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Sommaire / Summary

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Turkey denim giant Taypa investing $800m in North Africa

By Michelle Russell | 1 November 2017 Font size Email Print


Taypa has three factories in Turkey

Turkish denim manufacturing giant Taypa Teksil, supplier to brands including Levi's and Calvin Klein, is investing US$800m in what it says will be the largest textile facility in Algeria, in a bid to double production capacity in North Africa and diversify its product offering.

Headquartered in Istanbul, and with facilities in Turkey, Egypt and Algeria, Taypa is one of the largest producers of denim in Turkey, exporting 80% of its production to around 50 countries. It is also setting up a ready-to-wear facility in the Balkans, which it hopes to commission by the end of 2018.

The company hopes to begin construction of its facility in Algeria in 2019. The project will be undertaken in three phases, with completion expected by 2025.

The site, in the Relizane region of Algeria, will be a fully-integrated facility established on an area of 2.5m sq metres, producing a variety of yarns, fabrics and finished product. Annual production capacity is expected to be 30m pieces, 50% of which will be for the Algerian market, and the remainder for the EU and US.

"Algeria has a free trade agreement with EU," says general manager Burak Karaarslan. "It is also extremely favourable in terms of logistics. We will have employed 10,000 persons in the first phase, while the number will reach 25,000 upon the completion of the third phase. In addition to ready-to-wear, our second and third phase investments will also involve productions in the field of hosiery, knitwear, and home textiles. Nowadays, we sell 'speed', instead of product. In the textile industry, buyers started to prefer companies that are able to make swift delivery, instead of focusing on low price."

Taypa's ambition to grow in North Africa have already seen the company invest $20m in ready-to-wear in Egypt in 2010. Its annual production capacity in Egypt currently amounts to 6m pieces, and it predominantly sells products from Egypt to the US market.

As well as its ready-to-wear facility in the Balkans, the company is also planning to open an office in New York at the Turkish Trade Center where it will conduct the marketing for its Egypt operations. An office is also planned for London, which will host marketing as well as departments such as showrooms and a design unit.

Taypa invests around 5% of turnover on innovation, and recently cooperated with fashion designers Emre Erdemoglu and Niyazi Erdogan. Around 21% of the company's turnover is from its own designs but it is hoping to increase that rate to 50% or more.

The firm says it is the sole Turkish supplier with whom Japanese giant Uniqlo works.

"We visit famous brands like Zara, each month, with at least 50 products," says Karaarslan. "Things have changed in our industry. Before, companies were visiting us, asking us to produce their design. Nowadays, it is us who are asked what we design. Pieces from our designs, which obtain approval, appear in the collections of famous brands. We also recently started to work with New Look and Jack Wills. As for the internal market, we exclusively work with Mavi."

The Phnom Penh Post

Workers at the Kin Tai garment for Armani jeans on the outskirts of Phnom Penh in late 2015. Kimberley McCosker

Garment exports to slow

Thu, 26 October 2017

Hor Kimsay and Robin Spiess

Cambodia’s garment and footwear exports will likely see a slower percentage of growth this year at around 5 percent, compared with 7 percent in 2016, a trend that industry insiders dismissed as not being indicative of an overall decline or linked to the current political situation.

Speaking yesterday at the annual Cambodia Textile Summit, Ken Loo, secretary-general of the Garment Manufacturers Association in Cambodia, said that slower growth in the garment and footwear sector was a normal market occurrence as the overall production base increases.

“As your base number gets bigger and bigger, in terms of percentage growth, you cannot expect to grow at the same rate forever,” he said. “So far, the trade [in the garment industry] has not been affected by the current situation yet.”

Despite Loo being unable to release export figures for the first nine months of this year, he did add that 25 new factories had opened in Cambodia this year while 53 had shuttered operations.

While he was generally positive about the industry’s health, he warned that the increase of the minimum wage – going from $153 a month to $170 a month effective January 1 – would cause the Kingdom to gradually lose its competitive advantage as a low-cost destination. He urged the government to help reduce the cost of doing business, warning that manufacturers will soon need to increase productivity to remain competitive in the footloose industry.

“Going forward, with the minimum wage going to $170, more factories will encounter difficulties if the other things don’t change,” he said. “So, we hope that there is a change in productivity, a lowering of cost of doing business, and there will be new government policy that helps us offset the rising labour cost and allows factories to continue to operate."

According to data from the Customs Department, Cambodia exported $7.3 billion worth of apparel and footwear products in 2016, compared to $6.8 billion in 2015. The sector accounts for more than 70 percent of the country's total exports with the vast majority of its products destined for the EU, US and Canada.

Eric Tavernier, CEO of We Group Ltd, a French firm that operates a garment factory in Sihanoukville, explained that the price difference associated with the minimum wage hike was marginally symbolic in a regional sense as productivity remained a paramount concern.

"On the paper monthly salary is 60 percent cheaper in Cambodia compared to China," he said. "But the production speed in Cambodia is only 35 percent compared to 75 percent in China, which at the end of the day only makes Cambodia 30 percent cheaper when efficiency is factored in."

Meanwhile, the latest economic outlook released last week by the International Monetary Fund predicted that the Kingdom's garment sector would grow at a slower pace owing to increased competition from neighbouring countries. However, the IMF said that preferential US trade access for specific travel-related items could help prop up the sector in the near-term.

Enjoy Ho, president of the textile enterprise association at the Chinese Chamber of Commerce in Cambodia, said that the Kingdom's advantages for attracting investment into the garment sector remains its abundance of cheap labour and preferential trade status under the EU's Everything But Arms scheme and duty-free access to the US for travel goods.

However, he opined that the minimum wage hike would surely jeopardise the sector if worker productivity does not increase.

"With the increasing of the minimum wage, we are struggling to keep the same order price compared to previous years," he said. "We have very small survival space."

He said that if the government did not act quickly to decrease the burden on factory owners, whether that is by cutting electricity costs or lowering import and export fees, "factories will definitely close".

The Phnom Penh Post

Shoes on display at a retail store in Phnom Penh. GMAC yesterday submitted a petition seeking duty-free access to the US market for the Kingdom's footwear exports. Pha Lina

GMAC makes run at duty-free access for footwear in the US

Wed, 18 October 2017

Hor Kimsay and Kali Kotoski

The industry body representing Cambodia's garment sector met the deadline to submit a petition to the United States government yesterday asking it to extend the duty-free privileges of its Generalised System of Preferences (GSP) scheme to include footwear, a move that could boost the industry's competiveness by giving local manufacturers an advantage in the world's biggest consumer market.

The petition from the Garment Manufacturers Association in Cambodia (GMAC) comes as the United States is set to discuss both the annual renewal of its GSP scheme by the end of this year and the GSP Footwear Act of 2017, which was introduced to the US House of Representatives in May.

"GMAC strongly believes that this petition would receive positive responses from the US government in consideration of our continuous improvement in working conditions, especially the improvement in wage payment leading to further upgrading of the welfare of our workers," the announcement said.

"If [the bill] is successful, it would tremendously help the Cambodian economy in terms of export growth, new investment and employment for thousands of Cambodians."

The GSP Footwear Act of 2017 proposes broadening the annual renewal of the GSP programme to include footwear for the first time since the trade privilege scheme was introduced in 1976. If passed, the act would allow certain footwear products from selected countries with least developed country (LDC) status to enter the United States duty-free.

However, the bill has yet to gain traction with limited congressional support. Since it was first introduced to the House of Representatives, it has only earned sponsorship from three Democrats and four Republicans in the 435-member House, with no new recorded action since June when it was passed over to the House's Ways and Means Committee. LDCs were given until yesterday to submit petitions to sway support for the bill, which will expire at the end of the year if it is not passed.

GMAC added in its petition that it has been consulting with a Washington-based law firm to help lobby on its behalf, and has received positive feedback that the House Ways and Means Committee and the Senate Finance Committee will renew the overall GSP scheme before it expires on December 31.

However, GMAC acknowledged that the GSP Footwear Act of 2017 would be a tough sell in Washington given that footwear remains a "sensitive industry in US trade policy" and due to the fact that the bill has low priority compared to congressional action on major health care reform and tax reform bills.

Nevertheless, Kaing Monika, deputy secretary-general of GMAC, said the industry body would continue to lobby until the end of this year and throughout 2018 if need be.

"Currently, the US grants GSP to us on many products, but most of these products we are not yet producing," he said, referring to a duty-free list that includes over 5,000 products. "We are still a weak country when it comes to industry as we mainly produce garment and footwear, and these products are excluded from US GSP scheme."

He added that GMAC was encouraged by the bill having received support from the American Apparel and Footwear Association and Outdoor Industry Association.

There are 59 dedicated footwear manufacturers in Cambodia that produced an export value of $700 million last year. However, less than 10 percent went to US buyers while the vast majority went to European and Japanese markets.

Miguel Chanco, lead Asean analyst for the Economist Intelligence Unit, said that if the US did include footwear into its GSP scheme it would help make the economy "slightly more resilient" by reducing the Kingdom's dependence on garment manufacturing. However, he added that Cambodia's political deterioration would likely stop the Kingdom from being included even if the bill were to pass.

"There's really no harm in pushing now, or next year or the year after that," he said. "That said, given the deteriorating political situation in Cambodia, I continue to doubt that these calls will bear any fruit.

"The opposition's lobbying presence in Washington is arguably stronger and I suspect that they will try to convince US lawmakers to hold off on any trade privileges until the government allows for a more genuine democracy," he said.

The Phnom Penh Post

Workers stitch clothes at a garment factory in Sihanoukville's Special Economic Zone.Sahiba Chawdhary

Garment sector torn over wage hike

Thu, 2 November 2017

Robin Spiess

Both the hike in the garment industry minimum wage and the recent political deterioration, perceived as a threat to the future of democracy in Cambodia, have received mixed responses from international businesses operating in the Kingdom's lucrative garment sector. While some of the largest apparel giants sourcing from Cambodia have shown widespread support for the wage increase, smaller companies lament the anticipated loss of profitability and all businesses fear increased political tensions.

The latest minimum wage boost passed last month for garment workers will increase monthly wages from $153 to $170 in 2018, an 11 percent year-on-year increase. But most garment giants seem untroubled by the potential loss of overheads incurred by the salary hike.
Ulrika Isaksson, press officer for Swedish company H&M, said that the brand welcomed the new law, claiming the company is in favour of higher minimum wages to support garment workers.

"We are positive [toward] the raise of the minimum wage and welcome a regular and transparent minimum wage setting process for the Cambodian garment industry," she said in an email.

Rebecca Maund, senior brand and corporate public relations manager of British retailer Debenhams, responded similarly.

"Debenhams is working with a number of global brands, retailers and trade unions to help achieve living wages for workers in Cambodia," she said.

While these corporate giants with their vast resources are responding positively, smaller companies which face less global scrutiny are less optimistic about their future profitability.

Eric Tavernier, CEO of French-based textile firm We Group Ltd, admitted the increase in the minimum wage has made him question continuing operations in Cambodia.

He argued that the new wage law would see the Kingdom lose its edge in an already competitive sector, adding that his factory in China is three times more efficient and his factory in Vietnam has better oversight, shipping and market flexibility than his Cambodian facility.

“We can’t increase prices for our customers, because competition is intense,” he said. “Now, if I place my factory in Cambodia, it’s not cheaper [than setting up a factory in a neighboring country]. I can go to Myanmar or Bangladesh or Vietnam.”

While Tavernier does not have immediate plans to shutter his Cambodian factory, a further increase in political tensions as the national election draws near could see him pull his investment.

“I worry about the next six months, about shootings in the streets and riots. At first I was very scared when I read the political news in Cambodia, but now I think we will just close,” he said. “It’s a big punishment to the country [for factories to shutter operations], and I’m not saying I’m expecting to close my Cambodian factory yet, but I am concerned.”

Tavernier is not alone in his fears, as the actions taken over the last several months by the government have drawn condemnation from businesses and rights groups which believe a financial squeeze could influence the ruling party.

A joint global statement from the Clean Clothes Campaign, Workers Rights Consortium (WRC) and International Labor Rights Forum released last month pleaded with Western apparel giants sourcing from the Kingdom to take a stance against the recent political crackdown.

The statement cited three trends of escalating political repression as grounds for multinational corporations to make a stand in Cambodia. These included the unjustifiable arrest of opposition leader Kem Sokha in September on charges of treason, the forced closure of NGOs and the silencing of independent media outlets preceding a heated election year.
Jessica Champagne, the WRC deputy director for field operations and strategy, said that she had already been in touch with several businesses, but none had yet agreed to take a unified stance against the overall political decline in the Kingdom.

“We are in discussion with a number of the key brands sourcing from Cambodia,” she wrote in an email. “We hope that they will send a clear message calling on the Cambodian government to fully respect human rights and workers’ rights.”

Globalised apparel companies have been making moves to raise human rights standards in the garment industry for years through organisations like the Ethical Trading Initiative (ETI) and the International Labour Organization’s Better Factories Cambodia programme.

However, these businesses are not known to engage in politics outside their sector of operations.

While ETI’s Executive Director Peter McAllister said he believes overall political stability is important for investment in Cambodia, none of the goals pushed forward by the organisation have tackled brewing political uncertainties raised by the WRC.

“It is important to allow NGOs, trade unions and other civic institutions to operate freely and effectively so that they can make a positive contribution to the wider business environment,” he said.

Individual firms from ETI’s 17 members in Cambodia have voiced alarm over the political climate.

“We’re deeply concerned by the ongoing political situation in Cambodia,” said Gap Inc representative Laura Wilkinson.

Katrin Ehrenberg, communication specialist for global apparel company C&A, said that the political climate could force the brand to source elsewhere.

“It is certainly an option to move production out of Cambodia if the current situation does not improve,” Ehrenberg said. “Our main aim is to continue working in the country, but we are extremely worried about the actions taken by the government.”

The Cambodian government threatens labour rights

But textile workers find an unlikely ally against state repression

Print edition | Business

Oct 26th 2017| PHNOM PENH

AT THE Gladpeer Garments Factory outside Phnom Penh, Cambodia’s capital, seamstresses, dyers and embroiderers huddle over rows of work stations. It is a hard slog. But at least they can count on labour representatives to ensure they get a proper break. About four-fifths of the factory’s 4,800 employees belong to a union, reports Albert Tan, the general manager. Many in his position distrust organised labour. Mr Tan sounds positively proud. So is H&M, a giant Swedish fashion chain that is Gladpeer’s biggest customer. Like other Western brands that cater to increasingly ethical consumers, the Swedes are therefore nervously watching Cambodia’s autocratic government squeeze workers ahead of a general election next year.

With annual revenues of $5bn, the Cambodian apparel industry is dwarfed by those of Bangladesh or Vietnam. But it has been growing fast. In a country of 16m, it already employs around 700,000 people and accounts for four-fifths of exports. It supplies international brands with everything from chic T-shirts to racy nightwear.

Between 2007 and 2014 the government kept monthly wages at $45. It has gradually let them rise to $153 since then, but only after angry textile workers took to the streets. They will go up again in January, to $170. But with rising living costs, labour groups reckon it ought to be $224.

Such demands worry the government, fearful of losing fleet-footed apparel-makers to even cheaper destinations like Myanmar or Ethiopia. Adding to the tense atmosphere is Cambodia’s looming election. The prime minister, Hun Sen, in power since 1985, is all but guaranteed to win after another nasty campaign of repression. But many Cambodians—and foreign bosses—fear a repeat of the protests seven years ago, which turned bloody after a sham poll and a measly wage rise.

This time the government decided to quash dissent pre-emptively. In the past 18 months it has rammed through new laws to stifle independent labour movements. It has become harder to register unions, and only those approved by the government can represent their members in the most important disputes. Another proposed law would see labour cases handled by newly created labour courts, rather than special councils as happens now. The councillors are government appointees, but have earned respect for their efforts to ground rulings in law; unions and activists prefer them to judges and prosecutors, who are regarded as less independent and more arbitrary.

All this hits garment workers hard; theirs is the country’s biggest industry, and heavily unionised. It also troubles international apparel firms. “The government is taking all the predictability out of the business,” says Sarah Hopkins, a manager in Cambodia for H&M. Rival brands such as Gap, H&M and Zara (owned by Spain’s Inditex) have jointly lobbied the government to relax its tightening grip of labour. Most say they are trying to improve conditions at suppliers’ factories through strict standards and unannounced inspections. Some employers provide workers with health care, free eye checks, even libraries.

Not everyone is as scrupulous. The manager of a Cambodian knitwear factory confesses that its Hong-Kongese owner just wants business “to go smooth”. And Mr Hun Sen has turned more anti-Western after an old video emerged in which the opposition leader says he took American advice on how best to run a party (he awaits trial on treason charges).

Activists point out that, if the fashion titans wanted to help in a big way, they should cut out the middlemen by acquiring the sewing mills and turning them into subsidiaries. But such investments are unappealing to modern firms, which focus on design rather than production. In the meantime, no one will add capacity until after the election, reckons Ken Loo, head of the Garment Manufacturers Association in Cambodia, an industry body. Undermining workers' rights, Mr Hun Sen may find, is no longer the best way to woo foreign business.

