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GULF TIMES

Apparel-makers against Japanese investment

22 August **2014**

By Mizan Rahman/Dhaka

Bangladeshi apparel manufacturers have strongly opposed any Japanese investment in producing basic garment products, claiming domestic entrepreneurs are capable of doing it.

"Japanese investors showed interest in producing basic readymade garment products like pants and shirts but we discourage such investment as we are capable of manufacturing those," Bangladesh Garment Manufacturers and Exporters Association (BGMEA) vice-president Reaz bin Mahmood said.

The Japanese investment in readymade garments and textiles sector was discussed during the first Bangladesh-Japan Public-Private Economic Dialogue held at the Prime Minister's Office. A delegation of Japanese investors attended the meeting

The association asked the Japanese businessmen to invest in composite textile industry or value-added products such as suits, tents and school bags, where local investment had been negligible, Reaz said.

"A foreign investor has set up a plant to produce apron, gloves and other products which are used in hospitals and we encourage such investment," he added.

Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) president Kazi Akramuddin, who represented the business community in the Bangladesh-Japan dialogue, said the Japanese investors wanted to come in a big way.

"They wanted to know what incentives they would get if they invested in Bangladesh."

Bangladesh wanted them to invest in sectors such as power, information technology and other value-added industries, he said.

"We showed little interest about having investment in the readymade garment sector," he added.

BGMEA president Atiqul Islam, who also attended the meeting, told the visiting delegation that Japan investors would be encouraged to invest in high-end products where Bangladesh entrepreneurs had little investment, Akram said.

"The Japanese delegation assured Bangladesh that they would increase garment import from Bangladesh," he said.

The apex trade body chief said Japan was helping Bangladesh to construct Matarbari power plant and Dhaka asked Tokyo to construct LNG terminal in the country.

An official, who attended the meeting, said the Japanese delegation raised the issue of getting utilisation declaration (UD) certificates for the 100% foreign-owned apparel manufacturing units which operate outside export processing zones (EPZs).

"They want us to develop a procedure so that foreign-owned factories operate outside EPZs can get UD certificate," he said.

The Bangladesh side assured them to look into the issue after consulting all stakeholders including the BGMEA, the UD-issuing authority.

Meanwhile, a press release issued by the foreign ministry has said the governments and private sector of the two countries have noted a number of ways and areas to tap mutually-beneficial opportunities for private investments in Bangladesh.

"They recognised areas like textiles, leather, pharmaceuticals, IT and ITES, tourism and hospitality, health, etc as possible sectors where both countries can enter into cooperative undertakings in the future," the press release said.

The Japanese side stressed the importance of developing the special economic zones and adjoining infrastructures in Bangladesh to attract greater quantum of investments from Japan.

It urged Bangladesh to address some of operational issues flagged by the Japanese investors, including simplification of various procedures related to certification, licensing approval process, issuance of visa, and work permit.

They also discussed about various incentives to improve overall investment climate and to enhance trade relations between the two countries.

The meeting decided to hold the second Joint Bangladesh-Japan Public- Private Economic Dialogue in Japan next year.

The Japanese delegation, consisting of 38 members, was led by Norihiko Ishiguro, and the Bangladeshi delegation, comprising 32 members, was led by Abul Kalam Azad, senior secretary of the Prime Minister's Office.

The visit of the Japanese entrepreneurs comes ahead of Prime Minister Shinzo Abe's visit to Dhaka early next month.

Bangladesh, China sign MoUs for modernizing jute mills

August 23, 2014 (Bangladesh)

Jute mills in Bangladesh are expected to get modernized as the country has signed three memorandum of understandings (MoUs) to receive technical assistance from China, BSS reported.

As per the MoUs, all the 26 old jute mills under the Bangladesh Jute Mills Corporation (BJMC) will be surveyed with the grant to be provided by the Government of China.

Subsequently, the China TextMatek Company (CTMC) will undertake Balancing, Modernization, Rehabilitation and Expansion (BMRE) work at these jute mills.

In addition, the Government of China will also provide technology support for manufacturing latest and diversified jute items at the BJMCE jute mills.

As per the MoU, the Chinese Government will provide credit at 1.5 percent interest to Bangladesh for executing BMRE work. The amount so lent would be refundable within 20 years period.

BJMC is the biggest employer in the industrial sector of Bangladesh. It provides direct employment to about 70,000 workers and 5500 officers & staffs supporting the livelihood of around 6 million farm families. More than 50 million people are directly or indirectly involved with jute and jute related industries in Bangladesh, according to the BJMC website.

Blog: Cambodia garment industry approaching crossroads

Michelle Russell | 27 August 2014

If Cambodia's US$5.5bn garment industry is not yet at a crossroads, it is approaching one, according to participants at an industry trade show held in Phnom Penh. Many industry suppliers believe that while Cambodia remains a growing market for their textile and garment products, there are challenges ahead, from rising labour costs to increased competition from neighbouring countries.

Another such challenge is wages, with many trade unions and garment factory owners remaining at odds over plans to increase the current monthly minimum wage of $100. As a result, a fresh wave of trade union action has hit Cambodia's garment industry over the last month, with as many as "25 separate strike actions having taken place within matter of 22 days in August alone", a union told just-style last week.

Wage issues of a different kind are also causing problems in China, where the recent spate of minimum wage rises in the country's cities are expected to put pressure on an industry already struggling to maintain profits amidst rising costs.

Elsewhere, new research suggests that while the inclusion of Vietnam in the Trans-Pacific Partnership (TPP) is a major thorn in the side of the US textile industry, there may be more to fear from Japan. The study found that, as one of the world's leading textile exporters, Japan's entry into the TPP "substantially reduces the opportunity for the US textile industry to expand exports in the Asia-Pacific region, such as Vietnam".

The issue of toxic chemicals in waste water discharges from textile processing facilities continues to be a major challenge for the industry, with environmental pressure group Greenpeace calling on apparel firms to clean up their supply chains. just-style has taken a closer look at the problem and the need for industry collaboration.

One company currently scrutinising its supply chain is US apparel giant Gap Inc. The company has been working on building a more responsive supply chain, seamless inventory, international expansion, and omni-channel capabilities. Last week, the retailer revealed plans to enter India, and highlighted the progress made to date on its supply chain fabric platforming as it shifts its relationships from vendor-based to mill-based.

Cambodia successfully hosts CTG 2014 textile fair

August 25, 2014 (Cambodia)

Cambodia successfully hosted the 4th International Textile and Garment Industry Exhibition (CTG 2014) this month at Phnom Penh's Koh Pich Convention and Exhibition Center.

The event was organized by Yorkers Trade & Marketing Service Co., Ltd., in collaboration and support from the Ministry of Commerce's Trade Promotion Department, Cambodia Chamber of Commerce (CCC), and Garment Manufacturers Association in Cambodia (GMAC).

Around 260 companies from across 21 countries and regions, including Australia, Cambodia, China, Czech Republic, France, Germany, Hong Kong, Italy, Japan, Korea, Malaysia, Pakistan, Singapore, Spain, Switzerland, Thailand, Turkey, the UK, the US, Vietnam and Taiwan displayed their products, including textile and apparel machinery, at the fair.

CTG 2014 hosted some famous brands such as, AMF Reece, Brother, Chee Shiang, CTMTC, Focus Garment, JUKI, TAI HING, TAJIMA, UZU.

"Cambodia needs to diversify the economic activities and promote exports to achieve a sustainable high economic growth and higher value-added products," said Chhoun Dara from the Ministry of Commerce.

After successfully hosting three shows, CTG has now become popular in Cambodia and the Association of Southeast Asian Nations (Asean) market.

CTG 2014, jointly held with the Cambodian International Machinery Industrial Fair (CIMIF 2014), was the largest industrial event in Cambodia.

Fibre2fashion News Desk-India

27th August 2014, Shanghai

Largest ever Cinte Techtextil China to take place next month

Cinte Techtextil China Trade Fair for Technical Textiles and Nonwovens will play host to nearly 500 exhibitors from 19 countries and regions at the Shanghai New International Expo Centre from 24-26 September 2014. This three day event is Asia's leading biennial technical textiles trade fair, and has expanded this year to a total of three halls and 35,000 sqm of exhibition space, 45% larger than the previous show in 2012 and the largest event in its history.

The fair features a comprehensive range of technical textiles and nonwovens which are applied to 12 application areas. Highlights within the International Hall this year include country and region pavilions from Belgium, Germany, Italy and Taiwan, as well as the European Pavilion. In the two Domestic Halls pavilions from China Hi-Tech Group Corp, Shangtex Holding and Zhejiang Tiantai will feature.

Germany Pavilion

Organised by the Federal Ministry of Economics and Technology, the Confederation of the German Textile and Fashion Industry and Messe Frankfurt Exhibition, the Germany pavilion will house 30 well-known exhibitors this year representing textile technology, technical textiles, nonwovens and coated textiles. A. Monforts Textilmaschinen, a supplier of textile machinery for dyeing and finishing of classical textiles (woven and knitted), will showcase a special range of products for finishing airbag fabrics, pre-preg fibres and technical felts. Another machinery supplier is Autefa Solutions, a producer of individual machines, as well as turnkey airlay, carding and thermobonding lines for the nonwovens industry. Oerlikon Neumag supplies plants for the production of BCF carpet yarns and synthetic staple fibres, as well as various nonwoven, spunmelt and airlaid technologies for a wide range of applications. And Lindauer DORNIER, who has been producing weaving machines since 1950, will feature their rapier and air-jet weaving machines in this pavilion.

Growing demand

Sandler develops and produces nonwovens for a range of fields including automotive, construction, engineering, filtration, hygiene and wipes. This will be their fourth time participating at the fair. “Technical textiles are used in many industrial areas in China and the demand is continuing to grow in the wake of the fast expansion of production in the building sector, the automotive industry as well as in the medical and consumer goods industry,” said Dr Ulrich Hornfeck, Member of the Management Board. “Nonwovens for the automotive industry and filter media are of particular interest in this market, particularly high-quality nonwovens for complex products.”

Asian exhibitors

The Hong Kong Research Institute of Textiles and Apparel (HKRITA) serves the textile industry in Hong Kong and Mainland China. It focuses on developing new materials and textiles, advanced production technology and design and evaluation technology, and will present its intelligent impact protectors based on 3D auxetic spacer fabrics at the fair. The Korea Textile Trade Association (KTTA) is one exhibitor with a wide range of products on display at the fair for the Mobiltech, Protech and Sportech sectors. Some of the items they will showcase on behalf of their association members include heat protecting fabrics, non-slip carbon fabrics, carbon fibre and aramid composite fabrics, nonwoven textiles for automobile interiors and ultra lightweight fabrics for tents and tarps. Also from Korea is the Korea Textile Machinery Research Institute (KOTMI), a leading textile machinery research institute.

www.techtextilchina.com -

Technical textiles show Cinte Techtextil largest till date

August 26, 2014 (China)

From 24 to 26 September, 2014, the largest ever Cinte Techtextil China, a biennial technical textiles trade fair will host a few of German industry's biggest names in the Germany pavilion. Alongside there will be a strong showing from Asian exhibitors, which adds to the diversity of the suppliers.

