EVALLIANCE

Revue de presse / Press review n° 38 29 juillet 2016

J.F Limantour - ref 20160729

Sommaire / Summary

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FASHIONATING WORLD

MONDAY, 25 JULY 2016 19:25

ALLIANCE CUT TIES WITH 11 MORE BANGLADESH RMG FACTORIES

In a significant development due to the Bangladesh factories' failure in making required progress in remediation work, 'The Alliance for Bangladesh Worker Safety,' a North American buyers' group, has cut ties with five out of the 11 factories as the firm authorities failed to provide evidences of remediation work at their units and did not submit design documents to the platform.

These factories are: Anzir Apparels at Savar in Dhaka, Beautiful Jackets in Manikganj, Fashion Store and ZSB Garments in Gazipur and Ambia Apparels in Chittagong.'The Accord on Fire and Building Safety,' a platform of EU brands and buyers, has terminated World Victory Garments, Ags Apparels, SN Sweater Co, Safwan Fashions and Wintex Fashion Wear in Dhaka and Fabin Apparels in Narayanganj from its suppliers' list due to the factories' failure in implementing workplace safety measures.

With the 11, the total number of RMG factories with which global buyers cut business relations in different times on workplace safety ground reached 137. Of them, the Alliance has cut business ties with 88 factories while the Accord with 49 units. The Accord said they provided corrective action plans to the factories to eliminate safety hazards which were identified during the initial inspections but the factory authorities failed to make adequate CAP implementation progress.

Meanwhile, the Alliance said that the factories had been suspended from its compliant factory list because of their lack of progress in one or more programs, thereby failing to make progress in ensuring a safe working environment.

NOTA BENE FROM J.F LIMANTOUR :

The Alliance is built upon the principles of commitment, collaboration, transparency, and accountability, and contains specific and measurable actions across areas essential to improving fire and building safety. All members are required to sign the Member Agreement, which outlines the commitments to which members must adhere, under recognition that the safety of workers is paramount at RMG factories in the members' supply chains within

Bangladesh. Member compliance to the Member Agreement is monitored by a committee comprised of the independent Board members.

The current group of 28 includes the following companies: Ariela and Associates International LLC; Bon Worth; Canadian Tire Corporation, Limited; Carter's Inc.; The Children's Place Retail Stores Inc.; Costco Wholesale Corporation; Fruit of the Loom, Inc.; Gap Inc.; Giant Tiger; Hudson's Bay Company; IFG Corp.; Intradeco Apparel; J.C. Penney Company Inc.; Jordache Enterprises, Inc.; The Just Group; Kate Spade & Company; Kohl's Department Stores; L. L. Bean Inc.; M. Hidary & Company Inc.; Macy's; Nine West Holdings, Inc.; Nordstrom Inc.; Public Clothing Company; Sears Holdings Corporation; Target Corporation; VF Corporation; and Wal-Mart Stores, Inc.; YM Inc.

FASHIONATING WORLD

MONDAY, 25 JULY 2016 18:18

RECENT TERROR ATTACKS WORRIES BANGLADESH RMG EXPORTERS

The recent terror attacks in Bangladesh has taken a toll of the country's export business with a number of foreign buyers cancelling their scheduled business meetings in Bangladesh and asking other exporters to look for greener pastures in a third country to negotiate orders.

In a recent statement, the Bangladesh Garment Buying House Association (BGBA) said readymade garments (RMG) sector could incur a loss of at least $2.50 billion this fiscal year as many international buyers have postponed their visits to the country following the recent militant attack in the capital that claimed 22 lives, including those of 17 foreigners.

As a follow up, the BGBA has reportedly urged the government to take comprehensive steps after achieving a consensus with all political parties and business leaders in order to overcome the present crisis in the RMG sector. It believes that if the government comes forward after taking all political parties and business related people on board, the present crisis in the RMG sector could be resolved.

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NEWS TEXTILES APPAREL DENIMS FIBRES & YARNS KNITS EVENTS SERVICES CONTACT SEARCH NEWSLETTER ARCHIVE

TUESDAY, 19 JULY 2016 17:33

EUROPEAN AND NORTH AMERICAN BRANDS TO CONTINUE SOURCING FROM BANGLADESH

Fashion brands and retailers from Europe and North America including G-Star, H&M, Mango and s.Oliver are determined to continue their work in Bangladesh despite back-to-back terrorist attacks there recently. Rob Wayss, Executive Director for the Accord on Fire and Building Safety in Bangladesh (the Accord), says member brands and retailers would continue their business in Bangladesh.

The Accord, a platform of over 200 apparel brands, retailers and importers from over 20 countries in Europe, and North America, Asia and Australia was set up in 2013 to work for improvement of safety in Bangladeshi factories after the collapse of Rana Plaza complex that resulted in that loss of over 1,100 lives.

Accord has informed that it is not afraid of any attack. Interestingly, officials of Accord have a meeting with the Bangladesh home minister over their security issue on Tuesday (today). Another fashion brand and retailers group, the Alliance for Bangladesh Worker Safety (ABWS) also clarified its position and said garment factories under its membership will stay put in Bangladesh and continue their regular operations there. The ABWS represents 28 major brands operating in Bangladesh, including several Canadian companies like Canadian Tire, Hudson's Bay Co., Giant Tiger and YM Inc. as well as Gap Inc., Wal-Mart Stores Inc., Nordstrom Inc. and Target Corp.

Accord and Alliance, set to run until 2018, were ahead of schedule in improving safety at the factories in the country. Interestingly, some foreign companies working in Bangladesh's garment industry have suspended travel of their officials in Bangladesh after the terrorist attacks in Bangladesh.

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WEDNESDAY, 27 JULY 2016 19:21

CAMBODIA WANTS FTA WITH UK SOON

Cambodia's Commerce Minister Pan Sorasak has told the British Ambassador Bill Longhurst that he would like to see the two countries enter a free trade agreement (FTA) as soon as possible following Britain's decision to leave the European Union (EU). Cambodia does not have an FTA yet with Britain, therefore the minister wanted to push for one as soon as possible.

The feeling is FTA between Cambodia and Britain would strengthen bilateral trade and economic ties following Britain's June 23 vote to leave the EU. Britain is expected to respond to Cambodia by the end of the year or early next year since it is in the stage of transformation after it leaves the EU.

The EU is one of Cambodia's largest trading partners after the United States and more than 40 per cent of the country's exports head to Europe. Cambodia's EU exports are given preferential treatment under the 'Everything but Arms' initiative for least developed countries.

Britain has yet to evoke Article 20 of the EU treaties to formally leave the European Union and observers point out it could take at least two years.

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NEWS TEXTILES APPAREL DENIMS FIBRES & YARNS KNITS EVENTS SERVICES CONTACT SEARCH NEWSLETTER ARCHIVE

TUESDAY, 26 JULY 2016 16:47

CAMBODIA UNFAZED BY EU'S CONCERNS ABOUT HUMAN RIGHTS

The European Union wants Cambodia to improve its human rights record. There are demands within the EU that aid to Cambodia should be withheld if matters don't improve. Cambodian exports to the EU are duty free. Last year the EU bought about $3.83 billion of garments and footwear from Cambodia. Over the years, EU-Cambodia cooperation activities have touched the lives of millions of Cambodians. The EU is Cambodia's largest partner in terms of development assistance. The three sectors in the focus of the EU's development cooperation are agriculture and natural resource management, education and skills and good governance and administration.

However, Cambodia doesn't mind forgoing aid from the EU and is instead turning towards China, which makes no such demands. China is also Cambodia's biggest aid partner. China invested nearly $5 billion in Cambodia from 2011 to 2015. It's the main source of loans for infrastructure in Cambodia. China has also beefed up the nation's military capabilities, both with hardware and training. Cambodia has been sold helicopters, shoulder-fired anti-aircraft rockets, and even given loans for the purchases. In all, Chinese investments and loans have helped Cambodia's rulers stay in power.

China imposes anti-dumping duties on acrylic fibres

25 Jul '16

China's ministry of commerce (MOFCOM) has announced imposition of anti-dumping duties on acrylic fibres originating in Japan, South Korea and Turkey with effect from July 14, 2016.

The anti-dumping duties would be levied on tariff numbers 55013000, 55033000 and 55063000. The rates to be levied on Japanese producers are: Japan Exlan Co – 16.1 per cent, Mitsubishi Rayon Co – 15.8 per cent, Toray Industries – 16.0 per cent, and other Japanese producers – 16.1 per cent.

For acrylic fibre from Korean producer Taekwang Industrial Co, the duty would be 4.1 per cent, while it would be 16.1 per cent for other Korean producers.

For Turkish producer Aksa Akrilik Kimya Sanayii A.S., anti-dumping duty on acrylic fibre would be 8.2 per cent, whereas it would be 16.1 per cent for other Turkish producers.

In response to an application filed by the Chinese acrylic fibres industry, MOFCOM had initiated anti-dumping investigation on imported acrylic fibres originating in Japan, South Korea and Turkey on July 14, 2015. Subsequently, on July 13 this year, MOFCOM published its final ruling which said that dumping existed in imported acrylic fibres originating in Japan, South Korea and Turkey, and it substantively damaged the domestic industry. (RKS)

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Coton: les cours baissent, se rééquilibrant après leur flambée

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22/07/2016 | 21:01

NEW YORK - Les cours du coton ont baissé cette semaine mais étaient loin d'effacer leur envol de la semaine précédente, d'autant que l'équilibre entre l'offre et la demande semblait suffisant pour justifier de rester à ces niveaux.

"On pouvait s'attendre à se replier un peu, car le marché avait besoin de reprendre son souffle", a estimé Louis Rose, de Global Risk Analytics.

Les cours s'étaient envolés de plus de 10% la semaine précédente, après un rapport mensuel du gouvernement américain qui avait encouragé les achats spéculatifs en tablant sur une offre plus faible que lors des précédentes prévisions.

"Vu qu'il y a des inquiétudes sur la météo aux Etats-Unis et que l'on a pris connaissance cette semaine de bons chiffres sur les exportations", là aussi américaines, "les cours devraient se maintenir à ce nouveau plateau", a avancé M. Rose, estimant que les prix évolueraient désormais entre 70 et 75 cents la livre.

De fait, le marché, qui se maintenait depuis de longs mois autour de 65 cents la livre, continue désormais à évoluer proche de ses plus hauts niveaux depuis deux ans, semblant être parvenu à un tournant.

"Si l'on tient compte du fait qu'en dehors des Etats-Unis, les réserves (...) sont au plus bas depuis 2009 et que les cours sont bien plus élevés en Chine et en Inde, le marché américain était bien trop bas à 65 cents et a donc été contraint de s'ajuster à un nouveau plateau", ont conclu dans une note les experts de Plexus Cotton.

La livre de coton pour livraison en décembre, le contrat le plus actif sur l'Intercontinental Exchange (ICE), a terminé vendredi à 72,68 cents, contre 74,28 cents en fin de semaine dernière (-2,15%).

L'indice Cotlook A, moyenne quotidienne des cinq prix du coton les plus faibles sur le marché physique dans les ports d'Orient, s'affichait jeudi à 83,30 dollars les 100 livres, contre 83,85 dollars une semaine plus tôt (-0,66%).

Taiwan investors to explore investment in massive textile manufacturing

YarnsandFibers News Bureau, 2016-07-27 12:00:00 - Santo Domingo

The head of the industrial promotion agency (PROINDUSTRIA) Alexandra Izquierdo on Monday met delegation of businessmen from Taiwan, who is in the country to explore investment possibilities in manufacturing and the massive transformation of textile products.

