcing volumes are forecast to increase in the market, we are closely scrutinizing the approach the Cambodian Government and GMAC are taking to promote the above issues," the letter says.

It finishes with a warning that the brands expect "freedom of association, the right to collective bargaining, fair living wages, stability and peaceful conflict resolution" in Cambodia if their orders are to continue increasing.

H.E. Keat Chhon Permanent Deputy Prime Minister Royal Government of the Kingdom of Cambodia Phnom Penh, Cambodia

18 September 2014

Dear Excellency,

We are writing to you to clarify our position and intention with regards to the upcoming wage negotiations within the RMG sourcing market in Cambodia.

As a Brand community we have maintained a long-standing commitment to Cambodia by sourcing from the country for many years, over this time sourcing volumes from the signatories of this letter have been increasing.

Workers in all production countries have the right to a fair living wage. To ensure this, we expect an assured, inclusive and consistently applied national collective bargaining process between the legitimate parties within the labour market. This process must allow consideration of suggestions brought to the bargaining table by all parties, including the labour, employer and government representatives

As responsible Business' our purchasing practices will enable the payment of a fair living wage and increased wages will be reflected in our FOB prices, taking also into account productivity and efficiency gains and the development of the skills of workers, carried out in cooperation with unions at workplace level.

Our experience within global sourcing markets shows, when we compare the productivity and efficiency with Cambodian factories, that there are significant opportunities for development and improvement. To harness these opportunities, we will support the development and provision of processes that will enable our suppliers to deliver higher productivity and efficiency.

We also expect government and GMAC to establish processes to ensure all workers receive the new agreed minimum wage by monitoring wage implementation and policing suppliers that fail to meet the new minimum wage level. This will ensure an equal level playing field and create a competitive advantage for the factories that comply with the new minimum wage.

We further expect the installation of an annual industry collective bargaining process for wages that is fair and takes into account the ILO technical expertise. We will support the installation of this process by working closely to promote mature industrial relations through capacity building with our suppliers, their factories and the labour representatives, optimally via the BFC platform.

While our sourcing volumes are forecast to increase in the market, we are closely scrutinizing the approach the Cambodian Government and GMAC are taking to promote the above issues. To support the forecast volumes there is a requirement to see a positive attitude and support for the establishment of freedom of association, the right to collective bargaining, fair living wages, stability and peaceful conflict resolution. This will then deliver the assurance and necessary trust in Cambodia to continue promoting the market as a strategic sourcing country.

Please accept, Excellency, the assurance of our highest consideration

#### C&A

Philip Chamberlain Head of External Stakeholder Engagement



#### H&M

Helena Helmersson Head of Sustainability



#### Inditex

Félix Poza Global Head of CSR



### N Brown Group plc

Angela Spindler CEO



#### **Tchibo GmbH**

Nanda Bergstein Head of Vendor Relations and Sustainability



#### **Next Retail Ltd**

Chris Grayer Global Code of Practice Manager



### Primark

Katharine Stewart Ethical Trade Director

### PRIMARK

**New Look** 

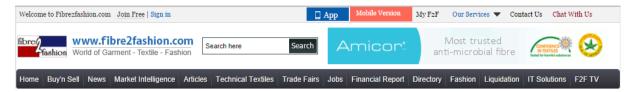
Roger Wightman Managing Director NEW LOOK

Cc.

H.E Sok Chenda Sophea Secretary General of the Council of the Development of Cambodia

H.E Sun Chantol Minister of Commerce and Vice Chariman of Council for the Development of Cambodia

H.E Ith Sam Heng Ministry of Labour and Vocational Training



## Denim Zone expands 25% at Intertextile Shanghai

October 06, 2014 (China)



Following the success of last year's denim zone, the newly designed and enlarged 'Beyond Denim' hall at the 2014 edition of Intertextile Shanghai Apparel Fabrics 2014 will feature around 150 exhibitors from six countries and regions.

The space of the denim zone is up 25% from last year's edition at Intertextile Shanghai Apparel Fabrics which runs from October 20-23, 2014 at the Shanghai New International Expo Centre in China.

This year's fair will also be spread across 15 halls, with over 3,800 international and domestic exhibitors featured across more than 170,000 sq meters of exhibition area.

"Some of the highlights on display this year include examples of new wash innovations, the latest technologies, sustainable production practices and premium denim in Beyond Denim Forum," organisers of the fair – Messe Frankfurt said.

It added, "The expanded hall gathers most of the leading domestic denim manufacturers, denim designers and marketing firms, as well as international denim fabric exhibitors."

Textil Santanderina SA is of the opinion that their high-end Spanish products will do well in the Chinese market.

Their collection includes faded finishes, new digital prints inspired by nature and poetry, cotton/Lycra and 100% Tencel fabrics, and jacquard styles inspired by a Bohemian soul and the spirit of old cities that leads to rustic, textured, delicate and aged looks.

American & Efird another supplier from USA, will feature its major products, which include corespun threads with NWT technology and textured threads which incorporate quality trims.

In addition to denim products, accessories and functional fabrics are also a highlighted product category this year.

Over 550 domestic and international accessories suppliers will feature in two halls, with both garment and fashion accessories on display.

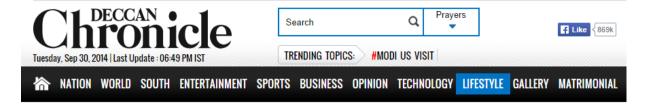
Buyers will be able to find a wide range of exciting new accessories at the fair including a selection of zippers, buttons, lace & embroidery, linings / interlinings, threads, labels, hangtags, tape, appliqués / sequins / beads / rhinestones and fashion accessories.

An Accessories Trend Forum will also be located in hall E7 next to the overseas accessories zone displaying a variety of products reflecting the upcoming trends.

Esquel Enterprises Ltd, an exhibitor from Hong Kong will offer a wide selection of eco-friendly trims. Their one-stop branding and packaging solutions provide buyers with flexible and effective solutions for the low-end, mid-range and high-end luxury markets.

Mirroring current trends in the textiles industry, functional fabrics products are the other focus areas at the fair.

"The exhibitors taking part are looking to benefit from the increase in demand in China for functional fabrics and see the fair as the best way to do this," Messe Frankfurt informs.