The three-day trade show will play host to nearly 500 exhibitors from 19 countries and regions at the Shanghai New International Expo Centre. Cinte Techtextil China has expanded this year to 35,000 sq metres of exhibition space, 45% bigger than the earlier 2102 show.

The fair will feature a range of technical textiles and nonwovens, which find application in 12 areas. The highlight of this year's show is the country and region specific pavilion from Belgium, Germany, Italy and Taiwan, as well as a common European Pavilion.

Some of the industry's biggest names to feature in the Germany pavilion are 30 well-known exhibitors this year representing textile technology, technical textiles, nonwovens and coated textiles.

Among them are A. Monforts Textilmaschinen, AUTEFA Solutions, Oerlikon Neumag, Lindauer DORNIER GmbH, Sandler, Truetzschler, etc.

"Technical textiles are used in many industrial areas in China and the demand is continuing to grow in the wake of the fast expansion of production in the building sector, the automotive industry as well as in the medical and consumer goods industry," Dr Ulrich Hornfeck from Messe Frankfurt said.

He added, "Nonwovens for the automotive industry and filter media are of particular interest in this market, particularly high-quality nonwovens for complex products."

The diverse range of exhibitors on offer at Cinte Techtextil China includes the Hong Kong Research Institute of Textiles and Apparel (HKRITA), The Korea Textile Trade Association (KTTA) and Korea Textile Machinery Research Institute (KOTMI).

Apart from the trade show, Cinte Techtextil China will also host the China International Non-Woven Congress which takes place on September 25, while a number of informative seminars and product presentations are also scheduled throughout the fair.

Cinte Techtextil China is organised by Messe Frankfurt (HK) Ltd, the Sub-Council of Textile Industry, CCPIT and the China Nonwovens & Industrial Textiles Association (CNITA).

Textile News

ITMF Annual Conference 2014: "Shared Responsibility - Shared Opportunity"

ZURICH, Switzerland — The ITMF Annual Conference 2014 will be held in Beijing/China from October 16-18 hosted by the China National Textile and Apparel Council (CNTAC). The general theme of the conference “Shared Responsibility – Shared Opportunity” indicates that the global textile industry cannot be looked at and analyzed in an isolated manner. With a long and complicated supply chain the industry as a whole – from fiber to fashion – is responsible to develop an efficient and sustainable supply chain. This in return offers enormous opportunities to all stakeholders. Therefore, a better understanding of the entire textile supply chain and closer partnerships are becoming increasingly important as compared to isolated analyses of individual markets or industries. That is why every stage of the textile value chain from fiber to retail are always represented at ITMF conferences and respective speakers from all textile areas are invited. Approximately 400 participants from around the world will attend. The conference will cover the following areas in open general session:

- Fibers
- Textile Supply Chain
- Retail
- Technical Textiles & Nonwovens
- Textile Machinery

Since the conference will be held in Beijing a special focus will be on the Chinese fibers, textile and apparel industry.

The Director General of the World Trade Organization (WTO), Mr. Roberto Azevedo, has provisionally accepted the invitation to be the keynote speaker. In addition, the Vice President of the Development Research Centre of the State Council, Mr. Liu Shijin, will give a keynote address about the global economic situation and outlook. Speakers from the following companies and organizations have confirmed their participation:

- China Cotton Association
- ACSA, Australia
- IHS Chemical, Singapore
- China Chemical Fiber Association
- Birla Cellulose, India
- CNTAC, China
- Coteminas, Brazil
- Development Research Centre of the State Council, China
- Luthai Textile, China
- Jiangsu Jinsheng Group, China
- Gildan Active Wear, Canada
- Alibaba Group, China
- Hong Kong Research Institute of Textiles and Apparel
- IKEA, Sweden
- Aimer Lingerie, China

- Esquel, Hong Kong
- Poly Nederland, Netherlands
- China Nonwovens and Industrial Textile Association (CNITA)
- TenCate, Netherlands
- Formosa Textiles, Chinese Taipei

Posted August 25, 2014

Source: ITMF

Yarn Expo Autumn 2014 to take place from Oct 20

July 31, 2014 (Germany)

Returning from 20 – 22 October this year, Yarn Expo Autumn 2014 will be held in hall N4 at the Shanghai New International Expo Centre once again. With an exhibition area standing at 5,000 sqm, nearly 150 overseas and domestic yarn suppliers will participate in this edition, while many of them say they will showcase their latest eco products.

Samil Spinning Co Ltd from Korea is one such company. "Textile consumption, especially that of eco textiles, will continue to increase in the promising Chinese market, which is good for us as our high-tenacity rayon spun yarns, such as MicroModal, Modal and Tencel are all eco-friendly materials," Isaac Hwang, Assistant Manager in the company's R&D Marketing team said. He also stated the firm will bring some new products, namely Drysil, a new-age performance spun yarn featuring excellent moisture management properties, Porexil, an anti-pilling 100% synthetic air-jet spun yarn, and Hysil, a new ring-spun yarn to the fair.

Another exhibitor from Indonesia – PT Indorama Synthetics – will bring cotton yarns from its new factory in Uzbekistan. "We will promote our open-end cotton yarns and world-class cotton combed compact yarns for knitting & weaving applications at the fair," said Neeraj Gupta, a representative of the firm, adding these products are made in the only Greenfield spinning mill in the Kokand region of the country.

Exhibitors optimistic about the dropping cotton price

The cotton price in China has been dropping since the Chinese government decided to terminate its cotton stockpiling mechanism in April, helping yarn suppliers in the country save more on raw materials. In order to further expand their business, nearly 50 Chinese yarn makers have already confirmed their participation at this edition to showcase their latest collections, including unique and functional products. Some of the big names include China Textile Academy, Wuxi Si-Mian Textile Co Ltd, Zhejiang Lianhong Fiber Co Ltd and Fujian Billion Polymerization Fiber Technology Industrial Co Ltd.

Overseas yarn spinners, on the other hand, are also optimistic about their situation. "Some local manufacturers did become more competitive due to the recent price drop in China; however, the international cotton price is also falling, following the same path as the Chinese cotton price. Plus, consumption in China is huge and we are confident that imports of cotton yarn products to China will pick up soon as domestic supply falls short of demand," said Gupta of PT Indorama Synthetics, acknowledging the importance of utilising the fair to meet with more buyers at the fair.

Messe Frankfurt

More Messe Frankfurt GmbH News...
More Textiles News - Germany...

26/08/2014-09:25 Standard & Poor's maintient à 'B-' la note de la RD Congo.

26/08/2014-09:50 Immobilier : OPIC injecte 80 millions de dollars dans le sud-africain IHS Fund II;

AVIS D'EXPERTS

Coton : "Pékin importe moins"

MARDI 26 AOUT 2014 13:00 PAR MICHAEL EDWARDS

MICHAEL EDWARDS EST DIRECTEUR DU SITE SPECIALISE 'COTTON OUTLOOK'. DR

Michael Edwards, directeur du site d'information spécialisé Cotton Outlook, revient pour "Jeune Afrique", sur la chute des cours du coton, enregistrée cette année.

Après être resté stable depuis 2011, le prix mondial du coton a baissé brutalement en mai dernier. Le baromètre international, l'indice A de Cotton Outlook, a perdu 24 % en trois mois pour se situer un peu au-dessus des 72 cents de dollar la livre, contre une moyenne de 93 cents durant les trois dernières campagnes. Cette chute n'est pas une surprise, car Pékin avait annoncé en janvier son intention d'abandonner sa politique d'achat à tout-va, en vigueur depuis 2011-2012, qui visait à assurer l'approvisionnement de ses filatures.

Répercussions

CLIQUEZ SUR L'IMAGE.

En trois ans, le pays a accumulé onze millions de tonnes, soit l'équivalent d'un an et demi de sa consommation nationale, ce qui contribuait à soutenir les prix. Les conséquences de l'arrêt de cette politique sont considérables pour l'Afrique, puisque la Chine est de loin le premier acheteur du coton du continent. Plus globalement, la chute des prix aura de fâcheuses répercussions pour les entreprises cotonnières africaines, qui exportent 90 % des 1,4 million de tonnes produites chaque année sur le continent.

Dans les pays de la zone franc, les effets seront d'autant plus graves que la proportion de coton récolté en 2014-2015 et déjà vendu depuis plusieurs mois à des tarifs plus rémunérateurs s'annonce plus modeste que les années précédentes.

Interstoff Asia Essential to explore fashion and innovation

22nd August 2014, Hong Kong

The autumn edition of Interstoff Asia Essential is set to return to the Hong Kong Convention and Exhibition Centre from 25-27 September.

“As a well-known sourcing platform for the latest fashionable, functional and eco fabrics and garment accessories in the region, the fair has received many compliments on its product range and quality from visitors who have been to the previous editions,” said Wendy Wen, Senior General Manager at Messe Frankfurt (HK).

Fashionable

Featuring exhibitors coming from the leading fashion hubs in Asia, such as Hong Kong, Japan and Korea, Interstoff is well-known for revealing next season’s trends.

Fab Head from Hong Kong will showcase its denim fabrics featuring jacquard and flocked, and embossed pattern effects. Another exhibitor from the city, Poly Beauty Textile, new to the fair, will introduce its leading garment interlining brands such as Lan Mei Ren and Silk Poly, as well as its high-quality chiffon.

R&D Textile from Korea will bring its acetate / triacetate satin, crepe, printed, jacquard, knitted and marble linen fabrics for womenswear, while Uni Textile from Japan will offer its Japanese-made trendy printed and dyed woven / knitted fabrics.

Functional

POIZTEX, a new exhibitor from Korea, will demonstrate its achievements in this area at the fair. "We chose to join Interstoff because we want to explore the fashion trends in Hong Kong," said Euna Bae, CEO.

"We will bring our nanoporous waterproof fabrics, which are light, soft and excel in keeping users warm in extremely cold environments, as well as our micro-pore dry membrane that offers excellent high-pressure water resistance," she continued.

Eco-friendly

Environmentally friendly products will also be the feature at the show, and Shinnaigai Textile from Japan will make its debut appearance with their new botanical-dyed mélange yarns.

"We will demonstrate altogether 16 different colours at the fair. Among them, nine are using dyestuffs extracted from flowers while the other seven are from fruits," said Mitsuhiro Yamada, the firm's representative.

Other top eco product suppliers at the fair include Everest Textile from Taiwan and Jiangsu Xinkaisheng Enterprise Development from Mainland China.