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China Shuts Down Tens Of Thousands Of Factories In Unprecedented Pollution Crackdown

October 23, 20174:52 AM ET

ROB SCHMITZ

A woman wearing a face mask walks on a street as Beijing is hit by polluted air and sandstorms on May 4. *Andy Wong/AP*

In the gritty industrial town of Yiwu, workers prepare jeans to be dyed in a vivid range of colors. Two months ago, this factory — and this entire city, located in China's eastern province of Zhejiang — was a much quieter place. Inspection crews from the environmental bureau had shut businesses down, cutting electricity and gas so that they could determine who was following China's environmental laws and who wasn't.

The boss of this factory, who asked that his name not be used for fear of punishment by local officials, says he's never seen anything like it.

"It had a big impact on our business," he says. "We couldn't make the delivery date since we [were] shut down. It's not just our factory. All the factories out here had this issue."

This is happening across the country: Entire industrial regions of China are being temporarily shut down, and the unusual sight of blue skies is reappearing as environmental inspectors go about their work. After decades of doing little about the pollution that has plagued much of the country, China's government may be finally getting serious about enforcing its environmental laws.

"So, basically, you're seeing these inspectors go into factories for surprise inspections," says Gary Huang, founder of 80/20 Sourcing, which connects foreign clients with China's supply chain. "They're instituting daily fines, and sometimes — in the real severe cases — criminal enforcement. People are getting put in jail."

In the past year, China's Ministry of Environment has sent inspectors to 30 provinces, where they've reprimanded, fined, or charged officials in more than 80,000 factories with criminal offenses. Entire swaths of Eastern China have halted production, prompting some companies to move entire supply chains to countries like India and Bangladesh to meet their orders.

"It's a huge event. It's a serious event. I think many of us here believe it will become the new normal," says Michael Crotty, president of MKT & Associates, a company that exports textiles from China. Crotty says in his nearly two decades in China, he's never seen a crackdown of this magnitude. "The consumers of China don't want red and blue rivers. They don't want to see gray skies every day."

China's crackdown reminds Crotty of 1970s America after the Clean Water Act was passed.

"At that time, we in the textile business saw many dyeing and printing houses shut down because they couldn't comply with the regulations. We're seeing a similar process taking place here in China, and it's much, much bigger. The disruption is larger," he says.

Crotty's colleague Archie Liu, general manager of MKT & Associates, estimates that 40 percent of China's factories have been at least temporarily shut down in the latest spate of inspections. He says that's a good thing.

"After all, factories will be better, more sustainable, and more socially responsible after being inspected," he says. "It's better for our supply chain. Then we can tell Walmart, Costco, and other retailers of ours that we're qualified and that everything we make for Americans are environmentally friendly."

After a quarter century of living in China, Shanghai environmental lawyer Peter Corne is gleefully celebrating the new environmental crackdown.

"This is better than a 100-percent pay raise for me," says Corne, managing partner at Dorsey & Whitney's Shanghai office. "I was just dreaming about it. I never thought it would come true."

Corne says what's most promising about this new enforcement are the new fees that are being imposed when factories, whose emissions are now monitored in real time, discharge more than the law allows.

"The implementation will be totally different," Corne says. "It won't be the environmental bureau that's implementing anymore. They'll just be monitoring. It will be the tax bureau that's implementing it."

This is crucial, says Corne, because China's tax bureaus are powerful entities backed up by rigorous laws that, when violated, are typically met with aggressive local enforcement. Corne's confident the economic hit will be temporary as companies that specialize in clean tech get a boost from so many factories now being forced to comply with much stricter laws.

But in the short term, that's little consolation for businessmen like Michael Crotty.

"So, short-term, the disruptions are pretty significant, and the timing, quite frankly, is difficult," Crotty says.

Difficult, because these shutdowns have impacted supply chains producing goods for the upcoming Christmas season in the U.S. Crotty thinks Americans will see an increase in prices on the shelves this holiday season due to the breadth of China's factory shutdowns.

But, he says, it's a small price to pay for a cleaner China.

Yuhan Xu contributed research to this story.

Coton: l'abondance de la récolte américaine pèse sur les cours

20/10/2017 | 18:14

NEW YORK (awp/afp) - Les cours du coton échangé à New York ont baissé cette semaine alors que la récolte de fibre blanche avance sans encombre majeure aux Etats-Unis.

"L'offre foisonnante pèse sur les prix", assurent les analystes de Commerzbank. Selon le département américain de l'Agriculture, 31% du coton était ramassé au 15 octobre, contre 26% habituellement à cette période de l'année.

La proportion du coton considéré comme bon à excellent était parallèlement de 58%, contre 47% l'an dernier. La qualité de la fibre blanche s'est toutefois un peu dégradée par rapport à la semaine précédente.

"La météo s'est montrée propice ces derniers temps à la maturation du coton et au ramassage", relève Jack Scoville de Price Futures Group. Mais les ouragans "ont un peu affecté la production".

Petite zone d'ombre selon les analystes de Plexus Cotton: la récolte est un peu en retard dans l'ouest du Texas, où les producteurs espèrent avoir suffisamment de journées chaudes entre deux fronts froids pour terminer la moisson.

"Il y reste des inquiétudes sur les rendements et la maturité de la fibre et on en saura pas plus que quand les ramasseurs de coton seront dans les champs", indiquent-ils.

L'annonce de chiffres encourageants sur les commandes de l'étranger la semaine dernière, les Etats-Unis ayant vendu 279.500 balles de coton, n'a pas suffi à soutenir les prix.

"Les exportations en tant que telles doivent s'améliorer", estime Louis Rose de Rose Commodity Group alors que seulement 91.800 balles de coton ont été envoyées à l'étranger.

Pour les analystes de Plexus Cotton, les exportations devraient toutefois se redresser au fil et à mesure de l'avancée de la récolte de coton.

De façon générale estiment-ils, "la tendance la plus probable à moyen terme est à la baisse" à moins d'un "problème de dernière minute dans l'ouest du Texas ou en Inde".

La livre de coton pour livraison en décembre, le contrat le plus actif sur l'Intercontinental Exchange (ICE), a terminé vendredi à 66,88 cents contre 68,62 cents à la clôture il y a une semaine (-2,54%).

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 à 77,85 dollars les 100 livres jeudi, contre 78,70 dollars une semaine plus tôt (-1,08%).

Cotton stocks accumulating everywhere outside of China

18

Oct '17

Global cotton stocks outside of China are expected to rise by nearly 12 million bales to a record 53 million bales in 2017-18 season, predicts the US department of agriculture (USDA). Despite a relatively strong forecast of 3.8 per cent increase in global cotton use, a 15 percent expansion in production will outpace demand, increasing global stocks.

"China's cotton import policy remains a major wildcard. Despite market rumours of possible increased import access, there has been no official indication of any change in the import policy. Therefore, 2017-18 imports are forecast at a similar level to last season," states October 2017 report on cotton released by the Foreign Agricultural Service of the USDA.

While the additional cotton stocks will be spread across nearly all markets, the exact burden will vary substantially. Major exporters will bear the brunt of the burden of high stocks, with Central Asia, Africa, the Southern Hemisphere, and the US all forecast to have stock levels well above recent averages.

In South Asia, cotton stocks are projected to grow as production increases three times as much as the region's growth in use. Stocks throughout the region will be at unusually high levels, particularly in India, the major exporter. "If Bangladesh is able to repeat past peak growth rates, it could reduce some of these stocks; however, USDA's forecast already assumes a relatively high growth rate for use and is unchanged this month," the report states.

Cotton stocks-to-use ratios will be above recent levels even in import-dependent regions such as Southeast Asia. As exporters work aggressively to reduce burdensome stock levels, buyers have opportunities to procure cotton at competitive prices, resulting in some of the increased global stocks being held in mills, warehouses, and other destination-country sites, according to the report. (RKS)

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Chairman of the Industrial Development Authority Ahmed Abdel Razek – File Photo

China to invest $753M to build industrial zone in Egypt

By: Egypt Today staff

Wed, Oct. 25, 2017

CAIRO – 25 October 2017: The Egyptian-Chinese Joint Company is planning to build an industrial zone for textile industries worth 5 billion Chinese yuan ($753 million) on an area of 2 million square meters, Chairman of the Industrial Development Authority Ahmed Abdel Razek stated on Wednesday.

During a meeting with a Chinese industrial delegation that included 25 major companies specialized in the textile industry, Abdel Razek stated that this Chinese industrial zone will provide 90,000 job opportunities for youth.

The two parties will continue discussions in this meeting to develop a vision of the project and to start the implementation steps as soon as possible.

The Chinese have demanded to divide this zone into industrial, residential and service areas to serve as an integrated industrial city.

The Chinese preferred at the beginning to implement the project in 10th of Ramadan City, as it’s very close to Cairo ports and the Delta, but due to limited land available in the proposed land site, they were recommended to build it in the Quota industrial area in Fayoum.

Abdel Razek also said that the industrial area is specialized in producing textiles, dyeing, ready-made garments, printing and embroidery. It will also cover the textile production industry.

Egypt's Duty-Free Apparel Production Making a Comeback After Years of Political Turmoil

By Deborah Belgum | Thursday, October 19, 2017

As President Trump starts whittling away at the various free-trade agreements the United States has with different countries, Egypt is revving up its promotion of its special industrial zones where apparel can be made and exported duty-free to the United States.

Known as Qualifying Industrial Zones, these designated areas have been manufacturing clothing for more than a decade for some big-name U.S. companies since Egypt started production in the zones in 2005.

One advantage for U.S. manufacturers looking to produce in these special areas is that there is not a yarn-forward or fabric-forward stipulation as in other free-trade agreements—meaning the yarn and fabric do not have to be made in the region to recieve duty-free benefits.

Instead, special requirements are that 10.5 percent of the product's value must come from Israel, such as the zippers, buttons, fabric, trim or packaging material.

And at least 35 percent of the value of a product must have local input (24.5 percent Egyptian and 10.5 percent Israeli). The 35 percent minimum content can include costs incurred in Israel, Egypt or the U.S.

The U.S. Trade Representative first set up these industrial zones in the Middle East in 1996 to promote better cooperation and economic ties between Egypt, Jordan and Israel. "The importance of the QIZs is that it is a political program that is strongly supported by the United States, Israel and Egypt," said Ashraf El Rabiey, who manages the industrial zones in Egypt. He was speaking along with other Egyptian apparel and textile industry experts at a recent webinar organized by the **U.S. Fashion Industry Association** in Washington, D.C.

Jordan was the first to use these zones with its factories set up along the border to partner with operations in Israel. Many of the factories had Asian investment and guest workers from primarily Asian countries. For four years, the program made up about 30 percent of Jordan's total GDP growth.

Then, in 2010, a free-trade agreement between Jordan and the United States went into effect, meaning the duty-free status for products was available throughout all of Jordan. However, apparel from these zones continues to be manufactured.

Since launching its industrial zones, Egypt has seen several major U.S. companies—such as **Levi Strauss & Co.**, **Walmart**, **Phillips-Van Heusen**, **Gap Inc.**, **Nike** and **JC Penney**—produce there.
Top items made in the 15 special zones set up around Cairo, Alexandria and other areas are pants, T-shirts, shorts, tank tops, shirts, underwear, jackets and towels.

In recent years, El Rabiey said, more flexibility has been added to the program. “Not every shipment has to have an Israeli 10.5 percent content. If you bring in 10.5 percent in Israeli goods per quarter, that qualifies. So you can send some shipments with no Israeli content and other shipments with more,” he said.

When the zones were first established, many companies experienced double-digit growth in export sales, but then in 2011 the Arab Spring brought protests, riots and coups to the region. Between 2011 and 2016, production fell in those zones until this year. “Since January 2017, exports are coming back up,” El Rabiey said. “The first nine months, they jumped 9 percent.”

Waleed El-Zorba, managing director for **Nile Holding Co.**, which owns several textile companies, said Egypt has a number of advantages as a clothing and textile maker.
First, spinning and weaving of textiles has been around since the days of the pharaohs. Egypt grows some of the best long-staple and extra-long-staple cotton in the world, used in high-end clothing, towels and sheets.

The Ottoman ruler Mohammed Ali, who is considered the father of modern Egypt, rose to power in 1805, and the textile industry grew quickly under his reign. In the early 1800s, he set up 29 textile factories in upper and lower Egypt to clothe his armies for his war against the Ottoman Caliphate. Machinery was imported from Europe to make textiles and clothing made of cotton, silk and linen.

Today, Egypt has more than 1,500 garment factories and 1.5 million textile and garment workers. “There is a high level of quality to the Egyptian product,” El-Zorba said. “We have strong laundries in Egypt to achieve a high level of fashion washes that are in demand.”

The average monthly salary for a skilled worker is $110, and electricity costs are around 3.5 cents to 4 cents a kilowatt-hour compared to three to four times that amount in the United States. It takes about 12 days to ship a container of clothing from Egypt to New York, and the lead time for a woven garment is 75 to 120 days.

The longer lead time for woven garments is because Egypt sources much of its fabric from international mills. But El-Zorba said the industry is trying to change that. “We are seeking verticality in Egypt,” he said. “That is a big project we are taking on in the industry.”

Africa: 'Country Has Become Africa's Investment Hub for Textile and Garment Industry'

INTERVIEW By Bilal Derso

*Ethiopia's non-oil driven rapid economic growth, which has got recognition by international financial institutions is attracting more Foreign Direct Investment (FDI) to the country. The government's massive infrastructural development projects such as industrial parks, roads, railways, airway, electricity and telecommunications are also widely believed to be major factors in drawing FDI. In an exclusive interview with **The Ethiopian Herald**, **Ethiopian Investment Commission Commissioner Fistum Arega** said Ethiopia has become Africa's investment hub for textile and garment industry supported by its aggressive development and expansion of industrial parks. The Commissioner further noted that considerable investments have been gained during the State of Emergency and flow of FDI was not seriously affected by the past unrest.* Excerpts:

How do you describe Ethiopia's performance in attracting FDI in the 2016/17 fiscal year?

Ethiopia has attained significant investments during the last fiscal year and it has obtained 4.18 billion USD from FDI. The amount has exceeded what was gained in the previous year by over 900 million USD and hitting 93 percent of the plan.

Seeing how last year Ethiopia was challenged by an El Niño induced drought and unrest in some parts of the country, the success is worth admiration. In this regard, the country's viable investment policy and foreign investors' trust on government's capability to maintain peace and order are the major factors for the result.

Looking at the performance of each sector, the manufacturing sector in general and the textile and garment industry in particular had better achievements in attracting FDI in the last fiscal year. This is due to the fact that Hawassa Industrial Park, which is set to involve in exporting high- quality products to international markets lured major textile companies across the globe and more investments are coming into other parks including Bole Lemi I, Kombolcha and Mekele.

Furthermore, Adama I and Dire Dawa I industrial parks, whose construction is set to be completed very soon are expected to specialize in the textile and garment industries. As a result of this, Ethiopia has become the second largest destination for textile and garment industries next to Vietnam and Africa's investment hub.

The Commission is working to benefit from the huge industrial parks developments and utilize the abundant labor force to enhance country's competitiveness to attract more FDI in the sector.

Would you tell us where the investors come and their focus areas?
The majorities of the companies are engaged in the manufacturing sector, particularly in the textile and garment industry and they are primarily came from Asia. China and India taking the lead as they are among the world's largest textile and garment producers and exporters. This does not mean that Ethiopia's industrial parks are solely occupied by few countries. If we look at Hawassa Industrial Park, currently companies from Spain, Sri Lanka, Indonesia, USA, Taiwan and France have been involved alongside the Chinese and Indian firms.

How do you describe the contribution of these investment projects in bringing foreign currency and enhancing technology and knowledge transfer?
In its endeavor to attract FDI, the Commission is identifying three major goals such as bolstering foreign currency earnings, providing jobs and creating knowledge and technology transfer. Foreign-owned companies in the industrial parks are set to fully engaged in exporting high-end products to the international markets thereby boosting the country's foreign currency earnings. The investment projects are also contributing to transfer of knowledge and technology and would enable Ethiopian employees to acquire the desired skill in the process. We encourage companies to invest in labor-intensive projects including textile and garment that would provide massive job opportunities for the youth with a particular emphasis to females. The fact that women consist up to 80-85 percent of jobs in the textile and garment industry and floricultural sector shows that the country is in the right track in terms of ensuring women's economic participation and benefit and consolidating the feminization of workplaces.

How do you evaluate the role of Ethiopia's diplomatic missions in attracting FDI?
Our missions abroad are partnering with relevant bodies to promote Ethiopia's investment opportunities to potential stakeholders and encouraging them to invest in the country. The missions have also been instrumental in seeking new markets and consolidating the existing ones.

What is Commission's plan for the 2017/18 fiscal year?
We have set a target to obtain 4.5 billion USD from FDI in the current fiscal year taking advantage of the huge industrial parks development and encouraging the private sector's involvement in the endeavor. The Commission is working to attract foreign companies to the existing industrial parks and inspiring them to get involved in the parks' development and expansion activities. As a result, we have seen significant outcomes in that a Chinese company with an estimated investment capital of one billon USD seized plot in the nearly-completed Adama I Industrial Park and an Italian firm picked up land for factory in the Kombolcha Industrial Park.