## Fashion made-in-China fine for everyone but the Chinese

AFP | September 28, 2014, 12.09 pm IST



Miuccia Prada. (Photo: Vogue photoshoot)

**Milan:** It has been called fashion's dirty little secret but according to Miuccia Prada, soon everybody will be doing it.

Made-in-China's just fine with Prada's supremo and a host of other influential industry figures. But for Chinese companies and designers seeking to become global style players, producing high-end clothing on home soil is complicated. Trade barriers, brand perception issues and the sourcing of certain fabrics combine to form an obstacle to them competing internationally with an exclusively homegrown product.

Uma Wang, China's best-known international designer, says the nature of her business dictates a 40 percent made-in-China, 60 percent made-in-Italy production model.

The creative work including production of samples is mostly done at Wang's headquarters in Shanghai. But she spends half the year in Milan overseeing production and dealing with suppliers. For Wang, whose sales are mostly outside China, import/export taxes are the key issue.

"An item produced in China, by the time it is sent to the shops, it adds an extra 30 percent to the price," Wang told AFP.

The add-on costs are even greater if high-tech fabrics, an area in which Italy is acknowledged as having an edge, have to be imported and subjected to China's textile tariffs. So for Wang, with 58 shops around the world but only six in China, sticking with Italy makes sense.

Even if the trade barriers were to be swept away, she could not easily move production closer to home.

"The quality, for making the clothes, the basic sewing, is no problem in China," she says.

"But for the fabric it is 100 percent from Italy. For the material I have to say that China is not yet at the level. "And now I'm really used to the switch -- two time zones, two cultures, the two foods! It's amazing."

Zhu Chongyun, another Chinese female fashion entrepreneur, has just begun to share Wang's two-continent lifestyle following her acquisition of venerable Italian house Krizia earlier this year. Shenzhen-based Zhu said she would retain Krizia's Italian identity.

"We don't want to mislead the public into thinking that because (Krizia) is now Chineseowned it is going to have more of an Asian culture -- that is not what I want," Zhu told AFP.



# China Injects Billions Into Kenyan Textile Industry

By Ann Brown Published: September 7, 2014, 06:00pm



From CNBC Africa

The textile plant, which will be located in the outskirts of Kenya's capital, will sit in a 50,000 acre cotton farm in Naivasha and should cost about 44 billion Kenyan shillings (500 million US dollars).

Kenya's Cabinet Secretary for Industrialisation and Enterprise Development Adan Mohammed and Jiangsu Lianfa Textile Company president Xiangjun Kong signed the deal on Thursday.

According to Mohammed, the textile factory which will be one of the largest in the continent will create more than 30,000 jobs. The plant is expected to produce goods worth 1.5 billion dollars per annum and is also anticipated to triple, the East African nation's annual production of textile goods.

#### WRITTEN BY Elayne Wangalwa/Read more at CNBC Africa

- See more at: http://afkinsider.com/71488/china-injects-billions-kenyan-textile-industry/#sthash.plrrGx5Q.dpuf



## Intertextile Shanghai relocated & Interstoff discontinued

September 29, 2014 (China)



One of the biggest organisers of textile trade fairs, Messe Frankfurt said it will relocate Intertextile Shanghai Apparel Fabrics and Yarn Expo from Hong Kong to China and also discontinue Interstoff Asia Essential being held in Hong Kong.

"Textile manufacturing and fashion buying offices have steadily shifted from Hong Kong to China in recent years and following these developments, it has decided to focus all of its efforts in China", Messe Frankfurt said.

"We believe that by allocating more of our resources into China, the world's textile manufacturing powerhouse, we can better accommodate our exhibitors' and visitors' needs", said Detlef Braun, Member of the Executive Board of Messe Frankfurt.

The size and scale of Intertextile Shanghai Apparel Fabrics – the biggest textile trade fair in the world showcasing apparel fabrics and accessories has kept on increasing.

Over 3,700 exhibitors from more than 30 countries have confirmed their participation this October as this fair celebrates its 20th anniversary. Last year's edition saw a record-breaking visitor number of over 69,000 from 98 countries and regions.

"This fair has seen a steady upward trend over the past 10 years as its exhibitor number has more than tripled compared to 2004, while the visitor number has expanded four-fold," Braun said.

Among other changes, next year's Spring Edition of Intertextile Shanghai Apparel Fabrics and Yarn Expo Spring will relocate to a new venue, the National Exhibition and Convention Center in Shanghai, to allow further growth.

"The 23rd China International Fashion Fair 2015, also known as CHIC, will be held concurrently with these two fairs, creating more synergy effects by bringing the whole textile and fashion industry together," Braun continued.

Another textile trade fair that covers the southern Chinese market, Intertextile Pavilion Shenzhen, saw 17,500 buyers from 27 countries and regions and 700 exhibitors from eight countries and regions at the recent edition this July – an all-time high.

"We are confident that by leveraging our business know-how and resources from Hong Kong to fairs in Mainland China, this growth will continue for the foreseeable future," said Braun.

Messe Frankfurt organises over 40 textile trade fairs and symposiums around the globe. With Heimtextil India in June and Texworld Istanbul this November, Messe Frankfurt has expanded its portfolio of trade fairs around the globe this year and now extends to over nine countries. (AR)







Home / Countries / China / Report: China's Apparel and Textile Interns Vulnerable to Forced Labor

## Report: China's Apparel and Textile Interns Vulnerable to Forced Labor

Posted on September 26, 2014 by Angela Velasquez

The conditions under which China's growing number of textile and apparel interns work are of increasing concern.

The China National Textile and Apparel Council (CNTAC) and the International Labor Organization (ILO) country office for China and Mongolia revealed the results of a joint Labor Protection of Interns in Chinese Textile and Apparel Enterprises Report at the CNTAC Annual Conference on Social Responsibility of Chinese Textile and Apparel Industry earlier this month. Of the 290 interns participating in the survey, the vast majority consider their internship to be a useful learning experiencing, however, a significant portion are said to be vulnerable to forced labor without adequate legal protection. More than half of China's textile and apparel interns worked in conditions, in one way or another, that do not meet the national minimum standards. Nearly 15 percent said they are carrying out "involuntary and coercive work" during their programs.