Accessories

To make the product scope more complete, the fair has set aside an area for displaying garment accessories. Joining the Accessories Zone this year are several new exhibitors, such as KQQR Zippers from Hong Kong and Shantou Manlee Embroidery from Mainland China.

Other accessories exhibitors include Dongguan Xinxiangli Clothing Material Co Ltd, Buttons International Ltd, and many more. Products featured in this special zone are woven labels, embroidery webbings and various zippers and buttons.

Research and Education

Other than sourcing the latest fabrics and garment accessories, the fair is also well-known for promoting the most advanced technologies in the industry.

The Research and Education Zone will have a strong focus on eco-friendly dyeing processes. A new partner in this area, the Korea High Tech Textile Research Institute, will demonstrate the world's first ever liquid ammonia processing technology for knitted fabrics, as well as its energy-efficient CPB dyeing system.

www.interstoff-asia.com

Author: Billy Hunter

- See more at: http://www.knittingindustry.com/interstoff-asia-essential-to-explore-fashion-and-innovation/#sthash.vkO1HsxF.dpuf

Le 3e Festival de la Mode d'Urumqi aura lieu du 2 au 6 septembre

French.china.org.cn | Mis à jour le 27-08-2014

Photo documentaire: La première édition du festival

La troisième édition du Festival de la Mode d'Urumqi, capitale de la région autonome ouïgoure du Xinjiang, aura lieu du 2 au 6 septembre. Un certain nombre de célèbres créateurs de mode chinois et d'autres pays, dont les Pays-Bas et la France, seront présents.

Par rapport aux éditions précédentes, le Festival de la mode de cette année présentera une plus grande variété d'activités et aura lieu pendant la période de l'Expo Chine-Eurasie.

Liang Yong, directeur adjoint de la Commission de l'économie et des technologies de l'information du Xinjiang, a déclaré que ce festival de la mode peut profiter de la plate-forme de l'Expo Chine-Eurasie pour accroître son influence.

Selon M. Liang, un autre point fort du festival est qu'il a ajouté un musée du textile de 6 000 mètres carrés pour attirer les meilleurs exposants de l'industrie du textile et du vêtement.

Le festival comprend la Semaine de la Mode Asie-Europe 2014, la 3e Exposition des travaux artisanaux des femmes du Xinjiang, la Conférence de l'habillement de Chine 2014 ainsi que 25 défilés de mode.

La Conférence de l'habillement 2014, organisée par le ministère de l'industrie et des technologies de l'information, l'Association chinoise de l'industrie du textile et le gouvernement du Xinjiang, est la conférence de l'industrie de l'habillement la plus influente de Chine.

M. Liang a également précisé que la conférence a invité les entrepreneurs des plus 300 grandes marques de l'industrie du vêtement du pays, comme Red Beans, Younger, Seven Wolves et Metersbonwe. Après la conférence, les administrateurs se réuniront dans d'autres villes du Xinjiang pour y mener une enquête sur le marché.

Source: french.china.org.cn

CHINA: Minimum wage rises will be tough to handle

By Su Dongxia and Keith Nuthall | 22 August 2014

A major Chinese textile company has told just-style the recent spate of minimum wage rises in China cities will put pressure on an industry already struggling to maintain profits amidst rising costs.

Guo Jingjuan, a director at Zhangjiagang-based textile printing and dyeing company Huafang Textile Company, was commenting on regional monthly pay hikes including 12.3% in Shanghai to CNY1,820 (US$295) and 11.4% to CNY1,560 (US$253) in Beijing.

In her region, the rise was 14.2%, which she told just-style "is pretty stressful for textile companies, since profit space in this sector is quite small".

But she added: "Our executive thinks it is necessary to increase frontline workers' wages. In 2012, the frontline line workers' wage has been increased at 15%, while the administrative peoples' salary stayed the same. Our executive thinks it's worth it because it stabilises the workforce, which can make good quality products."

Her company sold goods worth CNY246m (US$39.9m) in the three months to June and specialises in cotton yarns, knitted cloths and imitation fabrics.

Guo said: "Our company focuses on improved clothing and yarn quality. Compared with big production volume, we want to focus more on branding. We don't plan to move elsewhere, but we have planned to open up a new plant in Shandong, which will allow us to produce more coloured cloth."

More wage increases are expected as under the government's 2011-15 five-year plan minimum wages are projected to be increased by 13% annually.

Zara retire de la vente un t-shirt avec une étoile jaune

Publié le 27 août 2014 par CAMILLE HAREL

Zara a provoqué un tollé avec la vente d'un modèle de t-shirt

La marque de vêtements espagnole Zara a retiré aujourd'hui de la vente une marinière pour enfants dotés d'une étoile jaune ayant provoqué un tollé pour sa ressemblance avec l'étoile imposée aux Juifs par les nazis.

La marinière à rayures bleues et blanches flanquées d'une grosse étoile à six branches sur la poitrine n'a été disponible que quelques heures sur la boutique en ligne de Zara. "Le design original est inspiré des étoiles de shérif des westerns" américains, souvent dorées et à six branches, a expliqué une porte-parole de Zara. "Il n'a rien à voir avec les connotations qui y ont été associées.

Nous comprenons qu'il existe une sensibilité à ce sujet" et "bien entendu nous nous excusons auprès de nos clients", a-t-elle ajouté. Déjà, en 2007, la marque avait déjà été critiquée pour avoir vendu un sac brodé avec une croix gammée. L'enseigne s'était alors défendu en expliquant ne pas avoir remarqué l'insigne sur ce sac fabriqué par un de ses fournisseurs.

Lectra: ' le troisième trimestre devrait être dynamique'.

Cercle Finance, publié le 04/08/2014 à 15:21

Créée en 1973, Lectra est une entreprise leader mondial des logiciels, des équipements de CFAO et des services associés dédiés aux entreprises qui utilisent des tissus, du cuir...

Créée en 1973, Lectra est une entreprise leader mondial des logiciels, des équipements de CFAO et des services associés dédiés aux entreprises qui utilisent des tissus, du cuir, des textiles techniques et des matériaux composites. Publiés en milieu de semaine dernière, ses résultats semestriels se sont révélés très encourageants, avec notamment une forte commande des nouveaux systèmes, à 24,8 millions d'euros au deuxième trimestre contre 21 millions un an auparavant, et un chiffre d'affaires en croissance de 6% à 52,5 millions d'euros sur cette même période. Le plan de transformation engagé fin 2011 semble commencer à porter ses fruits.

Cercle Finance : Que retenez-vous de ce premier semestre ?

Jérôme Viala : Les prises de commandes sont un indicateur solide, plus pertinent encore que le chiffre d'affaires, et elles ont augmenté de 18% au deuxième trimestre et de 11% sur le semestre. Le carnet de commandes atteignait, lui, 16,3 millions d'euros au 30 juin, en croissance de 3,1 millions par rapport au 31 décembre et de 2,6 millions par rapport au 31 mars.

Constitué depuis les années 1980, notre réseau de filiales en compte désormais 32, dont une ouverte durant la période en Corée du Sud.
Il existe un réel potentiel d'accélération dans ce pays, à la fois auprès de clients automobile, mais également du secteur mode / habillement, les grand conglomérats sud-coréens étant également présents dans ce secteur (Samsung en particulier).

Lectra se distingue aussi par sa capacité à générer du cash-flow libre. Celui-ci a du reste augmenté de 2,9 millions d'euros au cours des trois derniers mois à 3,8 millions.

Enfin, sur le plan géographique, le groupe a enregistré de bonnes performances en Europe, notamment en Italie et au Portugal.

C.F : Qu'en est-il de votre plan de transformation ?

J.V : Lancé fin 2011, il suit son cours. D'un montant de 50 millions d'euros, des investissements d'avenir qui sont intégralement passés en charge, il devrait être bouclé à la fin du premier semestre 2015, considérant que le processus de recrutement des commerciaux est un peu plus compliqué qu'attendu initialement.

Il consiste essentiellement en un plan de recrutement important consacré au renforcement des équipes commerciales, de marketing et de conseil, en une augmentation des équipes de R & D et en une accélération des dépenses de marketing.

Les investissements en R&D sont actuellement de l'ordre de 18-19 millions par an en brut.

C.F : Qu'attendez-vous de cette fin d'année ?

J.V : Le troisième trimestre devrait être assez dynamique en termes de chiffre d'affaires, sachant que les commandes ont été signées tardivement au deuxième trimestre et que notre carnet de commandes au 30 juin est en progression.

Si l'on considère la croissance des commandes de nouveaux systèmes, il faut garder à l'esprit que la base de comparaison a été très forte au troisième trimestre 2013, mais beaucoup moins sur les trois mois suivants.

Nous devrions donc afficher une progression plus forte au quatrième trimestre, au cours duquel nous espérons également un redressement dans la région Amériques, objet d'une petite déception au deuxième trimestre.

Au bout du compte, nous avons maintenu nos objectifs 2014 après la publication de nos résultats semestriels, dont un chiffre d'affaires de l'ordre de 214 millions d'euros (+ 7 % par rapport à 2013), un résultat opérationnel courant d'environ 18 millions (+ 10 %), une marge opérationnelle courante de 8,3 % (en légère augmentation) et un résultat net de l'ordre de 12,5 millions (stable à données réelles, hors éléments non récurrents de 2013).

Le groupe d'habillement Vivarte change de mains...


Crédit photo © Reuters

(Boursier.com) — Vivarte a trouvé un accord avec l'ensemble de ses créanciers pour restructurer sa dette, qui sera effacée de 2 milliards d'euros et ramenée à 800 millions. Cette opération va se traduire par la prise de contrôle du groupe d'habillement, propriétaire de La Halle aux Vêtements, Naf Naf, Kookaï ou André, par douze fonds d'investissement.

Plan de relance

Vivarte, qui aura désormais les fonds Oaktree, Alcentra, GoldenTree et Babson comme actionnaires de référence, bénéficiera par ailleurs d'une injection d'argent frais de 500 millions d'euros pour son plan de relance. Le détail de la nouvelle composition du capital de Vivarte n'a en revanche pas été communiqué et l'accord doit encore être approuvé par le tribunal de commerce de Paris qui rendra sa décision vendredi, précise l'entreprise dans un communiqué.

La dette de Vivarte, qui compte parmi les plus gros LBO européens, avait été contractée par le fonds Charterhouse pour le rachat de l'entreprise en 2007, avant l'éclatement de la crise financière. Le groupe a ensuite souffert d'une conjoncture morose, d'une concurrence accrue des géants de la mode à bas prix, et a dû apurer des stocks pléthoriques et d'importantes dettes envers des fournisseurs.