The government has been paying due attention to keep this momentum going, and has been providing export incentives, customs duty exemption, income tax holidays and land in competitive lease price for foreign investors and encouraging them to build new industrial parks.

Our branch offices in the industrial parks are working in concert with various stakeholders in providing land, electricity, water and other amenities for investors.

Through one-stop-shop service, the Commission's offices have also been facilitating conditions for foreign investors to obtain visas, work permits and other licenses.

Furthermore, Ethiopia has been made periodical investment policy amendments and massive infrastructural developments that would enhance its global competitiveness in luring FDI.

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European chains 'profit on back of Syrian refugees in Turkish factories'

Reuters | **Published** — Saturday 4 November 2017

Syrian refugee boys seen working at a small textile factory in Gaziantep, Turkey, in this July 2016 file photo. (Reuters)

LONDON: Some of Europe's biggest stores are failing to stem the abuse of Syrian refugees who work in the Turkish factories that supply their clothes, a business pressure group said on Friday.

The Business and Human Rights Resource Center (BHRRC) called on the worst offenders — from fashion icon Topshop to discounter Aldi — to better protect refugee workers who have fled war only to suffer workplace exploitation in their new home. Low wages, discrimination and poor conditions are common for Syrian refugees working in Turkey's multibillion-dollar garment industry, where child labor is also a problem, said the BHRRC.

"Some high street fashion brands ... have made progress in protecting workers, but too many, like Aldi, Asda and Topshop, are lagging way behind," Phil Bloomer, executive director of the BHRRC, said in a statement.
"They should learn from the leaders, and quickly."

The Britain-based charity surveyed 37 major European brands with Turkish factories in their supply chains on the policies and practices undertaken to tackle the abuse of workers.

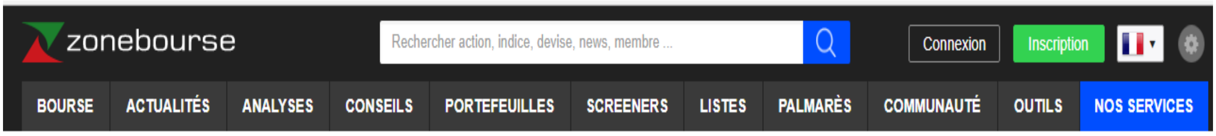
Companies including supermarket chains Aldi and Asda and fashion retailer Arcadia — which owns the Topshop, Dorothy Perkins and Miss Selfridge brands — are not doing enough to stop the exploitation, the BHRRC survey found.
ASOS, New Look, Next, SuperDry and Zara were the top ranking brands in the survey; Asda and Arcadia came bottom. Six companies, including Mexx and River Island, failed to respond.

The charity said more brands had boosted efforts to clean up their supply chains compared to last year, with the top performers establishing plans to protect refugees, mechanisms to handle complaints, and initiating dialogue with workers' groups.
More than 3 million Syrian refugees — about half aged under 18 — have fled to Turkey to escape a war that erupted in 2011.
About 650,000 are estimated to be working in Turkey, many in the garment industry, yet most lack work permits, leaving them at greater risk of abuse, the BHRRC said.

A Reuters investigation last year found evidence of Syrian refugee children in Turkey working in clothes factories in illegal conditions. Turkey bans children under 15 from working.
“The Syrian refugee crisis poses a complex challenge for retailers sourcing garments from Turkey,” said Peter McAllister, head of the Ethical Trading Initiative, an alliance of trade unions, firms and charities promoting workers' rights.
“Refugees are particularly vulnerable to exploitation,” he told the Thomson Reuters Foundation. “More needs to be done, but we are confident our member companies are taking it seriously.”
A spokesman for Walmart, which owns Asda, said the company was exploring how to address the risks to vulnerable workers in its global supply chain, with a focus on ethical recruitment.
The British Retail Consortium, which counts Aldi among its members, said more needed to be done to prevent exploitation.

The chairman of the Istanbul Apparel Exporters' Association, which represents three-quarters of Turkey's clothing exporters, said Syrian refugee workers holding work permits were protected by the country's “very strict laws” on working regulations.
“Portraying a few exceptional cases that could happen even in the most developed countries around the world as Turkey's reality is not befitting of fairness and good intentions,” Hikmet Tanriverdi said in a statement on Friday.
Topshop declined to comment on the BHRRC survey, Arcadia did not respond to requests for comment, and Mexx and River Island could not be reached.

— REUTERS



Lectra : Les fabricants d'airbags OPW améliorent leur rentabilité avec un gain potentiel de 20 % de productivité grâce à la nouvelle solution de découpe d'airbags de Lectra

24/10/2017 | 18:07

Les fabricants d'airbags OPW améliorent leur rentabilité avec un gain potentiel de 20 % de productivité grâce à la nouvelle solution de découpe d'airbags de Lectra

FocusQuantum® OPW 3K, accélère la production afin de réduire encore plus le coût de découpe par sac

Paris, le 24 octobre 2017 - Lectra, numéro un mondial des solutions technologiques intégrées pour les industries utilisatrices de tissus, cuir, textiles techniques et matériaux composites, permet aux fabricants d'airbags one-piece woven (OPW) d'accroître sensiblement leur productivité et leur bénéfice net avec le lancement de FocusQuantum® OPW 3K, sa nouvelle solution de découpe laser d'airbags.

Lancée en décembre 2015 et déjà déployée chez de grands fournisseurs mondiaux d'airbags dont Global Safety Textiles, HMT, Kolon et Sumisho Airbag Systems, la solution pionnière FocusQuantum OPW de Lectra permet d'obtenir une qualité proche du zéro défaut, tout en réduisant le coût unitaire de production. S'appuyant sur son engagement constant dans la recherche et le développement et sa vaste expérience dans le secteur des airbags - plus de trois airbags sur cinq dans le monde sont découpés par les équipements Lectra - FocusQuantum OPW 3K apporte toujours plus de valeur aux fabricants d'airbags.

La découpe laser des airbags est une opération de haute précision qui s'appuie sur l'automatisation pour perfectionner les techniques de production. Grâce à des avancées techniques et logicielles majeures, FocusQuantum OPW 3K permet aux fabricants d'airbags d'augmenter significativement leur production sans compromettre les standards de sécurité élevés imposés à ces dispositifs qui sauvent des vies.

FocusQuantum OPW 3K intègre une nouvelle fonctionnalité innovante, le Dynamic Laser Trajectory Management, qui contrôle le fonctionnement des deux sources lasers de 1.5 kW. Elle permet, via la découpe à la volée, de réduire les temps d'arrêt et les ralentissements, mais aussi d'optimiser automatiquement la découpe lorsque ses deux têtes opèrent simultanément. Les tracés plus petits, comme des perforations ou des entailles, sont désormais découpés 25 % plus rapidement, contribuant ainsi à améliorer la vitesse globale de découpe - un facteur qui génère un gain de productivité jusqu'à 20 %, et, en conséquence, une réduction de plus ou moins 15 % du coût de découpe par sac.

Mis en œuvre avec FocusQuantum Suite, suite logicielle ultra-performante de préparation de la découpe, FocusQuantum OPW 3K permet aux industriels d'adapter en temps réel la découpe laser aux déformations éventuelles du tissu grâce à SmartCutting. Cette technologie garantit le plus haut niveau de qualité possible tout en économisant de la matière.

« La production annuelle de véhicules légers devrait atteindre 108 millions d'unités dans le monde d'ici 10 ans, avec une moyenne de quatre airbags par véhicule », observe Céline Choussy Bedouet, directrice marketing et communication, Lectra. « Une grande partie de la croissance viendra des pays émergents, qui commencent à rendre obligatoires les protections latérales. La croissance de la demande d'airbags OPW va inciter les fabricants à déployer des capacités de production capables de préserver leur compétitivité ».

A propos de Lectra

Lectra est le numéro un mondial des solutions technologiques intégrées (logiciels, équipements de découpe automatique et services associés), dédiées aux entreprises qui utilisent des tissus, du cuir, des textiles techniques et des matériaux composites dans la fabrication de leurs produits. Elle s'adresse à de grands marchés mondiaux : la mode et l'habillement, l'automobile, l'ameublement, ainsi qu'une grande variété d'autres industries. Ses solutions métiers spécifiques à chaque marché permettent d'automatiser et d'optimiser la création, le développement des produits et leur production. Forte de plus de 1 600 collaborateurs, Lectra a développé dans plus de 100 pays des relations privilégiées avec des clients prestigieux en contribuant à leur excellence opérationnelle. Lectra a réalisé un chiffre d'affaires de € 260 millions en 2016 et est cotée sur Euronext.

Pour de plus amples informations, visitez notre site www.lectra.com

Le japonais Uniqlo impose son vestiaire partout en France

Après Lyon, l'enseigne d'habillement inaugure des magasins à Metz et à Paris.

LE MONDE ECONOMIE | 28.10.2017 à 08h46 | Par Juliette Garnier

Uniqlo entame une série d'ouvertures en France. L'enseigne japonaise d'habillement inaugurera, jeudi 2 novembre, un nouveau point de vente, à Paris, au sein du grand magasin Printemps, récemment rénové, place de la Nation, dans le 20e arrondissement. Il occupera 840 m². A la fin novembre, Uniqlo s'installera aussi dans la ville de Metz (Moselle), au sein du centre commercial Muse. Ce magasin-là sera plus grand encore (925 m²) pour présenter tous les jeans, chemises, doudounes et autres tee-shirts manga que la marque vend à petits prix, grâce à une production à moindre coût en Asie.

Ces deux inaugurations — l'une à Paris, l'autre en province — illustrent la nouvelle offensive de la chaîne japonaise de mode dans l'Hexagone. Dix ans après son entrée en Ile-de-France, à la Défense, dans les Hauts-de-Seine, Uniqlo accélère, pour convertir le plus grand nombre de Français à sa mode de pulls de couleurs et de jeans pour hommes, femmes et enfants. Tout passera par l'ouverture de nouveaux magasins et l'accélération de la vente en ligne, explique Hidenori Nishino,

directeur général d'Uniqlo en France. Car, dans les agglomérations françaises où l'enseigne n'est pas présente, le numérique peut être un palliatif ou un laboratoire, pour estimer le potentiel d'une grande surface avec pignon sur rue.
La France fait partie des priorités du numéro trois mondial de l'habillement, derrière l'espagnol Inditex, propriétaire de Zara, et le suédois H&M. Avec des ventes qui ont atteint 13,9 milliards d'euros pour l'exercice 2016-2017, clos fin août, soutenues par un bond de 8,1 % à l'étranger, le groupe a l'ambition d'ouvrir 180 magasins dans le monde, dont une centaine en Chine, en 2018. A cette date, sa maison mère, Fast Retailing, présente dans 18 pays, devrait réaliser la majorité de son chiffre d'affaires à l'étranger. La holding espère alors exploiter 3 502 points de vente, dont 1 246 Uniqlo à l'étranger et 831 au Japon.

THE CONVERSATION
L'expertise universitaire, l'exigence journalistique

Le coton génétiquement modifié a profité à l'Inde

15 octobre 2017,

Auteur

1. Georges Pelletier
Directeur de Recherche honoraire en génétique végétale, INRA

Georges Pelletier est membre de l' Association Française des Biotechnologies Végétales (AFBV) Directeur de recherche honoraire de l'Institut National de Recherche Agronomique (INRA) Membre de l'Académie des sciences Membre de l'Académie d'Agriculture de France

Moissonnage industriel d'un champ de coton

Le coton, matière première agricole non alimentaire, est fort consommateur d'eau et de produits chimiques. En effet, sa production dépend de la vigueur de la plante et de l'intégrité du fruit : une capsule où se forment les graines qui sont récoltées avec leurs excroissances de fibres de cellulose.

De nombreux insectes se nourrissent du cotonnier mais les ravageurs les plus importants sont des lépidoptères comme le ver du cotonnier *Spodoptera litura* qui attaque les feuilles et les fruits et la noctuelle de la tomate *Helicoverpa armigera* ou le ver rose du cotonnier *Pectinophora gossypiella* dont les chenilles perforent les fruits.
Aussi, il y a une trentaine d'années, cette culture était la plus grosse consommatrice d'insecticides : 25 % de la production mondiale de matières actives alors que le cotonnier, avec 34 millions d'hectares (ha) en 1992-1993 n'occupait que 2,5 % environ des surfaces cultivées.

Insectes résistants, producteurs au bord du gouffre

Les applications de fortes doses d'insecticides hautement toxiques n'ont pas suffi à obtenir des récoltes correctes : de lourdes infestations d'insectes nuisibles ont fait baisser les rendements mondiaux. Des précipitations irrégulières ont aggravé le problème. Les conséquences ont été dramatiques, notamment en Inde : les cultivateurs de cotonnier extrêmement endettés des États d'Andra Pradesh et du Warangal sont victimes en 1997 et 1998, d'une vague tragique de suicides, respectivement 400 et 600 morts.

Les insecticides érodent la marge des producteurs, les ravageurs sont devenus résistants aux traitements, alors que leurs prédateurs naturels insectes continuent d'être éliminés, privant même les fermiers d'un certain niveau de contrôle biologique naturel. Alors que les cotonniers transgéniques *Bt* ne sont pas encore cultivés, certains anticipent déjà la campagne médiatique qui attribuera les suicides ultérieurs des paysans indiens à la culture des OGM, campagne menée en particulier par Vandana Shiva, opposante charismatique aux technologies.

Cotonniers transgéniques

La bactérie du sol *Bacillus thuringiensis* fut découverte au début du XX^e^ siècle suite à des ravages qu'elle produisit dans des élevages de ver à soie au Japon. Il existe de nombreuses souches qui produisent différentes protéines (protéines Bt), toxiques spécifiquement pour des lépidoptères, d'autres pour des coléoptères, d'autres pour des diptères. Des préparations de spores obtenues par culture de ces bactéries et riches en protéines Bt sont commercialisées et utilisées en lutte biologique contre les chenilles depuis les années 1960.
La modification génétique du coton a consisté en l'insertion dans le génome des cotonniers des gènes responsables de la production des protéines Bt. Ils ont été cultivés en Inde pour la première fois en 2002, sur une surface réduite de 50 000 ha, alors que la surface totale dévolue à cette culture était de 8,4 millions d'ha. La culture des cotonniers Bt progressa très rapidement : 100 000 ha en 2003, 500 000 en 2004, 1,3 million en 2005, 3,8 millions en 2006, 6,5 millions en 2007…

En 2011-2012, 7,2 millions de fermiers cultivaient des cotonniers Bt sur 91 % de la surface totale de 12,2 millions d'ha. Le taux d'adoption était de 96 % en 2016. Les autres grands pays producteurs de coton ont également choisi le coton génétiquement modifié, avec 95 % des surfaces en Chine ; 97 % au Pakistan ; 93 % aux États-Unis en variétés Bt en 2016. La proportion mondiale dépasse les 60 %.

Plus d'OGM, moins de pesticides

L'introduction du cotonnier Bt a conduit à une progression simultanée de l'utilisation des variétés hybrides, elles-mêmes améliorées pour le rendement et dans lesquelles les gènes Bt furent introduits. Depuis 2002, 1 128 variétés hybrides de cotonnier Bt ont été développées par 49 compagnies privées, essentiellement indiennes. En conséquence la production nationale qui était de 1,6 Mt en 2002 sur 8,4 M ha avec un rendement moyen de 190 kg/ha, est passée à 4,9 Mt en 2009 sur 9,4 M ha et était de 5,7 Mt en 2016 sur 11,2 M ha soit un rendement moyen de 509 kg/ha, en deçà du rendement moyen mondial qui est de 715 kg/ha. L'huile de coton extraite des graines devient de ce fait une production relativement importante pour le pays, passant de 0,46 M tonnes en 2002 à 1,5 Mt en 2016, soit près de 20 % de la production oléagineuse nationale qui est de de 8 Mt, toutes espèces confondues.

Si les surfaces nationales ont augmenté, la surface exploitée par chaque agriculteur est restée faible : en 2009, 2,64 ha en moyenne pour Le Penjab, avec un rendement de 564 kg/ha et 0,52 ha pour le Tamil Nadu, avec un rendement de 780 kg/ha. La moyenne nationale est de 1,5 ha. Ces faibles surfaces individuelles expliquent que la production nationale repose sur près de 8 millions de fermiers.

À mesure que les surfaces en cotonnier Bt ont progressé pour se généraliser, l'utilisation d'insecticides a suivi un chemin inverse : de 1,54 kg/ha en 2002, elle n'était plus que de 0,53 kg/ha en 2006, pour remonter depuis à 0,99 kg/ha en 2013 avec la recrudescence d'autres familles d'insectes comme les aleurodes, les cicadelles (jassid du coton) et les thrips, insensibles à la protéine Bt, et dans le même temps soumis à une moindre pression des insecticides. Certains pays, moins soumis aux attaques des insectes ravageurs, n'ont pas de raisons d'utiliser pour le moment des variétés de cotonnier Bt.