The ILO reported that in the last few years, manufacturing companies in China have been expanding their internship programs for vocational school and college students. When properly managed, the internships can be a fruitful learning experience facilitating the school-to-work transition. However, a lack of supervision and attention to the protection of interns' labor rights may lead to situations of forced labor, the organization said.

During the conference, Tim De Meyer, director of the ILO country office for China and Mongolia stressed the need for framework for internships, including programs to be overseen by human resource and education professionals. Sun Ruizhe, vice president of CNTAC said the China's labor administration and education department must also weigh in on the matter.

The survey was carried out in November and December 2013 in 10 textile and apparel companies in Jiangsu, Shandong, Fujian and Zhejiang.



A LA UNE

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QUOTIDIEN DES USINES - ECONOI

## Le groupe chinois Wensli investit dans le soyeux lyonnais Marc Rozier

Par Vincent Charbonnier (Loire) - Publié le 16 septembre 2014, à 10h47 ▶ Textile - Habillement, Rhône-Alpes, Investissements industriels



© Marc Rozier

ÉDITION

ABONNÉS Pour assurer le développement international de la marque lyonnaise, son nouvel actionnaire veut consolider son outil de production en Rhône-Alpes.

Le groupe chinois Wensli projette un plan d'investissement ambitieux pour renforcer l'outil de production de Marc Rozier au capital duquel il a pris une participation de 30 % cet été. Créé en 1890, le soyeux lyonnais était détenu jusqu'à présent par les deux frères Provent. La cession de la société sera totale dans "deux à trois ans", Wensli devenant majoritaire en 2015. Marc Rozier est spécialisé dans la confection de carrés, foulards en soie pour de grands magasins, des marques de luxe et de prêt-à-porter, et la Réunion des musées nationaux (RMN). L'entreprise qui emploie une petite cinquantaine de personnes au total dispose de trois sites, de deux unités de tissage et d'impression en Isère et d'un atelier de confection implanté dans son siège historique dans le quartier de Vaise à Lyon (Rhône). Son chiffre d'affaires s'élève à 3,5 millions dont la moitié à l'international, principalement en Chine, mais aussi en Russie, au Japon, aux Etats-Unis, au Moyen-Orient, en Belgique et en Suisse.

#### **ANCRAGE RÉGIONAL**

Wensli a recruté Patrick Bonnefond, ancien directeur général du holding textile Hermès, pour assurer le développement international de Marc Rozier. Les équipes de création et commerciales seront également renforcées. Des premières boutiques au nom de la marque vont ouvrir en Chine avant la fin de l'année. Avec Marc Rozier, Wensli veut "s'ancrer durablement dans la région en contribuant à dynamiser la filière", assure Patrick Bonnefond.

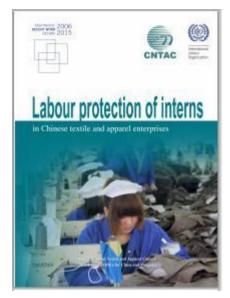
La transformation de la soie représente 800 millions d'euros des 2 milliards d'euros de chiffre d'affaires du groupe Wensli (2 000 personnes) qui possède d'autres activités dans l'immobilier, la finance, l'industrie agro-alimentaire, le textile. Le groupe chinois disposera bientôt d'une nouvelle usine de 50 000 mètres carrés à Hangzhou (Chine) dotée des technologies les plus récentes.

Vincent Charbonnier



## Chinese textile firms must change perception of internship

September 29, 2014 (China)



Chinese textile enterprises must change their perception of internships from "use of labour" to "use of talents", concludes a study carried out by the Office for Social Responsibility of the China National Textile and Apparel Council (CNTAC) with support from the International Labour Organization (ILO), released earlier this month.

The report is based on research carried out in November and December 2013 in ten textile and apparel sector enterprises in Jiangsu, Shandong, Fujian and Zhejiang provinces of China. It documents some of the actual conditions in which internships are carried out in the textile and apparel industry, and gives recommendations on how to improve the management of internships.

The study titled 'Labour protection of interns in Chinese textile and apparel enterprises' says that since last few years, manufacturing companies in China have been expanding their internship programmes for vocational school and college students.

Results of the study showed that while the vast majority of the 290 interns participating in the survey considered the internship to be a useful learning experience, a significant proportion worked in conditions that violate their labour rights and sometimes even constitute forced labour as the term is understood in international law.

Based on the study, the report gives separate recommendations for governments, schools and enterprises. At the policy level, the report says, "The Central Government needs to mobilize education authorities and human resources authorities to perfect the existing laws and regulations, and urgently establish clear minimum standards for labour protection and rights of interns from vocational schools and colleges in the labour law system and education law system."

The study advises local governments to hold their urge of acting as labour agencies for the sake of the interests of local enterprises, and not engage in assigning or allocating students of local schools to enterprises for internship. They should, instead, effectively perform their statutory duties, and strengthen supervision and guidance on organizing internships in enterprises and schools' internship activities.

At the school level, the study asks schools of various types to acknowledge the educational function of internships and ensure that internships allow interns to learn practical skills relevant to their trade.

The report advises enterprises to change their perception of internships from "use of labour" to "use of talents", and discover and nurture interns' strengths and potential. "They need to better match the interns' knowledge, skills and expectations with the enterprises' demands for talents to create more value for enterprises, increase interns' loyalty and satisfaction with the internship," states the report.

In terms of practical operations, enterprises should fulfil two important duties in using interns by establishing and perfecting a series of management measures, namely "protection" (preventing risks of forced labour) and "cultivation" (increasing quality of talents).

Enterprises should perceive internships as a long-term strategy for easing challenges with recruiting and retaining highly-competent people, rather than short-term strategy for addressing labour shortages. Therefore, enterprises must take strategic measures to fill the gap between the use of interns and the enterprise's objective of sustainable use of talents, the report concludes. (RKS)







Sunday, September 28, 2014

## Ethiopia decks out



COLOURFUL: Ethiopia has traditional textiles to capture world attention.

Ethiopia has been working hard to expand industrial development and within that general framework, the textile sector has been identified as a priority area both by local investors and for foreign direct investment.

The country has a long history of manufacturing traditional textiles using hand-spun yarn and handlooms for weaving.

