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INTERNATIONAL NEWS

Bangladesh: RMG factories to open in phases by next week

Ready-made garment (RMG) factories are going to open in phases and go into full-scale operation within next week, according to industry insiders.

A few factories have already opened in the last three days after Eid.

Several sources from the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and labour unions said that most of the RMG workers could not go to their native villages on Eid holidays due to a government ban on travel and unavailability of public transport.

However, despite the workers staying near the factories, a significant number have not opened yet.

SM Mannan Kochi, senior vice president of the BGMEA, said that many factories have not yet gone into production in full swing.

“Several factories do not have work orders, or even if they do, it is much lower than usual due to the pandemic. So, they are taking time and opening factories slowly. Maybe in a few days, most of the owners will open their factories,” he added.

He also said that due to government restrictions on movement and strict lockdown, very few workers have been able to go to their native homes during the Eid holidays.

Maybe some workers have moved to the village, but that number is comparatively lower in proportion to the total number, he added.

Asked about the status of the second set of stimulus packages, SM Mannan said: “We have not gotten any feedback from the government yet. The matter is under discussion at the official level. However, we are optimistic that the government will consider the second stimulus package which we have applied to sustain the garment industry, which is the lifeline of the country’s economy.”

Salauddin Swapan, acting president of IndustriALL Bangladesh Council (IBC), said that some RMG factories have given their workers leaves till this Friday.

“So, it can be said that maximum of the factories will start working in full force from next week. Moreover, there is also the issue of work orders,” he added.

Babul Akhter, president of Bangladesh Industrial and Garment Workers Federation (BIGWF), also said most of the owners will open the factories at the beginning of next week.

“As per my knowledge, most of the workers did not leave their workplaces during the Eid holidays,” he further said.

Source: dhakatribune.com– May 19, 2021

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Brazil wants Mercosur to agree on a 20% reduction of the Common External Tariff

Brazil is determined that Mercosur's Common External Tariff, TEC, be reduced by 20% in two rounds of unilateral cuts, 10% immediately, and the other 10% in December. This is the official strategy and position of Brazil for the extraordinary meeting in June of the four founding members of the group, in Buenos Aires, underlined Lucas Ferraz, foreign trade secretary of the Brazilian Ministry of the economy.

According to Mercosur rules all decisions must be adopted by consensus, which means that the TEC has become a contentious issue between the two main partners Brazil, and Argentina, which is reluctant to advance so fast or take such bold steps.

When the region was ruled by left leaning governments, Mercosur, and its industrialists, were happy with a high TEC, since ideological solidarity was more important than common sense economics. Maybe the only dissident members was “grumpy” Uruguay which for years had been requesting a caveat so it could negotiate further trade deals with third countries.

However since the advent of president Bolsonaro and his orthodox, Chicago school, pro business minister Paulo Guedes, Brazil, wants to open the country's economy and a flexible Mercosur for a greater integration of the country to the global economy.

In an interview with the main financial newspaper in Brazil, Ferraz said “we don't want to choose winners and losers, we want to negotiate”. He added there are some 10,300 nomenclature products, and Brazil wants the reduction to apply to all but the Argentine government is only prepared to eliminate rates on only 4,000, “Brazil is not ready to accept that proposal”.

According to Ferraz, the focus is mainly intermediate or manufactured goods that Argentina does not manufacture. Many already have TEC of only 2% that would be reduced to zero. Given these characteristics, Ferraz believes this would result in little real effort to open up the economy.

Mercosur's tariffs are relatively high by world standards: 35% for automobiles, buses, textiles, and clothing; 32% for footwear; 27% for wines; up to 16% for machines and equipment; 12% for electrical appliances.

Argentina basically agrees on a new TEC, but they must "adjust to the current productive characteristics" and in turn, "promote the development of regional capacities." In other words the Argentine government is fearful of what the TEC could mean in jobs, in the midst of the pandemic and a strong recession.

And in an apparent message to Uruguay, which stands next to Brazil in supporting a more flexible Mercosur, Argentina argues that the block is beneficial for smaller countries, because given how countries associate at a global level, "It is very difficult to advance successfully with individualistic strategies."

Source: en.mercopress.com– May 20, 2021

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Japan's exports jump most in decade as trade recovery perks up

Japan's exports grew the most since 2010 in April while capital spending perked up on surging global demand for cars and electronics, lifting hopes that an improvement in trade could help lead the world's third-largest economy back to growth.

Also brightening the outlook, confidence among the nation's manufacturers hit a more than two-year high in May on the back of solid overseas orders, a Reuters survey showed on Thursday. [read more](#)

While the stronger exports and imports are partly helped by the favourable statistical base effects from the major plunge in trade seen a year earlier, real demand is also on the mend.

Global appetite for cars and electronics has picked up since last year, driven by a recovery in the U.S. and Chinese economies -- Japan's key markets -- although global chip shortages put a drag on overseas shipments in recent months.

Exports rose 38.0% in April from a year earlier, official data showed on Thursday, compared with a 30.9% increase expected by economists and following a 16.1% rise in March. That was the fastest gain since April 2010, led by U.S.-bound shipments of cars and car parts and Chinese demand for chip-making equipment.