Bien que les cultures génétiquement modifiées aient fait l'objet d'un débat, l'introduction des variétés Bt en Inde, a contribué à faire évoluer les pratiques et les technologies, a permis de multiplier par plus de 3,5 la production entre 2002 et 2016. Importateur depuis 1998, le pays devient exportateur net à partir de 2005 et exporte 1,9 Mt en 2011. Selon les projections de la FAO les rendements devraient progresser de 1,6 % par an jusqu'en 2025 et la superficie consacrée à cette culture augmenter encore. L'Inde s'arroge désormais la plus grande part des gains attendus jusqu'en 2025 de la production mondiale de coton : alors en première place, elle devrait fournir à elle seule et avec 8,2 Mt, 30 % de cette production.

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Knitters seek hike in import duty on man-made fibres

Chandigarh, October 23

Perturbed over rising imports of man-made fibre textiles from China due to lower import duty, Ludhiana-based knitters will meet Punjab Finance Minister Manpreet Singh Badal tomorrow so that the matter could be taken up in next GST Council meeting. The manufacturers want higher import duty on man-made fibre textiles so that the domestic industry doesn't suffer.

Ludhiana is a hub of knitwear industry in Punjab, having around 5,000 units with a majority of them in the MSME sector.

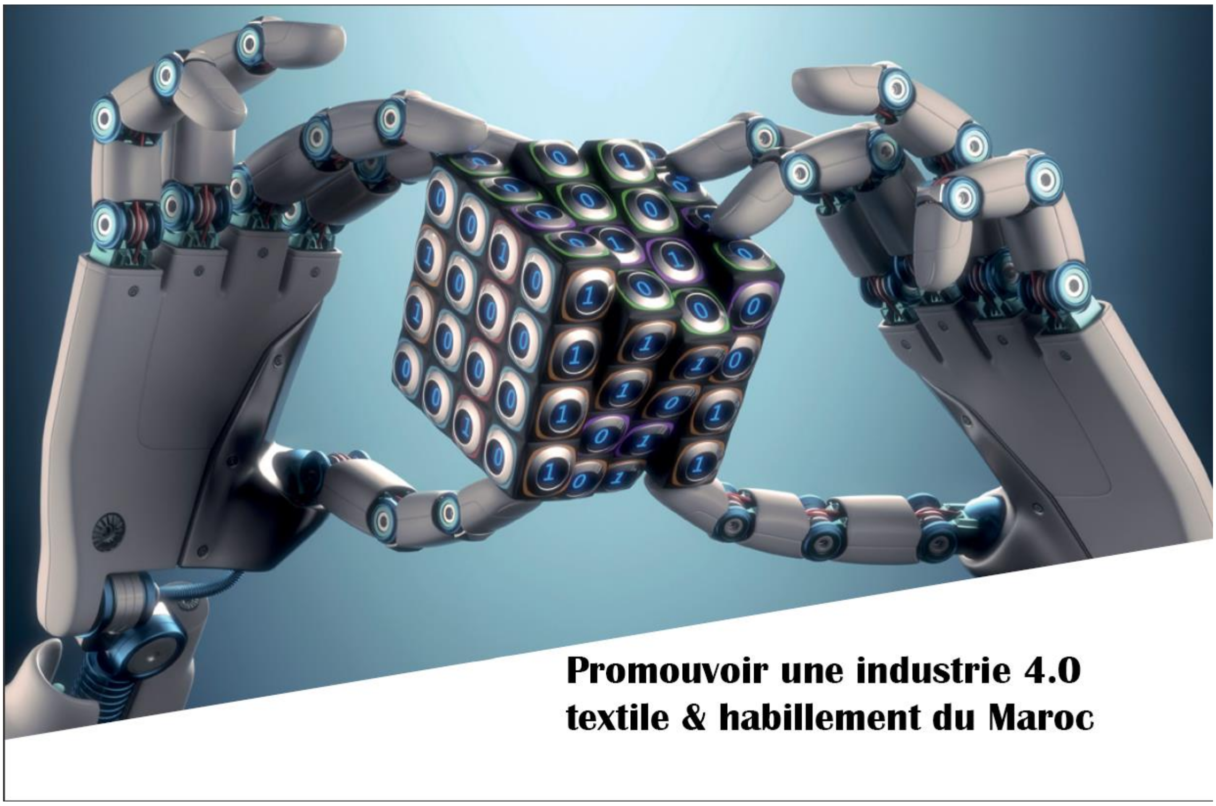
"After the implementation of GST, the import duty on man-made fibres has fallen from a cumulative 28.5% (including basic custom duty, countervailing duty, special additional duty, education cess) to about 15.3% (including basic custom duty, education cess and Integrated Goods and Service Tax). Thus, the import has become cheaper by about 13.2%. In addition to this, China, which is the major exporter to India (having 90% market share) provides drawback/incentive of 18% on man-made textile exports. As a result, major fabric import is being done from China, affecting the domestic industry. We have suggested imposing dumping duty on import of man-made fibres as a step to protect the domestic industry," said Ajit Lakra, president, Ludhiana knitters Association.

Most man-made fibre yarns and their raw materials attract anti-dumping duties. He said there was a serious gap in import tariff structure wherein there is specific duty on most types of fabrics. But there is no such specific duty on chapter 60 which comprises knitted fabrics.

Lakra said these changes need to be done with immediate effect otherwise the industry will be in doldrums.

L'industrie 4.0, un formidable levier de compétitivité pour le Maroc !

« L'industrie 4.0 est un formidable levier de compétitivité pour le secteur textile-habillement du Maroc » ! Modérateur d'une conférence organisée à Marrakech le 26 octobre 2017 à l'occasion des salons Maroc in Mode et Maroc Sourcing, Jean-François Limantour a présenté l'industrie 4.0 comme la combinaison d'outils (robots intelligents, imprimantes 3D.…) et de solutions technologiques avancées de création, de gestion, de communication, d'information, de marketing, …ayant un fort impact sur la compétitivité globale des entreprises.



« L'industrie 4.0 est un formidable levier de compétitivité pour le secteur textile-habillement du Maroc » ! Jean-François Limantour, président d'Evalliance et Conseiller stratégique de l'AMITH

Selon J.F Limantour, l'utilisation de ces outils et solutions, fondées sur l'intelligence artificielle, la réalité virtuelle, la data, les blockchains, la digitalisation,…permet d'obtenir d'importantes réductions des coûts de production, de 10 % à 20 % (productivité, consommation énergétique, réduction des pertes de temps machine, gestion des stocks, coûts de gestion de la qualité,…) mais surtout de faire un bond en compétitivité hors prix : différentiation et personnalisation de l'offre, adéquation offre/demande, qualité des produits et créativité, connaissance des marchés et de la concurrence, réactivité et délais de mise sur le marché, temps de commercialisation, qualité des prévisions, etc.

La mise en œuvre de stratégies « industrie 4.0 » produit également d'importants effets sur les modes de fonctionnement des entreprises : après le Taylorisme puis le Lean Management issu du modèle Toyota, certains évoquent l'émergence d'un nouveau modèle d'efficacité industrielle. On parle même de la quatrième révolution industrielle, après celles de la machine à vapeur, de l'électricité et de l'informatique.

L'organisation du travail, traditionnellement pyramidale, va sans doute laisser progressivement place à de nouvelles formes de travail collaboratif, impliquant et responsabilisant mieux les personnels des entreprises.

De même, comme on le voit déjà dans le secteur de la banque et celui de la distribution (personnel de guichet, caissières, etc.) le secteur textile-habillement ne devrait pas échapper au processus de suppression des emplois peu qualifiés et automatisables. Des robots intelligents, capables de manipuler les tissus et de les coudre sont déjà sur le marché. A titre d'exemple, l'armée de robots autonomes Sewbots installés dans une usine flambant neuve en Arkansas par le groupe chinois Tianyuan Garments, produisant des millions de T-shirts en 22 secondes/pièce contre 4 minutes avec des moyens classiques, ceci sous la supervision d'une poignée de techniciens. Sans parler des imprimantes 3D, déjà capables de fabriquer du prêt-à-porter.

A l'inverse, de nouveaux et nombreux emplois vont être créés, issus notamment de l'informatique, du numérique et de la réalité virtuelle. Ne dit-on d'ailleurs pas que 70 % des emplois de 2030 n'existent pas aujourd'hui ?

Il s'agit là, bien entendu, d'un difficile problème pour la filière textile-habillement, vu sa très faible attractivité aux yeux des jeunes diplômés de ces nouvelle disciplines technologiques.

Question cardinale aussi que celle de l'adaptation des dispositifs sectoriels de formation initiale et continue, ou celle de la formation des formateurs.

Enfin, comment vaincre les résistances au changement au niveau des cadres et dirigeants de nos PME pour en faire les premiers acteurs de l'industrie 4.0 ?

En réponse à ces défis, Jean-François Limantour a proposé à l'Association Marocaine des Industries du textile et de l'Habillement, structure dont il est conseiller stratégique, la mise en œuvre d'une stratégie volontariste en quatre axes : réflexion stratégique 4.0, formation et recrutement, veille technologique 4.0 et développement partenarial 4.0

Faisant référence aux sublimes collections du Musée Yves Saint laurent de Marrakech, réalisées par le créateur avec de simple crayons de couleur, J.F Limantour a souligné que le talent va rester une valeur incontournable au cœur d'une industrie du futur très « hightech ».

« *Développer avec succès une stratégie 4.0 repose avant tout, dans toute entreprise, sur le niveau de compétence des hommes et des femmes qui la composent, des dirigeants aux salariés les plus modestes* ».

Textile. L'Amith signe deux partenariats, avec Messe Frankfort et Association textile portugaise

Vendredi 27 octobre 2017 à 12h40

(Photo AFP)

Le secteur du textile marocain affiche une dynamique extrêmement importante et une tonicité vigoureuse à l'export sur les cinq dernières années, a souligné, jeudi 26 octobre à Marrakech, le directeur général de l'Association marocaine des industries du textile et de l'habillement (AMITH), Mohamed Tazi.

Intervenant lors d'un point de presse tenu à l'ouverture du salon Maroc in Mode & Maroc Sourcing (MIM & MS), organisé les 26 et

27 octobre, M. Tazi a expliqué que l**e secteur du textile au Maroc qui prévoit terminer l'année 2017 avec un chiffre d'affaires (CA) important estimé à 35,8 milliards de dirhams** (MMDH). Il a réalisé, depuis 2013, un CA évalué à 29,6 MMDH, atteignant un chiffre record de 34,4 MMDH à fin 2016.

Dans ce cadre, M. Tazi a mis en exergue l'actualité et les nouveautés du secteur textile au Maroc. Il a déclaré que ce secteur qui compte **1.600 entreprises**, en majorité des PME et TPME, et **produit 1,1 milliard de pièces par an**, continuera de bénéficier de perspectives qui vont être "probablement très favorables" en 2018-2019.

Pour ce qui est des importations européennes d'habillement, le Maroc, 2e meilleure performance dans le monde en 2016 après le Cambodge, continuera d'afficher une tendance positive en 2017 dans un marché de consommation atone, a-t-il précisé.

Le directeur général a, en outre, indiqué que le secteur a adopté, dans le cadre d'un Partenariat Public Privé (PPP), une nouvelle stratégie à l'horizon 2025 qui repose sur 5 piliers importants. Ces derniers permettent notamment d'identifier les écosystèmes et d'aider les acteurs à gagner en taille, et jouent un rôle de locomotives pour d'autres secteurs.

Cette stratégie a pour objectif de positionner le Maroc de manière pérenne, en tant que premier acteur africain de textile.

A cette occasion, l'AMITH a conclu deux partenariats stratégiques avec deux organismes de référence internationale:

- un Mémorandum d'entente avec "Messe Frankfort", le plus grand organisateur des salons de textile au monde, en vue de faire du Maroc un hub régional des salons textiles;

- un protocole de partenariat avec l'Association textile portugaise (ATP), pour la création d'un écosystème mode transnational.

Le salon a été organisé par l'AMITH, avec le soutien du secrétariat d'Etat au Commerce extérieur et de Maroc export, et en partenariat avec le Groupe Banque Populaire et l'Agence marocaine pour le développement des investissements (AMDI).

Aménagé sous un chapiteau de 5.000 m2, il est décliné en 6 écosystèmes, à savoir: Fast Fashion, Denim, Maille, Tailoring, et Cuirs et accessoires en cuirs.

Maroc in Mode & Maroc Sourcing regroupe 128 exposants représentant 9 pays, à savoir: le Maroc, le Portugal, l'Espagne, la Turquie, l'Egypte, la Belgique, l'Allemagne, la France et l'Inde.

Les textiliens marocains lorgnent l'industrie 4.0

Par La Tribune Afrique | 31/10/2017

Au Maroc, le plan Textile 2025 vise à augmenter la taille du secteur en lui permettant d'atteindre un PIB de 46 à 48 milliards de dirhams et des exportations sectorielles de l'ordre de 85 à 95 milliards. (Crédits : Reuters)

L'industrie marocaine du textile s'intéresse de près à la quatrième révolution industrielle qui envahit le monde. En marge des salons Maroc in Mode et Maroc Sourcing, organisés par l'AMITH, l'association des professionnels du textile a débattu des implications des évolutions de la mode 4.0 qu'elle perçoit comme un levier de compétitivité pour la « Fast Fashion ».

«*À l'aune de la 4e révolution industrielle, où les machines deviennent de plus en plus performantes et de plus en plus autonomes, l'industrie de la mode n'échappe pas à cette évolution inéluctable*», explique l'Association marocaine des industries du textile (Amith) dans un communiqué publié au lendemain d'un conférence organisée en marge des salons Maroc in Mode et Maroc Sourcing. Au centre des débats, la quatrième révolution industrielle.

L'industrie 4.0 constitue aujourd'hui l'un des plus grands enjeux de l'industrie et particulièrement de celle du textile qui est très concerné par cette révolution et doit surtout s'y préparer, souligne Jean François Limantour, président d'Evalliance et conseiller de l'Amith.

Pourquoi parle-t-on de quatrième révolution ? C'est parce qu'elle intervient après le développement de la machine à vapeur et de la mécanisation (XVIIIe siècle), puis de l'électricité et de la mobilité (XIXe siècle) et enfin de l'électronique et de l'automatisation (XXe siècle). *«L'industrie 4.0 devrait mettre en place des usines "intelligentes", plus flexibles, plus productives, plus optimisées, et plus écologiques»,* préconisent les professionnels du textile et de l'habillement. Pour Jean François Limantour, l'usine de demain qui se rapproche le plus de la réalité de l'industrie de l'habillement, serait celle qui combine des outils de production, de l'intelligence artificielle et la réalité technologique (la data, l'Internet et les systèmes d'information). Ce dernier en veut pour preuve l'expérience chinoise. *«Une entreprise chinoise a investi aux États-Unis plus de 20 millions d'euros pour équiper une usine de robots capables de coudre un tee-shirt en moins de 30 secondes»,* a-t-il rapporté.

Cependant, cette révolution pose la problématique du remplacement de l'homme par la machine. Quelle place occupera la ressource humaine si, au final, tout est automatisé et géré par de l'intelligence artificielle ? *«Contrairement aux scénarios catastrophes qui laissent imaginer le remplacement de l'humain par la machine, les ressources humaines sont également un critère à prendre en compte et constituent un réel levier stratégique dans cette nouvelle transition industrielle»*, estime Maximilien Abadie, directeur de la stratégie chez Lectra, leader mondial des solutions technologiques intégrées dans la filière textile. Lectra a conçu une stratégie pour aider les entreprises de la mode et de l'habillement, de l'automobile et de l'ameublement à réussir leur entrée dans l'ère de l'Industrie 4.0, précise le communiqué. Cette stratégie se traduira par des équipements encore plus intelligents et communicants, ainsi que l'intégration plus poussée entre équipements, logiciels et services métiers. Testée depuis le début de cette année auprès de clients sélectionnés en France, la nouvelle offre sera dévoilée et commercialisée progressivement à partir de 2018.

Pour le Maroc, les opérateurs sont conscients des enjeux qui se présentent à eux. *«Le textile marocain n'a pas non plus le choix et il faut sans plus tarder se préparer à cette révolution en commençant par créer un groupe de réflexion stratégique pour le 4.0 et surtout réfléchir à un plan sectoriel pour les ressources humaines»,* explique l'Amith dans son communiqué. *«Il y a des chantiers à ouvrir en urgence. On va vers un changement dans l'organisation de travail et vers la disparition du mode de travail pyramidal»*, insiste J-F Limantour. L'autre enjeu est la formation aux métiers 4.0 dans le textile à l'image des spécialistes en *Big Data*, d'outils de simulation ou encore des managers de robots. *«Si l'on veut des applications performantes du 4.0, l'industrie doit être capable d'attirer les jeunes diplômés. Ce qui n'est pas encore le cas aujourd'hui»*.