It has also been a major source of employment for both rural and urban areas. The Growth and Transformation Plan 2010–2015, earmarked the textile and garment industry as the first category under medium and large industrial development. Textiles also touch several Ethiopian sub-sectors, with the capacity to maximize cotton production, creating an even larger source of employment and being able to induce industrial modernization, as well as considerably raising foreign exchange export earnings.

The government believes the sector can lift its aggregate production value to \$2.5 billion by the end of 2015. It has also set up the Textile Industry Development Institute on June 7, 2010.

The Institute has the objectives of helping the development of textile and apparel industry technologies, and enabling the industry to become competitive and develop rapidly.

Other encouragements and supports have been put in place to boost the textile industry sector and facilitate the involvement of foreign investors in the wide-ranging prospects available for development. The government wants exports to top a billion dollars by 2016.

Investors are being encouraged from various countries and major global brands to relocate factories in Ethiopia.

One reason for this is since labour has become one of the more expensive components in textile and garment in developed countries, this, like other labor-intensive industries, has found it necessary to move to developing countries to minimize costs. A number of African countries are using the opportunity as a means to enter into the global market and Ethiopia is one of the most convenient destinations.

Incentives firmly in place, include priorities for developing the textile and clothing industry across the value chain, a viable business environment and duty free market access to both United States and the European Union.

As a result, Ethiopia is now beginning to attract international buyers and investors. All the indications are that the textile and garment industry will be a wide-ranging and well-supported sector and will soon be able to provide for products labeled 'Made in Ethiopia' ready for the global and African markets.

A number of garment companies from Turkey, India and other counties have now registered in Ethiopia, including such western high-street stores as AYKA, H&M, Primark and Asda and have started production.

Others are studying the opportunities and the potential to invest in the country's garment and textile sector. TUSKON (Turkey), Phillips –Van Heusen (US) and Jiang Lianfa Textile (Chinese) have all paid visits to investigate the possibilities.

President Dr. Mulatu Teshome held talks in early September with a Chinese company delegation headed by Kong Xiangjun, Board Chairman of Jiangsu Lianfa Textile Company Limited. Xiangjun said their company had finalized a pre-investment assessment to build a major textile factory in Addis Ababa at a cost of over \$500 million.

He said the company had decided to invest in Ethiopia after making similar pre-investment assessments in Kenya, Uganda, and Tanzania.

The factory, he said, would create more than 20,000 jobs when it goes operational. President Teshome said textile development was one of the priorities of the government would provide all necessary support for the company.

The company plans to open four vertically integrated (value chained) factories, starting with cotton production.

According to the Ethiopian Textile Industry Development Institute (TIDI) Ethiopia has more than 3 million hectares available to grow cotton but only about 6-7 % of this resource is currently utilized.

#### Ethiopian Embassy Kampala

By Ethiopian Embassy, Sunday, September 28th, 2014

## Fashion Center, le futur plus grand centre commercial "B to B" d'Europe

Publié le 10 septembre 2014 par DANIEL BICARD





Le projet est à l'initiative de l'homme d'affaires chinois Qiye Hu, directeur général de Fashion Center.

Les 300 showrooms d'habillement et de chaussures sur 3 niveaux de Fashion Center devraient ouvrir avenue Victor Hugo à Aubervilliers début 2015. A l'initiative de l'homme d'affaires chinois Qiye Hu.

Un centre commercial en projet de plus... mais jusqu'ici étonnamment discret. Et pour cause : Fashion Centre ne s'adresse pas aux clients «consommateurs» mais aux professionnels de la vente. Et s'annonce comme «le plus grand centre commercial d'Europe de vente en gros» avec 300 showrooms d'<u>habillement</u> et de chaussures sur 3 niveaux. Avec en prime «tout le confort d'un vrai centre commercial avec une décoration et une signalétique soignées, 600 places de parking, des bars-restaurants, des services de coiffure, de banque... ».

#### DÉJÀ EN CAMPAGNE AUPRÈS DES PROFESSIONNELS

La campagne de pré-lancement orchestrée par l'Agence Shops démarre en presse mi-septembre et sera suivie par de l'affichage dans le métro puis par l'affichage de proximité. Avec pour visuel un chariot élévateur chargé de sacs d'emplettes de mode conduit par... une femme élégante. Le tout habillé et emballé en rose! Le nouvel ensemble fera la part belle au sourcing chinois, mais non exclusivement. «La cible visée par Fashion Center est celle des commerçants indépendants français et étrangers et des acheteurs de mode des chaînes de magasin, plus que celle des grossistes qui s'installeront dans le centre, précise le communiqué de l'agence. La commercialisation des 300 boutiques de Fashion Center est pratiquement bouclée. ».



### **Knitting / Apparel**

## Winter Texworld And Apparel Sourcing Events A Success - A Hive Of Creativity And A Crucible For Business

PARIS — September 19, 2014 — Texworld and Apparelsourcing Paris closed their doors on Thursday evening after four vibrant days in which the highlights were the launch of the new "Shawls&Scarves" feature; the exploration of rich creative "Impulsion", the Texworld winter trends 2015/16; designer catwalk shows and the Sustainability Days, with the noteworthy talk on the responsibility of the textile industry by Jason Kibbey, speaking on behalf of the Sustainable Apparel Coalition.

The event ended on a positive note, with both the exhibitors and the organisers expressing their satisfaction. Numbers visiting the trade fairs were up 5.16%, with 15,034 visitors from 109 countries coming to see the 2015/16 winter collections shown by 1166 exhibitors.

The rise confirms the movement in fashion consumption in Europe. "We are delighted by this rise, which could have been greater, as a lot of visitors could not attend because of strikes at Air France", stressed Michael Scherpe, CEO of Messe Frankfurt France.

Both regular and first-time exhibitors were delighted by the amount of business done and the calibre of visitors, like Mr Bang Moy, of the Chinese woollens company Intertextiles. "This was our first time, so we were not expecting our collection to be so well received by European buyers, but we took a large number of orders from some major fashion houses. They were attracted to our trendy, elaborate prints and weaves."