Situation "assainie"

Ses ventes ont reculé en 2012-2013, aux environs de 2,8 milliards d'euros, contre 3,0 milliards un an plus tôt et son excédent brut d'exploitation (Ebitda) a presque diminué de moitié en deux ans à moins de 300 millions d'euros. Distancé par les géants de la mode comme Zara ou H&M, le groupe dit avoir souffert d'un sous-investissement massif mais veut repasser à l'offensive à l'heure où le britannique Primark s'installe en France.

Son PDG Marc Lelandais a engagé un plan de transformation pour lequel il réclamait aussi à ses créanciers une injection de 500 millions d'euros d'argent frais afin de pouvoir investir dans son parc de magasins. "Le groupe Vivarte dispose désormais d'une situation financière assainie et renforcée, qui va lui permettre de mener sa stratégie de développement, conforter son statut d'acteur majeur de la mode française grand public, et lui donner les moyens d'un véritable déploiement digital et international", s'est félicité Marc Lelandais

Gap va s'implanter en Inde, prévoit d'ouvrir 40 magasins

New Delhi (awp/afp) - Le géant de l'habillement Gap va s'implanter en Inde en y ouvrant 40 magasins, décision que le groupe américain qualifie d'"étape importante" dans sa stratégie de croissance mondiale.

"L'Inde est un marché émergent, dynamique et représente une étape importante dans notre stratégie de développement mondial", a déclaré le président de Gap, Steve Sunnucks, dans un communiqué publié jeudi soir.

La société basée à San Francisco, déjà présente dans presque 50 pays, rejoint ainsi les rangs des groupes étrangers qui font leur entrée en Inde pour bénéficier du marché d'une classe moyenne en pleine croissance et avide de marques.

Gap ouvrira deux premiers magasins sous franchise en 2015, dans la capitale New Delhi et dans la capitale économique du pays, Bombay.

Le groupe, qui a parallèlement annoncé avoir dégagé un bénéfice net en hausse de 25% à 303 millions de dollars au deuxième trimestre, s'associera avec Arvind Lifestyle Brand, propriété du fabricant textile Arvind Ltd, pour ouvrir ces points de vente.

"Notre but est de s'agrandir rapidement et de faire de la franchise Gap en Inde une activité florissante", a déclaré J. Suresh, directeur général d'Arvind Lifestyle Brands, dans un communiqué distinct.

Alors que l'Inde est l'un des principaux pays fournisseurs des vêtements vendus par Gap, ses 1,25 milliard d'habitants, dont la moitié ont moins de 25 ans, représentent aussi un juteux marché pour la marque. Beaucoup d'Indiens portent les vêtements traditionnels que sont le sari et le salwar kameez, une longue tunique sur un pantalon large, mais de plus en plus de jeunes adoptent les jeans et T-shirts occidentaux.

Le groupe connaît déjà un développement rapide dans la Chine voisine. Il devrait compter 110 magasins en Chine, à Hong Kong et à Taïwan à la fin de l'année.

L'Amérique du Nord représente encore plus des trois-quarts des ventes de Gap, mais le groupe se tourne de plus en plus vers les marchés émergents pour alimenter sa croissance.

D'autres grands noms de l'habillement comme Adidas et Reebok sont déjà présents en Inde. Mais le manque d'emplacements pour les magasins et les obstacles juridiques et administratifs y freinent encore le développement des distributeurs étrangers.

Le nouveau Premier ministre, Narendra Modi, a promis de créer un environnement plus favorable aux entreprises, mais la classe politique reste soucieuse de ne pas provoquer la faillite des nombreux commerces familiaux du pays.

Gap compte au total 3200 magasins détenus en propre et 400 points de vente en franchise.

afp/al

(AWP / 22.08.2014 16h38)

THE HINDU

COIMBATORE, August 2, 2014

Updated: August 2, 2014 10:22 IST

Sluggishness in textile market temporary: SIMA

the last four months, demand for cotton yarn from China has dropped and the European Union market for fabrics and made-ups has also slowed down.

Drop in export demand for cotton yarn and the slowdown in the domestic market are only temporary and yarn manufacturers should not panic because of the "temporary sluggishness in the market," according to chairman of Southern India Mills' Association T. Rajkumar.

He said in a press release here on Friday that since the festival season was approaching, the demand for textiles would pick up soon in the country. During the last four months, demand for cotton yarn from China has dropped and the European Union market for fabrics and made-ups has also slowed down.

Demand

This has brought down the demand for yarn and cotton yarn prices have fallen by Rs. 10 to Rs. 25 a kg.

However, the garment sector has grown and the yarn needs of garment-making units have increased.

The market is normally dull during summer. This year, delayed monsoon, drop in capacity utilisation in weaving clusters and processing units in Maharashtra and Gujarat have all had an impact.

However, the market sentiment has started improving across the textile value chain and enquiries are going up.

Prices of cotton and yarn are expected to stabilise in a couple of months and this will give a competitive edge to the domestic units.

Friday 01 August 2014

MEXA : un renouvellement rapide de l'AGOA

01/08/2014

Lilowtee Rajmun, Maurice Vigier de la Tour et Philip Ryle de la MEXA.

Malgré la confiance de la Mauritius Export Association (MEXA) de voir l'Africa Growth and Opportunity Act (AGOA) renouvelée,

les appréhensions sont bien réelles pour cet organisme. L'exportation des produits fabriqués à Maurice pour le marché américain sera, ainsi, affectée. Le renouvellement de cet accord a été le point principal d'une conférence de presse tenue par la MEXA jeudi, en marge de la réunion des Etats-Unis et d'Afrique la semaine prochaine à Washington. "Le renouvellement de l'AGOA qui se termine le 30 septembre 2014 est très important. Il faut qu'il soit fait avant 2015", avance Maurice Vigier de la Tour, membre du Conseil de la MEXA tout en précisant que le président américain Barack Obama est pour un renouvellement rapide de l'AGOA.

Quatre points seront mis en avant par la MEXA. En premier lieu, une longue extension de cet accord. "Nous demandons qu'i soit étendu à 15 ans car cela donnera le temps à de nouveaux investisseurs de générer les investissements nécessaires en Afrique", préconise-t-il. En deuxième lieu, la clause du Third Country Fabric qui fait partie de l'AGOA doit, selon lui, être renouvelée pour la même période que l'AGOA. Le troisième point concerne les règles d'origine pour les conserves de thon. "Les règles sont très rigides en ce moment et nous en demandons un assouplissement", dit-il.

A ce sujet, Philip Ryle, le président de la MEXA, avance que les exportations des conserves de thon ont connu une augmentation vers les États-Unis. Selon lui, à ce jour, Maurice peut uniquement acheter du thon des navires battant pavillon américain ou africain et ainsi, les opérateurs voient une limite dans la quantité de thon demandée. Le dernier point de la MEXA selon Maurice Vigier de la Tour, est le concept de gradation introduit par les États-Unis et qui cible principalement l'Afrique du Sud.

L'accord bilatéral signé entre l'Afrique du Sud et l'Europe permet aux produits européens de pénétrer sur le marché sud-africain sans taxe, note Maurice Vigier de la Tour, membre du conseil de la Mauritius Export Association (MEXA). Ce qui va à l'encontre des intérêts des exportateurs américains. D'où l'introduction du concept de gradation. Selon Maurice Vigier de la Tour, un danger existe pour Maurice à cause de cela. Relevant le fait que Maurice est considéré comme un pays économiquement avancé par les Etats-Unis, Maurice Vigier de la Tour a déclaré que les Etats-Unis pourraient bien envisager le retrait de Maurice de l'AGOA tout comme ils le souhaitent pour l'Afrique du Sud. Pour lui, Maurice doit être considéré comme un pays d'ancrage en Afrique, en raison de l'expérience du pays dans le domaine du textile.

D'après une analyse de la Mexa, si l'accord du 'Third Country Fabric' n'est pas renouvelé, les répercussions seront importantes sur l'industrie du textile et de l'habillement de Maurice. Maurice Vigier de la Tour dira que les exportations afri-caines sont très faibles vers les Etats-Unis avec $ 940 millions dans le textile et l'habillement, soit moins de 1% des exportations totales en 2013. ''Ces exportations représentent moins de 1% des exportations totales des Etats-Unis du reste du monde'', a-t-il souligné. Et de préciser que toute l'Afrique subsaharienne exporte 10 fois moins que les pays tels le Vietnam, le Bangladesh ou le Cambodge.

Maurice Vigier de la Tour a soutenu aussi que l'accord de l'AGOA, signé en 2000, a largement bénéficié à Maurice, surtout pour le textile et l'habillement. ''L'AGOA a été grandement bénéfique aux exportations locales vers les Etats-Unis, notamment le textile et l'habillement'', a-t-il dit en s'appuyant sur des chiffres. Après le vote de l'AGOA en 2000, les exportations du textile et de l'habillement de Maurice ont augmenté de 63%, passant de Rs 3 milliards en 1997 à Rs 8 milliards en 2003. Grâce à cette hausse, des investissements $ 117 millions ont été faits dans le secteur du textile à Maurice.

D'après les chiffres de l'International Trade Commission, les exportations de Maurice vers les Etats-Unis s'élèvent à $ 338 millions. De ce total, $ 191 millions concernent le textile et l'habillement, soit 57% des exportations totales. Outre le textile et l'habillement, Maurice exporte plusieurs produits vers les Etats-Unis. En 2013, le pays avait exporté $ 70,5 millions dans le secteur de la bijouterie. Les exportations du 'seafood' étaient de $ 43,5 millions. Les exportations des équipements optiques sont de l'ordre de $ 7,4 millions, le sucre de $ 6,3 millions et la valeur de l'exportation des produits en cuir était de $ 2,7 millions. Le lobbyiste pour Maurice est Paul Ryberg. Pour sa part, Lilowtee Rajmun, directrice générale de la Mexa, a avancé qu'une chute de Rs 4 milliards est prévue dans le secteur du textile et et que 8 000 emplois sont menacés. Les investissements des entreprises seront affectés et les PME fermeront leurs portes si le 'Third Country' n'est pas renouvelé.

Textile exports don't impress

August 27, 2014

Textile exports--Pakistan's largest export-earning segment--had shown some heart in the just-concluded FY14 by registering a 5.3 percent year-on-year growth. But now at the start of FY15, data show lower July textile exports compared to last year. Overall, the textile products fetched home $1.17 billion in July. At this level, year-end exports would register a paltry growth of mere two percent.

However, the plus side is that July exports are five percent greater than the June proceeds. That could signal some demand increase, presumably related to the EU markets GSP+ status for Pakistan.

The saving grace for July exports was that the exports of value-added items such as knitwear and bed-wear clocked growths of 21.7 percent and 14.5 percent year on year, respectively. It seems that the said categories managed to exhibit decent resilience in grappling with the energy crisis.

However, low value-added items didn't do too well. The large fall in exported units of cotton yarn and cotton cloth over previous July could be attributed to fall in production capacity especially that of fabric production in Punjab due to austere power supply shortfall. Then there has been the drop in international cotton prices and local cotton prices, which went down from Rs7,264 per maund to Rs5,500 per maund.