Textile: La croissance est de retour

Par Badra BERRISSOULE | Edition N°:5136 Le 27/10/2017

Le Maroc affiche la 2e meilleure performance au niveau des exportations vers l'UE
L'Amith se rapproche du Portugal et courtise les marchés du nord
Seul bémol, la désorganisation du marché local

Performances

Pays fournisseur	Valeur (en milliers d'euros)	Part de marché en%	Variation 2015/2016 e n %
Chine	27.681.967	34,20%	-8%
Bangladesh	14.845.814	18,40%	8%
Turquie	9.506.203	11,80%	1%
Inde	5.120.596	6,30%	0%
Cambodge	3.367.701	4,20%	14%
Vietnam	2.993.648	3,70%	7%
Maroc	2.528.706	3,10%	9%
Pakistan	2.454.528	3,00%	8%
Tunisie	1.957.033	2,40%	-2%
Sri lanka	1.456.979	1,80%	-8%
Autres	8.951.451	11,10%	4%
Total	80.864.526	100%	0%

Source Eurostat

Le Maroc a réalisé la 2e meilleure performance dans le monde, après le Cambodge (+14%) au niveau des exportations d'habillement vers l'UE en 2016. La sécurité politique dont jouit le Maroc a été un facteur de compétitivité

Le secteur du textile se porte bien, voire même très bien. A voir les chiffres à l'export et le rebondissement qu'a opéré ce secteur depuis trois ans, on remarque que les activités tournées vers l'export ont affiché en 2016 une dynamique record avec un chiffre d'affaires en hausse de 6,7% qui était de 34,6 milliards de DH et la tendance est à la hausse pour 2017, d'après les statistiques d'Eurostat.

Face à une tendance mondiale où le marché est marqué par une stagnation, le Maroc fait mieux que résister et devra terminer l'année avec une évolution de 4%. Soit un CA de 36 milliards de DH à l'export. Cette embellie est aussi le fruit d'une stratégie définie par le secteur à l'horizon 2025 et la dynamique créée par le Plan d'accélération industrielle, mais aussi des facteurs qui ont influencé l'évolution des importations de l'UE en habillement comme la parité de change euro/dollar favorable aux pays de la zone euro et l'insécurité dans les lieux de production (Tunisie, Bangladesh, Pakistan, Egypte). «La stabilité politique est un facteur de compétitivité», confirme Karim Tazi, président de l'Association marocaine du textile-habillement (Amith).

C'est dans ce contexte très favorable que se poursuit le salon Maroc in Mode et Maroc Sourcing à Marrakech. Organisé par l'Amith avec le soutien du Secrétariat d'Etat au commerce éxtérieur et de Maroc Export, le salon est décliné en écosystèmes, pour mettre en exergue la nouvelle réorganisation du secteur, ses choix stratégiques et ses nouvelles fenêtres d'opportunité. Sous le chapiteau de 5.000 m2, on retrouve ainsi les 6 écosystèmes: Fast Fashion, Denim, Maille, Tailoring et cuir et accessoires en cuir.

«Nous avons voulu garder une taille humaine pour ce salon, car finalement, c'est un événement de rencontre et d'affaires», explique Tazi, directeur de l'Amith. Quelle que soit la taille du salon, les pays étrangers s'y intéressent. 128 exposants de 9 pays ont répondu présent. Cette année, l'Allemagne est à l'honneur. L'Amith vient d'ailleurs de conclure un partenariat avec Messe Frankfurt, un des plus grands acteurs mondiaux dans l'organisation des salons. Un partenariat qui permettra au secteur d'accéder aux marchés du nord.

Autre partenariat conclu cette fois-ci entre l'Amith et l'ATP (l'association de l'industrie du textile et habillement portugaise). Les deux parties souhaitent créer ensemble un écosystème de mode transnationale. Concrètement, les deux partenaires s'engagent pour la création d'une structure conjointe pour soutenir et accompagner le développement des acteurs portugais et marocains dans les métiers mode et dans les domaines de la confection, la sérigraphie, la broderie… Autant de bonnes nouvelles pour le secteur qui reprend du poil de la bête à l'export.

Reste que ce secteur évolue à deux vitesses. Si le secteur affiche une dynamique et une tonicité vigoureuse à l'export sur les cinq dernières années, l'industrie textile est de loin la plus exposée à la concurrence déloyale, sur le local, insiste Karim Tazi. Les effets ont été dévastateurs sur le tissu industriel, et se traduisent par des baisses substantielles d'activités, et la perte en moyenne de 20.000 emplois par an depuis 2010.

La contrebande et les importations «low-cost» (produits «subventionnés» par les pays d'origine) menacent sa viabilité. La consommation provenant des importations informelles (sous-déclaration et contrebande) de produits finis est estimée à 14 milliards de DH contre 8 milliards déclarés officiellement à l'import.

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Textile : Le Maroc mise sur le denim “vert” au King Pins

25 octobre 2017

Infomédiaire Maroc – En collaboration avec le visionnaire du denim, François Girbaud, et en partenariat avec le Moroccan Denim Cluster (MDC), l’Agence Marocaine de Développement des Investissements (AMDI) présente un espace inédit dédié à la création marocaine et expose au ‘‘King Pins Amsterdam’’, ces 25 et 26 octobre 2017, avec une collection écologique, innovante et 100% ‘‘Made in Morocco’’.

A travers une collection itinérante développée avec le créateur autour du ‘‘hem’’ (le bas du jean) sur le thème ‘‘Cleaning the Planet’’, l’exposition invite à découvrir les atouts d’une industrie du denim marocaine créative, aux innovations techniques de pointe, et engagée dans une production toujours plus responsable – produits de délavage biodégradables, teintures actives sans utilisation d’eau…, des solutions alternatives qui respectent et protègent l'environnement. Cette exposition sera également l'occasion de mettre en valeur les compétences que l'industrie textile marocaine a à offrir.

Et à cette occasion, un espace d'exposition Maroc a été mis en place par l'AMDI pour tenir les réunions d'affaires avec les principaux acteurs du textile à l'échelle internationale.

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Editions ▾

Myanmar's largest Chinese-invested garment company launches new factory

Source: Xinhua| 2017-10-28 01:18:08|Editor: Liu

YANGON, Oct. 27 (Xinhua) -- Myanmar's largest Chinese-invested garment company launched a new factory in Yangon on Friday.
Myanmar SUMEC Win Win Garments Co., Ltd, Myanmar's largest exporter in garment sector, and a branch of SUMEC Textile and Light Industry Co., officially started operating a new factory in Shwe Pyi Thar Industrial Zone in Yangon.

Speaking at the opening ceremony, U Aung Htoo, Deputy Minister for Commerce, expressed his congratulations to the company.
He said that preferential policies and a vast labor market give Myanmar a great advantage for textile and garment industry and that the new factory will not only create more jobs, promote the garment industry, but also contribute to the country's economic growth.

Chinese Ambassador Hong Liang said that with Myanmar economy becoming more opening up, more Chinese enterprises are investing in Myanmar.

The new factory, with 40 production lines currently, is designed to own 50 production lines with the capacity to produce 4 million pieces of clothes every year, upgrading the company's yearly capacity to 10 million pieces of clothes in Myanmar, lifting its export to 100 million U.S. dollars.

SOURCING JOURNAL

Myanmar's Garment Industry is on a Growth Path

by Arthur Friedman

Posted on November 2, 2017 in News, Trade

Myanmar is starting to get more attention and investment in the garment manufacturing sector, despite some persistent political and labor strife.
Myanmar SUMEC Win Win Garments Co., a unit of SUMEC Textile and Light Industry Co., has opened a new factory in Shwe Pyi Thar Industrial Zone in Yangon, according to Asian press reports.

Speaking at the opening ceremony, U Aung Htoo, Myanmar's Deputy Minister for Commerce, said preferential policies and a large labor market give the industry opportunity for growth, and that the new factory will create more jobs and contribute to the country's and industry's economic growth, reports noted.

The new factory, with 40 production lines currently, is designed to have 50 production lines with the capacity to produce 4 million pieces of apparel annually. This would increase the company's yearly capacity to 10 million pieces in Myanmar and lift its exports to $100 million.

Chinese Ambassador Hong Liang said with Myanmar's economy becoming more open, more Chinese enterprises are investing there.

Meanwhile, U.S. apparel imports from Myanmar increased 76 percent to $77.34 million worth of goods for the year through August, with man-made fiber dresses, underwear, pants and coats the top categories.
In November 2016, the U.S. re-designated the country, formerly known as Burma, as eligible for the General System of Preference program.

While U.S. trade with Burma remains small, since the initial lifting of sanctions, it has grown significantly. In 2016, two-way goods trade was $438 million, with U.S exports totaling $194 million, having almost quadrupled since 2012, according to the U.S. Trade Representative's Office.

The U.S. had imposed sanctions on the country during its troubled military reign and slowly started lifting them in 2011 when Myanmar formed a civilian government. The country held its first nationwide election late last year after decades of military rule and Suu Kyi won by a landslide.

Myanmar is a party to many regional free trade agreements. These include the ASEAN Free Trade Area, and ASEAN agreements with Australia, New Zealand, India, Japan, China and South Korea.

Myanmar's most recent political crisis has seen more than 600,000 Rohingya flee predominantly Buddhist Myanmar to neighboring Bangladesh since late August to escape violence that accompanied a brutal military counter-insurgency operation after Rohingya militant attacks on security posts in Myanmar's Rakhine State.

Stung by international criticism and accusations of ethnic cleansing, Kyi has said Rohingya refugees who can prove they were resident will be accepted back.

In February, Myanmar's government set a $2.61 minimum daily wage, which was less than the $4.07 rate worker groups desired at the time. There have continued to be sporadic instances of worker strikes and protests over factory conditions and union organizing.

HEARTBEAT OF THE NATION
MYANMAR TIMES
THURSDAY 02, NOVEMBER, 2017 | MYANMAR EDITION

Workers live in shadow of poverty

NYAN LYNN AUNG 20 OCT 2017

Ko Kyaw Kyaw Lin (left) and his wife Ma Khin Hnin Wai in their house in Hlaing Tharyar Industrial Zone 2. Zarni Phyo/The Myanmar Times

Tucked in the corner of the Hlaing Tharyar Industrial Zone 2, factory worker Ko Kyaw Kyaw Lin’s house is a little ramshackle where he lives with his wife of three years.

The 29 years-old works for the Silver Lion Fiber Glass Company in the industrial zone and his take home salary is a paltry K130,000 after a month's hard work .

"If we combine both our salaries my wife's and mine, it is just over K300,000 per month. It is insufficient as we're in debt too. We had to send our kid back to the village because we couldn't provide for her," he told The Myanmar Times in an interview last week.

He has been with the company for over eight years now and married. In 2009, his basic salary was only K20,000 and now his gross salary is K130,000 including attendance payment.

To supplement the family's income, Ko Kyaw Kyaw Lin's spouse Ma Khin Hnin Wai, 26, works at the Cellon Myanmar Garment Factory, where she earns K180,000 per month.

The two struggle to make ends meet and had to send their daughter when she was just two months old to Nyaungton township, Ayerwady region – a five hour drive do them apart.

"Even though I am yearning for my daughter, we can't bring her back because our earnings are not enough to support her here," lamented Ko Kyaw Kyaw Lin's wife. "I try to heal my heart by looking at her pictures."

Ko Kyaw Kyaw Lin is now facing health problems after being exposed to hazards at work place and wants to quit his job, but unable to do so as he is waiting for his medical results, which could help him get compensation from the company if he is discovered to have any disease.

The Myanmar Times reporters ventured to Hlaing Tharyar industrial zone to recollect tales of those working in the industrial era.

Dozens of little houses are perched along the edge of the factory areas, some recently settled, while other others have been living for over 10 years.

It was discovered that with limited income, no proper access to healthcare, exposed to health hazards at workplace and absence of safety net if they lost their jobs, thousands of factory workers struggle to eke out a tough life, like Ko Kyaw Kyaw Lin and his wife. They live in dingy homes and separated from loved ones and many forced to make a hard decision to leave their families as economic opportunities are scarce back home.

The fruits of Myanmar sizzling economic success over the past years are yet to trickle down to these groups of workers.

Based on K4,000 per day salary, workers would earn about K120,000 per month, excluding overtime. If overtime is included they could roughly earn about K172,000.

Meanwhile, if minimum wages is fixed at K4,400, workers will earn K132,000 as basic salary and get K189,000, if 5 hours overtime is included.

If wages are fixed at K4,800, a worker will earn K144,000 as basic salary and get K206,400 if five hours overtime is added.

According to workers, living costs – including room rental and food expenses – amounted to nearly K80,000 a month and rose to K120,000 due to the rising cost of basic commodities.

Choked by the price of living with regard to their meager salaries, employees struggle to survive on their current wages.

Ko Myo Zaw also works in a textile factory at Hlaing Tharyar. Likewise, he got married three years ago and dreamt of having a kid. But it may be just a dream when he thinks of the current costs to bring her up – living, healthcare and education costs for his child. It is beyond his reach, at least for the moment.

Unfortunately, these are not isolated cases. Many others migrated from rural areas to Yangon's industrial zone, in search of employment. In 2016-17, over 130,000 workers have been employed in seven categories of work throughout the complex. ,

"In my nine years here, I have never been to places in Yangon, except for Shwedagon Pagoda. I don't want to spend extra money, it is usually work and back to my room. My life is like a robot," said Ma Aye Myat Thu, aged 26, a worker from Ever Sunny Industry Co Ltd.

Rental is a major issue for workers and many lease apartments to live in groups in cramped rooms. Four or five staff share an accommodation to save costs.

"I can't afford to pay the rental by myself on my current salary. Therefore, I stay with my flat mates to share the cost," said Ko Thein Htet Aung, 21 who works in the food industry.

The rental of room, house and flat which can accommodate three to five people, range anything from K32,000 to K75,000 in Hlaing Tharyar and Shwe Pyi Thar townships, where most factory workers live.

According to the workers from Hlaing Tharyar industrial zones, their monthly living cost is between K100,000 and K200,000.

U Myo Zaw, member of Confederation of Trade Unions Myanmar (CTUM) said workers spend nearly 95 percent of their monthly salaries on living cost and they could not cover other social costs with the rest of their wages.

In 2015, the government fixed K3,600 for eight hours of work as minimum wage. However, labour unions criticised that this amount is insufficient to cover living expenses and demand a raise to K5,600. And, this led to frequent labour disputes between workers and factory owners.

But there could be silver lining to workers' sufferings soon as various stakeholders from the government, employers and employees organisations are busy negotiating a decent minimum wage for workers next year.
The CTUM is demanding for K6600 minimum wage while the Labour Ministry had proposed K4000 to K4800 wage bracket.

But certain groups, especially employers hinted that any excessive rise in wages, at a time when the economy is slowing down, could impact businesses and some factories may be forced to close down due to high overheads.
The National Committee for New Minimum Wages has to finalised the exact minimum wage by 2018.

With rising cost of living and inflation at 4pc, workers must be paid a decent salary, like in neighbouring countries, or they will be pushed to the brink of poverty.

BUSINESS RECORDER
Founded by M.A. Zuberi

Ministries have divergent views on GSP Plus future

- MUSHTAQ GHUMMAN
- NOV 1ST, 2017
- ISLAMABAD

Ministry of Foreign Affairs and Ministry of Commerce and Textile are said to have divergent views on future of Generalized System of Preferences plus (GSP +) by the European Union (EU) beyond 2018, well-informed sources told *Business Recorder.*

Minister for Commerce and Textile, Pervaiz Malik and Secretary Commerce Younus Dagha recently undertook visits to different European countries aimed at seeking their support at the time of second review due in January 2018. The Commerce Minister visited Switzerland, Germany and Belgium whereas Secretary Commerce undertook visits to France, Spain and Italy where they explained Pakistan''s achievements with respect to 27 UN Conventions.

Ministry of Foreign Affairs, sources said, fears that the EU may withdraw or suspend GSP plus status for Pakistan due to poor implementation of UN Conventions and other issues whereas the recent visit of Commerce Ministry''s team maintains that there is no such threat to the GSP plus as was feared by the Foreign Ministry.

According to sources, the key trade concerns of the EU in Pakistan are as follows: (i) SRO 1125 violation of national treatment, discriminatory imposition of sales tax on imported products;(ii) regulatory duty of 25 per cent on powdered milk;(iii) discriminatory customs valuation of European cars vis-à-vis cars of Asian origin;(iv) discrimination treatment against international pharmaceutical companies vis-à-vis domestic industry;(iv) weak enforcement of intellectual property rights;(v) restrictions on import of meat from EU;(vi) implementation of conventions and other issues;(vi) progress on readmission dialogue with EU;(vii) agreement on Human Rights assistance and ;(viii) recommendations of EU''s GSP plus assessment team October, 2016.

A detailed discussion on trade and other issues was held on October 9-11, 2017 in Brussels which remained positive.

As a result of successful vote by the European Parliament in December, 2013 duty free access was granted to Pakistani products in 28 members states in the European Union under its " special incentive arrangement for good governance and sustainable development" for 2014-2023 also known as GSP plus. These concessions took effect from January 1, 2014. These concessions are granted to those beneficiary countries who undertake to implement 27 UN Conventions mandatory for GSP plus. The GSP regulation requires EU Parliament to undertake review of its GSP scheme every two years. The first review was carried out by the EU Parliament in 2016 which noted legal and institutional framework of Pakistan as a beneficiary country for implementing 27 Conventions.