During the meeting, which took effect in the conference room PROINDUSTRIA, the executives were presented some slides showing the PROINDUSTRIA, facilities and land available in the parks of San Pedro de Macoris, San Francisco and La Vega, respectively.

Alexandra Lzquierdo met the delegation which composed by Taiwanese company executives Everest Textile Co. Ltd, Liang Ching-Hai, vice president of the company, David Blondino, Consultant, Arun Kumar Barua, Manager of Technology and Yeh Sheng hung, Coordinator. In the meeting was present also the ambassador of Taiwan in the country Tang Ji Zen (Valentino), the executive director of the National Council of Export Processing Zones, Luisa Fernández, Silvia Cochón, in charge of promoting the institution.

Izquierdo thanked the executives for the visit and stressed the attractions for investors in the country's manufacturing industry.

The Taiwan executives evaluate the various PROINDUSTRIA facilities available in for possible investment to develop a new niche in the manufacture of yarns, textured polyester fabrics, suede, materials Lycra stretch fabrics, fibers, pre-dyed fabric and nylon threads, among others.

The company Everest Textile Co. Ltd, established in 1988 is headquartered in Tainan County, Taiwan. It is basically dedicated to the dyeing of various types of chemical fibers, fabrics and yarns used in the industries of clothing and home textiles. They sell their products to global customers brand, like Nike, Adidas, Puma, among others.

The company has three production plants in Taiwan, Shanghai and Thailand and exports its products to some Asian countries, the United States and Europe.

LA VIE éco

15 July 2016
AFP

LE LIN TEXTILE, UNE CULTURE EUROPÉENNE ANCESTRALE, QUI SÉDUIT L'ASIE

Dans le champ pailleté de fleurs bleutées qui s'étale à l'infini sous le ciel du Nord, Bertrand Decock tire une tige souple de la lourde terre collante. D'un coup de doigt, il détache la peau verte collée à la paille : la fibre de lin se déroule.

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Oublié, relégué pendant des siècles avec la jute et le chanvre, le lin représente moins de 1% des fibres textiles mondiales, mais 80% de la production vient d'Europe. La France est le premier producteur mondial. Et 80% de la fibre est vendue en Asie.

Le lin consomme dix fois moins d'azote que le blé, et capte le CO2. Il est très rentable pour les quelque 8.500 exploitations agricoles qui le cultivent en France, en Belgique et en Hollande, la première zone linicole textile du monde avec quelque 93.000 hectares.

C'est d'ailleurs la seule fibre textile naturelle produite en quantité en Europe, où le climat tempéré lui convient.

Sur une bande côtière océanique qui s'étale de Caen à Amsterdam, "la France compte 6.500 exploitations de lin textile, surtout en Normandie, Picardie et dans le Nord", explique Marie-Emmanuelle Belzung, qui dirige la confédération européenne du lin et du chanvre (CELC). Les cultures de lin oléagineux sont implantées dans d'autres régions.

"Aucun agriculteur ne produit que du lin. Il est cultivé par rotation tous les sept ans avec d'autres cultures" précise Alain Blosseville, exploitant en Normandie, qui préside aussi la coopérative Terre de Lin, réunissant 650 agriculteurs.

- Le lin rapporte plus que le blé -

Les surfaces dépassent d'ailleurs rarement 10-12 hectares par cultivateur.

"La production a doublé en France en 20 ans", dit M. Blosseville: "En moyenne, le lin rapporte plus que le blé".

Mais la récolte est aussi "beaucoup plus risquée", note-t-il. Car, une fois arraché, le lin doit "rouir" correctement au sol pendant plus d'un mois.

La fibre tout en séchant commence à se décoller progressivement de la paille au gré d'une alchimie que seule la nature sait gérer avec un savant dosage de soleil et d'humidité. En dix minutes, un orage peut détruire la production d'une année entière.

Une fois en bottes, le lin est acheté par un "teilleur", industriel ou coopérative, qui extrait la fibre de la paille. Comme Bertrand Decock, teilleur de père en fils depuis 1695 près de Dunkerque.

"Nous avons un métier ancestral ancré dans le Nord, et ouvert sur le monde", explique M. Decock qui reçoit régulièrement des clients Indiens et Chinois pour négocier sa production: 6.000 tonnes de fibre de lin par an, issues de 20.000 tonnes de paille récoltées par les agriculteurs de la région.

Avec le lin, pratiquement aucun déchet: les graines sont gardées pour la semence ou l'industrie agro-alimentaire. La paille sert de litière pour les animaux ou est utilisée pour les panneaux agglomérés. Les résidus de fibre, ou fibres courtes appelées étoupes, sont de plus en plus prisés dans des débouchés industriels en raison de leur légèreté et de leur solidité (isolation, carrosserie automobile, raquettes, planches de surf, skis). La fibre, longue et noble, rassemblée en "filasses" ou "poignées", part chez le filateur.

- Jusqu'à 90 km de fil au kilo -

A l'arrivée dans l'usine, les balles de lin sont déroulées, peignées, puis broyées et ensuite battues par les lames d'un tambour qui sépare physiquement la paille de bois de la fibre grisâtre.

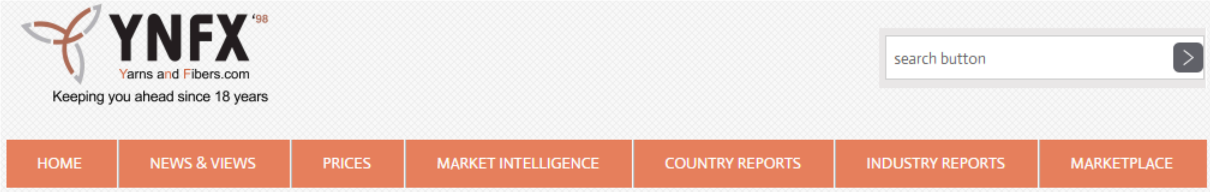
"Aucun agriculteur ne peut le faire lui-même, ce qui limite les zones de culture" explique M. Blosseville. Autour de Dunkerque, grande région linière, on trouve sept usines de teillage dans un rayon de 15 kilomètres, et 24 dans toute la France.

Pour la commercialisation, on est loin des marchés à terme de céréales. Les ventes ne se font que de gré à gré "dans le hangar", entre clients et fournisseurs. "Les prix s'établissent tout seuls après la récolte" explique M. Decock. Comptez entre 0,80 et 2,60 euros le kilo de fibre entre le teilleur et le filateur, selon la qualité.

Une récolte réussie, c'est une fibre légère, résistante, fine et homogène qui peut produire jusqu'à 90 km de fil au kilo. Mais c'est exceptionnel.

Les filateurs européens ne représentent plus que 20% des clients. Ils sont basés en Pologne et en Lituanie. 70% de la récolte part se faire filer en Chine, et 5 à 10% en Inde, où le tissu de lin est très prisé par les hommes notamment, souligne Mme Belzung.

"Les Chinois ont bien tenté de faire pousser du lin, mais pour l'instant ça ne marche pas. Ils ont de très faibles rendements et n'atteignent pas la qualité et l'homogénéité que nous avons" dit M. Decock. "Mais nous avons l'œil, car il y a 30 ans, ils ne savaient pas filer et maintenant presque tout le fil vient de Chine".



Texworld Paris to be more attractive with nearly 950 exhibitors this time

YarnsandFibers News Bureau, 2016-07-25 17:00:00 – Paris

Texworld Paris, 39th edition is expected to be more attractive than ever, with a participation of nearly 950 exhibitors from 24 countries, an increase of 5% compared to September 2015, as it continues dynamic offering of materials and components for fashion professionals.

Demonstrating its position as a global platform for purchasing materials, fabrics and supplies, the next edition will include a huge Korean pavilion and a new section showcasing the "excellence" of Texworld Paris's offering.

Texworld Paris launched a new scenography in February 2016 to establish a clearer, more calibrated nomenclature to serve a more cutting edge sectoral approach. For its September 2016 edition, Texworld Paris has taken things even further, catering for the wishes of visitors eager to more easily find an offer related to the fundamentals of fabrics for high-end markets, but especially to serve the needs of exhibitors who are already very familiar with the technical and creative demands of the European market, said Michael Scherpe, CEO of Messe Frankfurt France.

Elite, the new sector for Texworld Paris, was born out of this wish expressed both by exhibitors and buyers; its purpose is to condense in a dedicated corner, staged by the creator Olivier Lapidus, collections of fabrics aimed at the most refined and exacting markets. Lapidus has designed the space to be a nod to both couture and design: panels that lead light a bit like optical fibres, to highlight filigree drawings of dresses. For the couture aspect, various inclusions liven up the fabrics, while for the design aspect the panels provide a sort of crown of light.

The aim is to highlight the increasingly sophisticated textiles of a trade show that has become synonymous with the dynamic development of the world's manufacturers and with the globalisation of their trade.

Elite facilitates the search for a la carte sourcing and streamlines the exchanges related to specific requests. The result of this grouping of essential products for quality garment collections is maximum convenience, for a quick and clear visit, organizers said.

Under the aegis of KOFOTI, the Federation of Korean Textile Industries, 30 Korean exhibitors will, for the first time, be present together at Texworld. As Europe's 6th supplier, the Korean textile industry remains a key activity in South Korea, especially for technical and smart textiles. The fabrics presented at Texworld Paris demonstrate the qualities of modernity, technical expertise and attractive costs that are representative of the Korean textile industry. With a total of 80 exhibitors, Korea will be the 3rd most represented country at Texworld Paris.

Around 22 exhibitors will be present in this new space; their application, processed by a Messe Frankfurt France selection committee, has been carefully selected to meet many conditions. Exhibitors have been selected from Turkey (11), Taiwan (3), Pakistan (3), India (2), Netherlands (1), Lebanon (1) and Japan (1).

Maurice : 2.500 emplois menacés dans le textile en raison du Brexit

French.china.org.cn | Mis à jour le 27-07-2016

2.500 emplois sont menacés dans le secteur du textile à Maurice après l'annonce du retrait de la Grande-Bretagne de l'Union Européenne (Brexit), s'alarme lundi l'Association des exportation de Maurice (la Mauritius Export Association, Mexa).

Selon une étude publié mardi, le président de la Mexa, Yogesh Singh a fait savoir qu'une perte de 10% a déjà été enregistrée en raison de la dépréciation de la livre sterling.

L'exportation des produits textiles et de l'habillement de Maurice est durement touchée par la première conséquence du Brexit, à savoir la dépréciation de la livre sterling.

Selon la Mexa, ce sont les entreprises moyennes qui sont les plus affectées car plus exposées face au marché britannique. Le document indique que sur les 20.000 emplois du secteur textile à Maurice, plus de 12% sont menacés.

La Mexa fait également état d'une chute de la consommation en Grande-Bretagne qui se reflète par une baisse dans les commandes.

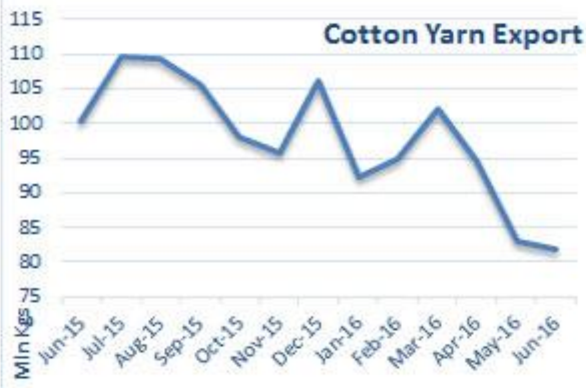
Maurice exporte des produits textiles et de l'habillement pour une valeur de 162,5 millions d'euros vers la Grande-Bretagne, représentant 13,5% des exportations totales et 1% du PIB du pays.

