iBtex. TEXTILE INTELLIGENCE CENTRE
INFORMATION BUREAU TEXPROCIL
TEXPROCIL NEWS CLIPPINGS
The Cotton Textiles Export Promotion Council [TEXPROCIL]
Engineering Centre, 5th Floor, 9, Mathew Road, Mumbai - 400 004. Maharashtra State. INDIA
W. www.texprocil.org E. enews@texprocil.org T. +91-22-2363 2910 to 12 F. +91-22-2363 2914

IBTEX No. 174 of 2017 August 24, 2017

USD 64.06 | EUR 75.59 | GBP 81.93 | JPY 0.59

Cotton Market

Spot Price (Ex. Gin), 28.50-29 mm

Rs./Bale	Rs./Candy	USD Cent/lb
19911	41650	**82.92**

Domestic Futures Price (Ex. Gin), October

Rs./Bale	Rs./Candy	USD Cent/lb
18480	38656	**76.96**

International Futures Price

NY ICE USD Cents/lb (Dec 2017)	68.89
ZCE Cotton: Yuan/MT (Sept 2017)	15,360
ZCE Cotton: USD Cents/lb	**88.89**
Cotlook A Index – Physical	**77.9**

Cotton & currency guide: Broadly the trend this week has been positive. From domestic side the spot price advanced gradually from a steady price of Rs. 42750 per candy to Rs. 43K per candy pushing the future contract higher. The October future moved higher to end the day at Rs. 18480 per bale while it had made an intraday high of Rs. 18570.

Likewise, the ICE cotton future which failed to break below 66.50 level and eventually moved higher. On Wednesday the counter posted a close higher at 68.89 cents while made an intraday high of 69.47 cents per pound.

One of the major triggers for price rise along with technical break out onto the higher side is the tropical storm Harvey, heading up the Gulf of Mexico. Harvey could become a hurricane before landfall on Friday. It looks to be headed for the central Texas coast. Growers in both Texas and Louisiana have been bracing for heavy, unwanted rains. How much and how far the rain falls is yet to play out.

In the meanwhile, total open interest has reached the highest level since June 15th. The OI was 226,101 contracts, up 756 contracts from previous day. That was the 6th consecutive increase in open interest for a total of 6,891 contracts. Speculative positions have likely been the biggest buyers overall. Early today, mills were buyers, some seemingly in a panic. Growers lightly sold at higher levels.

From China side, good appetite for the auction bales was noticed. Sold on Wednesday's auction of Chinese state reserve cotton were approximately 133,500 bales. The turnover rate was 97.72 percent, the highest rate since the first 3 days of the auction. Total sales to date: approximately 11.41 million bales. Remaining unsold reserve stock is estimated around 27.55 million bales.

This morning ICE cotton is seen trading at 68.92 cents steady from previous close. Market is quite at this moment however, this evening we have the US weekly export sales figure and believe any major change in the figure shall have impact on the price. Since market has moved close to 69 cents the trading range shift for the day. We expect for today the band should be 68.30 to 69.40.

At the domestic market the October futures has advanced to Rs. 18480 and believe on today the trading range would be Rs. 18300 to Rs. 18600 per bale.

Compiled By Kotak Commodities Research Desk , contact us : mailto:research@kotakcommodities.com, Source: Reuters, MCX, Market source

NEWS CLIPPINGS

	INTERNATIONAL NEWS
No	**Topics**
1	Why North Korea is Now Exporting Clothes to China
2	Sri Lanka's economy has performed relatively well - WTO
3	China needs to take initiative in trade with ASEAN
4	Pakistan needs to fast-track structural reforms
5	USA: Cotton Board proposes $74 million for 2018 budget
6	Pakistan:: Trade: a low hanging fruit in ties with Bangladesh
7	US govt initiates Section 301 investigation of China
8	Pakistan: Setting up of an apparel export council on the cards: PRGMEA chief
9	Pakistan, Indonesia negotiate PTA, agree on concessions for 20 items
10	Bangladesh's July export earnings up 26 per cent
	NATIONAL NEWS
1	GST will bring in transparency and cut costs
2	Re-export of cotton likely from Kochi port
3	Amazon sees 90 per cent increase in fashion sales
4	Rajasthani Textile heritage at lit fest in Bhutan
5	Technical textile industry biggies at Techtextil India 2017
6	Flipkart goes global; sellers can export worldwide
7	Creating well-paid jobs for Indians

INTERNATIONAL NEWS

Why North Korea is Now Exporting Clothes to China

According to the data sourced from Chinese Customs, garments accounted for $147.5 million, or 38%, of the total goods China imported from North Korea, which amounted to $385.2 million. Three months earlier, the figure was significantly lower at $120 million.

The figures also indicated that China exported $35 million worth of clothing to North Korea in the same period, reported the South China Morning Post.

And before the recent seafood ban China imposed, North Korea was also able to export $68 million worth of seafood. In addition to seafood, iron and iron ore are also included in the updated list of banned imports.

China announced the additional import bans on Tuesday in accordance with the recent sanctions the U.N. slapped to North Korea for last month's missile tests.

The data also provided details on the effect of the sanctions to North Korean coal imports; in the first quarter, Pyongyang shipped 2.7 million tons of coal valued at $220.6 million to China, accounting for 43 % of its total imports then. The following quarter, the coal imports hit zero.

The ban on coal imports, which was announced in February, resulted in Pyongyang's loss of a major source of foreign income.

However, according to Hwang Jae-ho, regional security analyst from Hankuk University of Foreign Studies, the garment trade could undermine the currently implemented sanctions on Pyongyang.