The second review which is also a mid-term review of the scheme will be undertaken in January 2018. The focus during this review shall be on the tangible progress undertaken by

Pakistan in implementing the commitments entailed in the conventions pertaining to human rights, labour rights, climate change, narcotics and corruption.

The duty free access has made Pakistan"s products more competitive in world"s most lucrative market. In 2016, Pakistan"s exports to the EU amounted to 33 per cent of our global exports. Pakistan"s exports to the EU have increased from Euro 4.54 billion in 2013 to Euro 6.29 billion in 2016. This arrangement has also enhanced the market share of Pakistani products in all categories.

During a meeting with Pakistan Mission in Belgium, the European side communicated that holding of a Pak-EU summit is contingent upon resolution of the following two issues between Pakistan and the EU. The Secretaries of the European Union"s President and European Council have taken very strong position on the two following issues: (i) agreement on readmission of illegal immigrants and (ii) acceptance of human rights assistance offered by the EU to Pakistan.

There is an understanding among European institutions that there was a gap between legislation and on ground implementation pertaining to the human rights regime in Pakistan.

According to European Commission a large share of Pakistan"s export to the EU is eligible for GSP+ preferences, but the country does not fully utilise the preferences. The utilisation rate has fluctuated under the review period. In 2016, the average utilisation rate was 95.75 per cent, meaning that Euro 5.509 billion out of the Euro 5.753 billion eligible exports were exported with preferences. Figures show a significant decrease in the utilisation rate in 2014 when Pakistan was granted GSP+ status. Compared to 2013, the utilisation rate dropped by almost 25 percentage points. The European Commission said that low investment in Pakistan can be attributed to macroeconomic instability, security concerns, energy deficits, poor infrastructure development in some regions, low skilled labour, comparatively high labour costs, a difficult business environment, arbitrary administration of laws and regulations - including on land purchasing and registration - and administrative resistance to open up to investments.

Jeanologia on how to make the denim industry more sustainable

FashionUnited

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Friday, 27 October 2017

It can be said that the textile industry is the second most polluting industry in the world and in particular, the production of denim apparel is one of the most polluting of them all, especially in terms of water and chemical consumption. "Currently, five billion pairs of jeans are produced every year. To produce these, about 420 million m3 of water and 900,000 tons of chemicals are used and over 2 million people are exposed to techniques that are detrimental to their health," explains Carmen Silla, Director of Marketing and Communication at Jeanologia, who is faced with this dilemma.

Faced with this reality, more and more denim companies are contributing to improving the sector. One of the oldest of them all is Jeanologia, a sustainable finishing company. This main objective of Jeanologia, which is based in Paterna (Valencia), is to create an ethical, sustainable and eco-efficient textile finishing industry. It was founded to "transform the textile finishing industry through technology and know-how combining science, fashion, creativity and market needs," according to Silla.

Among its major pillars is its desire to achieve “a substantial change in production models, aimed at automation, productivity and social responsibility,” she adds. Although demonstrating that through technology it is possible to obtain authentic products and introduce R&D in a world that thrives on tradition, these traditions have been some of the obstacles that Jeanologia has encountered over the past 24 years.

The sustainable transformation of the denim industry

“At Jeanologia we are aware that this situation is unsustainable and we want to transform the industry by reducing the consumption of water and chemicals as well as waste,” says Silla. That is why its goal is “to reduce the environmental impact of the global production of jeans by 50 percent, calculated in terms of consumption of water, energy and chemicals consumed by denim items produced.” But how? By using the “Jeanologia Laser, G2 ozone and the eFlow nanobubbles technology, an average reduction of 20 litres of water, 5 g chemical and 1 kw/h can be achieved, for example,” says Silla. Using one of the latest technologies launched by Jeanologia, namely ‘One Glass One Garment’, it is possible to develop garments in which only one glass of water is consumed during their production.

Therefore, it is not surprising that the world's leading brands want to work with them. In fact, to date, "20 percent of global industry’s production uses Jeanologia technology," explains Silla. In Spain, they work with the main jeans production plants, as well as with Inditex and El Corte Inglés. On the international front, companies like Levi's, Polo Jeans, Abercrombie & Fitch, Edwin Japan, Pepe Jeans, Diesel, Hilfiger Denim, CK, Jack & Jones, Lee, Replay and other large retailers like M & S, GAP, Uniqlo and H & M are also found among its client portfolio. Its technology is also used in five continents, more specifically in sixty countries including the United States, Mexico, Colombia, Brazil, Germany, Italy, Portugal, India, China, Russia, Japan, Morocco, Bangladesh, Pakistan, Turkey, Tunisia and Vietnam.

India, the world's second-largest textile manufacturer

Currently, major European and American brands source their raw materials for their collections or finishes for their products from India. It has become the second largest textile-driven export country in the world, after China and it is undoubtedly a key market for the company. In fact, they have taken on the challenge of transforming the country's denim production centres. “Jeanologia technology has been used in India for 13 years and is currently a technology partner of major brands and laundries,” adds Sill, “helping to improve its competitiveness, “increase production and eliminate all processes detrimental to workers and the environment.”

H&M accusé de brûler 12 tonnes de vêtements invendus par an

Entreprises | Par Alix Coutures
Mis à jour le 31/10/2017 à 11h55

VIDÉO - Le géant de la mode suédois brûlerait ses vêtements invendus depuis 2013, selon des journalistes danois. H&M a admis recourir à cette méthode pour les produits défectueux et dangereux.

H&M est à l'épreuve d'une nouvelle polémique. Déjà accusé d'employer des produits chimiques et polluants lors de la fabrication des habits, le géant de la mode suédois est désormais mis en cause pour avoir incinéré une dizaine de tonnes d'habits par an. C'est l'émission de télévision danoise «Opération X» qui met au jour cette pratique grâce à une enquête entamée en juin. Douze tonnes par an, 60 depuis 2013, les journalistes d'Opération X affirment que ces quantités de vêtements sont conduites à la société d'élimination de déchets Kara Noveren, pour y être détruites.

En juin dernier, les journalistes danois, dubitatifs quant au sort des habits invendus par H&M ont contacté des sociétés d'élimination de déchets, découvrant ainsi les pratiques de la société suédoise. A l'issue de leur enquête, les résultats chiffrés, quoique attendus par les journalistes, ont fait des remous auprès du public danois. En outre, ce seraient 30.000 pantalons à thème cow-boy pour les enfants et bleus foncés pour les femmes, soit un total de 1580 kilos qui auraient été brûlés avec les étiquettes et les prix encore intacts.

» LIRE AUSSI - Les secrets de H&M pour doper sa créativité

Des produits qui ne remplissent pas les règles de sécurité

Des accusations admises partiellement par l'entreprise de mode qui pointe de son côté des défauts de fabrication. «Les produits envoyés à l'incinération sont uniquement ceux qui ne remplissent pas pleinement nos règles de sécurité», a-t-elle affirmé au *Figaro* avant de préciser dans un communiqué: «Ces produits ne pouvant en aucun cas être vendus à nos clients ni être recyclés, ils sont donc automatiquement détruits en accord avec notre politique globale de sécurité».

Mais tandis que le géant de la mode a qualifié ces pratiques «d'absolu recours», les journalistes ont mené une seconde enquête et ont tenté de lever le voile sur les quantités réelles d'éléments chimiques contenus dans les habits. Les tests menés par des experts en la matière sur quatre paires de pantalons pour une large gamme de produits chimiques ont mis à mal la défense de l'entreprise. Et pour cause: les journalistes indiquent que les produits envoyés «ne contenaient pas de niveaux nocifs de produits chimiques ou de taux d'humidité anormal». À cela, la société de mode a répondu que les tests danois n'avaient «pas pris en compte la totalité du produit, n'incluant pas notamment la partie de vêtement affectée par un taux élevé de plomb».

» LIRE AUSSI - H&M mise sur le textile recyclé pour créer une mode «plus durable»

La polémique a sucité de nombreuses interrogations

Ces nouvelles révélations ont semé le doute dans l'opinion public quant à l'attitude à adopter vis-à-vis d'H&M. En effet, l'entreprise, qui se targuait de rentrer dans une économie circulaire, s'est trouvée critiquée de toutes parts. «Aux yeux du public, l'entreprise a été considérée comme étant très hypocrite» a déclaré au *Figaro* Else Skjold, professeure de design durable à la Kolding Design School au Danemark. En effet, au regard des engagements récents pour le développement durable de la société, la polémique a suscité «de nombreuses interrogations», toujours d'après la professeure. En 2015 notamment, l'entreprise déclarait prôner une «mode durable» , avec la création d'une collection entièrement produite à partir d'habits usés.

«La transition énergétique est difficile»

Néanmoins, «la situation est bien plus complexe», a concédé Else Skjold, précisant qu'H&M «faisait certes partie du problème mais également de la solution». Et d'ajouter: «La transition énergétique est difficile pour les entreprises de mode mais H&M est pionnière en la matière, c'est elle qui a lancé les campagnes pour le développement durable qui ont eu le plus d'impact au Danemark». Elle a surtout mis en cause la surproduction qui «conduit inévitablement les entreprises de mode à se débarrasser de leurs gros stocks». En effet, à l'heure de la consommation de masse, «les mauvaises habitudes sont difficiles à changer».

Pour la professeure, H&M serait «l'une des enseignes» qui tend le plus vers cet horizon. Les clients «sont également à blâmer», selon elle, à cause des «habitudes qui consistent à toujours acheter, et à ne rien garder». L'enquête danoise aurait donc simplement contribué à tirer la sonnette d'alarme, révélant d'après elle «un système dysfonctionnel» en passe de changer et dont H&M ne serait que le symptôme.

Demand for Taiwan textiles to grow

FEDERATION FORECAST:The Taiwan Textile Federation expects global demand for Taiwanese textiles, such as from the Tokyo Olympics, to increase sales by 5 percent this year

By Kuo Chia-erh / Staff reporter

The nation’s textile exports are forecast to grow 5 percent this year, thanks to improving customer demand worldwide, the Taiwan Textile Federation said yesterday.

In the first nine months of the year, exports of Taiwan’s textile products reached US$7.55 billion, edging up 1.5 percent from the same period last year, statistics compiled by the Ministry of Finance showed.

The growth momentum is expected to extend into the fourth quarter amid improving industry sentiment, federation secretary-general Justin Huang (黃偉基) said at a news conference for this year’s Taipei Innovative Textile Application Show (TITAS).

“Taiwanese textile suppliers will also benefit from the 2020 Tokyo Olympics over the coming years, as local companies are strong producers of functional wear and high-performance sportswear for athletes, “ Huang said, citing textile maker Far Eastern New Century Corp (遠東新世紀).

Far Eastern New Century, which mainly fabricates polyester-related materials, has teamed up with Adidas AG this year to manufacture running shoes made from reclaimed and recycled ocean trash.

“That kind of new product [with higher technical thresholds] will enable Taiwanese textile makers to differentiate themselves from their Chinese competitors in the global market,” Huang said.

Commenting on the industry’s outlook, Huang said that the emergence of e-commerce operators has gradually changed the supply chains in the global retailing industry, but that it would only have a limited impact on local textile and fabric companies.

Some US-based e-commerce operators are trying to manufacture low-priced apparel by themselves, but Taiwanese films still hold niches in the functional and sportswear markets, he said.

The three-day TITAS this year is to exhibit a variety of functional wear, smartwear featuring connectivity technologies, as well as recycled and sustainable textiles with a focus on having a lower carbon footprint, the federation said.

A total of 383 textile manufacturers are to use 789 booths to exhibit their latest products at the three-day event, which is to begin on Monday at the Taipei World Trade Center's Nangang Exhibition Hall.

Buyers from more than 100 international brands are to participate in the event, which is forecast to generate orders totaling US$66 million this year, a 10 percent increase over last year's US$60 million, the federation said.

Most top players in Taiwan's textile and apparel industry are to take part in the event, including Far Eastern New Century, Eclat Textile Co (儒鴻), Lealea Enterprise Co (力麗) and Tex-ray Industrial Co Ltd (南緯實業).

However, key members of industrial conglomerate Formosa Plastics Group (台塑集團) — such as Formosa Chemicals & Fibre Corp (台化) and Formosa Taffeta Co (福懋興業) — are not to join the show this year, according to the participants list provided by the federation.

Launch of Refibra™ Denim Capsule Designed by Adriano Goldschmied

October 19, 2017

NEW YORK CITY — October 19, 2017 — Kingpins Amsterdam will see the launch of a denim capsule collection designed by Adriano Goldschmied and featuring new fabrics developed with Refibra™ branded lyocell fibers — one of the latest fiber innovations from Lenzing AG.

Adriano first began working with TENCEL® lyocell back in the mid-1990s with the launch of his AGoldE label. Because he is a strong advocate for sustainable practices in denim, Lenzing commissioned Adriano to design this 21st century capsule collection featuring fabrics from eight global premium denim mills, with design, production, and laundry processing taking place in his Los Angeles studio.

The Refibra fiber is the first commercial scale cellulose fiber featuring chemically recycled material. Made from a blend of pulps that include post-industrial cotton scraps and wood, this new generation of Tencel lyocell fiber represents the 'Reduce, Reuse and Recycle' process. The Refibra fiber recently achieved the Recycled Claim Standard, which certifies that all production processes in its entire supply chain adhere to the proper steps that ensure the final product's integrity. A special manufacturing process makes it possible to identify the Refibra fiber in the finished garment.

Lenzing worked especially closely with Spanish mill Textil Santanderina during the initial development of this innovation. Other fabric mill partners showcased in this capsule include Advance Denim (China), Artistic Milliners

(Pakistan), Blue Diamond (China), Candiani (Italy), Orta (Turkey), Prosperity (China) and Tejidos Royo (Spain). Knitted fabric bases were supplied by Hallotex (Spain).

“Tencel fibers, in general have been part of my work and the innovation that I bring into design,” says Adriano Goldschmied, who has been designing denim since 1972. “Now Tencel fibers is evolving to take a new level of sustainability with Refibra fibers. We need to open the minds of designers with sustainable innovations like this.”

“With the environmental challenges we are facing globally, Refibra fibers is one step towards reducing waste, “says Tricia Carey, Director of Global Business Development for Denim at Lenzing. “Adriano has long been an advocate for product development in the denim industry with less impact on the environment, without compromising consumer demand for comfort and fashion. Working with Adriano and the Genious Group to develop this capsule in Los Angeles provides a remarkable entry of a new sustainable innovation into the denim market.”

The capsule with fifteen women’s and men’s styles can be viewed at Kingpins Amsterdam (October 25th and 26th), Kingpins New York (November 29th and 30th), and regional Lenzing offices.

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ALECA : **Hichem Elloumi appelle l'UE à ne pas léser la Tunisie**

1 novembre 2017

"L'accord de libre-échange complet et approfondi (ALECA), qui constitue le principal dossier en négociation entre la Tunisie et l'UE, doit être un cadre pour promouvoir un co-développement qui profiterait aux deux parties, tout en tenant compte de la différence des poids économiques". C'est ce qu'estime le vice-président de l'UTICA, Hichem Elloumi, lors d'une conférence-débat organisée par l'UTICA en collaboration avec l'Union européenne, dans le cadre de la visite en Tunisie du président du Parlement européen, Antonio Tajani, ayant eu pour thème "Le partenariat privilégié Tunisie-UE au service de l'investissement, de la croissance et de l'emploi".

Pour le vice-président de la centrale patronale, "même si le partenariat entre la Tunisie et l'Union européenne s'est diversifié, multiplié au fil des années, il est resté en deçà des espérances et des capacités de la Tunisie, pays qui veut se hisser au niveau de ses partenaires européens et aspire à bénéficier d'une coopération, d'un appui et d'une assistance similaires sinon proche de celles dont ont bénéficié les pays récemment admis dans l'UE, dont les économies étaient similaires à celle de la Tunisie d'aujourd'hui".

Et d’ajouter, “certes des préalables nécessaires à cette intégration plus poussée de l’économie tunisienne à l’Europe doivent être remplis, tels que l’harmonisation de nos lois et réglementations sur la législation européenne, la mise à niveau de notre administration, la lutte contre l’informel et la contrebande, l’accélération du processus des réformes, mais ces préalables doivent pas constituer pour autant un frein, un handicap à cette intégration ni à l’accès au marché pour nos entreprises”.

Toujours selon lui, “l’ALECA doit être un vecteur de création d’emplois stables et de qualité et un cadre pour un développement économique, social et environnemental harmonieux”.
“Cet accord suscite aujourd’hui chez les uns de l’espoir de création de nouvelles opportunités. Il soulève chez d’autres de nombreuses craintes et incertitudes notamment pour certains secteurs sensibles et fragiles. C’est la raison pour laquelle nous souhaitons que cet accord aille au-delà du simple établissement d’une zone de libre échange pour aboutir à la dynamisation des flux d’investissement, à la promotion des synergies industrielles et agricoles ainsi qu’au renforcement du dispositif d’appui à la politique nationale de recherche-développement”.