De plus, le pays exporte également des produits de mer pour une valeur de 70 millions d'euros vers le Royaume-Uni. F

Source: Agence de presse Xinhua

China halves spun yarn and cotton import from India

Nitin Madkaikar, 2016-07-25 13:01:00 - Mumbai



India exported 101.8 million kg of spun yarns worth US$283 million or INR1,881 crore in June 2016 at an average realisation of US$2.78 per kg. This was significantly lower compared to same month a year ago. Export volume was down 12% YoY and value declined 17% in US$ terms. The drop also reflects the lean season for global textile industry in this part of the year.

The Indian yarn industry is confronted with excess supply, after yarn exports dropped sharply last year. With India's export prices rocketing now, shipments of cotton yarn were down due to limited demand. Also, demand from China continued to shift to low cost suppliers, particularly Vietnam where many spinning mills are owned by Chinese investors. A sharp drop in shipments was seen to China which was partially offset by a new surge in sales to Bangladesh and Vietnam. However, China continued to be the top importer of India yarn, followed by Bangladesh. Egypt, the third largest importer of spun yarns, saw volume rising 7 per cent while value inched up 0.3 per cent. These top three importers together accounted for around 47 per cent of all spun yarns exported from India in June.

Cotton yarn export was at 82 million kg in June to 74 countries worth US$226.8 million (INR1,491 crore). The average unit price realization was US$2.78 a kg, up US cents 7 from previous month but down US cents 24 from the same month a year ago.

Iran, Turkey, Thailand, Tunisia and Croatia were among the fastest growing markets for cotton yarn, and accounted for 5.5 per cent of total cotton yarn export value. Nine new destinations were added for cotton yarn export, of which, Australia, Mozambique, Chile and Bulgaria were the major ones.

Cotton fibre export was at 26.5 million kg or 155,954 bales (of 170 kg each) in June which declined 26% YoY and was valued at US$42.4 million, down 25%. Bangladesh and Vietnam were the largest importers of cotton with combined volumes at 124,657 bales amongst the 12 countries that imported cotton from India. Vietnam notched the second top position in cotton import from India. In June, cotton export to Vietnam was about 22 thousand bales as against 7 thousand bales in June 2015. This jump suggests that Vietnam imports cotton from India, value adds it into yarn and exports to China, at a lower cost compared to Indian yarns.

The Fiber and Yarn Exports – India report is based on data collated from 26 major ports (Air, Sea & ICDs) of India, namely Ahmedabad Air, Ahmedabad ICD, Ankleshwar, Bombay Air, Calcutta Sea, Cochin Sea, Delhi Air, Delhi TKD ICD, Hyderabad ICD, JNPT, Kattupalli, Krishnapatanam, Ludhiana ICD, Madras Air, Madras Sea, Mandideep, Marripalam ICD, Mundra, Nagpur, Petrapole Road, Pipavab, Pithampur ICD, Tondiarpet ICD, Tuticorin ICD, Tuticorin Sea and Vizag Sea. These ports account for 85% of cotton yarn and 60% of non-cotton yarn (excluding sewing threads) exported from India.

FASHIONATING WORLD

MONDAY, 25 JULY 2016 19:29

TAMIL NADU'S GARMENT INDUSTRY SAYS WAGE REVISION UNREALISTIC

"The recent decision by the Madras High Court upholding government's rights to fix minimum wages for garment workers, has not gone down well among manufacturers and stake holders. The industry feels the government's decision is not pragmatic and will render garment exporters in the State uncompetitive. In fact, Tamil Nadu's garment exports sector which should have been growing at 30 per cent, is now limping at 2-3 per cent growth due to huge tariff disadvantage."

The recent decision by the Madras High Court upholding government's rights to fix minimum wages for garment workers, has not gone down well among manufacturers and stake holders. The industry feels the government's decision is not pragmatic and will render garment exporters in the State uncompetitive. In fact, Tamil Nadu's garment exports sector which should have been growing at 30 per cent, is now limping at 2-3 per cent growth due to huge tariff disadvantage. Recently, a division bench of the Madras High Court upheld the Tamil Nadu government's writ appeal and dismissed petitions filed by garment manufacturers to quash revision in minimum wages for tailoring industry. The government's final notification for minimum wage revision (30 per cent) in the tailoring industry was issued on December 3, 2014.

For knitted garments, the minimum wage was fixed at Rs 9,000-plus, while for the woven garment industry, it was Rs 11,000-plus. Manikam Ramaswami, Chairman & Managing Director of Loyal Textile Mills, believes it is ridiculous to have different minimum wage structures. Tailoring work is the same whether it is knitted or woven garment. Whether it is knitted or woven or home textile – all the three are doing identical operations to identical customers. One is using the woven cloth to make a garment; another is using a woven cloth to make a bed sheet. He feels, the illogical and high wage revision will jolt the industry, which has been facing challenges in boosting exports.

Tariff impact

Manufacturers say state's garment exports sector growth has slowed down due to huge tariff disadvantage. On top of that, if high wages, which is 20 per cent of the cost of garment making, are imposed it will have a significant impact. Garment makers argue the hike it should be reasonable and in line with the rest of the country. Tamil Nadu cannot be paying 20 per cent more than Andhra Pradesh, Ramaswami observed. He also stated that such different wage structures would only convey wrong signals to investors. Meanwhile, K Venkatachalam, Chief Advisor, Tamil Nadu Spinning Mills Association, points out the garment industry misunderstood the notifications and failed to clarify. Under the 2014 government revision, wages were hiked to a high level and companies felt it would be too much for them to implement. Hence, many companies challenged the order in the Madras High Court on the ground that the rates of wages are very steep and such increases would make them uncompetitive.

However, the wage revision was only for employment in the tailoring industry. Hence, on the request of some companies, separate writ petitions challenging the order saying it is not applicable to hosiery/knitting industries and for home textile industry was put in. Accordingly, the government released two orders in January 2016 fixing the minimum wages for hosiery and knitting industries separately, Venkatachalam pointed out.

The writ petition challenging the applicability of impugned order for home textiles stands separated from the main batch and accordingly, it is still alive and the stay is continuing. Hence, those engaged in manufacturing hosiery/knitted garments are advised not to bother about the High Court order upholding the government order as they are covered by separate orders, he concluded.

FASHIONATING WORLD

NEWS TEXTILES APPAREL DENIMS FIBRES & YARNS KNITS EVENTS SERVICES CONTACT SEARCH NEWSLETTER ARCHIVE

FRIDAY, 15 JULY 2016 18:04

INDIA'S EMERGENCE AS A STRONG LEADER IN GLOBAL TEXTILE INDUSTRY

"India has a unique opportunity to reverse the decline in its export share and seize a global leadership position. Some of this opportunity is arising due to changing labour dynamics in China, which has been the world's textiles behemoth. Indian the textile sector is one of the four most labour-intensive sectors of the economy, along with construction, agriculture and tourism sectors."

India has a unique opportunity to reverse the decline in its export share and seize a global leadership position. Some of this opportunity is arising due to changing labour dynamics in China, which has been the world's textiles behemoth. Indian the textile sector is one of the four most labour-intensive sectors of the economy, along with construction, agriculture and tourism sectors. It has a huge potential for generating sustainable jobs as well as export earnings. Currently, it employs about 35 million people and contributes 12 per cent of exports. But just 15 years ago, the share of textiles and clothing in India's manufacturing exports was more than 25 per cent.

India’s garment exports have now been overtaken in dollar terms even by its neighbour Bangladesh, and Vietnam may not be far behind. Of course, Bangladesh has benefitted from duty-free access to the European Union, and indeed some Indian entrepreneurs too have located themselves in that country for that reason. But Bangladesh’s transformation of its garment sector within a decade is nothing short of fantastic, offering some lessons for us as well.

Meanwhile, India has a unique opportunity to reverse the decline in its export share and seize a global leadership position. Some of this opportunity is arising due to changing labour dynamics in China, which has been the world’s textiles behemoth.

Textile a huge opportunity

Chief Economic Advisor (CEA) Arvind Subramanian has been championing the cause of this sector with compelling data. He points out most of the sustained East Asian growth of past decades was on the back of textile and clothing boom. Most tellingly, a unit of investment in the clothing sector generates 12 times as many jobs as the automobile sector and 30 times that of steel. Clearly, there is a big bang for the investment buck in textiles. Not surprisingly, the CEA’s passionate advocacy is showing results.

The recent reforms announced by the cabinet under a ‘textile package’ address some key impediments, and the package is timely. First, the reforms removed some of the embedded tax burden from exports through a duty drawback scheme. Secondly, firms are provided incentive to hire more workers through a subsidy to meet the EPF costs. But clearly much more needs to be done to harness the great promise. A CII-BCG study for textiles, made-ups and apparel estimates that the sector can generate 50 million jobs in the next nine years. Of these, more than 70 per cent will be for women. The study also shows that the shift of textiles and garments away from China is an annual opportunity of about 280 billion US dollars for other developing countries.

Advantage India

India has some advantages in being present in all parts of the value chain, beginning from fiber, yarn, fabric and going all the way to clothing, branded apparel and fashion. This is not to mention the new emerging markets like technical textiles that have industrial applications.

But here are two additional considerations that need close attention. First is the issue of fiber neutrality. In India, there is a curious frenemy relationship between cotton and man-made (synthetic) fibers. The global consumption pattern is 65:35 in favour of synthetics (like polyester, rayon, acrylic), whereas in India it is exactly the reverse. The net imports of the US and EU show a steady decline in cotton textiles vis-à-vis manmade fiber products over the past five years.

If India needs to tap into the export opportunity to these developed nations, our domestic mix has to mimic the global demand pattern. In India, cotton makes up 80 per cent of all fiber consumption whereas in China it is 50 per cent. This skew has been made worse due to the highly unequal excise tax treatment of cotton versus the rest. The textile ministry is aware of this asymmetry, and a fiber-neutral policy is on the anvil. Hopefully the GST regime will also discontinue the sharp asymmetry that has persisted for the past ten years.

FTAs, and their importance

Then there are the free trade agreements. Interestingly, the CEA himself is heading a committee to evaluate the costs and benefits of the several FTA that have been signed by India in the past couple of decades. Prima facie it appears that India's trade deficit has uniformly gotten worse following several FTAs. No doubt, there has been trade enlargement, but not necessarily to India's benefit. The reasons could be many – some fair, some unfair.

There is also the looming shadow of the mega treaty called the Trans Pacific Partnership which goes much beyond trade, and makes it compulsory for the entire value chain to be located in member countries. India is not a member of TPP and can potentially be at a serious disadvantage. Fortunately, the TPP is losing political support, so it may be several years into the future. Finally, despite these various hurdles, let us not lose sight of the huge promise of this sector (it is after all one of the trinity of roti, kapada, makaan), in generating large-scale jobs, especially for women, and healthy foreign exchange earnings. With proper policies and reforms, the textile sector in India is definitely heading for a high noon of great fortune.

L'USINENOUVELLE

Maroc : nouvelle charte de l'investissement dans la dernière ligne droite du gouvernement

MAROC , ECONOMIE MAROC

PUBLIÉ LE 06/07/2016 À 05H00

A trois mois des législatives au Maroc, une nouvelle charte d'Investissement sera bientôt adoptée ainsi que cinq nouvelles mesures incitatives pour l'industrie, dont un statut "d'exportateur indirect" pour les sous-traitants. Verbatim de Moulay Hafid Elalamy, ministre de l'Industrie.