"Beijing's quick response to ban North Korean coal, iron ore, and seafood is not aimed at hurting Pyongyang's economy at all, but merely a gesture to Washington, showing Beijing is not happy with North Korea," Hwang was quoted as saying.

Observers noted that the recent sanctions would continue to elevate clothing as North Korea's main trading product with China.

“Textiles are a non-time-sensitive, low value-added sector, which is ideal for low-wage, inefficient North Korean workers. Chinese companies take advantage of that to produce cheap clothes, and then export them to China,” noted University of Sydney international relations specialist Justin Hastings.

Hastings further explained that Chinese firms have been taking advantage of the relatively lower costs in North Korea. He said, “Garments are produced by Chinese-North Koreans joint ventures, or by North Korean companies under contract to Chinese companies, and are then exported to be sold in China and elsewhere by Chinese sellers.”

Source: nextshark.com - Aug 22, 2017

HOME

****

Sri Lanka's economy has performed relatively well - WTO

The World Trade Organization (WTO) in its latest Trade Policy Review (TPR) on the country has stated that the country's economy has performed relatively well.

Highlighting Sri Lanka's achievements at length, the WTO in its TPR 2016, which has the final conclusions on the 164 member country review session in Geneva in 2016, says the middle-income economy has performed relatively well since its last review in 2010.

"Its economy has shown resilience in the aftermath of the global financial crisis and following the resolution of the internal conflict, with an average annual growth rate in real GDP of 6% during the review period," the report says.

The WTO assessment results stand as a forceful indicator of positive sentiments on improved investor confidence, lessening policy instability and better trade reform outlook for Sri Lanka, the Minister of Industry and Commerce Rishad Bathiudeen said.

The latest report is Sri Lanka's fourth TPR since December 2010's third review. Sri Lanka's first TPR was in 1995 and the second was in 2004.

While the TPR is not intended to be an enforcement document, it is an indicator of progress made by WTO member countries. Still, as a result of the in-depth country surveillance by WTO for this report, the TPR mechanism is considered to be, in WTOs own words, 'fundamentally important activity running throughout the work of the WTO.' TPRs therefore impact on a country's investor confidence, trade reform, indicator of policy uncertainty, and more importantly, WTO's future support initiatives for Sri Lanka.

The new Unity Government's Policy Orientation to 4th TPR session on 1 November 2016 in Geneva, was presented by Minister Bathiudeen, who led the 8-member Sri Lankan delegation to the international TPR session.

"The 4th Trade Policy Review of Sri Lanka is taking place at a historic moment under the 'National Unity Government', which was established for the first time in the country by the coalition of two main political parties" Minister Bathiudeen stressed to last year's Geneva audience. After the conclusion of presentation many economies gave accolades to Sri Lanka including European Union, US, China and Australia.

The 2016 TPR said "Trade played an important, albeit declining role in the economy during the review period, as trade in goods and non-factor services declined from the equivalent of about 55% of GDP in 2011 to 49% in 2015. While exports and imports grew in absolute terms over the review period, the merchandise trade deficit widened. Sri Lanka's preferential trade regime has remained unchanged during the review period and it continues to provide long-standing reciprocal preferences pursuant to two bilateral agreements with India and Pakistan, and two regional trade agreements such as APTA and SAFTA.

In terms of the multilateral trading system, Sri Lanka granted at least MFN treatment to all its trading partners, made proposals to the Doha Development Agenda and participated in the regular work and Committees of the WTO, and has not been involved in any disputes under the WTO Dispute Settlement Mechanism during the review period. Sri Lanka made many WTO notifications during the review period that pertained mainly to customs valuation, agriculture, import licensing, SPS, TBT, TRIMs, and TRIPS."

Stressing Sri Lanka's trade policy predictability and institutional improvements, the TPR says: "The tariff regime remained relatively unchanged during the period, with applied rates declining slightly from an average of 11.5% in 2010 to 10.3% in 2016.

The main developments in terms of customs procedures during the period were Sri Lanka's implementation of a single window system in January 2016 and its acceptance of the WTO Trade Facilitation Agreement in May 2016. Sri Lanka's single window application allows all entities involved in importing and exporting to submit required regulatory information to a single electronic gateway and to use electronic funds transfer or online payments."

The Department of Commerce of Sri Lanka (DoCSL), under Minister Bathiudeen with many other Sri Lankan authorities, performed the arduous task of compiling and submitting the comprehensive Policy Statement on Sri Lanka's trade and economy for the once in six year TPR that applies across 164 members of the WTO.

DoCSL's report is one of the only two reports used for final country assessment in the TPR. WTO Secretariat, based on its own and peer country reviews about Sri Lankan economy, compiles the other report on Sri Lanka. The TPR is a result of the analysis from both DoCSL and WTO observations since 2010.

Source: colombopage.com- Aug 23, 2017

HOME

****

China needs to take initiative in trade with ASEAN

This year is the 50th anniversary of the establishment of the Association of Southeast Asian Nations (ASEAN), and next year is the 15th anniversary of the setting up of the China-ASEAN strategic partnership.

In 2010, the China-ASEAN Free Trade Area was launched as the third-largest free trade zone for China. Looking back over the past 14 years, the trade between China and ASEAN has not only promoted bilateral economic development, but has also contributed new vitality into the world economy and trade.

According to data from China-ASEAN Free Trade Area business portals, the China-ASEAN trade volume has jumped from $130.36 billion to $480.29 billion from 2005 to 2014, an increase of 268 percent. However, it has not all been smooth sailing.