The textile exports need to pick up some pace this year. But in the same difficult way as to please one's spouse, the textile lobbyists are hardly ever happy. They tend to rest all blame on the government's doors. Recently, an APTMA member told BR Research that the growth in FY14 exports might have been greater by at least 10 percent if the effect of rupee appreciation was translated into some decrease in GIDC.

Now they have another worry: the container owners are reluctant to come into Punjab because of the apprehension of impounding of their containers, as the political showdown is about to enter its third week.

But the government also has work cut out for itself once the situation normalises. The much-delayed Textile Policy (2014-19) will probably postulate relief measures to the value-added textile sector and may target to increase textile exports to $26 billion in next five years. However, the government needs to improve the energy and security situation in the country if it wants to see a decent increase in the new fiscal year.

July textile exports

	$ (mn)	MoM chg	YoY chg
Cotton yarn	131	-0.7%	-35.3%
Cotton cloth	212	7.0%	-8.1%
Knitwear	239	15.8%	21.7%
Bedwear	196	9.0%	14.5%
Towels	64	-2.4%	7.4%
Readymade garments	186	-0.3%	3.8%
Textile group	1,169	5.01%	-2.4%

Daily Times
Your right to know A new voice for a new Pakistan

Tuesday, August 26, 2014

Pakistan’s exports to EU countries increase by 15.76%

ISLAMABAD: Pakistan’s exports to 28-member European countries- European Union (EU) witnessed a growth of 15.76 percent ($333.18 million) under the autonomous trade preferences on 75 products from January to April 2014, documents available with this scribe revealed.
In absolute terms, under Generalised System of Preference (GSP) plus status the export proceeds to EU of the 75 products reached $2446.52 million in January to April 2014 period of 2013 from $2113.34 million over the corresponding period of last year.

The sector wise break up oft exports revealed textile remained the major beneficiary of the GSP plus arrangement. Pakistan’s exports of textiles to EU increased from $1.44 billion during January-April 2013 to $1.74 billion during the same period in 2014.
There has been an increase of $300 million in our exports of textile product to EU during the first four months of 2014 as compared to the same period in 2013.
Pakistan’s exports of textile garments to EU during January-April 2013 amounted to $663.36 million. They increased to $822.77 million during the same period in 2014. Thus textile garments sector registered an increase of $159.41 million in four months.
Pakistan’s exports of home textile products to EU from Pakistan amounted to $542.82 million during the same period in 2014. Hence exports of home textile products registered an increase of $114.27 million.
Pakistan’s exports of intermediary products of textiles like yarn and fabric of all types to EU amounted to $334.13 million during the period January-April 2013. During the same period in 2014 Pakistan’s exports of intermediary goods of textiles to EU amounted to $360.57 million.

Hence Pakistan’s exports of intermediary goods of textiles to EU have increased by $326.44 million in four months.
Pakistan’s exports of carpets to EU amounted to $14.71 million during January-April 2013. However during the same period in 2014 it amounted to $15.47 million. Hence exports of carpet also increased by $759,333 in four months’ time.
Pakistan’s exports of leather to EU increased from $185.47 million during January-April 2013 to $199.38 million during the same period in 2014.
Pakistan’s exports of intermediary goods of leather amounted to $48.78 million during January-April 2013. During January-April 2014 it increased to $53.95 million.
Hence there has been increase in export of intermediary goods of leather to EU amounting to $5.17 million in four months.
Pakistan’s exports of footwear to EU amounted to $32.37 million during January to April 2013. Pakistan’s exports of footwear to EU amounted to $37.49 million during the same period in 2014.
Pakistan’s exports of Polyethylene Terephathalate (PET) to EU during January-April 2013 amounted to $5.85 million. Pakistan’s exports to of PET during the same period in 2014 amounted to $13.75 million. Hence there has been an increase of $7.79 million during four months’ time in 2014.

The Nation
Tuesday, 26 August, 2014

Textile exports fall continues despite GSP Plus

August 22, 2014 **IMRAN ALI KUNDI**

ISLAMABAD
Pakistan's textile exports plunged by over 2 per cent in the first month (July) of the ongoing fiscal year (2014-2015) apparently due to the power crisis in the country that affected the industrial production.

The country exported textile made commodities worth $1.169 billion during July 2014 as against $1.198 billion of the corresponding month of the previous year, registering a decrease of 2.37 per cent in one year, showed the data of Pakistan Bureau of Statistics (PBS) on Thursday.
This is major setback for the incumbent government that textile exports are decreasing from last few months despite getting GSP Plus status from European Union in January this year. The industrialists and exporters believed ongoing electricity shortage has reduced exports of the country in last four months.

"One of the reasons for decline in export proceeds was the closure of the ports for nearly 11 days during the Eid holidays", said an official of the Textile Ministry. He also admitted that ongoing power shortage has also affected the country's exports during last few months. However, he added that government had introduced incentives package in the budget 2014-15 for export promotion, effective from July 1.

The economists believe that exports are likely to surge in the months to come due to the rupee deprecation mainly because of the political unrest in the federal capital. The dollar value has already gone beyond Rs 101 level. Dr Ashfaque Hasan Khan, former adviser to the Ministry of Finance and Dean of NUST School of Social Sciences and Humanities, the other day said that State Bank of Pakistan is apparently not intervening in the market to depreciate the local currency to boost the exports, which are on declining side from last three to four months.

It is worth mentioning here that country's overall exports stood at $1.93 billion in the July 2014 as against $2.1 billion of July 2013, showing a decline of 7.88 per cent in one year. According to the data, 60 per cent of the overall exports consist of textile exports in July.
The PBS data showed that export of raw cotton registered a negative growth of 57.96 per cent, cotton yarn 35.32 per cent, cotton cloth 8.13 per cent, yarn 12.93 per cent, art, silk & synthetic textile 12.64 percent, madeup articles 5.59 per cent and other textile materials 14.44 per cent.

Meanwhile, following of the commodities recorded positive growth: cotton carded 104.48 per cent, knitwear 21.66 per cent, bedwear 14.54 per cent, towels 7.43 per cent, tents, canvas & tarpaulin 42.45 per cent and readymade garments 3.78 per cent during the month of July 2014.
According to the data, the country had spent $278 million on exporting food commodities

during the month of July 2014. The break-up of food group showed that following food commodities have recorded negative growth: rice 18.86 per cent, fruits 32.01 per cent, vegetables 29.76 per cent, pulses 100 per cent, tobacco 66.18 per cent, wheat 100 per cent, spices 15.27 per cent, oil seeds, nuts and kernels 21.87pc, sugar 17.25 percent, meat and meat production 30.29 per cent, and all other food commodities 34.11 per cent during the period under review. However, only fish exports have were recorded at 5.68 percent during July 2014.

According to the PBS data, exports of other manufacturing group decreased by 17.02 per cent to $342 million during the previous month of July 2014. Exports of carpets, rugs and mats showed decline of 1.43 per cent, and sports goods export went up by 9.5 per cent. Similarly, exports of leather tanned increased by 15.06 percent

Meanwhile, exports of all other items were recorded at $117.225 million during the last month as against $119 million of the corresponding month of previous year, showing a decline of 1.64 percent.

Textile sector: FBR won't be allowed to formulate tax policy: APTMA

August 27, 2014

All Pakistan Textile Mills Association (APTMA) has made a proposal under the new textile policy (2014-19) asking the government that the Federal Board of Revenue (FBR) should not be allowed to formulate tax policy of textile sector. Sources told *Business Recorder* here on Tuesday that APTMA has submitted tax policy proposals to the Ministry of Textile Industry for the new textile policy (2014-19).

APTMA suggested that the FBR should not make tax policies whereas the Planning Commission, Ministry of Finance and Ministry of Law should be made independent of FBR set-up as far as tax policy is concerned. Tax policy proposals of income tax and customs duty have been submitted to the said ministry for consideration in the new textile policy (2014-19).

On the income tax side, APTMA said it is highly recommended that each taxpayer should be recorded through outsourcing data in respect of all taxpayers. Individuals, companies, shops, showrooms, flats, construction companies, development companies, housing societies including DHAs in Karachi, Lahore and Islamabad be registered afresh.

Process of registration should be transparent. Each transaction should be recorded at market value. The collector rates are outdated. The construction companies only issue sub-lease of plot at nominal value. The construction cost is received at nominal amount. The cost of each flat, showroom, shop or bungalow is not less than Rs 75 million. The amount is recorded as nominal figure. The housing societies including DHAs record transfer and collect the transfer fee. They do not record the transaction at market rates.

The whole system requires review and serious follow up for netting each transaction at market rates, it said. It suggested that the manufacturing sector contributes 2/3 of taxes while services section contributes 1/3. Agricultural sector accounts for 24 percent of GDP. It pays only 1 percent to the taxes. It is recommended that agriculturist should also file return of income and wealth statement. Income tax applicable rates and source of wealth should be assessed like any other resident of Pakistan.

After 18th Amendment the federation should require the provinces to impose agricultural income tax. Consequently the federation will reduce its contribution / subsidy to provinces. This will reduce burden on National Budget, it suggested. Other proposals of APTMA included immunities from income tax should not be allowed by FBR; exemption certificate U/Sec.148 should be allowed for import of machinery to commercial importers and industrial importers; appeal forum of Commissioner (Appeals) should be under the control of Ministry of Law or High Courts and not FBR; Commissioner (Appeals) powers to grant stay of recovery be increased from 30 days to 180 days; minimum tax U/Sec.113 of Ordinance, 2001 has been increased from 0.5 percent to 1.0 percent.

It is recommended that the rate of 0.5 percent be restored. The proposals included that the provisions of Section 65B are not in conformity with Section 65E. It is recommended that suitable amendments be made; section 65D & 65E include Corporate Dairy Farming.

It is recommended that Corporate Poultry Farming should also be included in Section 65D & 65E. This will help in producing meat and eggs for consumption by common individuals and tax credit U/Sec.65B, 65D and 65E are adjustable against liability U/Sec.113. Suitable amendments are required in Section 169 and Section 113 for allowing tax credit.

Through SRO 1065(I)/2013 clause (86) has been inserted in Part IV of Second Schedule of the Income Tax Ordinance 2001 providing that no source of investment would be asked by the Income Tax Department in case of new industry. However textile sector has been included in the negative list wherein the aforesaid incentive would not be applicable. This is contrary to the reality that textile sector is the biggest industrial sector in Pakistan and has been recently given GSP plus status. Therefore inclusion of the textile sector in the negative list gives a wrong impression regarding the policies and priorities of the Government.