"The trade data confirmed that exports were recovering steadily. Particularly car exports, which fell a lot last year, are picking up," said Yuichi Kodama, chief economist at Meiji Yasuda Research Institute.

"In Japan, capital spending tends to move in sync with external demand, so an export recovery is encouraging for machinery orders and capital expenditure."

By destination, exports to China, Japan's largest trading partner, rose 33.9% year-on-year in April, led by shipments of chip-making equipment, hybrid cars and scrap copper.

U.S.-bound exports grew 45.1% in the year to April, the fastest gain since 2010, on the back of demand for automobiles, car parts and ship engines.

Separate data from the Cabinet Office showed Japan's core machinery orders, a highly volatile data series regarded as an indicator of capital spending in the coming six to nine months, rose 3.7% in March from the previous month.

The rise in core orders, which exclude those of ships and electric utilities, compared with a 6.4% increase seen in a Reuters poll of economists, the data showed.

The Cabinet Office maintained its assessment on machinery orders, saying that a pick-up is stalling.

Japan's economy fell back into decline in the first quarter and economists have sharply revised down estimates for growth this quarter as emergency curbs hobble consumer spending that makes up more than half the economy. [read more](#)

"Export growth is welcome for the Japanese economy, but that doesn't mean the whole of Japan can benefit from it," said Ayako Sera, market strategist at Sumitomo Mitsui Trust Bank.

"What's important now is a recovery in service-sector activity helped by a progress on coronavirus vaccination."

Source: reuters.com – May 20, 2021

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Sweden: Automating textile waste will change the game for clothing recycling

Textile and fashion industry have a huge circular potential that has yet to be developed. One of the main issues holding back the application of the circular economy in this sector is sorting through textile waste, which requires a high degree of precision and is still performed manually. Being able to automate the process and launch it on an industrial scale therefore will be the key to a real revolution in the world of textiles.

This is the goal of German company Stadler and Norwegian company Tomra, both specialized in collecting and recycling systems, which have opened the world's first fully automated textile sorting plant in Malmö, Sweden.

Automated sorting for the real circular textile economy

Funded by Vinnova, the Swedish government's research and development agency, and led by IVL, the Swedish institute for environmental research, the facility is part of the SIPTex project (Swedish Innovation Platform for Textile Sorting), which aims to develop a fabric sorting solution suited to the needs of recyclers and the fashion industry. The result is a synergy between Stadler, who designed and built the facility, and Tomra, who supplied the NIR optical separators. The latter are essential to the automated textile waste sorting process, which, as the two companies' engineers explain, never has been attempted before.

"Sorting textiles according to the various types of fibers they contain requires a high degree of precision," explain the Tomra experts. "It is currently done manually, but the result doesn't meet the requirements of recycling companies and the fashion industry. As a result, only a small quantity of discarded textiles is recycled and the potential for increasing it is enormous. The SIPTex project is exploring how to achieve the required quality through automation."

A project in 3 phases

The Malmö plant is actually the third phase of a journey that began a few years ago. An initial theoretical study phase was followed in 2017 by the startup of a small pilot plant built in Avesta and also designed by Stadler and Tomra, which collected and sorted 700 tonnes of textile waste from

recycling centers. This second hands-on phase served to understand the technical and logistical issues that needed to be solved.

"Our main objective was to test our equipment's capability to sort the textiles and identify any changes or optimizations to the process that may be required," explains Stadler's director of international sales, Urban Kozinc. Among the various "discoveries" in this phase of the study, Stadler and Tomra engineers also learned that "labeling on the textiles is not always 100 percent correct," a point that creates quite a few inefficiencies in the recycling process.

Thanks to precision sensors, textile recycling is possible on an industrial scale

Once the problems were solved, the third phase took off with the start-up of the fully automated sorting plant Sysav Industri AB in Malmö. The plant has a capacity of up to 4.5 metric tons per hour in one line. The incoming material is delivered in bales comprising pre- and post-consumer textile waste — industrial waste such as cuttings, yarns and scrap and used domestic clothing and textiles, all to be sorted and separated by type and quality.

"In the Avesta pilot project we demonstrated that TOMRA's NIR sorting technology is capable of recognizing and differentiating various types of textiles," explains Matej Fuerst, project manager at Stadler. "In the third phase, our objective was to ascertain that the system we designed could successfully operate on an industrial scale, and that the output fractions can achieve the purity and recovery required for recycling and reutilization. There is no industrial-scale technology for recycling textiles without downcycling them, so we had to develop the complete sorting solution."

"Little research is so far available on the recycling of textile fractions," adds László Székely, vice president at Tomra. "In order to be effective, automated sensor-based sorting is essential. In this project, our technology has proved efficient in separating different textile fractions by material type and color. We are proud to be part of this pioneering work."

Source: greenbiz.com – May 20, 2021

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Increase in imports leads to decline in Indonesia's sale of domestic apparels during Eid

The increasing sales of imported apparel products ahead of Eid is one of the reasons for the decline of domestic sales, says Redma Gita Wiraswasta, Secretary General, Indonesian Fiber and Filament Yarn Producers Association (APSyFI).