The bilateral trade volume dropped in 2009, 2015 and 2016. The decline in 2009 was partly triggered by the world financial crisis, but in recent years there have been some problems that cannot be ignored.

In 2015, the labor structure in international industry saw tremendous changes. With labor costs having risen significantly, China's demographic dividend advantage has been reduced. But at the same time, some ASEAN countries started to offer an alternative to the Chinese labor-intensive industries. This was mainly because China has been losing its advantage in the low-end manufacturing market, while the high-end market has not yet been fully cultivated.

Previously, China was able to make superior products to those from ASEAN countries in the areas of textiles, clothing, mobile phone assembly and other labor-intensive products, but this has changed. This means we need to find countermeasures to boost China's development.

Chinese enterprises should be steadfast in optimizing their transformation amid the trend toward restructuring and technological innovation. Efforts should be made by Chinese enterprises to shift their focus from exports to domestic sales, from being original equipment manufacturers to building their own brands, from manufacturing to services, and from extensive operation to refined management. In the face of the weakening of their previous advantages, Chinese enterprises should cultivate their new advantages in management, operation and service.

For instance, Foxconn, which has 400,000 employees in Shenzhen Longhua Foxconn Park, has established a community full of living and shopping convenience.

The workers there have good relationships with each other and they regard it as their home and are reluctant to leave. In reality, mature manufacturing factories often exist around an industrial cluster and a mature service system.

Externally, instead of being surpassed passively, it is better to take the initiative. In 2000, 40 percent of Nike's global production of sports shoes was based in China and only 13 percent in Vietnam. However, by 2013, China's contribution to Nike's global production had fallen to 30 percent, while the proportion for Vietnam had risen to 42 percent.

Faced with this situation, we should be "going out" bravely to take the initiative in transferring some industries to ASEAN countries based on complementary principles by conducting greenfield investments and maintaining the key advantages in our own hands.

In this way, not only can we control the industrial transfer in an active way, but it may also help with establishing a complete industrial chain for Chinese enterprises around the world. Among ASEAN countries, excluding Singapore, Brunei and Malaysia, which are high-income countries, the other seven countries, to a large extent, would be ideal locations for China's industrial chain layout in the future.

Up to now, China is still the largest trading partner for ASEAN, and ASEAN has become China's third-largest trading partner, the fourth-largest export market and the second-largest source of imports.

Compared with the downward trend in 2016, China-ASEAN trade attained a lofty growth rate of 16.2 percent from January to May in 2017. This has improved the complementarity of China and ASEAN in trade and has been driven by the Belt and Road (B&R) initiative. I am strongly convinced that with help from the B&R initiative and the Regional Comprehensive Economic Partnership, China-ASEAN trade cooperation will be substantially upgraded and the trade potential will grow.

Source: globaltimes.cn - Aug 23, 2017

HOME

****

Pakistan needs to fast-track structural reforms

United Nations Economic and Social Commission for Asia and the Pacific (Escap) Executive Secretary Dr Shamshad Akhtar has said Pakistan needs to fast-track domestic structural reforms critical for regional trade and investment flows with a view to realise the full potential of regional cooperation initiatives.

Gwadar Port will be very competitive, Ambassador Khalid

The development work is in progress on Gwadar Port and it will be fully functional in three to four years, said Pakistan Ambassador to China Masood Khalid. A power plant is being set up there to provide electricity to the city and the port, existing airport and highways are being expanded and more are being built.

Textile exports increase up to $1bn in July

Exports of textiles and clothing grew three per cent year-on-year to $1.006 billion in July from $979.414 million in the same month last year, the Pakistan Bureau of Statistics (PBS) said on Tuesday.

CNG sector expects strong rebound

The All Pakistan Compressed Natural Gas Association (APCNGA) expressed confidence in a strong revival of the CNG sector on the back of increased liquefied natural gas (LNG) imports in the next two years.

Source: radio.gov.pk- Aug 23, 2017

HOME

****

USA: Cotton Board proposes $74 million for 2018 budget

The Cotton Board has reviewed and voted to recommend Cotton Incorporated's proposed 2018 budget of $74 million to the US Secretary of Agriculture during its annual meeting in Durham, North Carolina.

The board also elected Louisiana cotton producer George LaCour as chairman and elected an entire slate of new officers for the 2017/2018 programme year.

The $74 million 2018 proposed budget represents an increase of $ four million compared with the 2017 budget. It is the first increase in Cotton Incorporated's annual budget since 2013.

The Cotton Research and Promotion Plan for 2018 continues the strategic direction set by Cotton Incorporated in 2017 and includes a focus on four major initiatives that cross all departments of Cotton Incorporated - Performance Cotton (the activewear market); Sustainability; Comparative Marketing; and Message Amplification.

The 2018 budget also contains initiatives focused on production costs and producer margins. The budget and plan, along with the board's recommendation of approval, will be forwarded to the United States Department of Agriculture (USDA) for final approval.

During its business session, the board elected new officers to guide the programme, including George LaCour, to serve as chairman for the 2017/2018 programme year.

LaCour is a cotton producer from Morganza, Lousiana. As general manager of the farming partnership GNG Farms, LaCour has overseen production on over 5,000 acres in Pointe Coupee Parish for the last 30 years.

In addition to cotton, his crops include corn, soybeans, wheat, sugar cane, pecans, crawfish and timber. He has served in leadership positions throughout the cotton industry and has been honoured with various awards for his efforts in cotton production, ginning, and conservation.