Hafid Elalamy, ministre de l'Industrie marocain© mcinet

Un nouveau code des investissements et des mesures fiscales incitatives pour les industriels. Durant son exposé au roi intitulé "L'investissement au service du citoyen", lundi 4 juillet, Moulay Hafid Elalamy, ministre de l'Industrie et du Commerce, a présenté la future Charte d'Investissement du Maroc.

"*Elle devrait être adoptée en début d'année"*, a annoncé le ministre... qui ne sera peut-être plus aux affaires alors, car ce 7 octobre se tiennent, en effet, les élections législatives. Fin de mandat sans certitude de renouvellement donc à cette date pour le gouvernement de l'islamiste modéré Abdelilah Benkirane auquel appartient "MHE" sans autre étiquette que son expérience de patron.

"*Nous avons comparé le Maroc aux pays émergents et avons constaté une corrélation étroite entre l'investissement et la croissance. Cela nous a amené à reconsidérer la Charte d'Investissement*", explique le ministre. Adoptée en 1995, la première charte avait accompagné le passage d'un régime d'autorisation préalable aux investissements - lié à la marocanisation de l'économie - à leur promotion. Cette charte n'a depuis jamais été revue malgré les intentions affichées par les gouvernements successifs.

"*La nouvelle charte sera commune à l'ensemble des secteurs. Toutes les dispositions offertes aux investisseurs quel que soit leur secteur d'intervention sont développées. Les dispositions par secteur y sont également rassemblées"*, a détaillé le ministre. Surtout, régionalisation oblige, la charte intégrera également les dispositions territoriales qui doivent permettre "*le rattrapage des zones situées à l'extérieur de l'axe Casa-Rabat-Tanger"*, a souligné le ministre qui avait lancé le 2 avril 2014 son Plan d'accélération industrielle (PAI).

La charte n'a pas (encore) été communiquée au public, mais cinq nouvelles mesures d'incitation à l'investissement ont d'ores et déjà été annoncées. Dans l'industrie, une des mesures phare, les nouvelles entreprises ne paieront pas l'impôt sur les sociétés pendant cinq ans. Pour les sociétés qui exportent, une zone franche sera construite dans chaque région.exportent, une zone franche sera construite dans chaque région.

Aujourd'hui le Maroc compte six zones franches : à Tanger, Tanger Med Ksar el Majaz Mellousa 1 et 2, Dakhla et Laayoune, Kebdana et Nador pour le stockage d'hydrocarbures et à Kenitra.

"Pour certaines grandes entreprises d'exportation, les zones franches étaient synonymes de congestion ou bien elles ne correspondaient pas au bassin d'emploi que recherchaient ces entreprises. Celles-ci demandaient donc à bénéficier des avantages des zones franches sans s'y établir. Aujourd'hui c'est enclenché, ça y est", a encore annoncé le ministre.

Autre mesure, le statut "d'exportateur indirect" va également être créé. "C*'était une vraie demande des entreprises. Quand vous êtes sous-traitant, que toute votre production est vendue à un exportateur et donc sort du pays, mais que vous continuez à ne pas être considéré comme tel ce n'est pas normal"*, a estimé Moulay Hafid El Alamy.

Pour le ministre, "*le taux d'intégration de 65% dans le secteur automobile ne peut pas se faire sans cette mesure."* Par conséquent, toutes les zones franches seront ouvertes aux sous-traitants.

D'autres mesures devraient logiquement venir inciter aux investissements dans les régions les moins favorisées. "*A Meknès, on voit fleurir une belle zone industrielle. Ce serait bien de dupliquer cette expérience ailleurs"*, note Hafid Elalamy.

Pour rappel, au cours de cette même réunion du 4 juillet (photo ci-dessus), le ministre a par ailleurs annoncé la signature de 30 conventions d'investissements entre des industriels comme Delphi, Mecaplast, Linamar ou Simoldes et les pouvoirs publics, pour près de 700 millions d'euros.

Julie Chaudier, à Casablanca

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REJOIGNEZ NOUS SUR :

DECATHLON : LES DÉTAILS DU PLAN DE DÉVELOPPEMENT RÉVÉLÉS

Écrit par Mehdi MOUTTALIB
Publication : 26 juillet 2016
Mis à jour : 26 juillet 2016
Affichages : 516

Le plan de développement quinquennal engagé au Maroc par le français Decathlon vise l'ouverture de 26 nouvelles enseignes et la création de 10.910 emplois directs et indirects. Borja Sanchez, président de Decathlon Maroc, nous explique les détails de l'opération.

Le géant français spécialisé dans l'attirail sportif, Decathlon, a livré les détails de son plan de développement au Maroc. Étalé sur 5 ans, il mobilise un investissement global de 163 MDH, et vise l'ouverture de 26 nouveaux magasins ainsi que l'agrandissement de l'entrepôt tangérois de la firme. Le plan ambitionne de créer 10.910 emplois directs et indirects.

Depuis la signature de la convention d'investissement, lundi 4 juillet au palais royal de Casablanca, en présence du roi Mohammed VI et du chef de gouvernement, Abdelilah Benkirane, des équipes sont dépêchées par Decathlon pour la préparation du chantier de développement de la plateforme de sourcing local, ainsi que pour les travaux d'expansion du réseau de distribution du groupe au Maroc tel que convenu dans l'accord tripartite que Borja Sanchez, président de Decathlon Maroc, a signé avec Moulay Hafid Elalamy, ministre de l'Industrie, du commerce, de l'investissement et de l'économie numérique, et Mohamed Boussaïd, ministre de l'Économie et des finances. Inutile de préciser que l'engagement pris par la firme française cadre doublement avec les impératifs du Plan d'accélération industrielle (PAI) 2014 – 2020, et avec la vision sectorielle chapeautée par le Contrat de performance des écosystèmes textiles 2015-2020. Borja Sanchez s'est montré particulièrement confiant quant au succès du plan engagé par son groupe, et y voit «une source de satisfaction car il démontre l'engagement fort de Decathlon au Maroc et la confiance des plus hautes autorités envers notre enseigne».

Au sujet de la politique ambitieuse dans laquelle il s'engage, le président de la branche marocaine de la firme a déclaré que son succès « passe par une politique d'acquisition de foncier et par le développement de partenariats solides et durables afin d'implanter nos magasins dans des zones de commerce dynamiques».

Dans le détail, le plan de développement est subdivisé en deux segments stratégiques distincts, chacun disposant d'un axe de réalisation que le management de Decathlon entend respecter au détail près : le premier axe porte sur le soutien à l'industrie nationale du textile par le développement d'une plateforme de sourcing local, l'accompagnement de la pratique sportive par le développement d'un large réseau de magasins à travers le royaume et le développement d'une plateforme locale d'achat afin d'exporter des produits vers l'étranger et approvisionner les magasins du Maroc. Cette plateforme s'articulera autour des écosystèmes du textile à usage technique, de la maille et du fast-fashion, du vélo et assemblage métallique ainsi que des chaussures de sport. À terme, elle permettra, à elle seule, la création de 7.360 emplois directs et indirects.

Le deuxième axe concerne l'ouverture de 26 magasins au Maroc. Leur nombre sera ainsi porté à 30 magasins d'ici l'achèvement de la dernière étape du plan quinquennal. Par ailleurs, la stratégie du groupe prévoit la création d'un centre logistique s'étendant sur une superficie de 3.000 m². Cet agrandissement du réseau devrait générer 2.850 emplois directs et indirects.

Borja Sanchez

Président de Decathlon Maroc

Les Inspirations ÉCO: À quel point le développement d'une plateforme de sourcing local peut-il être bénéfique pour l'industrie du textile ?
Borja Sanchez: Cette plateforme de sourcing local va être bénéfique à l'industrie textile: en effet, elle va permettre à nos partenaires d'assurer un carnet de commandes plus important et d'augmenter leur production. Ils pourront, dès lors, recruter, moderniser leurs outils de production, développer de nouvelles compétences et solliciter d'autres marchés dans leur stratégie de croissance.

Pensez-vous que la vitesse avec laquelle le secteur se développe est suffisamment soutenue pour y adosser de telles projections?

Decathlon est présent depuis 1994 au Maroc par le biais de notre bureau de production. Cette connaissance du marché nous a permis, 15 ans après, d'ouvrir notre premier point de vente à Casablanca. Nous sommes donc très enthousiastes quant au développement de l'enseigne au Maroc; les Marocaines et les Marocains connaissent très bien la marque Decathlon ainsi que nos «marques passions» (Domyos pour le fitness, Quechua pour la randonnée, Tribord pour le nautisme etc.). Par ailleurs, la pratique sportive étant en pleine évolution, cela augure d'un potentiel de développement intéressant.

Quel est le potentiel d'exportation du Maroc ?
Le PAI est un formidable levier pour l'industrie nationale et doit permettre de faire du Maroc un hub de la production textile, notamment des produits à haute technicité. Cette volonté combinée aux atouts du Maroc permettront au royaume d'accroître son potentiel d'exportation dans les années à venir.

FASHIONATING WORLD

MONDAY, 18 JULY 2016 18:47

CHINA SHOWS INTEREST IN MYANMAR'S GARMENT INDUSTRY

Myanmar's ascent in the garment world is fairly recent but is happening rapidly. One reason is Myanmar's minimum wages for the garment industry are around $90 a month, the lowest in the region. In comparison, it is around $100 in Laos, $140 in Cambodia and around $150 in Vietnam.

The country is the largest in mainland southeast Asia by geographical area and is rich in natural resources. It also has a young population. In addition, Myanmar also enjoys tax exemptions from the EU market, which makes up 23 per cent of its garment exports. Other key markets are Japan, South Korea and China. Lower import tariffs than many of its Asean peers also work in favor of Myanmar.

Myanmar's export industry is expected to reach $12 billion by 2020 and to create 1.5 million jobs. Relaxation of foreign direct investment rules, benefits for foreign investors like tax exemptions in the first five years and tariff-free imports of raw materials are expected to keep the country a suitable apparel sourcing destination for the garment industry.

China's manufacturing industry for one is looking to minimise production costs by relocating production facilities to relatively accessible markets in Southeast Asia such as Myanmar.

Inditex to team up with Lenzing for textiles recycling in Spain and beyond

YarnsandFibers News Bureau, 2016-07-26 16:30:00 - Madrid

Inditex, a Spanish multinational clothing company to team up with Lenzing to commit to the circular economy model in all phases of its production. It will be focusing on creating premium textile raw materials from its fabric scraps, initially involving about 500 tons of textile waste.

The collaboration is meant to kick-start a clothing collection campaign as well as a reuse and recycling programme for discarded garments. The aim is to raise this to around 3 000 tons within a few years, said Inditex's chairman and chief executive Pablo Isla.

The recycling initiative will provide Lenzing with enough fabric to produce about 48 million garments. Zara, Inditex's flagship store, produces an estimated 450 million items of clothing annually. Zara will pilot a free clothing collection scheme for online deliveries in Madrid this September. As a first step, the company plans to install up to clothing collection bins Zara stores and hotspots throughout the city with help of local charity Cáritas.

Isla announcing the company's 2016-2020 Environmental Strategy Plan said that he ultimately hopes to roll out this project on a national scale. This will see Inditex install up to 2000 collection bins across Spain. Inditex has announced donating EUR 3.5 million (US$3.9 million) over two years to modernize Cáritas' existing garment sorting and treatment plants.