“Nous appelons également à l’adoption à l’instar du programme de mise à niveau de l’industrie, d’un programme similaire pour le secteur agricole, les filières agroalimentaires et celui des services. La facilitation de l’accès de nos produits au marché européen est à considérer en toute priorité. Je citerais l’élimination des quotas (huile d’olive), des barrières tarifaires et non-tarifaires (fruits…) **et la révision des règles d’origine pour le textile et habillement**. Cet accord devra aussi faciliter les procédures d’octroi des visas pour certaines catégories de personnes, notamment les étudiants, les chercheurs et les responsables et cadres d’entreprises espérant qu’à long terme, une évolution vers une pleine mobilité des citoyens sans visa dans un futur espace économique commun entre l’UE et la Tunisie “, a-t-il soutenu.

De son côté, le secrétaire d’Etat au Commerce, principal négociateur de l’ALECA, Hichem Ben Ahmed, a estimé que “les discussions autour de cet accord doivent se faire d’une manière progressive et asymétrique. D’un autre côté, on ne peut pas parler d’un accord de libre-échange sans évoquer la question de mobilité des personnes, surtout celle des professionnels, qui reste la clé à un partenariat plus approfondi”.

Ben Ahmed a aussi affirmé que “la réalisation d’une nouvelle étude d’impact sur les éventuelles répercussions de l’ALECA sur les différents secteurs économiques tunisiens a été confiée, depuis deux jours à un bureau d’étude tunisien”.

Evoquant les opportunités de coopération triangulaire Tunisie-UE-Afrique que pourrait ouvrir cet accord, il a fait savoir que " la Tunisie signera en janvier prochain son adhésion au Marché commun de l'Afrique orientale et australe (COMESA), soulignant l'importance que requiert cette adhésion aussi bien pour la Tunisie que pour ses partenaires européens qui souhaitent investir en Afrique.

Prenant part au débat, le président de l'Instance tunisienne de l'investissement, Khalil Laabidi, a souligné l'importance que pourrait revêtir l'ALECA en termes d'investissement, si les spécificités du tissu économique tunisien sont prises en compte dans le cadre des négociations en cours.

Il rappelé, à ce titre que "l'Union européenne est le premier partenaire de la Tunisie en matière d'investissement. Sur 3406 entreprises étrangères ou à participation étrangère en Tunisie, 2471 entreprises sont originaires de l'union européenne soit 87% du total. En termes de valeur, les investissements européens en Tunisie représentent 71% des investissements étrangers globaux et emploient 85% de ce qu'emploient les entreprises étrangères".

Il poursuit en disant que "le secteur textile demeure le secteur qui accapare la part la plus importante d'investissements européens, suivi par le secteur des industries mécaniques et métallurgiques, le secteur électrique et électronique, celui des services informatiques et celui des Etudes & Conseil. On assiste aujourd'hui à un renversement de tendances où les secteurs mécanique et électronique sont en train de prendre le pas sur le **secteur textile**, qui change aussi de visage en s'orientant plus vers le textile technique".

Turkey's annual textile, apparel exports nearing $30B

DAILY SABAH WITH ANADOLU AGENCY

ISTANBUL

PublishedOctober 29, 2017

Turkey's textile and apparel exports are approaching $30 billion annually, while $7.5 billion of this amount comes from Merter, a district in Istanbul known for its ready-to-wear textiles.

Merter Industrialists' and Businessmen's Association (MESIAD) Chairman Yusuf Gecü announced the latest statistics yesterday, adding that the district exports textile and apparel products to 215 countries around the world.

Gecü noted that all medium and large textile and apparel manufacturers in Turkey have a store or showroom in Merter. He said that there are 10,000 stores in the region and that the number of people directly employed in these stores has reached 100,000.

The chairman stressed that it is important to reach this employment figure in a region where only the promotion and sales of a labor-intensive sector, such as textile, are conducted.

He also stated that the number of employees in the production of these brands is much higher and that 80 percent of the textiles and apparel manufacturers in Merter produce outside the region.

Meanwhile, he pointed out that Merter welcomes 3,000 importers every day from 60 countries in the Middle East, Africa, the Turkic Republics, the Far East and especially from the U.S., Russia, Europe and Gulf countries. "We are the first to come to mind in terms of textile. Turkey is already the shining star of the world in the textile and apparel sector. No matter where in Turkey, our producers are selling from here," he said. Merter's exports amount to 25 percent of annual textile and apparel exports in the country. He said that Turkey's 2023 goal is to exceed $50 billion in exports, adding that they aim to make up $15 billion of this figure in Merter alone.

Gecü said that Turkey's average export value per kilogram is around $1.7 and that this figure reached $15 in apparel and $5 in textile. He pointed out that they continue to work on further increasing these figures.

He explained that Turkish goods are perceived abroad as cheaper than Europe and much better quality than China. He said this perception was placed in the minds of consumers particularly in Russia, Turkic Republics, African, European, Middle Eastern and Gulf countries.

"We will combine quality product with design and deepen markets," Gecü said.

Gecü noted that the Turkish textile industry, which closely follows all the fairs in the world and participates in the events, closely monitors fashion and that this is how they can easily bring the latest trends to consumers. He emphasized that Turkey is among the few countries in the world in terms of producing quality denim jeans and knitted products. To conclude, Gencü said that Turkish producers are also working their way to becoming top brands themselves.

Textile Industry Praises Trump China NME Decision, Urges Aggressive Trade Enforcement

November 2, 2017

WASHINGTON, DC — November 2, 2017 — With President Donald Trump headed to Asia this November 3-14 to visit Japan, South Korea, China, Vietnam and the Philippines, the National Council of Textile Organizations (NCTO) praised the Trump administration's recent determination reaffirming China's non-market economy status for antidumping purposes and called for even more aggressive U.S. enforcement to crack down on unfair trade practices.

"The evidence could support no other decision," said NCTO President & CEO Auggie Tantillo as NCTO concurred with the U.S. Department of Commerce's exhaustively researched determination that China is still a non-market economy.

Tantillo added, "Properly defining China as a non-market economy simply confirms what every U.S. manufacturer already understands – China has a set of unfair and extraordinary advantages that allow them to displace investment, production and employment in our market."

"We encourage President Trump to use his trip to Asia to reaffirm his commitment to enforcing America's trade laws fairly, but resolutely," Tantillo continued, pointing to public comments filed by NCTO[1] suggesting additional reasonable activities the U.S. government could undertake to improve trade enforcement, thereby creating more good jobs.

NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers.

- U.S. employment in the textile supply chain was 565,000 in 2016.
- The value of shipments for U.S. textiles and apparel was $74.4 billion last year, a nearly 11% increase since 2009.
- U.S. exports of fiber, textiles and apparel were $26.3 billion in 2016.
- Capital expenditures for textile and apparel production totaled $2 billion in 2015, the last year for which data is available.
- NCTO is also a member of Manufacturers for Trade Enforcement, a multi-industry coalition supporting the continued designation of China as a non-market economy.

Posted November 2, 2017

Source: the National Council of Textile Organizations (NCTO)

AZERNEWS
Wednesday November 1 2017

Uzbekistan signs contracts worth over $1B for textiles export

25 October 2017 13:06 (UTC+04:00)
946

By Kamila Aliyeva

Uzbekistan, the world's sixth-largest cotton producer, aims to further increase incomes to the national economy by exporting this strategic crop.

Uzbekistan has signed contracts for the export of finished textile products and semi-finished products for more than $1 billion following the 13th International Uzbek Cotton and Textile Fair.

Large contracts were signed with companies from Russia, Turkey, South Korea, Singapore, Moldova and other countries.

Representatives of foreign purchasing companies noted the quality and price parameters of Uzbek textile.

At the same time, the process of contracting continues, and more accurate figures for exports will appear later. The same applies to data on cotton fiber contracting.

Last year, Uzbekistan signed contracts for the sale of textile products for 550,000 tons of cotton fiber worth more than $1.32 billion.

In general, the 76th plenary meeting of the International Consultative Committee for Cotton and the XIII International Uzbek Cotton and Textile Fair will last until Friday, when the final figures will be announced.

This year around 1500 specialists from more than 50 countries take part in the events.

Uzbekistan will achieve full processing of cotton fiber in 2021. By 2020, the capacity of local enterprises will ensure the full processing of cotton produced in Uzbekistan, which can lead to a significant decrease in the export supplies of this crop. Only in 2017, the country intends to bring internal processing of cotton fiber to 70 percent.

At the same time, by 2021 the production of textile and clothing and knitted products will increase by 2.2 times compared to 2016, including ready-made fabrics - 2.7 times, knitted fabrics - 3 times, knitted goods – 3.4 times, hosiery – 3.7 times. It is planned to increase the export of products by 2 times.

One of the policy priorities of Uzbekistan, the world’s fifth-largest cotton exporter, is further development of its textile industry. Annually, the country grows about 3.5 million tons of raw cotton, produces 1.1 million tons of cotton fiber.

Uzbekistan takes consistent steps to increase the volume of cotton fiber processing. In particular, it is planned to create 112 modern, high-tech industrial factories, expand, modernize and technologically upgrade 20 operating capacities. All this will increase the export potential of the industry up to $2.5 billion a year and create more than 25,000 jobs.

In the period 2010-2014, the textile industry of Uzbekistan received and spent foreign investments worth $785 million while 147 new textile enterprises with participation of investors from Germany, Switzerland, Japan, South Korea, the U.S., Turkey and other countries were commissioned. Export potential of these enterprises amounted to $670 millions.

FOR ALL THE FASHION BUSINESS
Drapers

Good sourcing, Vietnam

27 OCTOBER 2017 BY PUI-GUAN MAN

Vietnam is evolving as an attractive sourcing destination for clothing and footwear retailers, even against the broader shift to "near shoring" for speed to market. Drapers finds out why

Although mainland China is still the most established market for the UK for clothing imports, accounting for £4.1bn in 2016, it is cooling as labour and operating costs rise.

As brands and retailers diversify their production resources, neighbouring Vietnam is becoming more appealing as an alternative to its rivals in Asia. Since the south-east Asian country joined the World Trade Organization in 2007, it has steadily expanded its export capabilities in clothing manufacturing.

A free trade agreement with the European Union is set to take effect in 2019, so sourcing from the region will inevitably accelerate. Its stable economic and political environment, and relatively clean record on compliance with safety and other corporate social responsibility (CSR) obligations could give it an edge on nations such as Bangladesh and Turkey.

H&M, Uniqlo and Marks & Spencer are among the retailers to have turned to Vietnam for their core suppliers. It is a relatively new market for M&S, which opened a direct sourcing office in Vietnam in 2015, focusing on footwear and tailoring.

In March M&S reported it employed around 41,800 workers across 21 Vietnamese factories for clothing, footwear and accessories. Its clothing and home suppliers employ a total of 766,717 workers in 960 factories globally.

Vietnam has long been a key sourcing market for US retailers. The UK shares deeper ties with India, Bangladesh and Pakistan, but Vietnam is starting to gain ground. In the UK Fashion and Textile Association's (UKFT) first clothing import rankings in 2016, Vietnam was 13th with a value of £492m. Figures previously reported by Drapers put the value of the country's imports at £435m in 2015, growing from £226m in 2010.

Vietnam is entrepreneurial and seems to have a stable government

Paul Alger, UKFT

UKFT international business development director Paul Alger predicts it will climb further up the top 20 this year: "Retailers will seek the cheapest possible option," he says, observing that businesses have been turning to Vietnam in particular for finer work such as bridalwear and occasionwear.

"Sourcing from Vietnam in the UK has been coming along over the past five years as other countries, namely China, have become increasingly expensive. It also seems to be more flexible than China, which is more of a volume player and not as good with smaller orders. Vietnam is entrepreneurial and seems to have a stable government."

Nevertheless, its population of around 90 million and relatively underdeveloped infrastructure means Vietnam has a way to go before it can compete with China and India on scale and efficiency.

"Vietnam's capacities are limited compared with China and India," says Alger. "While it has expanded exponentially, it's not a big country. Other challenges are transport and logistics costs: it doesn't fit with the near-shoring agenda."

Ethical appeal

A renewed ethical focus is also starting to make Vietnam relatively attractive as a sourcing destination. After a string of high-profile scandals, including the 2013 Rana Plaza factory collapse in Bangladesh, western brands and retailers are profoundly aware of the need for thorough CSR and compliance policies at production sites.

Only China has more factories requesting accreditation for compliance from US-based independent certification programme World Responsible Accredited Production (WRAP) than Vietnam.

Laura Morroll, senior manager at Berkhamsted supply chain consultancy LCP Consulting, says although the scales are tipping towards Europe as the pace quickens on near-shoring, Vietnam remains “a sensible bet” for retailers’ core product ranges with predictable demand profiles, where speed to market might not be as much of a factor.

“In terms of the criteria for apparel retailers in deciding where to source from, price is key, but so is the capability and ability to manage production and risk,” she notes. “From a CSR point of view, Vietnam is a fairly safe and established market to source from – it’s a safe pair of hands compared with other emerging markets.”

The UKFT’s Alger agrees: “I can see UK brands and retailers looking at Vietnam and wondering if it will solve their problems, as concerns over ethical issues in Bangladesh continue.”

Increasing labour rates may have implications in rising costs in Vietnam

Laura Morroll, LCP Consulting

Social and business compliance, however, carries a premium, and labour costs in the country are set to rise. Vietnam’s National Wage Council announced in August that the minimum wage may rise by 6.5% in 2018 to VND2.76m-VND3.98m (£92.10-£132.93) per month.

One boss at a supplier that sources textiles from Vietnam also suggests certain “political difficulties” have led to higher-than-expected costs: “Businesses had turned to Vietnam in recent years for cheaper prices, on the promise that there would be 0% [import] duty rates, but that hasn’t happened,” says the source, who does not wish to be named.

Morroll believes this will not deter retailers, as the cost increase will be offset by the benefits made from government-led investment in transport links and infrastructure, on top of foreign investment in new plants and manufacturing facilities. Improved infrastructure would also help to reduce the longer lead times caused by the market's need to import most raw materials to cut and sell.

"Increasing labour rates may have implications in rising costs in Vietnam, but as a country it is making significant investment in technology and infrastructure, so the increase in labour rates would be balanced with this efficiency gain," she says.

US sourcing gains

Vietnam is now second only to China for garment sourcing in the US. It grew by 18% to account for $1.1bn (£842m) of US clothing imports in January 2017, and by 17% to $495m (£379m) in footwear imports, the US Department of Commerce's Office of Textiles and Apparel reports.

US manufacturing trade show Sourcing at Magic chose Vietnam as its focus country for its latest edition in August, citing its rapid export growth, and showcased more than 40 Vietnamese manufacturers.

Sourcing at Magic president Christopher Griffin says: "We see tremendous quality, great needlework and attention to detail. The entrepreneurial spirit is robust, especially in the south and Ho Chi Minh City."

Griffin adds that for the US, Vietnam is particularly strong in producing footwear and clothing for the burgeoning athleisure market.

Despite the US's well-documented withdrawal from the Trans-Pacific Partnership free trade agreement earlier this year, which dampened Vietnam's hopes for a meaningful export boost, Griffin is confident that Vietnam will remain a key global sourcing player. He argues its position on compliance has played a significant part in ensuring its competitiveness.

"Looking at the safety record of [factories in] Vietnam, the facts speak for themselves," he says. "In Bangladesh in particular, there are issues with worker safety where the industry has tried to band together and address them, but they continue.

"And for any brand, even without the human aspect regarding safety, it's a PR nightmare to have tags in a factory that isn't safe. Statistically, Vietnam has been proactive on compliance and safety issues, so it hasn't been caught in this.

"Vietnamese sourcing can be quite bureaucratic and a bit slow. But when you weigh out the risks, Vietnam represents a very evenly balanced market.

“It has low domestic strife, is stable, has an established base in the south and is growing in the north. I believe more brands and retailers will look at it in the short term. Its momentum shows no signs of slowing.”

The Drapers verdict

Businesses should factor in growing concerns surrounding transparency in Vietnam when it comes to subcontracting, as manufacturers continue to seek ways of offsetting rising wages. As with most developing markets, detecting illegal subcontracting or unethical practices could prove tricky.

Aside from this, businesses must balance the need for the most affordable option with the assurance of compliance, as well as relative political security and reduced risk of civil unrest among other key factors. With this in mind, Vietnam’s sourcing market could offer a more compelling solution than its competitors.

HANOI TEX 2017 permet aux entreprises d'acquérir de nouvelles technologies

JEUDI 2 NOVEMBRE 2017 -

La cérémonie d'ouverture de HANOI TEX 2017. Photo: VNA

Hanoï (VNA) - HANOI TEX 2017 permet aux entreprises d'examiner et d'acquérir de nouvelles technologies de textile-habillement, ce afin d'orienter leur investissement pour améliorer la qualité des produits, a estimé le vice-ministre de l'Industrie et du Commerce, Cao Quoc Hung lors de l'ouverture de cet événement.

HANOI TEX , une exposition internationale spécialisée dans l'industrie du textile-habillement, ses équipements et ses premières matières, se tient du 1er au 3 novembre dans la capitale et regroupe 150 compagnies venues de 15 pays, dont la Chine, l'Allemagne, l'Inde, l'Indonésie, l'Italie, Singapour, les Etats-Unis.