LaCour commented on his election, saying, “I am honoured to be given this opportunity to help lead this industry, and I will work hard on behalf of the cotton producers and importers who invest in the cotton research and promotion programme. Producers are facing significant challenges this marketing year, and the programme is responding with initiatives intended to help margins in the short-term while staying focused on long-term demand.”

Before passing the gavel to LaCour, outgoing chairman Janet Ydavoy, an importer from Portsmouth, said "We have made great progress for the stakeholders of the cotton research and promotion programme this year, and I know George will continue to lead the charge. His passion for his work and the cotton industry will serve us well."

Source: fibre2fashion.com- Aug 23, 2017

HOME

****

Pakistan:: Trade: a low hanging fruit in ties with Bangladesh

Bangladesh has been one of the key exporting destinations for Pakistani goods over the decades. Pakistan’s exports to Bangladesh have come through various fluctuations but still managed to end on a rise. It rose from $14.27 million in January 2005 to $48.8 million in January 2017. This fluctuation in export is primarily due to rising domestic demand and a stiff competition in the export market. Other reasons for the fluctuation include improved manufacturing facilities in Bangladesh, rise in regional agreements with India, Nepal, Bhutan and the Maldives and also major developed economies along with increase in informal trade.

In January 2017, the most popular commodities that found their way to Bangladesh from Pakistan included cotton yarn not for sewing cotton type products and woven cotton fabric products. Among export of services, Pakistan provided transportation, government-related services, telecommunication, financial and travel services. During the same month Pakistan’s major imports from Bangladesh was tea (flavoured and not flavoured), hydrogen peroxide, woven cotton fabrics, jute and other textile fibres and yarn of jute or other textile fibres.

Pakistan over the decade has also been a key supplier of cotton and woven goods along with the services sector where contribution was of minimal level to the economy. Like trade in locally-produced goods and services, its flow has also reduced over the period when it comes to discussion of trade ties between the two South Asian countries. There are several explanations for this reduction.

The most important are: political shifts occurring in this region, eg, different regional agreements where Pakistan is not a part of. These key regional agreements include South Asian sub-regional Sub-Economic Commission, Bangladesh, Bhutan, India, Nepal motor vehicle agreement and Bangladesh, Bhutan, India and other agreements of regional connectivity (Sasec and BBIN). Beside these political shifts and regional pacts there had been increasing demand in the domestic market both in Bangladesh and Pakistan also resulted in low trade over the period.

In different forms of literature, we had established that the relationship between Pakistan and Bangladesh was not on the positive side thus resulting in low and fluctuating trade numbers over the period. Data has also revealed that there is huge trade potential in the services sector, ie, during 2010-15; Pakistan has been more inclined in government and other business services leading to increasing employment trend and mostly in the lower and upper middle class income groups.

We also have evidence from recent literature of different forms and data that the slowdown and fluctuation was mainly due to political differences which has hindered the growth in various sectors and thus resulting in trust deficit followed by communication problems between people of different countries. This less than desired pace of reform in formal trade also explains the reason for stagnant growth in economic and political ties.

While security and political cooperation between the two countries may continue to remain a great challenge, we believe that cooperation in trade is a low hanging fruit, considering the business communities of both sides.

We have clear identification of challenges which the business community is facing. And given this identification, there should be an easy solution to work on. For example, in 2013 there were different MoUs signed between traders from both sides, the business community was worried about getting business visas, non-signing of a free trade agreement, lack of implementation of regional agreements like the South Asian Free Trade Agreement (Safta).

A critical evaluation of data and trends reveal that several mutually-agreed decisions have yet to be implemented. For instance, both sides agreed to sign a bilateral FTA to open more trade alongside Safta. This needs to be implemented in letter and in spirit. There were many reservations beside these hindrances which were raised by Bangladesh. Key reservations included special and differential treatment of Bangladeshi goods on grounds of being a least-developed nation, as well as differences over opening of markets post-FTA.

The other major points of negotiations at that time included relaxed rules of origin, reduction in the rate of direct tariffs, elimination of non-tariff barriers, longer phase-out period of tariff withdrawal and anti-dumping and countervailing measures. During the course of discussion Bangladesh continued with its “negative list approach” in the negotiations for protection of local industry. By this approach both countries at the time of negotiations were on positive note to allow products between the two countries and save the items that are incorporated in the list.

During the dialogue period both countries were able to forge consensus on number of issues. Pakistan did agree to give Bangladesh special and differential treatment under the bilateral trade deal and both countries will continue with their negative lists.

Bangladesh will be enjoying longer phase-out period and have a longer negative list of products along with two different type of lists been agreed upon. The first list will have products with immediate tariff concession and another with reduction in tariff in different phases.

Thus Pakistan had already granted duty-free access to Bangladesh tea and jute goods which came into effect during 2002-03. But Dhaka had no success in achieving the target over the period. Apart from the need to have a more expanded network of Pakistani banks in Bangladesh, there are challenges for other banks to pursue because of the different banks operating there from different parts of the world.

Despite these challenges, the business community is more upbeat and sees markets on both sides as linking trade to trust and bringing people closer to each other. During the last four to five years the business community is coming closer to each other for expansion of trade as an initial barrier to breaking the ice. Thus the business community is stressing both the governments to finalise a bilateral FTA for better ties. This agreement can strengthen cross border-value chains, comparative advantage for enterprises working on both sides.