Mrs Oya Dizdaroglu of the Turkish spinning and weaving company Tekstil, was enthusiastic: "We are very happy with the quality of the visitors who came to see us. We always do well for orders at Texworld, but this time it was even better because we met a lot of new buyers, particularly from Japan, Poland and Germany."

The visitors were just as enthusiastic, particularly the designers, like Fred Sathal, a designer showing during Paris Haute Couture Week. "I was won over by Texworld making agreements with exhibitors to offer to sell small quantities to couturiers. I also liked the care given to organising the fair. This initial visit enabled me to source good-quality Japanese-made silks and textiles."

Taking the figures continent by continent, Europe recorded a rise of 4.39% and Asia made a great leap forward, up 18.32%. More good news is that the Americas are crossing the Atlantic again, up 0.3%, with a double-digit increase for Brazil (10%)! Africa was down 11%, reflecting the crises by which the continent is once more plagued.

Visitor figures from the six major countries were up, with a noteworthy resurgence by Italy (+23%), whilst recovery was evident in respect of France (+4%), Turkey (+4%), Germany (+3%), Spain (+1.5%) and the UK (+1.5%).

Three European countries stood out this season because of their double-digit growth: Ireland, where the economy is recovering (+22%); Poland, which is in rude economic health, with a strong performance by its clothing industry (+20%); and Norway, which has returned to explore international potential in Paris (+25%). Bulgaria, up 64%, deserves special mention.

Asia also supported the fair, with the return of Japanese buyers (+9.5%), greatly appreciated by the exhibitors, whilst South Korea (+33%) and Hong Kong (+21%) showed their interest. China, with 8%, is now coming to buy for its domestic market.



## Chinese synthetic textile imports surges after anti-dumping duty levy on PTA

### **NEW DELHI, OCTOBER 3:**

India has seen a surge of synthetic textile products imports from China after imposing an antidumping duty on a key raw material for such products, Chemicals and Petrochemicals Manufacturers Association said on Friday.

India imposed anti-dumping duties in the range of \$19.05-117.09 a tonne depending on the country of import imposed on purified terephtalic acid (used for making synthetic textile fibres) from China, Korea, the European Union and Thailand. This was after a plea by Reliance Industries Ltd and Mitsubishi's MCC PTA India Corporation

CPMA says that after the anti-dumping duty was levied on the raw material, the finished good – in this case synthetic textiles – are being imported in large volumes from China.

According to the association, imports of polyester staple fibre more than tripled to 16,785 tonnes in July-August this year, compared with 4,441 tonnes a year before. Similarly, purchases of PFY from overseas more than doubled to 8,965 tonnes in the last two months from a year earlier.

"Sharp surge in import of Chinese synthetic textile items and raw materials is posing a major risk to Indian synthetic textile industry," CPMA said in a statement.

China is becoming more aggressive now since its domestic demand is stagnant.

"China also intends to finish off competition from Indian domestic producers in the case of raw materials used for synthetic textiles so that Chinese producers can dictate terms later," CPMA said in its statement.

The CPMA has also written to Nirmala Sitharaman, Minister of State for Commerce, to apprise her of the situation.



## India's textiles, apparel exports to rise by 10 percent this year

BY MEENAKSHI SHARMA

MUMBAI Mon Sep 29, 2014 4:40pm IST



Employees work inside a textile mill of Orient Craft Ltd. at Gurgaon in Haryana, April 16, 2014.

(Reuters) - India's cotton and apparel exports are set to climb by around 10 percent this year as higher wages, political instability and concerns about workplace conditions in other producing markets steer international buyers toward Indian exporters, industry officials said.

The rise in textile shipments from India - currently around 4.5 percent of world trade - may eat into top exporter China's 36 percent share of the market and will be a boon for Indian textile merchants keen to exploit rising demand stemming from weak cotton prices and global economic growth.

"My orders have increased by about 20 percent so far this financial year. It's a golden period for the Indian textiles industry," said Vijay Agarwal, chairman of Mumbai-based Creative Group, a leading apparel exporter.

Buoyed by fresh export orders, Agarwal is keen to expand his business by investing 2 billion rupees (\$32.71 million) in the next year.

The main markets for Indian textiles at the moment are the United States and European Union.

Agarwal and other Indian exporters are anticipating a rise of roughly 5 percent in global demand for textiles and apparel this year.

In addition, India's textile exporters feel the relatively low labour costs in their country, alongside record domestic cotton production this year, should help them gain market share from other exporters in the region.

Cambodia looks set to lose some consumer demand after the government deployed troops in the capital earlier this month as garment workers held rallies to revive a campaign for higher wages that had helped stoke a year-long political crisis.

Textile manufacturers in Vietnam, meanwhile, have been hobbled by the high cost of credit and have struggled to finance expansion drives aimed at winning export market share.

And the collapse of a garment factory in Bangladesh last year continues to divert buyers to India and other markets because of enduring concerns over Bangladeshi workshop safety.

#### **OUSTING CHINA**

Aside from stronger global demand, larger domestic cotton supplies will also help India push textile and apparel exports up by about 10 percent in 2014/15, said Ajay Sardana, vice-president of Grasim, part of the Aditya Birla conglomerate, on the sidelines of a recent conference in Mumbai.

India will be the world's No. 1 cotton grower this year, ousting China from the top spot for the first time in over 30 years, the U.S. government forecast on Sept. 12.

The Cotton Association of India has pegged next year's output at 39.63 million bales, but experts believe production could be as high as 41 million bales as the area under cultivation has gone up this year.

Expansion in domestic demand is also likely, with India's local textiles market expected to grow to \$65-\$68 billion in coming years from the current \$60 billion, Sardana added.

And unlike in some markets such as China and Cambodia, labour remains cheap in India, keeping costs competitive, said D. K. Nair, secretary general of the Confederation of Indian Textile Industry.

But while exports are expected to rise from India, China, with textiles and apparel exports worth \$270 billion, around seven times that of India's receipts, is expected to remain the dominant player.

India's relatively poor infrastructure, wobbly energy supplies and lack of a business-friendly environment for both foreign and domestic investors are expected to constrain overall export growth over the near to medium term, said Christian Schindler, director general of the International Textile Manufacturers Federation.