FASHIONATING WORLD

NEWS TEXTILES APPAREL DENIMS FIBRES & YARNS KNITS EVENTS SERVICES CONTACT SEARCH NEWSLETTER ARCHIVE

TUESDAY, 19 JULY 2016 17:46

THAILAND-PAKISTAN FTA SOON

Thailand and Pakistan are likely to sign a free trade agreement by the end of this year. Both countries with dynamic consumer markets have unlimited scope for business. Although Pakistan faces an unfavorable balance of trade with Thailand the consistent rise in bilateral trade is a positive sign. To increase the volume of trade between the two countries, trade fairs and single country exhibitions will be arranged on a reciprocal basis. The communication gap between the respective private sectors will be bridged. Pakistan already exports frozen fish, woven cotton fabrics, crustaceans, cotton yarns, leather, medicament mixtures and electro-medical apparatus to Thailand.

Thailand and Pakistan established diplomatic ties back in 1951 and both countries have been enjoying steady economic and trade relations. Among the top exporting countries for Pakistan, Thailand comes at 34th place and with regard to top importing countries, Thailand is ranked at 12th place. Trade is expected to flourish after the FTA is signed between the two countries as the cost of doing business will fall and the non-tariff barriers will be removed. Thailand is already investing in Pakistan while more Thai companies are keen on following suit. From 2013 to 2015, bilateral trade increased from 833 million dollars to 973 million dollars.

Textile : L'américain "Lir" quitte la Tunisie pour le Maroc

Posté le vendredi, 22 juillet 2016 - 5:25 pm

Infomediaire Maroc - Le ministre tunisien des Affaires sociales, Mahmoud Ben Romdhane, s'est entretenu hier juillet avec des responsables de la société américaine ''Lir'' et des représentants de l'UGTT et de l'UTICA, rapporte la presse locale.

Cette réunion a porté sur le retrait de la société américaine spécialisée dans le textile de la Tunisie et son transfert au Maroc, rapporte la radio tunisienne Mosaïque FM, sans toutefois énumérer les raisons de cette délocalisation.

La même source indique que la société s'est engagée à dédommager plus de 600 agents tunisiens licenciés.

Des députés européens pour un «plan Marshall» en faveur de la Tunisie

13 Juil 2016 | 11:07 POLITIQUE, Tunisie 6

Des députés européens ont exprimé leur inquiétude face à la viabilité de la dette tunisienne et appelé à sa conversion en projets d'investissements.

Ces députés, membres de la commission des affaires étrangères du Parlement européen, ont appelé, mardi, à la mise en place d'un «*plan Marshall*» pour appuyer la consolidation démocratique en Tunisie et favoriser son développement économique.

«La situation actuelle de la Tunisie justifie la mise en œuvre d'un véritable ''plan Marshall'' pour appuyer la consolidation démocratique et favoriser le développement économique», ont-ils estimé.

Dans un rapport sur les relations de l'Union européenne (UE) avec la Tunisie dans le contexte régional actuel, adopté mardi par 51 voix pour, 2 voix contre et 7 abstentions, les députés saluent l'intensification du dialogue stratégique entre l'UE et la Tunisie dans la lutte antiterroriste ainsi que la mise en place d'une commission parlementaire mixte UE-Tunisie.

Ils ont également insisté sur la nécessité de soutenir l'Assemblée des représentants du peuple (ARP) au vu d'un contexte régional fragile et salué la mise en place d'une commission parlementaire mixte en vue d'instaurer un dialogue politique structuré sur la démocratie, l'Etat de droit et tout autre sujet d'intérêt commun.

Les députés ont, par ailleurs, appelé au maintien de l'assistance technique au bénéfice des groupes de la société civile au vu de leur action dans la transition démocratique.

Afin de favoriser la consolidation démocratique, les députés ont salué la proposition de la Commission européenne d'apporter une aide macro financière de 500 millions d'euros et préconisé de mettre rapidement en œuvre le plan stratégique de développement 2016-2020 en adoptant les cadres réglementaires destinés à faciliter l'absorption de l'aide provenant de l'UE et des institutions financières internationales.

REUTERS INVESTIGATES

SEAMSTER: Muhamed Awwal, a 13-year-old from Syria, works in his father's basement factory in Istanbul. Around 665,000 school-age Syrian children who live in Turkey are not in school. REUTERS/Murad Sezer

Made in Turkey

In Turkish sweatshops, Syrian children sew to survive

- By Dasha Afanasieva
- **Filed July 26, 2016, 6 a.m. GMT**

To stem the flow of migrants to Europe, Turkey agreed to house and protect those Europe ejects. But Ankara is proving unable to protect all its Syrian refugee children. Many work illegally, including in the $40 billion textiles industry.

ISTANBUL, Turkey - Muna Awwal wants to go to school. But she needs to go to work.

Muna says she is 10 years old. Nine, corrects her father, Mahmud, as they sit in the family's second-floor flat in Istanbul's textile district.

Muna and her family arrived in Turkey from Syria in 2013. For the past few weeks she has helped her father and 13-year-old brother Muhamed in a basement they rent, making cheap tops, dresses and T-shirts for other textile suppliers. Her father Mahmud says some of the clothes are sold in Europe.

The family comes from the city of Aleppo and fled fighting in May 2013, he said. He shoos his children out of the room and settles on the carpeted floor. Now, he says, he relies on three of his five children to get by.

The Awwal family's situation is not unusual. It adds to questions about how safe Turkey is for families fleeing war.

"It's not normal at all to make my child work -- with me or with anyone else," Mahmud Awwal said in June. "It's not good. But we have no other choice. It's very common here in Turkey."

Over a few days in April and May, Reuters met 13 Syrian children in three Turkish cities who said they have jobs making clothes or shoes, even though Turkey bans children under 15 from working. Another four who were older than 15 said they worked up to 15 hours a day, six days a week, despite a law that says those up to 17 can only work 40 hours weekly. Dozens more children who were working were unwilling to talk.

In March, Brussels and Ankara agreed a deal that allows Europe to send back to Turkey migrants who came through the country on their way to Europe. Brussels has pledged up to 6 billion euros ($6.6 billion) to help migrants and refugees, and the deal states that when people are returned, they will be “protected in accordance with the relevant international standards.”

The European Union says Turkey is a safe country: In April, European Council President Donald Tusk called Turkey “the best example in the entire world of how to treat refugees.”

The United States is not so sure. Turkey’s “efforts to protect the growing and highly vulnerable refugee and migrant communities in the country remain inadequate,” the State Department said in a July report.

And rights groups say Turkey is far from safe. Groups such as Amnesty International have documented Syrians being shot at by Turkish border guards as they try to cross into Turkey, living in squalor, or deported back into the fighting. And they note Syrian children, who are often unable to get to school in other frontier countries such as Lebanon, are part of the labour force.

WELCOME: Turkish President Tayyip Erdogan has proposed giving citizenship to some of the 2.7 million Syrians who have taken refuge in Turkey. REUTERS/Umit Bektas

Turkey houses more refugees than anywhere in the world: 2.73 million of them Syrians by the last count, more than half of whom are under 18. Ankara says it has spent more than $10 billion helping refugees. It doesn't recognise them as refugees, but at least on paper it does offer protection, including free education and basic healthcare, to those who register. The government has denied sending back any Syrians against their will and says no refugees have been shot at. President Tayyip Erdogan has said some Syrians may even win Turkish citizenship.

But the country is struggling to accommodate all those extra people, only 10 percent of whom are housed in camps. In May, the education ministry said some 665,000 Syrian children living in Turkey – a majority of school-age Syrians in the country – were not in school. Among 6 to 11 year-olds who live outside camps, Turkey's Disaster and Emergency Management Authority has said, fewer than 15 percent are in school.

No one can estimate how many work instead. Of around 125 Syrian households in Istanbul surveyed by Turkish charity Support to Life earlier this year, one in four households with children said at least one child could not go to school because the family depended on their pay. Half of those children worked in textiles.

Stephanie Gee, a fellow at Human Rights Watch, says Europe is "woefully ignoring" the problem of protecting children: "Unless Turkey can ensure that Syrian kids go to school, I think the whole question of effective protection is moot."

The European Commission declined to comment. An EU source said that the EU executive has "systematically pointed to the critical phenomenon of child labour" and urged Turkey to adopt measures to prevent it. Europe has committed tens of millions of euros to help get more Syrian children into schools.

An official in the office of Turkish President Erdogan said it's the West that should do more. Europe has accepted just around 850 Syrians for legal resettlement under the EU deal, and 31 Syrians have voluntarily returned to Turkey.

IGNORED: Rights groups say Syrian refugee boys like these, working at a small textile factory in Gaziantep, are overlooked in the EU-Turkey deal. REUTERS/Umit Bektas

"The best example in the entire world of how to treat refugees."

European Council President Donald Tusk, on Turkey

"Turkey is safer for refugees than any other country," he said. "Rights groups should use their time and energy to tell other governments to follow suit instead of downplaying our efforts."

CHILDREN AT WORK

Children have long been part of Turkey's labour force. In 2012, the last year for which data was available, Ankara said almost one million Turkish children aged between 6 and 17 worked. Many of them help make clothing, textiles or shoes, industries that contribute $40 billion a year to Turkey's economy and employ 2.5 million people – more than half of them as casual labour, according to unions.

Turkey exports $17 billion in clothing and shoes a year, most of it to Europe, especially Germany.

The country had been addressing its child labour problem in clothing over the past few years, according to Lotte Schuurman, communications officer at the Fairwear Foundation, which works to improve working conditions. "But with the coming of the Syrian refugees it's increased again."

Syrians, and especially Syrian children, are undercutting pay. In the southern city of Gaziantep, near the border with Syria, a 30-year-old Turk who gave his name as Selim said he used to earn 450 lira ($155) a week as a worker, but after Syrians came he set up his own business.

He hired children to carry fabrics, bring tea, and stack up cut-out fabric. He now pays each child about $50 a week. "In the past, Turkish children worked here but now it's only Syrians," Selim said at the back of his workshop. "Turkish children did it as an apprenticeship but the Syrian children do it only for money."

Syrians say they earn between half and a third of the going rate for the same work done by Turks. Children are even cheaper.

On balance, cheap refugee workers are more of a bonus than a burden for Turkey, said economist Harun Ozturkler of the Centre For Middle Eastern Strategic Studies in Ankara. They boost profits, which lead to new investment. There are already signs, according to Ozturkler and the World Bank, that some Turkish workers are shifting to better paid jobs. Last year, the economy grew by 4 percent.

When Syrians arrive, they are supposed to register at their local police station and receive a temporary protection card allowing them to stay. Many people Reuters spoke to said they had not been able to register, partly because the going rate for a bribe is nearly $70, more than they can pay. The presidency official said there were no problems with registration and no fee was charged, but there may be delays in areas of high demand.

Until this year, Syrians were not entitled to work permits, so they worked informally. Ankara started to issue permits in January, but a government official said only a few people have qualified, because workers either need to be self-employed or obtain the support of their boss to apply.

In Istanbul in April, a group of teenage boys spilled out of a tall, red-brick factory wheeling a massive metal cage full of rubbish towards a row of bins. The boys said they were not registered with the government.

The boys said they earned around $85 a week working through the night cleaning and boxing up shoes. "The boss is as nice as you can get," said Juma, 17. "When we are working until the morning he comes and cracks a joke or gives us some sandwiches. Other times, if we have an order which needs to be done fast, he shouts at us."