Given the conditions and trade terms, an urgent meeting should be called between ministries concerned at initial level followed by the head of the states which may be termed a near-term goal. Given the hesitation felt by the two governments based on political differences, we propose some recommendations which can hold the political representatives and bureaucracy on both sides more answerable to the long due promises.

Firstly, the finance and commerce ministries of the two countries should be pressed into meeting by the Bangladesh and Pakistan Chambers of Commerce and Industry. Secondly, representatives from both the chambers should also meet with the president of Saarc Chambers of Commerce and Industry with the request to send formal communication to the heads of the two states. The key focus of this request should demonstrate the loss to all stakeholders given the reduced level of cooperation and high political tensions.

Thirdly, the apex chambers on both sides need to invest their resources to showcase their argument in print, electronic and social media, and highlight the loss to producers, traders and consumers as a result of a lack of bilateral cooperation. Fourthly, a detailed orientation may be organised for economic journalists, think tanks and academia in Dhaka and Islamabad, so that repeated messaging is ensured through various forums.

Fifthly, think tanks in both Bangladesh and Pakistan should join hands in producing joint research and advocacy material. This will also bring in independent voices for pro-trade and transit reforms. Think tanks should focus on their views specific to the business community and to respective and concerned bodies in parliament.

Sixthly, there is also a need for proactive approach of these standing committees which in the past also resulted in reforms and measures. Seventhly, advocacy efforts should be backed by rigorous research which demonstrates loss to the business community and the country's economy.

Source: tribune.com.pk- Aug 23, 2017

HOME

****

US govt initiates Section 301 investigation of China

The US government has initiated an investigation of China under Section 301 of the Trade Act of 1974. The investigation will seek to determine whether acts, policies, and practices of the Government of China related to technology transfer, intellectual property, and innovation are unreasonable or discriminatory and burden or restrict US commerce.

The move follows upon President Donald Trump's Memorandum of August 14, 2017 instructing the US Trade Representative (USTR) to consider the possible initiation of an investigation.

The President's Memorandum emphasised that "the United States is a world leader in research-and-development-intensive, high-technology goods," and that "violations of intellectual property rights and other unfair technology transfers potentially threaten United States firms by undermining their ability to compete fairly in the global market."

The President's Memorandum further noted that China's conduct "may inhibit United States exports, deprive United States citizens of fair remuneration for their innovations, divert American jobs to workers in China, contribute to our trade deficit with China, and otherwise undermine American manufacturing, services, and innovation."

"After consulting with stakeholders and other government agencies, I have determined that these critical issues merit a thorough investigation. I notified the President that I am beginning an investigation under Section 301 of the Trade Act of 1974," said USTR Robert Lighthizer in a statement.

Section 301 of the Trade Act of 1974, as amended, gives the USTR broad authority to respond to a foreign country's unfair trade practices. If USTR makes an affirmative determination of actionable conduct, it has the authority to take all appropriate and feasible action to obtain the elimination of the act, policy, or practice, subject to the direction of the President, if any. The statute includes authorisation to take any actions that are within the President's power with respect to trade in goods or services, or any other area of pertinent relations with the foreign country.

Source: fibre2fashion.com- Aug 23, 2017

HOME

****

Pakistan: Setting up of an apparel export council on the cards: PRGMEA chief

PRGMEA is actively considering establishing "Pakistan Apparels Export Council" to ease business, says central chairman Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA) Ijaz. He stated PRGMEA had already completed initial work for the establishment of the proposed council. Ijaz disclosed a board will be constituted comprising members of Trade Development Authority of Pakistan (TDAP).

He says, the government should focus on formulation aggressive trade policies for averting sharp decline in exports of the country adding that polices should be chalked out with active consultation of stakeholders as well as strong interaction with stakeholders direly needed for ascertaining their sliding exports.

He added the basic concept of setting the training institute was to produce trained workforce in the field of stitching, pattern designing, quality control, inspection, marketing and sewing machine mechanics male and females separately.

For boosting export, formulation sector wise policies particularly regional based policies would help in increasing exports. He stressed on the need for formulation sector wise and regional wise policies with consultation of stakeholders. and urged for edging out the possibilities of further decline in exports which is on down trend adding that special focus should be accorded on short term polices for overcoming the decline in exports the government must prepare a long and short term polices. He said PRGMEA was making efforts to enhance garment export to $8 billion by 2220 with the active cooperation of business community. Despite hurdles the business community engaged in RMG was making strenuous efforts for enhancing export, said Ijaz.

Source: fashionatingworld.com- Aug 23, 2017

HOME

****

Pakistan, Indonesia negotiate PTA, agree on concessions for 20 items

Pakistan and Indonesia have agreed on concession for 20 different items during bilateral negotiations under the Preferential Trade Agreement (PTA).

Both sides discussed 20 tariff lines and Indonesia has agreed to give concessions on major exports from Pakistan including rice, textile, ethanol, kinnow and mangoes. The Indonesia-Pakistan Preferential Trade Agreement was signed in February 2012.

Concession on 20 tariff lines was a major success for Pakistan and now Pakistan’s kinnow exports to Indonesia will increase from 18 to 35 million tons and mangoes' exports will increase to ten million tons in a year.

Before the PTA, Indonesia granted only two months for exports of Pakistan’s kinnows and mangoes but now after renegotiation, Pakistan can export these fruits to Indonesia for the whole year and any time limit has been removed.

Through these steps, Pakistani agricultural products will gain greater market access in Indonesia. The activation of PTA followed the signing of a Mutual Recognition Agreement on plant quarantine and sanitary and Phytosanitary measures between Indonesia and Pakistan.