(Editing by Mayank Bhardwaj and Gavin Maguire)



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# Outstanding refunds: APTMA urges govt to speed up process

Sunday, September 07, 2014 - Lahore—Muhammad Yasin Siddik, Chairman All Pakistan Textile Mills Association (APTMA) has urged the government to speed up the process of outstanding refunds as committed by the Federal Minister for Finance and Economic Affairs, Muhammad Ishaq Dar in the federal budget that all outstanding sales tax refund would be cleared by September 30, 2014. In a statement issued to the press Muhammad Yasin Siddik said that a huge amount of sales tax refund is outstanding since last one and half year which has created a severe liquidity problem. He said that almost two months have lapsed but the government has not yet refunded any amount on account of outstanding sales tax refund to the large units although appreciated that the government has cleared off almost all the refunds up to Rs one million. He further said that it seems impossible that the government can clear the stuck-up refund within the committed time period as the procedural bottlenecks also needed to be removed.

Chairman APTMA said that timely and expeditious refund will not only build the trust of taxpayers in the tax system but will also help the tax authorities while introducing tax reforms in the existing system. He further said that fast track refunds rules must be ensured in true spirit in the best interest of the industry and economy. The textile industry of Pakistan is striving hard to grow for which it is imperative that all possible revolutionary changes to facilitate the industry be made, particularly the removal of disadvantageous situation arising out of the existing tariff structure of manmade fibre as we have to procure most of our raw materials through imports.

To meet the challenge of doubling our textile exports it is imperative that Pakistan should follow the international trend and increase the use of manmade fibre in the local spinning and weaving sector, as the current usage ratio of Polyester in locally manufactured yarn is 20 percent whereas world average of over 70 percent. This is proven from the fact that world cotton production in 2013 was 26.8 million tons, whereas polyester production for 2013 was 46 million tons, it is expected that by 2015 the polyester production for yarn will increase to 55 million tons and will exceed 100 million tons by 2020. Further Pakistan has no operating viscose and acrylic fibre plants but still the import duty on these fibres is five percent.

He further said that the reimbursement against Technology Upgradation Fund is outstanding since last two years and about three and half years in case of Export Finance Mark-Up Rate Support and Drawback on Local Taxes and Levies although our members have fulfilled all the required formalities. He urged the government to release the fund against the above schemes as the mills have already booked these amounts in their financial statements.—Agencies

## Frontier Post

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### IGATEX Pakistan 2014 from 21st October

Posted by: Imran baba in e-Business 1 day ago Comments Off 20 Views

Lahore (Online): The 8th International Garment, Textile & Leather Machinery and Accessories Exhibition and Conference (IGATEX) Pakistan is scheduled from 21st to 24th October 2014 at Expo Centre, Lahore.

It is an international event recognized for its quality of exhibitors and visitors. IGATEX Pakistan 2014 introduces high level machinery, equipments and accessories which provide business opportunities and add value to our exports and hence, will increase the product worth that will positively effect on economic well being of Pakistan.

The event is known to not only introduce newest expertise, but also improvise trade benefits and increase foreign investments and spending through business visits by international delegates. This year IGATEX Pakistan will feature over 550 exhibitors from 35 countries including China, Germany, India, Italy, Japan, Turkey, Taiwan and Switzerland etc. This is highest number of exhibitors participating at an exhibition in Pakistan.

The event is expected to host record visitor ship for any business event in Pakistan engaging textile industry professionals from related industries to witness the modernized and state-of-the-art textile machinery exhibited by leading market players from diverse regions. ICADEX Pakistan — The 2nd International Chemical and Dyes Exhibition & Conference is being organized in conjunction with IGATEX Pakistan to maximize the exhibitor and visitor experience.

Since its inception in 2002, the event has played a pivotal role in the development of textile industry, by introducing efficient machinery to local manufacturers. IGATEX Pakistan 2014 is a leading show with strategic partners such as Textile Machinery Manufacturer's and Supplier's Association of Pakistan (TEXMAP), All Pakistan Textile Manufacturers Association (APTMA), Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA) and Pakistan Textile Journal (PTJ) etc. IGATEX Pakistan is organized by FAKT Exhibitions (Private) Limited. The event facilitates the textile industry by creating business opportunities by significantly providing networking opportunities.



### Sri Lanka, China ink MoU to initiate FTA talks

September 18, 2014 (Sri Lanka)



Mr. Xi Jinping with Mr. Rajapaksa/c: MED (SL)

A memorandum of understanding (MoU) on launching negotiations for free trade agreement (FTA) was among the 27 bilateral agreements and MoUs signed between Sri Lanka and China during the two-day official visit of Chinese President Xi Jinping to Sri Lanka this week.

The MoU on launching the negotiations for a China-Sri Lanka FTA was signed by Basil Rajapaksa, Sri Lanka's Minister of Economic Development, and China's Minister of Commerce Gao Hucheng.

Incidentally, President Xi's visit was the first visit by a Head of State of China to Sri Lanka in 28 years.

Sri Lanka's economy is growing at 7.8 percent this year and the China-Sri Lanka FTA, once finalized, is expected to provide a more balanced and sustainable development in bilateral trade and economic cooperation between the two nations.

While China is the world's largest exporter of textiles and apparel, Sri Lanka is a manufacturing hub for lingerie, T-shirts and blouses. At present, Sri Lankan exports of textiles and apparel attract duty ranging from 14 percent to 25 percent in China, and if the free-trade deal fructifies, all textile and clothing items from Sri Lanka would be able to enter the Chinese market duty-free. This would also help some of the global apparel brands that have their manufacturing facilities in Sri Lanka, according to industry analysts.

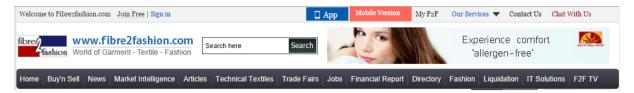
PVH Corp (Phillips-Van Heusen), one of the top American apparel companies with 2013 revenue of US \$8 billion, is already excited about the upcoming FTA. "We are very excited about the forthcoming Lanka-China FTA—having duty free market access to China is very important for us as an apparel sourcing firm and the benefits are great. … Having a production centre in Sri Lanka with duty free access to China market is very exciting for us. This is really exciting!," Mr. Mark Green, the executive vice

president of global supply chain of the New York-based company, told Rishad Bathiudeen, Sri Lanka's Minister of Industry and Commerce, in Colombo, last month.