Sont présentés sur une superficie totale de 6.000 m² des équipements, des chaînes de production, des machines, du tissu, du fil, des logiciels de design... L'exposition ouvre des opportunités de développement et de consolidation du marché domestique du textile-habillement et aussi de recherche de marchés de matière premières à l'étranger.

Selon Le Tien Truong, directeur général du Groupe du textile-habillement du Vietnam (Vinatex), ce secteur s'intéresse à l'investissement technique et technologique pour sortir des produits de qualité et respectueux de l'environnement, ce afin de réaliser la Stratégique de développement durable de ce secteur d'ici 2020. -VNA

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Textile & garment projects revived, but face new barriers

VietNamNet Bridge - A number of yarn, weaving and dyeing projects have restarted after a period of postponement due to the US withdrawal from the Trans-Pacific Partnership (TPP). However, the textile & garment industry still faces difficulties.

Trillions Enterprise, an investor from Brunei, which has a dyeing and weaving factory in Tan Duc IZ in Long An province, has asked for five more hectares of land in the IZ to scale up its production.

Long Thai Tu Yarn, a South Korean enterprise, has decided to invest $50 million more to expand the workshop in Long Khanh IZ in Dong Nai province.

In Binh Duong province, Taiwanese Far Eastern has registered additional investment capital of $485.8 million, raising its total investment in Bau Bang IZ to $760 million after two years of operation.

A representative of the group admitted that it registered investment in Vietnam in 2015 to take full advantage of TPP. However, the manufacturer won't change its plan even though the US withdrew from the agreement.

A number of yarn, weaving and dyeing projects have restarted after a period of postponement due to the US withdrawal from the Trans-Pacific Partnership (TPP).

According to the Foreign Investment Agency (FIA), the project registered by Far Eastern is among five projects with largest registered investment capital licensed in the first eight months of 2017.

Unlike three years ago, there have been not many large-scale new FDI projects in the textile & garment sector this year. However, investors are expanding their operating projects.

Some Vietnamese enterprises have also stepped up investment.

Bao Minh Textile has invested $75 million in a project to make high-quality cloth in Nam Dinh, expected to become operational by March 2018.

According to Vu Duc Giang, chair of Vitas (Vietnam Textile & Apparel Association), the investment capital poured into the textile & garment sector this year has been $2 billion. Though enterprises no longer look forward for the tax cut to zero percent, Vietnam remains a big garment exporter globally

Vietnam textile & garment export turnover in the first seven months of the year reached $17 billion, up by 9.94 percent over the same period last year.

Vitas, noting that the input material imports increased by 18.76 percent, valued at $11.1 billion, has predicted that total export turnover in 2017 may exceed the target of $30 billion.

According to Vitas, besides TPP, Vietnam’s textile & garment industry still enjoys benefits from other FTAs, including ones with the EU, South Korea and Japan.

Vietnam now holds only 3 percent of the market share in the EU, which means it still has opportunities to boost exports to the market.

The Ministry of Industry and Trade has warned that export markets have increased their trade remedies against Vietnam’s products. India imposed a tax of 35-45 percent on Elastomeric Filament Yarn.

VN textile industry needs to spin a new yarn

Continued dependence on raw and auxiliary materials imports will constrain Viet Nam textiles and garment industry from taking real advantage of the various Free Trade Agreements signed by the country, industry insiders say.

Garment production at the Hoa Tho Textile and Garment JSC's actory in South Dong Ha Industrial Park, Quang Tri Province.

Garment production at the Hoa Tho Textile and Garment JSC's actory in South Dong Ha Industrial Park, Quang Tri Province.

It will also blunt the industry's competitive edge further, they add.

According to a 2016 report from the Ministry of Industry and Trade (MoIT), by the end of last year, 99 per cent of cotton used in the textile industry, reaching 1.03 million tonnes worth about US$1.7 billion, was imported, a year-on-year increase of two per cent in quantity and 2.5 per cent in value.

Thread import turnover in 2016 also went up 8.8 per cent in volume and 5.9 per cent in value to 861,00 tonnes and $1.6 billion respectively. Import of whole fabric last year increased by 3.2 per cent over 2015 to reach $10.5 billion.

Feeble at home

Currently, Viet Nam is only able to supply 0.3 per cent of domestic cotton demand and 40 per cent of thread demand, so the rest is imported chiefly from the US, China and Taiwan.

Paradoxically, more than 70 per cent of the national thread output of 1.4 million tonnes is exported, while the Vietnamese garment industry imports nearly 0.1 million metric tonnes of high-grade fibre from China, Korea and Taiwan per year.

Each year, Viet Nam earns tens of billions of dollars from textile and garment exports, but businesses make modest profits of less than $2 billion because the garment industry spends more than half of its earnings on importing raw materials, according to the MoIT.

Tran Thanh Hai, Deputy Director of the MoIT's Import-Export Department, said in an announcement on the MoIT's online portal, that the textile industry's dependence on imported instead of locally produced raw and auxiliary materials has significantly limited its competitiveness and added-value component.

Domestic textile firms produce nearly 2.8 billion metres of fabric each year, meeting 30 per cent of total demand, so Viet Nam still has to import up to 6.1 billion metres of fabric annually, even from countries not participating in the same major FTAS like the Trans-Pacific Partnership, the EU-Vietnam FTA, or the Vietnam Japan Economic Partnership Agreement.

Regarding accessories, production facilities for sewing thread, cotton sheets, buttons, zippers, or packaging labels can be found in Viet Nam, but they barely meet domestic market demand, so these have to be imported in large quantities too.
According to a 2016 report of the Viet Nam Textile and Garment Association (VITAS), the industry finds itself in the lowest value-added segment in the supply chain, having 70 per cent of exported products under outsourcing for foreign firms, 20 per cent as domestic production and direct sales without intermediaries, 2.9 per cent as self-designed and self-manufactured products, and just one per cent made and distributed under original brands.
Tied in knots
Nguyen Van Tuan, Chairman of the Vietnam Cotton and Spinning Association (VCOSA), said during the 2016 Vietnam Textile Summit in HCM City, that the textile industry is "knotted" in the middle, i.e. highly productive in terms of making yarn and final products, but stunted in the production of fabric and other materials.
With the industry’s annual growth rate at about 8 per cent, by 2025, the amount of fabric needed will double to 18 billion metres, meaning without further investment in domestic production, Viet Nam will have to import 15 billion metres, said Tuan.
He also said that with 7.5 million spindles, the industry’s annual output is approximately 1.3 million tonnes of thread; of which more than 800 thousand tonnes are reserved for export, mainly to two major markets – China and Turkey.

Beleaguered sector

Worse still, many countries have intensified their use of trade remedies against Viet Nam. According to the MoIT, from 2007 onwards, Viet Nam’s yarn and thread exports have faced seven lawsuits – five anti-dumping, one anti-subsidy and one safeguard measure - from Turkey, the EU, India and Brazil.
Therefore, around 80 per cent of Vietnamese yarn is exported to China, since its cotton prices are still relatively high. However, this cannot be seen as a stable market. Once China decides to use the 11 million tonnes of cotton in storage, Viet Nam’s yarn market share in the country will shrink considerably, according to a VCOSA analysis.
Supporting industries
Some insiders have said that the nation’s textiles and garments sector can still increase productivity and localisation rate through the development of supporting industries.
VITAS Chairman Vu Duc Giang told the Vietnam News Agency a few months ago the FTAs are a driving force for growth, but the textile and garment industry must be prepared for it.
Giang suggested that domestic businesses invest in the dyeing process, implement a solid human resource training strategy as the 4.0 Industrial Revolution gets closer, and focus heavily on building an integrated value chain between domestic producers.
Hoang Ve Dung, Vinatex’s Deputy General Director, said at a meeting in August 2017 between Vinatex and the Vietnam Oil and Gas Group, that administrative agencies should coordinate with textile associations to push for appropriate policies on the purchase and production processes, covering both raw materials and finished products.
According to the MoIT, total textile and garment exports in the first six months of 2017 reached $14.58 billion, up 11.3 per cent over the same period in 2016, despite difficulties.
However, industry insiders have said that the turnover of the first 6 months is not sustainable.

US garment-textile firms seek opportunities in Vietnam

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US garment-textile and footwear businesses are seeking their own investment opportunities in Vietnam as their country has withdrawn from the Trans-Pacific Partnership (TPP) earlier this year (Source: baodautu.vn)

Hanoi (VNA) – US garment-textile and footwear businesses are seeking their own investment opportunities in Vietnam as their country has withdrawn from the Trans-Pacific Partnership (TPP) earlier this year.

In late October, the American Apparel & Footwear Association (AAFA) and the American Chamber of Commerce in Vietnam (AmCham Vietnam) held a series of activities in Ho Chi Minh City, including an international workshop on product safety and compliance issues.

In the first eight months of 2017, Vietnam exported over 30.16 billion USD worth of goods to the US, making up 1.99 percent of the US's total import turnover.

However, during the eight-month period, Vietnam paid over 2.2 billion USD in taxes, ranking second out of the 15 countries paying the highest import taxes to the US.

According to Nate Herman, Senior Vice President of AAFA Supply Chain, Vietnam continued to surpass rivals in export growth to the US in spite of receiving no benefits from any trade preferential programmes or free trade agreements.

The Southeast Asian country's garment-textile and footwear exports to the US are likely to increase in the coming time, even without TPP, he evaluated.

He noted that the US's imports of Vietnam's garment-textile and footwear grew by 8.74 percent and 11.83 percent respectively over the past 12 months and Vietnam was the second biggest exporter to the market, after China.

US retailers and consumers recognised Vietnam's strengths of quality, prices and delivery commitments, he said, adding that this is the reason why the AAFA and US businesses want to arrive in Vietnam.

Earlier, the National Cotton Council of America (CCI) coordinated with the Vietnam Textile & Apparel Association to organise the Cotton Day 2017 and granted investment licenses to 12 businesses operating in Vietnam and using the US cotton.

The event aims to connect Vietnamese garment-textile enterprises with the US partners, suppliers and experts.

Ryan Cabrera Tuazon, regional director of the US HanesBrands group, said after 10 years of operating in Vietnam, its total investment has stood at around 55 million USD with three factories in the central province of Thua Thien-Hue and the northern province of Hung Yen.

Vietnam is defined as a production destination for HanesBrands in the Southeast Asian region, he said, adding that the factory in Hue is equipped with the latest technologies and manufacturing equipment.

Jon Fee, a senior adviser of Alston & Bird LLP, said without TPP there are other opportunities for the garment-textile and footwear producers in Vietnam such as the Regional Comprehensive Economic Partnership (RCEP), the EU-Vietnam Free

Trade Agreement (EVFTA), the “One Belt One Road” initiative, and the “Two corridors and one economic belt” of Vietnam-China strategic cooperation.

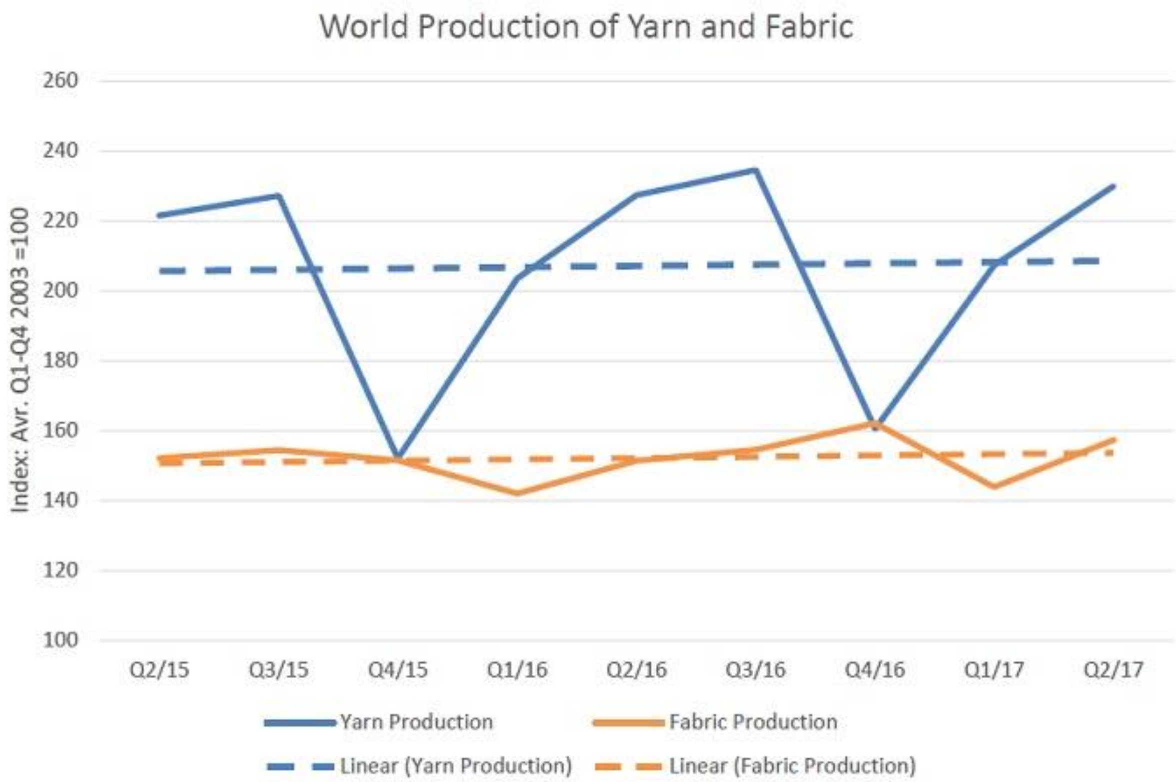
Experts said Vietnam’s exports to the US will face difficulties in the coming time due to the US’s tighter regulations on product safety to reduce trade deficit.

Nevertheless, US garment-textile and footwear companies still have opportunities in Vietnam, they said, warning firms to pay due attention to product safety and compliance matters.-VNA

25th October 2017, Zurich

Yarn and fabric production on the rise

The global yarn production has improved in the second quarter of 2017, according to the International Textile Manufacturers Federation (ITMF). It increased in Asia, Europe, and Brazil and slightly declined in the USA. The combined effect brings the global yarn production to a level slightly higher than it was in the same period of 2016. Global fabric production increased as well. The output in Asia, Africa, and Brazil improved while it was stable in the USA and Europe.
The apparent stability of global yarn stocks between the first and the second quarter this year is the composite result of a strong increase in Brazil and a strong decrease in Egypt. Global yarn stocks have also improved compared to the same quarter a year earlier. Global yarn orders have fell in all regions in the second quarter of 2017.



Worldwide fabric stocks slightly increased, with the most significant change observed in Brazil for the second quarter in a row. The fabric stocks, however, haven't reached their Q2 2016 level yet. Asian and European fabric orders remained stable in and rose in Brazil and Africa. In comparison to the second quarter of last year, the Asian and Brazilian fabric orders declined significantly, while they slightly increased in Europe and Africa.

For the third quarter, estimates indicate a stable trend in both global yarn and fabric production. For the final quarter of 2017, the global outlook for both yarn production and fabric output signal further rise, according to the federation.

Production

In the second quarter of 2017, global yarn production rose by 11%, a lower rate of growth compared to the last quarter. The drivers of the growth level are Asia and Brazil with their respective 12% and 11% increases. Yarn production has decreased by 10% in the USA and by 18% in Africa since the first quarter of 2017.
Global fabric production improved by almost 9% in the second quarter of 2017, with the most significant increase in Brazil, Asia, and Africa (10.4%, 9.8%, 9.2% respectively). The output in the USA and Europe remained stable. The situation has improved compared to the same period last year, with an increase of global fabric output of almost 4%.

Global stocks

Global yarn stocks decreased by 1% in the second quarter of 2017. Asia, Europe, and Brazil saw their yarn inventories increased by 0,7%, 2.3%, and 11.5% but the world average is driven down by a 12% decrease of yarn stocks in Egypt. The stocks improvement of 13% in comparison to the second quarter of 2016 is a composite effect of relatively slight variations in Europe and Asia, a sharp decrease of nearly 40% in Brazil, and a strong increase of 112% in Egypt.
Worldwide fabric stocks rose by 3.3%. Brazil experienced a strong increase of 23%, while variations in all other regions ranged within the +/- 3% margin. Global fabric inventories decreased by 8% compared to the same period last year. The strongest decrease is observed in Brazil (-30%). Asia and the USA are fairly stable, and Europe's stocks raised by 7%.

Orders

In the second quarter of 2017, European yarn orders decrease by almost 7%. Reductions of 6% and 4% were recorded in Brazil and Asia, respectively. Compared to the same period of 2016, yarn orders in Europe remained stable. They decreased in Brazil and Asia by 17% and 14%, respectively.
The 9% increase in global fabric orders is driven by Brazil and Egypt (+13% and +16% respectively). During the quarter, fabric orders have been stable in Asia and slightly decreased in Europe. They, however, show a relatively strong decrease with respect to the same quarter a year before (21%). This is mainly due to falling orders in Brazil and Asia (-27% and -17%).
www.itmf.org