Therefore it is imperative that the sector is removed from the negative list especially when under section 65D there is no such sector-related restriction for 100% tax credit for a new industrial undertaking established without long-term loans. Presently, SRO.947(I)/2008 governs the issuance of exemption certificate under section 148 by the Commissioner for import of plant and machinery without collection of income tax by the customs authorizes at the time of clearance of aforesaid capital goods. SRO contemplates issuance of exemption certificate where no income is payable due to bring forward losses or depreciation allowances.

There are two shortcomings in the present text of the SRO. Firstly, it does not cover situation where no tax would be payable (even minimum or final tax) due to tax credits under section 65A to 65E. Secondly it does not expressly covers situation where no tax other than minimum tax under section 113 is payable resultantly commissioners across the country has no uniformity in processing such requests as some take minimum tax as tax due and decline exemption certificate.

SRO 947(I)/2008 is suitably amended to cover situation of tax credit under section 65A to 65E as well as situation of no tax payable other than minimum tax under section 113 which is invariably secured in advance through deductions at source or advance tax under section 147, APTMA suggested.

Under clause 45A of Part IV of Second Schedule of the Income Tax Ordinance 2001 the rate of deduction of withholding tax under clauses (a) and (b) of sub-section (1) of section 153 is one percent on local sales, supplies and services provided or rendered to the following categories of sales tax zero-rated taxpayers ie textile and articles thereof; carpets; leather and articles thereof including artificial leather footwear; surgical goods and sports goods. The reduced rate of one percent against standard rate of 3.5 percent against supplies and standard rate of 6 percent on services were prescribed to keep these export sectors competitive by reducing the cost of doing business as withholding taxes tends to increase the cost of inputs. However, recently sales tax zero rating on local supplies under SRO 1125(I)/2011 has been changed to reduced rate of 2 percent This warranted a corresponding amendment in clause (45A)(a) so that reduced rate of withholding continues.

It is suggested that clause (45A)(a) is amended to substitute the words " zero-rated" therein with words " reduced rates" to remove the ambiguity and continuation of the object and purpose of the clause. The customs related proposals of the APTMA revealed that if Pakistan has to grow as a textile producer and increase its share in the world export market, the duty on PSF and Filament needs to be reduced. Presently because of higher input cost the domestic industry using synthetic yarns is unviable as they cannot compete with imported cloth and yarn and it in itself is a tariff anomaly.

Pakistan has no operating viscose Fiber plant and still the import duty on Viscose Staple is 5 percent whereas under SRO 567(I) 2006 the import duty on Yarn of Viscose rayon, untwisted or with a twist not exceeding 120 turns per meter (HS Code 5403.3100) is 5 percent. A type of yarn made on Murata Jet Spinning (MJS) or Murata Vortex Spinning (MVS) is imported in huge quantities as it falls under this definition. APTMA also fears that under this heading Polyester Yarn made with MJS or MVS is also being imported and sold in domestic market.

It is strongly requested the GOP that import duty on Viscose Fiber may be abolished as it is making domestic industry uncompetitive. The price of PSF is also playing a vital role in its negative growth as domestic P/V cloth is made with yarn of 80~90 percent Polyester and 10~20 percent viscose and import duty on fabric of the similar type is only 15 percent. This is an unfavorable combination as it is making our domestic industry uncompetitive in local market leave alone exports.

Due to the time consuming cumbersome procedure involved in obtaining DTRE Approvals not only the mills continue to lose the business as a result of frequent backing away of overseas buyers, to their sheer detriment, but also the government exchequer is being deprived of the direly needed precious foreign exchange. Usually they choose to grant DTRE Approvals in instalments, say to start with 25 percent of the quantity applied for, to the dismay of the applicants, and that too after as many as two months, pending processing of the applications with the IPOP Karachi and further taking another three months for the balance quantity Approvals.

The Concerned Offices require a considerable period just to refer the matter to Input Output Organization (IPOP), Karachi for the determination of IPOP ratio. In this way, it takes a long period stretching to around five months in granting the approvals during which the functionaries, apparently, remain busy in paying visits to the mills and collection of documents.

As a result of belated Approvals, the deals made with the overseas buyers could not sustain and ultimately end up in termination thereof as they could not wait for the shipment to materialize in such a long time and in consequence the Mills are required to strive to find some other buyer. At last they succeed but often without the identical requirement of count and mixing ratio for which the approvals were earlier obtained, taking as many as five months. Then the Mills are required to refer the matter again to the concerned office for amendment to the DTRE Approvals, in order to pave the way for shipment according to the count requirement of the new buyer.

After shipment the auditors raise demand of interest with excessive government dues including custom duty @ 10 percent i/o the 6 percent, sales tax, @ 17 percent i/o the 2 percent; and income tax @ 5% i/o the 1 percent To run business in smooth manner without any unnecessary impediments, as the textile industry is already hit hard due to the prevalent energy crises, incapacitating to operate on optimum capacity time consuming cumbersome procedure involved in obtaining DTRE approvals be rationalized, APTMA suggested.

Unfair competition: Pakistan's top taxpayers fight to save business

Local products losing market to cheaper Chinese goods under cover of free trade, says Ibrahim Fibres CEO.
By Saad Hasan
Published: August 1, 2014

The All Pakistan Textile Mills Association (Aptma), the powerful body that represents textile spinners, had long argued in favour of import of synthetic fibres. PHOTO: FILE

KARACHI:

For Mohammad Naeem Mukhtar having three members of his immediate family including himself in the list of top five taxpayers in Pakistan offers neither consolation nor pride. His key business continues to suffer and all government officials conveniently look the other way.

Mukhtar, Chief Executive Officer of Ibrahim Fibres, the country's largest maker of man-made fibres, has been fighting a losing battle against Chinese exporters who have flooded local markets with cheaper products under the cover of free trade.

"We are no longer a textile country," he told *The Express Tribune* in a recent interview over telephone.

"It is near impossible to export polyester staple fibre and textile made-ups to India. China and Bangladesh have made it equally difficult to import textiles like woven garments. But we have opened ourselves completely for everyone."

In the nine months to March 2014, Ibrahim Fibres saw its net profit slide 75% to Rs1.1 billion. Excluding the income from its associate company – Allied Bank Limited – the artificial fibre maker actually suffered a loss of Rs493 million.

More than once, Ibrahim Fibres along with other polyester staple fibre producers have taken their case to the National Tariff Commission (NTC) and won. But after a few months, the dumping of foreign products starts again.

However, the embattled government caught up in political agitation from the opposition and the war on terror seems to be giving little attention to industrial issues.

"The NTC cannot proceed on our requests for anti-dumping investigations because the officials, who have to take the decision, are missing. I don't know when the appointments will be made," he said.

According to the Federal Board of Revenue (FBR), Naeem Mukhtar, Waseem Mukhtar and Sheikh Mukhtar Ahmed together paid Rs465 million in taxes as salaried individuals, ranking them as second, third and fifth respectively among top taxpayers.

Naeem says it is high time for the policymakers to give serious attention to the industry. His position as a main sponsor in one of the largest Pakistani banks gives him an opportunity to see what's going wrong.

"Look at the fertiliser sector. Many plants remain shut most of the time because there is no gas. In six to seven years, the gas reserves will deplete further. Imported LNG will cost around $20 per mmbtu. That's basically Rs2,000 per mmbtu. Do you think our fertiliser makers would be able to compete?"

Unfortunately, the sore point in the debate about giving protection to domestic businesses has been the intra-industry contradictions.

The All Pakistan Textile Mills Association (Aptma), the powerful body that represents textile spinners, had long argued in favour of import of synthetic fibres.

On the other hand, when it came to its own interest, the association put pressure and succeeded in making the government slap 9% duty on import of cotton yarn after foreigners started to eat into their margins.

Naeem says Ibrahim Fibres was able to remain in business despite running on just 60% capacity because of the company's good debt profile. "Our cash flow is not negative. We generate around Rs2 to Rs2.5 billion (a year) but that should have been Rs8 billion."

The latest round of synthetic fibre dumping in Pakistan started from January 2013, which has now reached around 10,000 tons a month. That's primarily because of slower demand in China.

"It's a 12 to 24-month-long cycle and we expect demand to go back up in China. Things will improve for us too," says Naeem.

Published in The Express Tribune, August 1st, 2014

CBSL observes increase in income from textile imports

Aug 23, 2014 Bella Dalima Business, Local 0

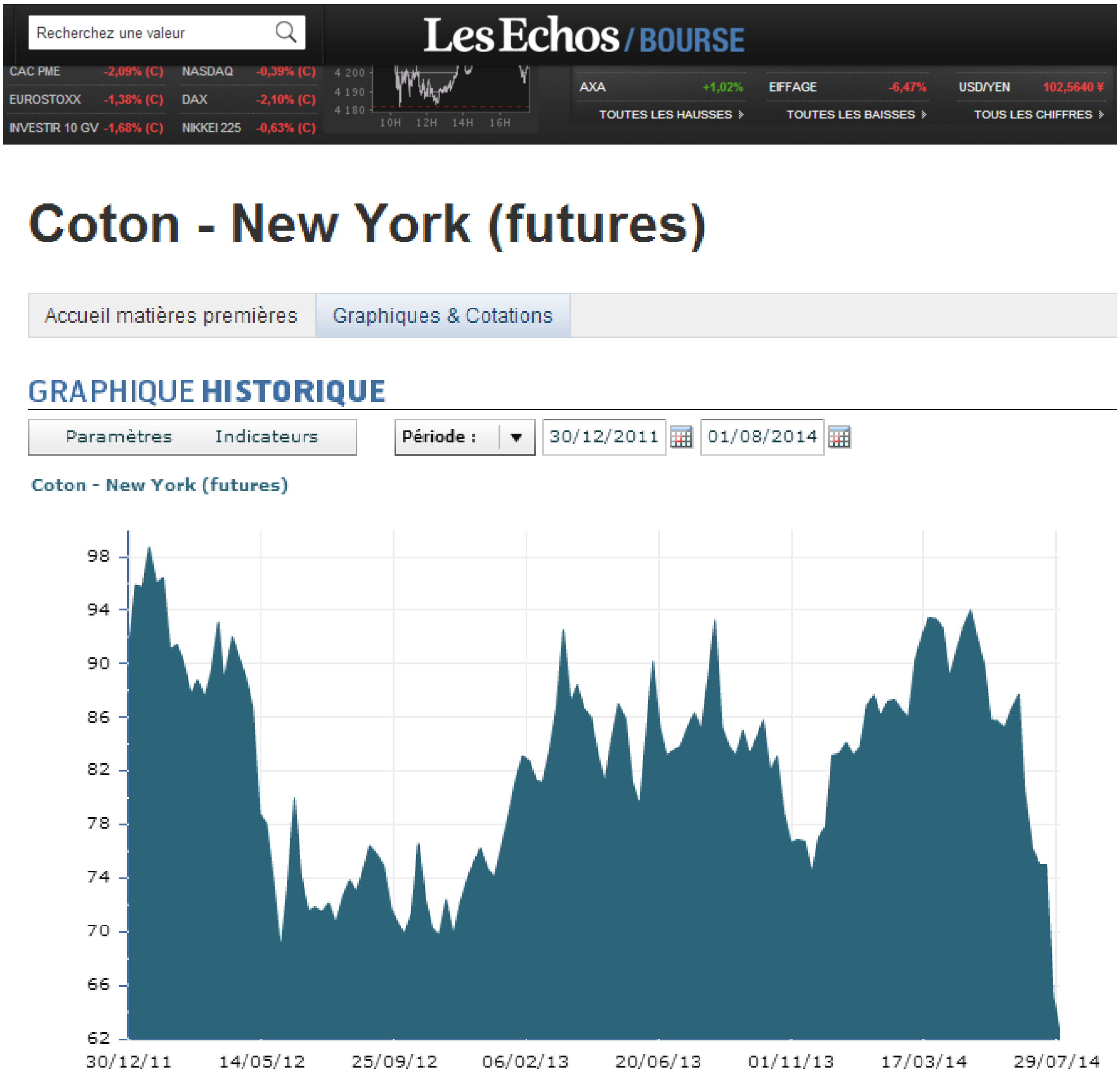
The Central Bank of Sri Lanka notes that textile exports income rose by 25% in the month of June.