Textiles and garment exports, which account for 45.3 percent of the total Sri Lankan exports, grew by 25 percent year-on-year to US\$ 446 million in June 2014, contributing more than 50 percent to the overall growth in exports in June 2014, according to the data from the Economics Research Department of the Central Bank of Sri Lanka.

In January-June 2014, Sri Lanka's textiles and garments exports surged 20.6 percent to \$2.412 billion, as against exports of \$2 billion made during the corresponding period of last year.

In 2013, Sri Lanka's earnings from textile and garment exports grew by 13 percent year-on-year to \$4.508 billion, while its value of imports declined by 9.7 percent year-on-year to \$2.045 billion. (RKS)



## NY cotton futures continue precipitous slide last week

September 29, 2014 (United Kingdom)



Last week, New York cotton futures continued their precipitous slide, with December falling another 316 points to close at 61.89 cents/lb.

Negative technical and fundamental developments pushed December to a new record low of 60.83 cents on Thursday, before a dead-cat bounce resulted in a small rebound going into the weekend.

"The technical picture looks emphatically bearish after the market broke through some key support points this week", Plexus market reported.

First December dropped below an uptrend line dating back to August 1, which effectively ended an eight-week countertrend move, and then it swiftly moved back below the longer-term downtrend line that originated in early May.

"Adding insult to injury, December then took out the 62.02 cents low a few days later, which opened the door to some uncharted territory to the downside", Plexus said.

The latest CFTC spec/hedge report, which reflects position changes as of Tuesday, September 23, clearly shows that speculators were the driving force behind this latest selloff as they increased their net short by an impressive 12'100 contracts.

The trade on the other hand was a net buyer of 12,861 contracts, while index funds made up the difference by selling 761 lots net.

Speculators and the trade are now 2.4 million and 3.5 million bales net short, respectively, while index funds hold a corresponding net long of 5.9 million bales.

China's announcement this week that no import quota outside the 894,000 tons would be granted in 2015 also weighed on the market, since lower than expected imports would lead to an increase in the ROW balance sheet.





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## **Textiles return to Carolinas**

BY LINLY LIN

Charlotte ObserverSeptember 6, 2014



Construction continues on the 230,000-square-foot Keer textile plant in Lancaster County, S.C. Keer, based in China, expects to have 140 employees working at the site starting next spring. The company eventually plans four factories there, employing more than 500. (Linly Lin/Charlotte Observer/MCT)

LINLY LIN — MCT

INDIAN LAND, S.C. -- Next spring, spinning wheels will hum again in Lancaster County, S.C.

Keer, a textile company headquartered two hours southwest of Shanghai, China, is building yarn manufacturing lines in Lancaster, bringing more than 500 jobs.

The Carolinas were once the epicenter of the U.S. textile industry, but since the late 1990s, thousands of jobs were lost when emerging markets joined the game, touting cheaper materials and labor. Carolinas textile jobs went to China, Brazil and Vietnam, among other places.

Now, in an ironic turn of events, Chinese companies are looking to manufacture in the U.S., lured by lower costs of energy, cotton and land, and wary of rising labor costs in China.

Wally Wang, deputy general manager at Keer America, believes more Chinese textile companies and other manufacturers will follow Keer to the U.S.

That would be welcomed in Lancaster County, where the pain of lost textile jobs still resonates.

Carolyn Summers worked for Springs Industries in Lancaster for 42 years before being laid off in 2005 when she was 63. Her daughter, who worked for Springs as a bedding products designer, lost her job two years later.

"They opened the door wider for more imports to come into the country," Summers said. "We got flooded with a lot more cheaper textiles than we were able to produce." She remembers leaving the factory "in total shock" the day she heard the news.

#### \$218 million investment

Gravel crunched beneath the tires of construction equipment in early August as about 100 workers finished the exterior of Keer's 230,000-square-foot factory. The 10-month construction project is set to finish in December

At least 140 employees will begin working at the site starting in spring. Most will make yarn on 32 production lines.

China's market share in the global textile industry had rocketed in the past two decades, but lately, Chinese textile companies have been stressed by competition within its borders and by its rising costs of labor, power and land.

Keer decided to relocate part of its yarn production line to Lancaster, a \$218 million investment.

While the first plant operates, construction workers will lay the foundation for a second factory to the south of it. The construction will take less than 18 months.

SC Ready, a workforce training program in South Carolina, is helping Keer recruit and train local electricians, technicians and sales representatives. One third of the applicants are former textile workers who want to get back to the industry.

By starting production in the U.S., Keer believes it has blazed a trail that other Chinese textile companies will follow.

The cost to manufacture in China has risen in the past few years. Feeling the competition intensify, Keer, whose assets exceeded \$325 million in 2010, looked toward the Carolinas, after ruling out Vietnam, India and Pakistan.

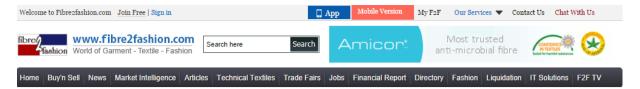
Keer's yarn production had been using American cotton for years; now they simply moved closer to be able to use more.

### China still world factory?

To be sure, China retains its competitive advantage in many areas of textile manufacturing, including labor-intensive apparel production,. The manufacture of yarn and fabrics, however, is more automated -- giving U.S. sites an upper hand because of lower-cost energy.

In North Carolina, direct investment from Chinese companies has totaled more than \$178 million since 2010. Last year, Lenovo, the Chinese computer maker with an executive headquarters in Morrisville, opened a manufacturing facility in Guilford County, and China Tobacco set up its American headquarters in Cary, N.C.

Doug Woodward, economics professor at the University of South Carolina, described the incoming Chinese companies' investment as "small tiptoes into the U.S. for these big companies." But "it's just the beginning," he believes.



## Vientam's Tay Ninh province seeks investment in textiles

September 26, 2014 (Vietnam)

Tay Ninh, a province in the Southeast region of Vietnam, is doing its best to get investments for its textiles and support industries in order to improve the economy of the province and promote the textile industries, Vietnam Plus reported.