Pakistan and Indonesia have a current annual trade volume of $170 million, which is expected to increase after renegotiations on PTA between the two countries.

Pakistan wants the same concessions from Indonesia which it is getting from other countries like China, India, Sri Lanka and Asean.

Source: fashionatingworld.com- Aug 23, 2017

HOME

****

Bangladesh's July export earnings up 26 per cent

Bangladesh's export earnings in July soared 26.54 per cent, marking a strong rebound after lackluster performance in the fiscal year that concluded in June. The surge was led by garments shipments which soared 17.08 per cent year-on-year in July. Still, the sector's export earnings fell short of the monthly target by five per cent.

Since the congestion at Chittagong port has been eased and goods were delivered in July, export earnings reflected a sharp rise. In the just-concluded 2016-17 fiscal year, Bangladesh's export earnings from the apparel industry saw only a 0.20 per cent rise, the lowest growth figure for 15 years for the key foreign currency earner.

However, Bangladesh's overall export earnings stood at $34.83 billion in the last fiscal year, which is 1.68 per cent higher than the $34.25 billion a year ago. Bangladesh is targeting earning $50 billion from readymade garment exports by 2021.

The readymade garment sector is a vital industrial sector of Bangladesh which is immensely contributing to the country's export earnings, employment generation and value addition.

Efforts are being made to ensure a safe, sound, green, environment-friendly and a vibrant garment sector. Out of 10 eco-friendly factories of the world, seven are located in Bangladesh.

Source: fashionatingworld.com- Aug 23, 2017

HOME

****

NATIONAL NEWS

GST will bring in transparency and cut costs

Implemented properly, GST will not just bring in transparency; but lower costs, according to Bijay Kumar, Chief Commissioner of GST, Central Excise and Customs, Kolkata Zone.

“We have undertaken a sectoral study and our assessment suggests that there will be an overall reduction in cost if GST is implemented properly,” Kumar said at a Conclave on Godds and Services Tax, organised by *BusinessLine* in the city on Saturday.

The GST conclave was attended by KGVN Surya Teja, Joint Commissioner of GST, Central Excise and Customs, Kolkata Zone; DD Chatterjee, Superintendent CGST; JB Datta, Assistant Commissioner of CGST and CX; Anil Tiwari, assistant general manager, State Bank of India, Bengal Circle; and chartered accountants Subham Khaitan and Manish Gadia.

While GST in its ideal form should not have multiple tax slabs, it cannot be done away with in a country like India. “India is a country where there is wide disparity between different income groups. At this juncture, we are not in a position to have a single-rate structure,” Kumar said.

Sectoral impact

Talking about the impact of GST on iron and steel sector, DD Chatterjee, Superintendent CGST, said that there is likely to be a 30-40 per cent reduction in the transportation time. This would eventually bring about a proportionate reduction in the cost of logistics.

The net cost reduction could be to the tune of two per cent not just for iron and steel but for other metal industries as well, he said.

“A single taxation authority would make compliance easier and will bring about a better integrated credit chain. The cascading effect of tax on end consumer will also be done away with,” Chatterjee pointed out.

The textile industry had to face different levels of taxation at four different stages — fibre, yarn, fabric and apparel. Though that would be done away with under GST, however, the net average cost may be marginally higher mainly due to the higher tax incidence on readymade garments.

Awareness campaigns

According to KGVN Surya Teja, Joint Commissioner of GST, Central Excise and Customs, Kolkata Zone, under the new GST regime, the Department was more focussed on facilitation job rather than that of enforcement.

The Department organised more than 350 outreach programmes to sensitise businesses about GST. The efforts have yielded results with Kolkata ruling at the top of the list of new registrations under GST.

The window for new registrations, which opened on July 7, was meant for entities which were not registered under VAT, excise and service tax.

“West Bengal accounts for nearly 10 per cent of the total number of new registrations recorded from across the country. We have undertaken more than 350 outreach programmes. We have also reached out to schools,” Teja said.

Fund flow to banks

The implementation of GST would reduce instances of tax evasion and will improve the fund flow into banking system, said Anil Tiwari, assistant general manager, State Bank of India, Bengal Circle.

“We have set up three help desks in West Bengal to help our customers understand GST. The journey so far has been satisfactory,” he said.

All the 24,000 branches of SBI were enabled for GST before the actual rollout on July 1. “There were some initial glitches but those have reduced over time,” he pointed out. Chartered accountants Manish Gadia and Subham Khaitan delved into the finer nuances of filing returns under GST. They also addressed the queries of those present at the conclave.

Source: thehindubusinessline.com- Aug 23, 2017

HOME

****

Re-export of cotton likely from Kochi port

The Cochin Port Trust is expected to have facilities soon at its special economic zone for re-export of cotton that is imported from different countries and not used in the domestic market.

A.V. Ramana, Deputy Chairman of the port, said the Chief Commissioner of Customs was finalising the response for the proposal. The port currently handles cotton imported in containers. But, it did not allow re-export of the cotton that was not used here and the proposal was to introduce the facility as done at Thoothukudi.

According to textile industry sources here, a similar facility is expected at Chennai port too. This would bring down the shipment time and cost for cotton importers here.

Mr. Ramana said that there was a proposal to have rail connectivity between Bengaluru and Kochi for movement of goods for shipment. This could be connected to Coimbatore too. The transit cost is heavy for road movement of goods compared to rail. However, if the distance is short, rail movement would be expensive.

One of the main challenges for the exporters here to move goods to Cochin Port by road was the Walayar check post. With introduction of GST, the check post has been removed. Hence, the trade would prefer road. However, by providing in-land, rail connectivity export containers in this region could be consolidated and moved to the port. The details for this are being worked out.