The youngest of them, Bashar, was 14 and had a wisp of a moustache. He arrived after fleeing Aleppo in early April, he said. His father took him to the border and paid a smuggler $300 to take Bashar across alone.

On the way, he said Turkish border guards shot at him. Human rights groups say dozens of people fleeing Syria have been injured, allegedly by border guards keen to

help cap the number of new arrivals in Turkey.
The presidency official denied these claims and Reuters was unable to independently confirm them.

Bashar said he planned to send half his pay to his family – father, mother, two sisters and two brothers. “They cannot work in Aleppo,” he said. “They had to shut their shop.”

CONFLICT TEXTILES ?

The boys said the shoes at their factory are labelled for DeFacto, Turkey's second largest apparel company with outlets in 11 countries, including Kazakhstan, Iraq and Russia. They said they did not know the name of the company they worked for. DeFacto said that using refugees as an illegal labour source is totally unacceptable. When undocumented workers are found in its supply chain, it said, it gives producers a chance to stop using them. If children are found, the relationship is severed immediately.

Other multinational companies have found find Syrian children working for their suppliers. Firms including Esprit, Next and H&M said in a survey conducted earlier this year by NGO the Business and Human Rights Centre they had found Syrian children making clothes for them in recent years and acted to fix the situation. To avoid cutting off all income for the families, some say they try to arrange to combine work and schooling.

Next and H&M told Reuters they had not found any more Syrians since. Esprit said it recently found more unregistered Syrian adults – but not children – at a supplier factory.

A spiderweb of subcontractors is one reason for the lack of estimates on how many Syrian refugee children are working in the textiles trades.

Western brands employ auditors and use barcode technology to check where their products are made, but it’s hard to check everywhere. Sweatshop bosses and local entrepreneurs say that often the auditors come by appointment. That makes it easy to hide children, they add.

Turkish fashion's hot zones

The Turkish clothing and textile industry is one of Europe's largest suppliers. But conflict on its southern borders, where many refugees live, makes it harder to check working conditions.

Cities and regions where clothing unions are active
UK government advised against all but essential travel
UK government advised against all travel

Sources: Istanbul Textile and Apparel Exporter Associations; Foreign & Commonwealth Office (UK); Reuters

And some sweatshops are in places where there is fighting.

Much of the mainly Kurdish southeast has been unstable since a ceasefire collapsed in summer 2015, resulting in hundreds of civilian deaths and 24-hour curfews. Border towns in the south, where many

Syrians live and which have been shaken by violence including rocket fire from Islamic State militants, have lots of clothing workshops.

One district, Batman in the southeast, boasted in a 2014 publication it was “cheaper than China." Esprit said one of its suppliers had suggested shifting some production to the southeast; Esprit declined, “due to the risk of sending employees into a zone of instability.” Activists say fighting has made it harder to audit in the south and southeast.

SHARED MIDDLEMAN

The Awwal family lives and works in Zeytinburnu, an industrial district of multi-storey concrete apartment blocks in Istanbul. Textile workshops and outlets sit at street level. In Mahmud Awwal’s basement, Muna helps carry fabric between the seamsters. Her brother Muhamed works on the machines. The children work 11-hour days, Awwal said; he doesn’t pay them.

Awwal got his temporary protection card soon after he arrived in 2013, he said. At first, he sub-contracted work from a Turkish man and tried to send the children to school. But he could not sign them up because he did not have papers to prove where he lived. The school told Awwal to bring a local official to vouch for him, but he could not persuade anyone to come.

Then the Turkish worker short-changed him. His 13-year-old, Muhamed, started work at another sweatshop for about $60 a week, but some weeks the boy’s boss would halve his pay. So Awwal took on his own son and tried to stick with fellow Syrians. His business is not registered, and neither are his workers.

His eldest son, Mustafa, who is now 15, found a job with a Kurd called Dogan. When there are enough orders to work every day, the boy’s $100-a-week wage covers the family rent.

Dogan also helped Awwal, introducing him to a middleman, “so now we are both doing different orders for the same brands.”

If there are enough orders, Awwal and his children make about $800 a month from the family workshop. The clothes they make include T-shirt dresses for a local store. He showed a reporter a picture of a top with a poor quality Adidas label which he said he couldn’t read. A spokesman for Adidas said the labels were clearly counterfeit.

A Turkish government official said: “Relevant ministries have already been working on this issue, and have punished the slightest abuse.”

FASHIONATING WORLD

FRIDAY, 22 JULY 2016 14:20

TURKISH EXPORTERS REASSURE CUSTOMERS

Exporters in Turkey have written to their customers and investors saying that production in Turkey goes on as usual in spite of the recent turmoil. The letter will be sent to apparel giants and will corroborate evidence of the strength of democracy in Turkey and the solidity of the Turkish economy will be explained to Turkish exporters' commercial partners. Exporters' unions are also planning to place an ad in key international newspapers regarding the strength of Turkey's democracy.

Representatives of foreign newspapers will be called as well. The aim is to send a message to domestic and international markets.

Customers have been told that companies have continued daily operations without delay in every field from production to export. The letter will be sent to customers in English.

Demand from the EU accounts for 70 per cent of Turkey’s clothing exports.

The cost of sourcing from Turkey is 30 to 40 per cent higher than in countries like China and India. But Turkey’s ability to offer shorter runs as well as turnaround times of between four and five weeks is proving increasingly beneficial.

The apparel sector in Turkey exports around 60 per cent of its production. The capacity utilization rate is around 75 per cent.

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UK- Pakistan trade relation and signing of FTA on priority

YarnsandFibers News Bureau, 2016-07-24 12:00:00 – Lahore

Political changes after Brexit poll will by no means impact the United Kingdom-Pakistan trade relations and signing of free trade agreement (FTA) for enhancing bilateral trade is their priority, said Deputy High Commissioner of the Great Britain Belinda Lewis during a meeting with regional chairman and vice president Mian Rehman Aziz of the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) on Saturday.

Lewis said that they are still member of the European Union (EU) and there is a space for negotiations while the UK has strong trade and investment links with Pakistan long before the EU.

Aziz said that the UK is the third largest importer of Pakistani goods other than the United States and China. Pakistan’s exports are helped by the GSP plus arrangement with the EU. The renegotiation of tax especially for Generalised scheme of preference (GSP) plus status is very important for the business community of Pakistan.

Aziz discussed various matters of concerns, such as pound sterling’s stability and credit rating, trade under GSP plus and cost of doing business.
Federation of Pakistan Chambers of Commerce and Industry Vice President Syed Aasim Shah said that the UK is amongst the largest exporters to Pakistan with over 100 British companies operating in Pakistan. Pakistani exports to the EU are dominated by textile clothing and leather products.

British Business Centre Chief Executive Officer Malahat Awan said that they will soon sign a memorandum of understanding with the FPCCI for enhancing the trade relation. The opening of the British Business Centre in Lahore will significantly increase the support available to UK and Pakistani companies.

In addition to providing a base for visiting UK companies, the centre will also offer the UK's and Pakistani member companies to have an access to a growing number of services, including market research, business opportunity, promotion, event management, networking opportunities and bespoke professional and sector specific services.

The synthetics wars: Cotton's biggest challenge

Jul 28, 2016

"The price disparity between polyester and cotton within China has caused a major increase in the use of polyester by their mills, and that has hammered U.S. cotton's market share. We have to fight back more effectively."

Disruptive policies in China have put cotton at "a severe competitive disadvantage" to synthetics within China, the No. 1 textile producing country in the world, says Bill Gillon.—Getty Images/ChinaFotoPress

Cotton is at war, says Bill Gillon, and "the enemy is not African cotton, or Chinese cotton, or Indian cotton — we're at war with synthetic fabrics. And if we win this fight, or at least do better than we've been doing in recent years, we'll boost consumption and demand for U.S. growers' premium cotton."

The "disruptive policies" in China have put cotton at "a severe competitive disadvantage" to synthetics within China, the No. 1 textile producing country in the world, says Gillon, who is president and CEO of The Cotton Board, which collects assessments from U.S. cotton growers for the research and promotion programs of Cotton Incorporated.

"The huge buildup of cotton stocks in China has been a major influence on cotton price," he said at the joint annual meeting of the Mississippi Boll Weevil Management Corporation and the Mississippi Farm Bureau Federation Cotton Policy Committee. "But the price disparity between polyester and cotton within China has caused a major increase in the use of polyester by their mills, and that has hammered U.S. cotton's market share. We have to fight back more effectively."

Check Current Cotton Futures Prices

But, because of the sharp drop in U.S. cotton acres in recent years, revenue from assessments has also declined, which means, Gillon says, the battle will have to be waged with smaller budgets.

The Cotton Incorporated research and promotion budget hit a high point of $83 million three years ago, he says, and has been declining since. "Our budget this year is $76 million, and we're in the process of approving a 2017 budget of $70 million. We're hoping that will be the floor, and that we can build back up as we become more successful. But it's going to be necessary that we do a better job of prioritizing. We can't do the same things we've been doing with less money — we have to be more effective and efficient. "

The U.S. is the world's largest consumer market for fiber, but cotton's share has declined in recent years.

Going into 2017, Gillon says, "There will be significant changes in the way we do business. We have to be more targeted, more precise, and we have to better define what our targets are. Cotton Incorporated is stressing the importance of cross-divisional cooperation within its organization, and we want to do a better job of leveraging resources with other organizations, such as the National Cotton Council and Cotton Council International.

Global cotton demand needs to expand

"We've already seen trimming at the edges as each of these organizations looks at everything they're doing, trying to eliminate redundancies, figure out what's being copied from someone else and letting that go, and expanding our core efforts as we get more efficient. In the process, I think we'll all broaden the impact we have worldwide."

Global cotton demand needs to expand at a faster rate than it has in the last 10 years, Gillon says. "The target we're talking about attaining is 130 million bales over the next 10 years, an increase of about 20 million bales from where we are right now. Achieving this will depend on several things: decent worldwide economic growth to spur consumer expansion, and our doing a better job of promoting cotton over polyester with those who make marketing decisions."

"Among Cotton Incorporated goals is a more aggressive marketing strategy vis-à-vis synthetics.

The U.S. is the largest consumer market for fiber, he notes, and is "a major influence on the fashion direction of the entire world. It's critical that we grow cotton's share here in the U.S. in our two most important markets — apparel and home textiles. Right now, our share is just above 50 percent, which is 10 points below the peak just a few years ago. We have to really focus on the U.S. market over the next several years.”

Cotton Incorporated is working to increase its company-wide focus, honing in on major objectives, Gillon says. “Among the goals is a more aggressive marketing strategy vis-à-vis synthetics. We’re working with USDA to remove some of the limitations on what we can say in advertising, and we’re going to be far more aggressive in putting forth U.S. cotton’s message.”

He says he takes personally the battle with synthetics. “I don’t like polyester clothing, have never liked it, going back to my high school days. It’s pretty depressing to go into stores, golf shops, and sports shops and all you see are synthetic polo shirts and other active wear.

The fight for market share

“We’re going to have to fight this all the way from the turnrows to the store shelves. We’ve fought this market share fight before, back in the 1970s. Things didn’t turn around overnight, but we won back market share. And we’ve got to do that again. We’ve got the greatest product in the world. We all have to all take cotton personally, to be willing to promote and feel great about our product.”

One thing growers can do to help, Gillon says, is to participate in Cotton Incorporated’s field market surveys. “By doing this, you help us carry cotton’s message around the world.”