The CBSL points out that a there is a sharp growth in textile exports to both traditional and non traditional markets.Textiles and garments accounted for 45 % of Sri Lankan exports during the month of June and according to the Central Bank it contributed to the increase in overall export income by 50%.

The CBSL notes that textile exports in the month of June brought in 446 million dollars in revenue showed a 25% increase in comparison to the revenue generated in June 2013.

CBSL statistics show that textile exports to Europe and USA which are traditional export markets grew by 3% and 12 % respectively.Textile exports to non traditional markets have grown by 44%.

During the first six months of this year the textiles and garments industry has generated an export income of 2,413 million US dollars and has recorded a 20% growth in comparison to the same period last year.



Cours de la livre de coton à la Bourse de New York : 93,99 US$ cents le 2 mai 2014

Cours au 1er août 2014 : 62,49 cents (-26,7 % par rapport au 1er janvier 2014)

Last update 07:50 | 02/08/2014

Vietnam poised as ‘Big Winner’ from FTAs

VietNamNet Bridge – The Vietnamese economy is poised for ‘exponential’ strong growth with the signing of a number of free trade agreements (FTA) in the offing.

The trade pacts, once signed, will open up new horizons for high quality Made-in-Vietnam products to penetrate expanded and diversified markets while simultaneously permitting the country to reduce its overdependence on certain markets.

Most notably among them is the Trans-Pacific Partnership (TPP) agreement, which is currently in its 20th round of negotiations.

Member countries are currently negotiating to eliminate 100% of tariffs on imports, of which 90% of the tariffs will be abolished immediately with the remaining 10% removed following a moratorium period of up to 10 years.

TPP member countries account for the preeminent market in the world as collectively they will account for 40% of global GDP and 30% of the total global import-export revenue.

Once the agreement is signed, Vietnamese products will have ample opportunities to directly penetrate powerful markets including the US, Canada, Mexico and Japan on a more equal playing field with other countries around the glove.

The Vietnamese garment sector is expected to cash in on the TPP agreement. Roughly 1,000 tax lines on garment products exported to the US will be slashed to zero from the current 18%. Garment exports may surge 15-20% annually and may reach US$50 billion by 2025 according to some of the more optimistic forecasts.

However, to benefit from the trade pact, the garment sector must meet certain conditions, such as certificate of origin (C/O) on materials used in the intra-bloc.

Secretary General of the Vietnam Textile and Apparel Association (Vitas) Dang Phuong Dung says this is not necessarily going to be an easy task.

Garment businesses must renovate technology, invest in material production, create closed process ranging from fibre, textile, dying and garment, and raise the proportion of domestic material use and added value for products to grasp TPP's advantages, Dung says.

The most challenging requirement for Vietnam is to make products from domestic materials, and to do this, Dung says, the sector has no choice but to develop material growing areas.

In addition, she adds, Vitas is preparing to train and shift from doing outsourcing to modern production methods to increase added value for products.

This year, Vietnam is also negotiating a number of other important FTA agreements including one with the European Union (VEFTA), the Republic of Korea, and the Customs Union (Russia-Belarus-Kazakhstan).

These agreements will help Vietnam expand its export markets, especially for agricultural products, and reduce its overdependence on the Chinese market.

Chairman of the Vietnam International Arbitration Center Tran Huu Huynh says strict requirements from these agreements force domestic businesses to improve their competitiveness to join the global value chain and play by the rules.

"Over the past several decades, they have not really bettered themselves. These agreements will offer both opportunities and challenges for them to rise up," Huynh said.

On the other hand, Vietnam's imports will also enjoy benefits from these agreements. State-of-the-art machinery and equipment will be readily available for import at reasonable prices.

Machinery and equipment imports from the EU rose from US$2.6 billion in 2005 to US$7.6 billion 2010. Tariff cuts will help Vietnam import yet even higher quality machinery and equipment at lower prices, gradually facilitating a reduction in the trade deficit with China.

Vietnam is actively negotiating to finalise the free trade agreements to support businesses in expanding markets overseas in the future.

Minister of Industry and Trade Vu Huy Hoang says the Government's guideline is to diversify new import-export markets to avoid overdependence on any one partner to the greatest extent possible.

If negotiations are successful, there will be greater potential for Vietnamese exports to penetrate global markets tax incentives and simplified administration procedures, Hoang says.

"The Government will create a niche for businesses to accelerate exports more stably and sustainably," Hoang notes.

Experts warn that when these key trade pacts are signed, Vietnam should develop promotion programmes for each field, draw up detailed plans for material growing areas and sustainably develop the support industry.

The Government should also soon issue support policy guidelines for garment, footwear and agricultural businesses to fully exploit advantages from FTAs.

Last update 10:00 | 02/08/2014

Textile & garment companies short of orders for rest of year

VietNamNet Bridge – Many small-and medium-sized garment companies in HCM City reportedly have received only half to 60 percent of the orders they expected this year.

Very few companies have orders for the fourth quarter of the year.

The chair of the HCM City Textile, Garment, Embroidery and Knitting Association, Pham Xuan Hong, said many member companies of the association still needed orders.

“By this time last year, 50-60 percent of enterprises had fulfilled 80 to 90 percent of their production plans. The figure is only 25-30 percent this year,” Hong said.

Hong noted that foreign garment importers are placing more orders with Cambodia, Bangladesh and Myanmar producers instead of Vietnam because the production costs in Vietnam are 50 percent higher than in those countries.

However, importers still seek Vietnamese producers for high-value contracts because Vietnamese can better satisfy their technical demands. However, high-value contracts do not bring high profits to Vietnamese companies as they have to pay high costs for input materials.

The director of a big garment company said that the number of orders his company has for the second half of the year was 30 percent lower than that of the same period last year.

“The number of orders has been decreasing, especially from Europe. The profits we have received in recent months were just to pay workers. I think the lateness in the negotiations for TPP (Trans Pacific Partnership Agreement) was also a reason behind the decrease in the number of orders,” he said.

Pham Xuan Trang, director of Dai Tay Duong Company, also said the number of orders for the third and fourth quarters had decreased, and as a result, considerable profit reductions in the last months of the year are expected.

Le Quang Hung, chair of Garmex Saigon, said the number of orders in the first half of the year increased by 20 percent over the same period last year, and the company has enough jobs until May 2015. It has had to organize extra working shifts to fulfill the orders.

“We specialize in making jackets and sportswear, therefore, it is easier for us to seek orders,” he said.

An analyst commented that Vietnam remains a major garment production base, but importers now tend to hire Vietnamese producers for high-value contracts.

Dau tu chung khoan has reported that a British importer has asked the Vietnam Embassy in the UK to help find Vietnamese producers who can supply 200,000 suits of western clothes a month.

Ronhill, also a company from the UK, is seeking Vietnamese enterprises that can supply sportswear to be retailed in European markets.

Kim Chi

Foreign Invested Firms Dominate Vietnam's Garment and Textile Industry Posted on August 5, 2014 by Vietnam Briefing HCMC –

Despite their small overall number, foreign direct invested (FDI) firms account for 60 percent of Vietnam's total garment and textile export revenue. According to the Vietnam Textile and Apparel Association, there are 3,000 garment and textile firms in Vietnam – 25 percent of which are FDI firms. Foreign firms are expected to continue ramping up their investments throughout the year in anticipation of forthcoming free trade agreements (FTA).

Vietnam is currently negotiating to participate in the Trans-Pacific Partnership Agreement (TPP), a U.S. led free trade agreement. If the trade negotiations are successful, Vietnam would be able to either halve or nullify a 17 percent duty the U.S. currently levies on Vietnam garment exports. In expectation of this result, foreign firms are implementing major investment projects in the textile and garment sector throughout the country. In order to secure duty-free status, Vietnam must agree that all manufacturing processes, including yarn spinning, knitting and dyeing, that will be carried out in TPP member countries. If Vietnam obtains duty-free status, it would be a near certainty that the trade status would help fuel further inflows of FDI into Vietnam.

RELATED: Vietnam TPP Update: Edging Closer to Completion According to the Ho Chi Minh City (HCMC) Export Processing and Industrial Zones Authority, in the first half of 2014, the garment and textile industry received 82.44 percent of the totally FDI that came into HCMC. Notable projects include: A US$140 million facility producing high-end garments project, by Worldon Vietnam Co., Ltd. A US$50 million high quality textiles production factory, by Sheico Vietnam Co., Ltd. Investment is not just pouring into places like HCMC, many garment and textile firms are working on business expansion projects throughout Vietnam. For example, in the north of the country, Yulun Jiangsu Group has just received permission to build a US$68 million yarn and fabric factory in Nam Dinh province. Additionally, in 2013, Texhong Textile finished the first phase of its US$300 million yarn factory project in Quang Ninh Province. As the second phase of investment is to be completed in 2015, its annual capacity will soon double to 110,000 tons of yarn. Similarly, within the past six months, TAL (Hong Kong) has announced that it is seeking more investment projects in Vietnam. The firm, which has been in the country for 10 years, is believed to be making plans to take advantage of the forthcoming TPP Agreement. TAL is currently producing for such global firms as Burberry, Banana Republic, and Tommy Hilfiger. Currently, the major players in the Vietnamese garment and textile industry are firms from China, Hong Kong, and Taiwan. However, many firms from South Korea, Japan, Australia, and the U.S. are also now looking for larger investment opportunities due to investors' anticipation of Vietnam fully opening its market in line with World Trade Organization (WTO) commitments and the signing of the TTP Agreement. Asia Briefing Ltd. is a subsidiary of Dezan Shira & Associates.