Volume of goods from this region handled at the Cochin port increased by 30 % to 35 % and this year a 50 % growth is expected.

Regarding coastal connectivity, he said mother vessels come to different ports and the goods imported or exported could be moved from one port to another through coastal connectivity. “It is economical to move by sea. Hence, this segment should grow,” he said.

P. Nageshwara Rao, Chief Commissioner - Customs and Central Excise, urged the trade and industry here to make use of the Cochin Port as it was closer to the industrial hub here compared to other ports.

Source: thehindu.com- Aug 23, 2017

HOME

****

Amazon sees 90 per cent increase in fashion sales

Amazon India has seen a 90 per cent growth in sales of fashion segment in the first six months of this year.

Amazon introduced as many as 200 brands in the last 18 months, with guaranteed one-day delivery for its Prime users, this has helped in clocking in a twofold growth for the fashion category.

Amazon introduced 50 brands this year and has seen multiple segments in fashion growing over 200 per cent on a monthly basis.

The etailer expanded its private labels to 20 sub segments. Much like last year, Amazon is striking deals where brands will unveil latest collections on the portal this December while other market players will get access to it by February or March.

Over the past four years, Amazon has invested aggressively in India. Amazon has spent on building warehouses, large logistics unit, marketing, discounts and increasing product assortment. These efforts have translated into a significant lead in key metrics such as app downloads, desktop visits and mobile website visits.

Source: fashionunited.in- Aug 22, 2017

HOME

****

Rajasthani Textile heritage at lit fest in Bhutan

Ahead of the 8th edition of the Mountain Echoes literary festival that begins tomorrow, an exhibition showcasing the traditional designs of Rajasthan was inaugurated here today.

Curated by Indian fashion designer Prasad Bidapa, the show titled "Handmade in Rajasthan" is being hosted at the Nehru Wangchuk Cultural Centre here.

With collections inspired by traditional 'kota doria' and handloom cotton saris, the exhibition celebrates the indigenous craft forms that give Rajasthan its distinctive identity and aims to present a 360-degree view of the state's textiles.

"Mountain Echoes presents a carefully curated segment of beautiful clothes which are handmade in Rajasthan. Each garment reflects the heritage aspect of Indian textiles and craftsmanship, creating a resonance that is luxurious and extremely collectible.

"From the finesse of the kota doria sari to the robust hand-woven khadi... From the exquisite precision of our hand- blocked printing to the finesse of our embroidery, this collection is an emphatic tribute to the spinners, weavers, dyers, printers and embellishers of the beautiful state of Rajasthan," Bidapa said.

The show sets the stage for the literary festival that will witness literary discussions with speakers from across the globe including Shashi Tharoor, Markus Zusak, Karma Gelay, Pema Abrahams among others.

Set against the stunning backdrop of the eastern Himalayas, Mountain Echoes literary festival is an initiative of the India-Bhutan Foundation, in association with the Indian literary consultancy, Siyahi.

Source: business-standard.com- Aug 21, 2017

HOME

****

Technical textile industry biggies at Techtextil India 2017

With India's contribution in the technical textiles industry expected to grow at 12% CAGR and reach 1, 16,217 crore by 2017-18, the need for new technologies in garment manufacturing machinery is on a rise. India's leading trade fair for technical textiles and nonwovens - Techtextil India – is here.

Running into its sixth edition, the 2017 fair is scheduled to take place from 13 – 15 September in the country's commercial capital – Mumbai. The show size increased by 50% since the last edition and will have space dedicated to 10 product groups and 12 application areas. Some of the big industry players like Reliance Industry, Welspun, Groz Beckert, Garware Wall Ropes, Khosla Profil, Luwa India, Lenzing AG, Archroma, and CHT India will have their latest innovations exhibited.

One key feature added this year is the signing up of Telangana Textile Ministry for Techtextil India 2017 with an aim to woo investors to the mega textile park in the state. The Telangana state government will be promoting textile policies and highlight investment prospects at this trade fair in a bid to attract buyers and investors in the state.

An important highlight of the 2017 edition will be the launch of the Texprocess Pavilion at Techtextil India, creating an innovation platform for the latest technologies, processes and services for garment-manufacturing and textile processing. Raj Manek, Executive Director and Board Member of Messe Frankfurt Asia Holding Ltd said: "The launch of Texprocess Pavilion will provide all the garment machinery manufacturers a great platform to display their innovations and build a new and strong client base while at the same time allow Indian market to see how these solutions can help expand their existing capabilities"

According to recent studies, the nonwoven sector has emerged to be one of the most preferred areas for investment in India. The technical textile industry also has about 9% of the world's total consumption manufactured in India. More than 6500 sqm have been dedicated for a grand showcase of its 10 product groups and 12 application areas of Agrotech, Buildtech, Clothtech, Geotech, Hometech, Indutech, Medtech, Mobiltech, Oekotech, Packtech, Protech, Sporttech covering the technical textile and nonwoven value chain in its entirety.

Techtextil India also conducts a symposium that would highlight topics like Protective Agrotextiles – Advantages and Future Prospects, Textiles in Aerospace Applications, Fibre Innovations for Functional and Value-Added Nonwovens, amongst others.

Techtextil India and Texprocess are part of the "Technical Textiles & Textile Processing" brand with actually 8 shows worldwide within Messe Frankfurt's Texpertise Network comprising 49 fairs that highlight innovations and show what is driving the global textile industry.