Sustainability has increasingly become an issue in cotton production, he says, and while “we believe U.S. growers are producing the most sustainable crop ever, there is a gap between that reality and the position of many companies that are making buying decisions. It’s important that we continue to have a meaningful, coordinated, and aggressive sustainability program for U.S. cotton.

“This has to span the entire chain, from seed to end user. The Targets, Levi’s, etc., want a positive sustainability message. Our research hasn’t shown that a lot of consumers base their buying decision on whether one product has a greater sustainability message than another — but you’d better believe the pressure is on retailers to demonstrate sustainability. These companies have made commitments to this policy, and they’re driving this goal. It’s important that cotton has a positive sustainability message — and we do.”

One sustainability effort, the Better Cotton Initiative, which began in 2005 in Europe, was originally focused on cotton production in Africa and less developed countries, and BCI cotton was promoted to its users as certified to have been grown according to sustainable standards.

“The goal of BCI was to improve the growing practices of its producers,” Gillon says. “Most of those producers in less developed countries needed that assistance. The BCI program has seen significant growth, and its message and goal have been adopted by many significant users of cotton.

“BCI has grown to the point that U.S. merchants and cooperatives — those who market your cotton — are being asked by these companies if they have BCI cotton for sale. Like any good salesmen, our merchants want to meet their clients’ needs, if they can.”

Cotton Leads promotes cotton sustainability

The Cotton Foundation, Cotton Incorporated, and Cotton Council International have worked cooperatively on a program called “Cotton Leads,” which promotes “the considerable sustainability gains made by U.S. and Australian growers,” Gillon says. “The Cotton Leads program is our way of telling the downstream users of our cotton that our production methods are sustainable, that our growers are using resources efficiently, with a goal of being more sustainable and efficient than ever, while having less environmental impact.”

More than 360 companies have signed on to the Cotton Leads program, he says, “and it has truly changed the discussion with respect to U.S. cotton worldwide. We’ve gone from being told, ‘You guys are really bad producers,’ to ‘We understand you guys are some of the best producers in the world,’ and it has happened in just three years.”

But because the Cotton Leads program doesn’t have a certification component, Gillon says, “Many brands and retailers still aren’t satisfied; many of them want some sort of verification program, and BCI is aggressively seeking growers and merchants in the U.S. to participate. It needs U.S production.

“I don’t think any grower in this room would have any trouble meeting BCI certification requirements, but at the same time I would expect all of you would object to paying for BCI certification when BCI is not doing anything to enhance your production methods.”

It’s still a developing issue, Gillon says. “The priority of the Cotton Board, the National Cotton Council, Cotton Incorporated, and the Cotton Foundation is to insure that your cotton is marketable to everyone everywhere, and that we must maintain the premium that U.S. cotton gets in the market.

“We feel that premium has a lot more to do with quality, cleanliness, strength, and uniformity than anything related to sustainability. We will continue to work to be sure that U.S. cotton is recognized for its sustainability and that your production is fully marketable.”

While BCI can be a viable option for producers and their merchants, Gillon says, “We need to insure that the requirements are not onerous to you, and that the cost is not a barrier to entry. We will continue to push Cotton Leads and to revise the program as necessary to maintain cotton’s stellar reputation.”

BCI “is not an either/or long term proposition,” he says. “It’s not going to be BCI or the highway. But we do have to insure that if people are asking for BCI cotton, we’re in a position to meet the demand, at least in the short term.”

Last update 12:00 | 26/07/2016

VND devaluation expected

The central bank is expected to devalue the Vietnamese dong against the US dollar by 2-3 per cent in the second half of this year to support exports and fight against the dollarisation in the local economy, according to a Vietinbank report.
In the recent report on expected financial market developments in the second half, Vietinbank analysts said that an expected trade deficit in H2 would put pressure on the exchange rate.

According to Vietinbank, export growth is forecast to decline in H2, possibly causing the dollar supply to remain at a low level.
The Ministry of Industry and Trade (MoIT) forecast after a sluggish export growth in H1, exports in H2 will face additional challenges and fail to meet its export growth target of 10 per cent set by the National Assembly for this year.
In a regular Cabinet meeting this month, the ministry reported that exports would only grow 8 per cent this year.

In H1, export turnover slowed down against the same period last year, rising only 5.9 per cent to US$82.28 billion. According to the MoIT, the export growth was much lower than the 9.2 per cent rising rate seen in H1 2015.

Industry insiders attributed the sluggish export to decreasing demand in world markets due to global economic difficulties. Some other regional countries such as Malaysia, Thailand and China even saw a negative export growth, they said.
In the report, Vietinbank analysts also suggested the State Bank of Viet Nam pay special attention to movements by the People's Bank of China (PBoC) as its policies would put pressure on the USD/VND exchange rate due to the deep trade ties between Viet Nam and China. The PBoC devalued its yuan by 5.32 per cent to date this year.

Last update 12:00 | 26/07/2016

Vietnam increasingly attractive to French investors

Vietnam's stable economic growth rate and improved business and investment environment over a long period has enticed French big corporations to invest or expand their projects in Vietnam.
The viewpoint was agreed by participants at the Vietnam-France Business Meeting that took place on July 24 at Vietnam's Embassy in France.

The meeting was organised on the sideline of the Fourth High-Level Economic Dialogue between Vietnam and France with the attendance of leading French corporations like Airbus, Alstom, ADF, EDF, Areva, La Poste and Vietnamese businesses like FPT and Viettel.

Speaking at the meeting, **Vietnam's Ambassador to France Nguyen Ngoc Son** said the Vietnam-France relationship has been further expanded since the beginning of 2016 with visits of French President of the National Assembly Claude Bartolone and French Minister of Defence Jean-Yves Le Drian.

2016 will also be marked by two big economic events: the Fourth High-Level High-Level Economic Dialogue in Paris, the Vietnam-France Decentralised Cooperation Conference in Can Tho city in September and the **Vietnam-France Business Forum in HCM City in October.**

French President Francois Hollande's visit, which is scheduled to take place in September, is expected to become a boost for the development of a diversified, deep and comprehensive relationship between Vietnam and France, further promoting the Comprehensive Strategic Partnership the two countries signed on September, 2013.
For his part, Deputy Minister of Planning and Investment Nguyen The Phuong reviewed Vietnam's economic situation in 2015 and the first half of this year.

Phuong said Vietnam has signed many bilateral and multilateral trade agreements, including the Trans-Pacific Partnership (TPP) and the conclusion of negotiations on the European Union-Vietnam Free Trade Agreement (EVFTA).
According to Phuong, foreign investors have been pouring money into Vietnam to take advantage of the FTAs when they take effect, as evidenced by Vietnam's steady increase of foreign direct investment in recent years.

Vietnam is also perfecting legal corridors for investment and business with the introduction of the modified Law on Investment and Business 2014, the Law on Bidding 2015 as well as focusing on reforming administrative procedures.
At the meeting, French companies introduced their technological advantages and financial capability and indicated they wished to expand their operation or seek new opportunities in Vietnam.

Textile World

TRÜTZSCHLER SPINNING


HYOSUNG Starts Up MIPAN® Nylon Production Facility In Vietnam To Better Serve Asian Market

July 25, 2016

SEOUL — July 25, 2016 — HYOSUNG, one of the leading producers of Nylon for intimate apparel, sportswear, and outdoor, announces plans to startup new MIPAN® nylon manufacturing facility in Nhon Trach, Vietnam. The new facility is located in same area as Hyosung's creora spandex and tire core facilities.

"We invested in Vietnam as the next step in Hyosung's global nylon growth strategy and to better serve the Southeast Asian market. The state-of-the-art facility is world class competitive to ensure fast and reliable service in the region." said President BS Park "We also intend to meet customer needs for innovation with microdeniers, recycled, moisture management and other specialty items."

"As sourcing from Vietnam continues to be important to brands and retailers, we wanted to provide expanded product offerings as we already produce creora® spandex in Vietnam." Shared Ria Stern, Hyosung Textiles Global Marketing Director.

Hyosung will be exhibiting at the upcoming Outdoor Retailer Show where they will launch new freshgear™ odor neutralizing nylon and promote:

- MIPAN® Aqua X™ cool touch and moisture management nylon

- MIPAN® Robic™ & Robic Air™ high tenacity nylon for increased durability
- MIPAN regen recycled nylon and Regen recycled polyester
- Freshgear™ odor neutralizing polyester
- Askin™ cool touch, UV, and moisture management polyester
- creora® Color+ dyeable elastane for deeper darker colours without grin through
- creora® Black solution dyed black elastane for increased power without grin through

Last update 15:00 | 22/07/2016

Vietnam risks becoming "pollution haven"

VietNamNet Bridge – The Trans-Pacific Partnership (TPP) is expected to continue the shift of investment flows into industries of high pollution risk in Vietnam like textile-dying, paper, iron and steel.

Economic and environment specialists say that Vietnam's regulation and monitoring of wastewater treatment are still loose, with many gaps, so investors can dodge the law. Meanwhile, the Prime Minister has asserted that once pollution occurs, the local government must be responsible.

"Giant" projects

Illustrative image

In Vietnam, many textile-dying projects, paper, and steel projects have been reported polluting the environment.

The Chinese-invested Mei Sheng Textiles Co. Ltd Vietnam in the southern province of Ba Ria - Vung Tau has been suspended seven times since 2010 for illegally discharging waste into the environment.

This company built a dyeing enterprise with an annual capacity of 1,100 tons per year. This plant discharged untreated wastewater to the Da Den Lake, which supplies water to 90% of people in Ba Ria - Vung Tau.
On June 30th 2016, the Environment General Department and the Ba Ria - Vung Tau authorities asked the company to shut down the dyeing workshop.
Most recently, people in Phu Thu Town in Kinh Mon District of the northern province of Hai Duong asked for intervention of the authorities as the environment was seriously polluted by the operation of two Chinese-owned companies – Tan Nguyen Metallurgical JSC and Tan Dong Aluminum Co. Ltd.
Local residents claimed that dust and smoke with stinking smell discharged by the two companies was destroying their lives. The rate of people suffering from respiratory diseases has increased quickly.

According to the Foreign Investment Agency, the TPP has become a "magnet" to attract capital into the textile, and paper industry, with a series of large-scale investment projects from China, Taiwan ...
Last year investment in textile and garment projects reached $3.5 billion. In the first half of 2016, there were 83 textile and garment projects, including 50 textile projects.
Among them are very big projects: a $660 million project of Hyosung Co. Ltd of Turkey producing fibers of various kinds to produce carpets in the southern province of Dong Nai; a $300 million project of Worldon Vietnam Co. Ltd, invested by an investor from British Virgin Islands in HCM City, producing high-end garments; $274.2 million project of the Far Eastern Polytex Co. Ltd Vietnam in the southern province of Binh Duong to produce polyester synthetic fiber.

Chinese investors have three major projects: construction of a textile-garment industrial park worth $400 million in Nam Dinh; Texhong's $300 million project in Quang Ninh and $200 million of TAL in Hai Duong; Dai Duong Paper Co., Ltd (Taiwan)'s $220 million project to produce paper of various kinds in the southern province of Tien Giang.

Dr. Luu Bich Ho, former Dean of the Institute for Development Strategy of the Ministry of Planning and Investment, noted that Chinese technology is generally good but Vietnam must carefully monitor technology transferred to Vietnam, which may be secondhand or outdated.
Dr. Ho warned that Vietnam's policies to attract FDI were outdated and should be amended. The technological and environmental standards must be made more clear. The State also should monitor the import of equipment and technology.
"It's time for Vietnam to be choosy in attracting foreign investment. The management of foreign investment projects, especially investment in the fields of high risk of pollution, must be tightened in accordance with environmental standards," Dr. Ho stressed.