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Vietnam is set to gain most from a cutback on sourcing from China

1st August 2014, UK

Rising costs in China have been forcing an increasing number of Western apparel brands and retailers to cut back on sourcing in China and have more of their apparel manufactured elsewhere, according to a new report from the global business information company Textiles Intelligence – World textile and apparel trade and production trends: South-East Asia, June 2014.

However, in looking for alternative production locations, Western buyers have found that their options are limited as no other single country can provide the capacity, quality, skills, variety, and complete supply chain which the Chinese textile and clothing industry possesses. Also, many of the more attractive alternative locations suffer from various disadvantages.

Concerns over factory safety, and adverse publicity associated with these concerns, are known to have deterred buyers from sourcing in Bangladesh – one of the world's lowest cost textile and clothing producing countries.

Many buyers are also wary about sourcing in Cambodia, a potential low cost alternative to Bangladesh and China, because of recent labour unrest and reliability issues.

Vietnam would appear to offer better prospects for Western buyers as it has a well developed textile supply chain and appears to have escaped adverse publicity of the kind which has plagued the industries in Bangladesh and Cambodia.

In fact, Vietnam is expected to be one of the fastest growing suppliers of textiles and clothing to Western markets over the next few years.

In 2013 US textile and clothing imports from Vietnam grew in value by 14.6%, which represented the fastest growth rate among imports from the USA's ten largest suppliers. And imports continued to grow strongly in the first four months of 2014, having increased by 15.5% compared with the corresponding period of the previous year.

Furthermore, Vietnamese exporters stand to gain from a successful conclusion to negotiations aimed at establishing a Trans-Pacific Partnership (TPP) free trade agreement. This would provide imports of Vietnamese products into the US market with significant tariff benefits and flexible rules of origin.

US imports from Bangladesh grew by 10.5% in 2013, making Bangladesh the USA's second fastest growing supplier after Vietnam during the year. However, many of the orders placed with Bangladeshi suppliers for delivery in 2013 will have been negotiated before the collapse of Rana Plaza – an eight store commercial building in Savar near Dhaka, Bangladesh, which housed five garment factories as well as a mall -- and the adverse publicity which followed.

In fact, recent data suggest that a move away from Bangladesh may well be under way. During the first quarter of 2014, US clothing imports from Bangladesh declined by 0.2%.

US imports from Cambodia, meanwhile, rose by only 0.7% in 2013 and during January-April 2014 they were up by a relatively modest 2.1%. As a result, the country lost market share.

Admittedly, Cambodia and Bangladesh fared much better in the EU import market. In 2013 EU imports from Cambodia shot up by 37.3% and imports from Bangladesh by 15.0%, which made Cambodia and Bangladesh the two fastest growing textile and clothing suppliers to the EU among the leading ten.

Imports from Vietnam, on the other hand, grew by only 3.2%. However, growth picked up to 14.5% during January-March 2014 as buyers switched to sourcing locations other than Bangladesh, Cambodia and China.

Vietnam seems set for a solid future as an alternative sourcing location to China. However, imports from Vietnam into the EU and the USA continue to be dwarfed by those from China. The fact remains that no country can match China in terms of the size of its supply base, its range of skills, its quality levels, its product variety and the completeness of its supply chain.

'World textile and apparel trade and production trends: South-East Asia, June 2014' was published by the global business information company Textiles Intelligence and can be purchased by following the link below:

Tuesday, August 26, 2014

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Vietnamese Love Letter

Textile Industrial Complex Dedicated to Korean Enterprises to be Built in Vietnam

An existing Vietnamese textile factory owned by the company Esquel.

25 August 2014The Vietnamese government is planning to build an industrial complex dedicated to Korean textile companies ranging from fashion clothes manufacturers and vendors to yarn and material producers. The companies have welcomed the news because it can contribute to the development of the industry by facilitating inter-stream cooperation. They are also anticipating that the collaboration will increase momentum for breaking the domination of the domestic market by foreign SPA brands. According to industry sources, the Vietnamese government recently proposed the construction of the industrial complex via the Vietnamese Ambassador to Korea, Pham Huu Chi. The four candidate locations include Phu Tho Province. The Korea Federation of Textile Industries is going to discuss the proposition during the Inter-stream Cooperation Meeting on September 16 and carry out an on-site survey in October or later. In fact, the Vietnamese government's proposition is an outcome of the meeting. The federation held the second Inter-stream Cooperation Meeting in 2014 in February this year and invited the ambassador to put forward suggestions as to slower increase in minimum salary, tax incentives for investment, and improved taxation regarding transfer prices. The Vietnamese government looked through the requests and reached a conclusion that the construction of an industrial complex will be more advantageous than systemic improvement in attracting investment from Korean textile companies. Vietnam is the second-largest investment destination for them. - See more at: http://www.businesskorea.co.kr/article/6028/vietnamese-love-letter-textile-industrial-complex-dedicated-korean-enterprises-be-built#sthash.zGWZcXDS.dpuf

Textile et habillement, le produit vietnamien le plus exporté en R. de Corée

27/08/2014 | 16:17:44

Les exportations vietnamiennes en République de Corée ont dégagé 3,66 milliards de dollars entre janvier et juillet, soit une progression de 2,4% sur un an, a annoncé le Département général des Douanes.

Demeurant en tête des produits vietnamiens commercialisés sur ce marché, les exportations de textile et d'habillement se sont élevées à 921,7 millions de dollars, ce qui représente une croissance de 36,7% et 25,2% des exportations nationales dans ce segment, faisant de la République de Corée l'un des cinq premiers débouchés pour le textile vietnamien.

En atteignant 343,8 millions de dollars pour une progression de 52,8%, les produits aquatiques arrivent en deuxième position. Ce pays est aussi le plus grand consommateur de surimi avec plus de 30 % des exportations vietnamiennes de ce produit. Le bois et l'ameublement sont troisièmes avec 267,8 millions de dollars et 47,4%.

Par ailleurs, une forte croissance a été constatée pour plusieurs produits comme les téléphones et les accessoires, les chaussures et les produits en cuir, les câbles et fils électriques, les machines, équipements et les composants... -CPV/VNA

Last update 12:00 | 24/08/2014

Thai producers expand their market share in Viet Nam

VietNamNet Bridge – The volume of products made in Thailand that are entering the Vietnamese market is expected to increase as Thai retailers expand their presence in the country.

The Central Group, one of the largest and most diversified retail groups in Thailand, open its first Robins shopping center in Ha Noi last April this year.— Photo webtretho

Vu Vinh Phu, Chairman of the Ha Noi Supermarket Association, gave this warning even as he told Vnexpress of a number of concerns about recent deals that enable Thai companies to further penetrate the domestic retail market.

The deals include Thai company Berli Jucker's purchase of Metro Cash & Carry Viet Nam for US$876 million earlier this month, and the opening by Thai Central Retail Corporation of the 10,000-square meter Robins shopping center in the capital city last April. Vietnamplus reported that, Thai Central Retail aimed to become one of Viet Nam's most popular retailers.

"Thai companies have nurtured the ambition of competing with Chinese companies in the Southeast Asian market for quite some time now," a representative of a Thai company told Vnexpress at the Thailand Trade Expo here last week.

"Viet Nam, a highly-populated market, is a key part of the Thai chain that is penetrating the regional market," said the representative, in response to questions on the recent Thai expansion in Viet Nam.

"A complete market trajectory through shopping malls and supermarkets will help them achieve the target, especially in 2015, when the ASEAN Economic Community is set to launch," the representative added.

Nearly 150 leading Thai companies displayed a variety of products at the trade expo, including food and beverages, health and beauty products, household products and electrical appliances. Also on display were jewellery, textiles and garments and decorative items, as well as auto spare parts, bicycles and accessories.

Hoang Ha, a resident of the capital city, told Viet Nam News that members of her family have favoured Thai consumer products since the 1990s, when most of the products were hand-carried.

Twenty years later, patronage of Thai products by Vietnamese consumers has become a widespread habit as shown by the crowd that showed up at the expo.

"Thai goods are indeed of high quality, durable, well-designed and quite affordable," said Mai Huong, a young mother who bought several items for her baby and ingredients for cooking at the expo.

Thu Trang, another loyal consumer of Thai products, told Viet Nam News she has been frequently attending Thai trade expos.

"I'm always able to find something good to buy when I visit. Good quality and good design are coupled with good pricing. What more should you expect?" Trang asked.

The question remains: what should Vietnamese companies do to retain their hold over the domestic retail market?

"All companies must follow market rules. If Thai products are good, they will be imported for re-sale in Viet Nam," an official of the Hoang Gia Trade Export Import Company told Vnexpress.

Experts suggest that Vietnamese companies improve quality control, as well as management capacity for manufacturing and distributing.

Than Duc Thien, Deputy Director of Garment 10 JSC (Garco 10), said his company planned to focus on quality, design, marketing and branding activities so as to compete effectively with foreign rivals.

The Viet Nam National Textile and Garment Group (Vinatex) also announced that it has restructured its domestic business strategy to further invest in domestic production by expanding its sales and distribution units and developing the fashion industry.

Vinatex is expanding its distribution chain by setting up 50 Vinatexmart outlets nationwide and seeking private distributors who could link them to more consumers.

Nguyen Trong Tuan, Deputy General Director of Ocean Retail and Real Estate Mangement Company, said that in the competition, Vietnamese producers have to distinguish their brands, define target consumers and minimize dependence on promotion and sales.

Experts also suggest that Vietnamese producers and distributors meet and draw up strategies to defend themselves against foreign billionnaire retailers.

VNS/VNN

Thanh Cong plans textile & garment plant in Vietnam

August 27, 2014 (Vietnam)

courtesy: Thanh Cong Group

Vietnam-based vertically integrated textile and garment manufacturer Thanh Cong Textile Garment Investment Trading Joint Stock Company is planning to construct a new textile and garment plant in Vinh Long province, according to a Viet Nam News report.

The first phase, expected to begin next month, will involve investment of US$ 8 million, and on completion, the project is likely to earn $10 million in annual revenue.

In the first half of 2014, Thanh Cong reported revenue of 1.306 trillion dong ($61.7 million), registering an increase of 8.85 percent year-on-year. The company earned a profit of 83.68 billion dong ($3.9 million), up 47.6 percent year-on-year.

Several new textile and apparel factories are coming up in Vietnam in view of the expected signing of the Trans-Pacific Partnership (TPP) agreement, which is expected to boost Vietnam's exports to the US and other TPP-member countries.

Fabric and garment exports from Vietnam totaled US$ 11.498 billion in the January-July 2014, growing at 19.5 percent year-on-year, according to the preliminary data released by the Customs IT & Statistics Department, General Department of Customs, Vietnam's Ministry of Finance.