Source: yarnsandfibers.com- Aug 23, 2017

HOME

****

Flipkart goes global; sellers can export worldwide

India's largest e-commerce marketplace Flipkart has launched Flipkart Global, a programme which will allow its sellers to export their products to buyers in various parts of the world. This initiative will boost the business of more than 1,00,000 Indian sellers. The step has been taken following Flipkart's merger with eBay India earlier this month.

Export potential of eBay India will be fruitful for Flipkart Global to help sellers ship products to over 190 markets worldwide including US, UK, Germany, Canada and Australia, according to media reports. The sellers will also receive assistance from Flipkart for shipping and market trends among others.

"India has immense export potential and there are many SMEs who have unique products but don't know how to make them available to global buyers. With the launch of Flipkart Global, we are removing traditional growth barriers and giving them a platform to reach out internationally and expand sales," said head marketplace at Flipkart and head of eBay India, Anil Goteti.

The existing retail exporters on eBay India will list their products through Flipkart Global. This new service will be in ties with Flipkart's 'Month of Partners' that appreciates the support of its partners and sellers.

The initiative will boost employment opportunities in the country by opening the international doors for business and will also bring in needed foreign exchange for the exchequer, said Goteti.

In order to create awareness among the sellers about the programme, a nationwide seller outreach programme will be carried by Flipkart.

Source: fibre2fashion.com- Aug 23, 2017

HOME

****

Creating well-paid jobs for Indians

NITI Aayog has recently issued a set of three documents which give us a fair idea about where national economic policy is headed in the coming years. One of these documents charts out an action agenda for policymakers over the next three years. This article looks past the policy changes that are needed in individual sectors; it focuses on the broader agenda for trade, industry and services outlined by NITI Aayog.

The emphasis of the action plan for trade, industry and services is clearly on creating well-paid jobs. NITI Aayog, after making a strong case for export-led re-industrialization, argues, “India needs a focused strategy for creating an environment in which export competitive firms can emerge, especially in labour-intensive sectors.”

There are three essential ingredients in the strategy to promote labour-intensive and export-oriented industrialization of the sort that pulled the countries of East Asia out of the poverty trap—the coastal economic zones (CEZs) strategy; labour law reforms; and action in specific manufacturing (apparel, food processing, gems and jewellery, electronics) and services sectors (finance, tourism and culture, and real estate).

There are some important implicit shifts in the stance of policy embedded here.

First, employment generation and/or underemployment reduction is the most important policy objective. In previous action plans, employment generation was an additional rather than exclusive goal.

Second, exports rather than the domestic market is to be the engine of industrial growth.

Third, there is a shift from small enterprises to large companies as the main vehicle of export growth.

Fourth, there is a parallel shift in focus towards expanding the formal and organized sectors of the economy.

Fifth, export zones are to be seen as hubs for employment rather than just investment.

The refreshing focus on the power of exports is noteworthy, especially given the rising fears about protectionism in our major trading partners. The case made for larger organized sector firms as facilitators of exports is also worthy of praise. The export potential of Indian industry can be realized only if we manage to create large corporations across sectors which can compete globally, and generate jobs to absorb the growing labour force. The "SMEs (small and medium enterprises)-for-exports" perception needs to be phased out steadily, howsoever employment-intensive it might be on paper.

The success of this strategy depends on a lot of other things falling into place. For example, the goal of rapid employment generation cannot be attained unless labour laws are reformed and there is progress in the ease of doing business. The CEZ strategy needs to be formulated against the backdrop of the mixed record with special economic zones (SEZs) till now.

The sociopolitical realities which operate in processes such as land conversion, hiring of labour, utilization of natural/community resources, need to be anticipated, and solutions need to be carefully thought of to ensure that the wider community of stakeholders does not feel short-changed.

However, the most important challenge relates to global value chains (GVCs). An overwhelming majority of global trade is carried out via international production networks, or GVCs.

Multinationals that are responsible for the bulk of the global trade source their components from a variety of locations spread across the world. Recent research demonstrates that the rise of GVCs has radically changed the landscape of international organization of production, placing the specialization of countries within GVCs centre stage.

A recent World Bank report, covering 34 industries across 61 countries, concludes that GVC integration enhances domestic value addition. It also stresses that the domestic policy environment is a critical catalyst for translating the positive effects of GVC integration into domestic value added. This applies to manufacturing and services. The focus of most industries today is not if, but how, to enter GVCs, and how to move up the value chains.

Till a few years back, developing countries predominantly joined GVCs only at the assembly stage. This is no longer the case. Developing countries are moving up the chain, with many Asian countries purposefully facilitating the entry of their companies into GVCs via specific policy measures.

The NITI Aayog document draws heavily on many Chinese experiments, experiences and policy initiatives. It should also take note that some of China's production, especially labour-intensive, is migrating to other low-cost and competitive locations.

Indian policymakers need to seize these opportunities, which will stimulate and induce Indian industry to compete in the global market. There are also enormous opportunities for SMEs in GVCs. GVCs allow companies to specialize in a small part of the entire supply chain, thus giving SMEs more opportunities to engage in global trade and international marketplaces.

India needs to nurture region- and sector-specific SMEs to enter GVCs and serve global markets. While NITI Aayog lays justifiable thrust on the export competitiveness of Indian industry, the operational aspect of GVCs is missing. The policy package for the "Make in India" programme also needs to incorporate a GVC strategy, and integrate it with foreign direct investment policies across sectors.

Source: livemint.com- Aug 23, 2017

HOME

****