Tay Ninh People's Committee has also planned to establish a textile and support industry area of 278 hectares in the Thanh Thanh Cong industrial zone. Another 100 hectares of the Moc Bai Border Gate economic zone has been converted into a Textile Manufacturing and Textile Chemistry (TMTC) support industry.

The chairwoman of Tay Ninh People's Committee, Nguyen Thi Thu Thuy, said that the textile industry, particularly, the dyeing process, can have extremely negative impacts on the local environment.

Therefore, enterprises investing in the locality will have to obey strict rules on waste water treatment, she added.

Recently, six investors have invested around US\$ 1.2 billion in the textile and support industry area in Phuoc Dong Boi Loi industrial zone in Go Dau district. A large number of fabric manufacturers and suppliers have begun their operations here, creating jobs for more than 10,000 people in Vietnam. (GK)



### Vietnam's Garment Export Turnover Hits US\$2.2 Billion In August

HANOI, Sept 8 (Bernama) -- Vietnam's textile and garment export turnover for August rose 0.2 per cent from July to nearly US\$2.2 billion, Vietnam News Agency (VNA) reported.

Statistics from the Ministry of Industry and Trade's Department for Import-Export show the latest figure had raised the sector's export value for the first eight months to US\$13.65 billion, a 19.7 per cent year-on-year increase.

General Secretary of Vietnam Textile and Apparel Association, Dang Phuong Dung, said that despite the high turnover the value added of the industry remained relatively low due to its reliance on imported raw materials.

Domestic suppliers can meet only one percent of cotton and 20.2 per cent of cloths for the sector, Dung said.

Since several free trade agreements between Vietnam and foreign partners are due to be materialised soon, the sector is under pressure to develop domestic material sources and modernise production models to improve product quality.

Le Tien Truong, director general of Vietnam Textiles and Garment Group, said local businesses had accumulated experience and a skilled workforce through many years of sub-contracting.

"What they should do now is to shift to a modern production model to produce high value added products," said Truong.

The textiles and garment sector is one of the largest industries in Vietnam and a top foreign currency earner.



## Vietnam garment exporter Vinatex raises \$58.10mn via IPO

September 24, 2014 (Vietnam)



One of Vietnam's largest apparel exporters and government owned - Vietnam National Textile and Garment Group (Vinatex) raised around VND1.22 trillion or US\$ 58.10 million through an initial public offering (IPO).

Vinatex sold more than 110.5 million shares to 87 investors at an average price of 11,000 VND or \$0.49 per share, half of whom were

foreign investors.

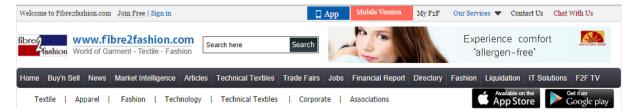
Vietnamese investors include three institutions and 54 individuals, while foreign investors include 12 institutions and 18 individuals.

Earlier in May 2014, the Prime Minister of Vietnam approved the privatization plan of Vinatex, under a government-approved privatisation scheme.

Under the scheme, a company with an authorised capital of VND5 trillion or \$238.10 million, may sell 24 percent of its equity to strategic investors.

The plan allows the State to hold 51 percent capital and company staff to buy 3 million shares, or 0.6 percent of the authorised capital.

Vinatex which has around 120 subsidiaries has targeted an export turnover of \$3.6 billion by 2015 and \$5 billion by 2020. (AR)



## 'Huge potential for India-Vietnam textile trade'

September 29, 2014 (Vietnam)

There is immense potential for India-Vietnam textile trade, speakers said at a business event organized by the Vietnam Chamber of Commerce and Industry (VCCI), in association with the Indian Embassy in Vietnam, the Indian Business Association in Vietnam, the Ministry of Trade and Industry of Vietnam, and the People's Committee of Nam Dinh.

The event, held last week in Nam Dinh City, was attended by about 160 businessmen from the two countries, who shared information on opportunities for cooperation between the textile industries of both countries.

At the conference, Do Huu Huy, Deputy Head, Department of Africa and South West Asia, Vietnam's Ministry of Industry and Trade, said diversification of supplies to the Vietnamese garment industry is essential for sustainable development of the Vietnamese apparel industry, and also to reduce its dependence on a single supplier.

In view of the Trans-Pacific Partnership (TPP) agreement, which is currently being negotiated between 12 nations including Vietnam and the US, Vietnamese clothing industry must meet 'certificate of origin' requirements, said Pham Quang Thinh, an official from the VCCI.

At present, Vietnam meets only 50 percent of its material demand for production of garments, and this provides a good opportunity for Indian companies to invest in Vietnam's textile industry, said Thinh.

Mr. Mohit, representing the Indian Business Chamber in Hanoi, said India is the world's second-largest exporter of materials that go into the production of garments. India currently has 13.52 percent of global market share in these materials. On the other hand, Vietnam is one of the world's leading garment exporters, which is dependent on import of materials, he said.

Thus, there is huge potential for cooperation between the two countries, especially since India accounts for only 2 percent of all Vietnamese import of garment input materials at present, he added.

In 2013, India-Vietnam bilateral trade surged at 30 percent year-on-year to touch US\$ 5.2 billion. Both countries aim to increase their bilateral trade value to \$15 billion by 2020. (RKS)

## VIETNAM PRESS-Textiles exports seen up 16 pct y/y at \$25 bln in 2014 - Vietnam Economic Times

By REUTERS

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Vietnam may export as much as \$25 billion worth of textiles and garments this year, up 16 percent from 2013, according to the Vietnam National Textile and Garment Group, the Vietnam Economic Times newspaper reports. Garments exports in the first nine months rose 19 percent from a year ago to \$17.2 billion, and India became the second-biggest cotton provider for Vietnam after the United States, replacing China, the report said. Textiles and garments were Vietnam's second-biggest cash earner after cellphones last year.

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NOTE: Reuters has not verified this story and does not vouch for its accuracy. (Hanoi Newsroom; Editing by Sunil Nair)

Read more: http://www.dailymail.co.uk/wires/reuters/article-2783098/VIETNAM-PRESS-Textiles-exports-seen-16-pct-y-y-25-bln-2014-Vietnam-Economic-Times.html#ixzz3FS2ONKx3

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