High risk of pollution

To create conditions to attract investment into the textile and garment sector and to be favorable in waste water treatment, the Vietnam Textile-Garment Association has suggested that the Government adjust textile-garment planning in the period 2035-2040, and build textile industrial zones of 500-1,000 hectares to call for investment in the production of fabric, fiber and dying.

The Minister of Industry and Trade Tran Tuan Anh recently petitioned the Prime Minister to consider the association’s proposals.

Assessing investment in the industries of high risk of pollution in Vietnam, especially textiles-dying projects from China, Mr. Phan Huu Thang - former Director of the Foreign Investment Agency - said China is paying the price for the hot development of its textile industry with heavy environmental pollution.
Therefore, Vietnam should be careful with textile-dying projects from China, to avoid falling into the similar "footsteps" of environmental pollution.
Dr. Nguyen Duc Thanh, Director of the Institute for Economic and Policy Research of the Economics University, Vietnam National University, said the cost of wastewater treatment of the textile and steel industries was huge.
The management and monitoring of waste discharge is difficult, requiring high technical level. Developed countries do well in supervision and management of waste discharge so it is easy to understand that these projects are coming to Vietnam.

"If we do not handle polluting enterprises strictly, ensure effective protection of the environment, then damage to society and the people will be enormous, threatening to sweep away our efforts to make economic growth and social stability," Thanh said.
Mr. Dinh Duc Truong, head of the Study of Environmental Impact of Foreign-invested Firms Team of the National Economics University, said many FDI enterprises have modern waste water treatment stages but the authorities could not monitor them. These firms "ignored" the stages to save VND80 million ($4,000)/day.
Speaking at a recent conference held by the Ministry of Trade and Industry, Prime Minister Nguyen Xuan Phuc said that the mass fish deaths in the central region caused by Taiwanese investor Formosa was a big lesson in attracting foreign investment.

"I have asked leaders of ministries and localities to be responsible before the Government, State and people if similar environmental disasters occur. The Government is determined to protect the environment, including the natural environment, social environment and competitive environment, especially the people's living environment," Prime Minister Nguyen Xuan Phuc stated.

Vietnam probes for new clothing export markets

Last update 12:00 | 26/07/2016

Domestic clothiers, leather and shoemakers have actively begun to seek new markets on the back of sagging shipments to the EU and US economies, says the Vietnam Textile and Apparel Association (VITAS).

“Although the EU and US are important regions for us, we are aggressively exploring new outlets for exports to reduce our dependence on these two economies,” said Vu Duc Giang, chairman of VITAS.

In the fallout from Brexit, we are seeing a particularly hefty drop in the number of orders coming in from EU bloc members, said Mr Giang, which we expect will continue over the near term.

The cause is multi-fold, he said, as a depreciated euro and sterling are making Vietnamese exports more expensive while at the same time making EU produced goods less costly and much more appealing.

Moreover, the decline in consumer confidence in the UK is weakening demand at both the macro and micro level.

Additionally, the preferential tariffs afforded producers in countries like Pakistan, Bangladesh, Laos, Myanmar and Cambodia under the EU ‘Generalized Scheme of Preferences’ makes their products more price attractive to consumers.

Currently, the import tariffs imposed on Vietnamese goods to the EU are nearly 10%, which for all intents and purposes will remain in effect even after the EU-Vietnam free trade region comes into play in mid-2018.

Overly complex rules of origin and yarn forward rules make complying with them cost prohibitive and it is doubtful that any domestic companies will be able to avail themselves of tariff free exports once the new economy is given effect.

Mr Giang cited official figures of the General Statistics Office that show clothing and textile exports in the first half of the year jumped 5.1% when compared to the first half of 2015 to US$10.7 billion.

Notably, said Mr Giang, this is the slowest rate of growth for the six-month period in the past three years.

Even more striking, he said, is that it puts the annual export target for 2016 of US$31 billion out of reach. With orders petering out, it is highly unlikely the shortfall of roughly US$20 billion can be made up in the remaining months of the year.

To make the target, sales would have to double that of the first six months of the year, a feat that just isn’t in the cards, said Mr Giang.

Le Tien Truong, vice chairman of VITAS, in turn underscored the importance of refocusing sales efforts in traditional markets such as the Republic of Korea and Japan and expansion into new markets including Russia and Eastern Europe.

However, he cautions that even the rise in the yen in the aftermath of Brexit could have an adverse impact on Vietnamese domestic exports of clothing and footwear to the Japanese market.

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VN's textile and garment firms at risk of missing export target for 2016

YarnsandFibers News Bureau, 2016-07-25 14:00:00 – Hanoi

Vietnam's garment and textile export value in the first half of this year reached US$12.6 billion, an increase of 4.72 percent over the same period last year, accounting for 41 percent of the sector's annual target for 2016. But the growth in the industry's export value was largely attributed to foreign direct investment (FDI) firms, while local firms had difficulties getting new export contracts, especially orders of shirts, trousers and jackets, said the Việtnam Textile and Apparel Association (VITAS).

At a conference of Việtnam Textile and Apparel Association (VITAS) late last week in Hànội, experts said that local textile and garment enterprises are at risk of missing their export target for 2016 due to reduced competitive ability and lack of export orders.

Trương Văn Cẩm, deputy chairman of VITAS said that Việtnam's currency policy vis-a-vis the US dollar has remained stable, while competitors in textile and garment products such as India, Bangladesh, ASEAN countries and China, have devalued their currencies, increasing their export competitiveness, said

In addition, interest rates on banking loans are high - between 8 and 10 per cent, making capital more expensive for local enterprises.

Other factors impacting the reduced competitive ability are the minimum wage, which has risen an average 26.4 percent per year for local enterprises and 18.1 percent each year for enterprises with foreign investment in the period of 2008-16.

The increases in minimum wage also entail increased payments of insurance and union dues, further burdening enterprises, according to VITAS.
It warned that the lack of export orders could worsen and many small- and medium-sized firms may have to shut down. Therefore, VITAS predicted the industry might earn

only $29 billion from exports this year, down $2 billion from the set target, if the situation does not improve.

To solve those difficulties, VITAS proposed that the Government not increase minimum wage in 2017 and only increase it once every two or three years to create favourable conditions for competition.

Other experts at the conference also urged local textile and garment firms to invest in modern technology for the production of yarn and fabric. High-tech machinery could produce higher quality products, especially fabric for export.

Few local enterprises have invested in the production of yarn, textile and dying because they have large investments in building production and waste water treatment facilities, said Phí Ngọc Trịnh, deputy general director of Hồ Gươm Garment Company.

Local textile and garment enterprises also proposed reducing the frequency and time it takes to check garment materials for customs clearance as a means to increase production and competitiveness.

Many local textile and garment enterprises have also complained about the number of procedures for import and export of textile and garment products. For instance, despite having animal quarantine and origin certificates from exporting countries that are members of CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora.) for fox fur, feathers and bear fur for processing export jackets, local garment enterprises are still required to get import licences according to domestic regulations. The procedure takes six to 10 days, according to the VITAS representative.

Local firms also encounter overlapping procedures when importing cotton for production. They must also get an import licence each time they want to buy printers for producing garment products and the head of the enterprise must have a degree in printing.

Thanh Phong, representative of Thắng Lợi International Investment and Development Company, said that this was unnecessary because printing was a small part of the textile and garment production process.

The Department for Control of Administrative Procedures has collected all the opinions about administrative procedures from textile and garment companies and submitted them to the Prime Minister to seek solutions.

Việt Nam News
THE NATIONAL ENGLISH LANGUAGE DAILY

Textile and garment firms propose wage freeze

Update: July, 25/2016 - 09:00

Workers at Đồng Văn Garment Co in the northern province of Hà Nam. Việt Nam's garment and textile export value in the first half of this year reached US$12.6 billion, an increase of 4.72 per cent over the same period last year. - VNA/VNS Photo Vũ Sinh

HÀ NỘI – Local textile and garment enterprises are at risk of missing their export target for 2016 due to reduced competitive ability and lack of export orders, said experts who spoke at a conference of Việt Nam Textile and Apparel Association (VITAS) late last week in Hà Nội.

Việt Nam's currency policy vis-a-vis the US dollar has remained stable, while competitors in textile and garment products such as India, Bangladesh, ASEAN countries and China, have devalued their currencies, increasing their export competitiveness, said Trương Văn Cẩm, deputy chairman of VITAS.

In addition, interest rates on banking loans are high - between 8 and 10 per cent, making capital more expensive for local enterprises, he said.

Other factors impacting the reduced competitive ability are the minimum wage, which has risen an average 26.4 per cent per year for local enterprises and 18.1 per cent each year for enterprises with foreign investment in the period of 2008-16.

The increases in minimum wage also entail increased payments of insurance and union dues, further burdening enterprises, according to VITAS.

The association reported that Việt Nam's garment and textile export value in the first half of this year reached US$12.6 billion, an increase of 4.72 per cent over the same period last year, accounting for 41 per cent of the sector's annual target for 2016.

The growth in the industry's export value was largely attributed to foreign direct investment (FDI) firms, while local firms had difficulties getting new export contracts, especially orders of shirts, trousers and jackets, said the association.

It warned that the lack of export orders could worsen and many small- and medium-sized firms may have to shut down. Therefore, VITAS predicted the industry might earn only $29 billion from exports this year, down $2 billion from the set target, if the situation does not improve.

To solve those difficulties, VITAS proposed that the Government not increase minimum wage in 2017 and only increase it once every two or three years to create favourable conditions for competition.

Other experts at the conference also urged local textile and garment firms to invest in modern technology for the production of yarn and fabric. High-tech machinery could produce higher quality products, especially fabric for export, reported *cafef.vn* - a local online newspaper.

However, few local enterprises have invested in the production of yarn, textile and dying because they have large investments in building production and waste water treatment facilities, said Phí Ngọc Trịnh, deputy general director of Hồ Gươm Garment Company.

Administration reform

Local textile and garment enterprises also proposed reducing the frequency and time it takes to check garment materials for customs clearance as a means to increase production and competitiveness.

Cẩm said at a recent meeting between VITAS and the Ministry of Justice's Department for Control of Administrative Procedures that many local textile and garment enterprises have complained about the number of procedures for import and export of textile and garment products.

For instance, despite having animal quarantine and origin certificates from exporting countries that are members of CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora.) for fox fur, feathers and bear fur for processing export jackets, local garment enterprises are still required to get import licences according to domestic regulations. The procedure takes six to 10 days, according to the VITAS representative.

The association has asked the Ministry of Agriculture and Rural Development to reduce administrative procedures for quarantine of fox fur, feathers and bear fur if the enterprises have had animal quarantine and certificates of origin of export countries, Cẩm said.

Local firms also encounter overlapping procedures when importing cotton for production, he said. They must also get an import licence each time they want to buy printers for producing garment products and the head of the enterprise must have a degree in printing.

Thanh Phong, representative of Thắng Lợi International Investment and Development Company, said this was unnecessary because printing was a small part of the textile and garment production process.

The Department for Control of Administrative Procedures collected all the opinions about administrative procedures from textile and garment companies and then submitted them to the Prime Minister to seek solutions, said Đỗ Thu Hà, deputy head of the department and also deputy general secretary of the Prime Minister's Advisory Council for Administrative Procedure Reform. - VNS