As per Indo Textiles, Redmainformed Indonesia's sale of textile raw materials during this Eid period fell by 30 per cent Utilization also dropped to 70 percent for fiber and 65 percent for yarn, he added.

Redma explained, the local textile market has continued to decline since the end of March 2021, especially in the downstream areas such as weaving and apparel. He said that people prefer to buy imported apparel online compared to local textile products offline.

According to him, the textile industry has not yet recovered from the COVID-19 pandemic. However, in the first quarter of 2021, not many imported goods entered. Thus, local producers can dominate the market.

Redma said the textile industry could recover if the government could stem the invasion of imports. According to him, local products are still difficult to compete with imported products because the prices of imported apparel are sold very cheaply.

Source: fashionatingworld.com– May 20, 2021

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Taiwan reports no major impact of covid-19 on polyester industrial chain

The COVID-19 pandemic has not had any major impact on production in Taiwan's upstream and downstream polyester market. However, it has affected consumption to certain extent, says CCF Group report. Taiwan is big import and export province in China. Its PTA capacity totals 3.95 million tonne and all PTA units run normally, except for CAPCO's 700kt/year unit running at 90 per cent.

Taiwan has a Polyester capacity amounting to 4.63 million tonne/year. Its factories reported no major influence of the pandemic and large-scaled power on their operations. The country also produces 1.62 million tonne/year of PET bottle chips.

At present, the epidemic basically has no impact on the operation of local PET bottle chip plants. However, the island is mainly concerned about the problem of water shortage, which might face problems if the drought continues.

Source: fashionatingworld.com– May 20, 2021

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Hemp is becoming the fashionable alternative to conventional fabrics

Local, organically sourced and upcycled materials are now essentials for the fashion industry, which is trying to reinvent itself in order to reduce its impact on the environment.

Like linen, hemp is one of the fibres that could well take over our wardrobes in the months and years to come.

One need only take a look at the new collections of most ready-to-wear brands, including fast fashion giants, to realise that the textile industry is gradually turning to sustainable materials.

It includes organic for some, but also plant-based, and particularly materials whose cultivation requires less water, no or few pesticides, and, icing on the cake, can be done locally.

In other words, cotton, while still in high demand, is no longer the essential, ultimate fabric. Brands are in search of new fibres that could meet all these criteria.

While linen seems to be getting its revenge on all the materials that have overshadowed it in recent decades, it's not the only one to be winning over fans in the fashion industry.

In addition to alternative "leathers" made from cactus, apple, grape, and mushroom, hemp is proving to be a fibre not to be overlooked in the move towards more eco-friendly fashion.

A sustainable alternative

Contrary to popular belief, hemp is anything but a new, innovative fibre. The textile industry has been using it for centuries, although for many years it pushed it to the side in favour of other materials until environmental issues changed the deal.

Because hemp, in all its forms (seeds, oil, fibres), represents a naturally sustainable alternative in many sectors, including food, cosmetics, and of course... fashion.

According to Mara Hoffman via the Council Of Fashion Designers Of America, "hemp is naturally resistant to pests, requires relatively little water, and grows quickly".

Hoffman adds: "Hemp is a 'sister plant', meaning it replenishes the soil for the crops around it and is ideal for crop rotation."

Which is its first good point. The plant is also drought resistant – so it requires less water to grow – is fast-growing, and its fibers are considered extremely strong.

All of which makes a person wonder why the industry has put it to the side for so long. The answer resides in the processing of hemp fibre, which is very complex and, by extension, more expensive than the processing of other fibres.

Which makes it easy to understand why the industry lost interest in it...

However, it's hoped that technological innovations observed in the sector in recent years will eventually reduce these costs, and the processing time, to make it a more accessible material.

The brand Bewusst Pure Hemp Wear offers collections for men and women in 100% hemp. Prices are around 165 euros (RM828) for jeans, 125 euros (RM627) for a sweater.

The HempAge label remains one of the best known in the field of hemp textiles, although most of the pieces offered generally mix hemp and organic cotton (or wool), which explains the more accessible prices.

Meanwhile Patagonia also offers a hemp line, while Levi's Wellthread collection includes "cottonised hemp".

While brands specialising in hemp textiles remain rare, there are on the other hand many multi-brand e-shops, often dedicated to fans of natural fibers such as linen, hemp, or bamboo.

Source: thestar.com.my – May 19, 2021

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NATIONAL NEWS

Industries anxious over missed export deadlines owing to lockdown

Exports from manufacturing alone come to about \$250 m every month

About 10 days into the lockdown, several industries relying on exports for their businesses are facing the heat over missed deadlines in export commitments.

As a number of industries have not been exempted under essential services to operate, they have remained closed following the lockdown order of May 7. This comes even as workers in several industries that are functioning under exempted category are reporting to work amid heightened anxiety over contracting the virus.

This is true across industrial areas in Doddaballapura, Bommasandra, Peenya, and Bidadi in Bengaluru, besides industries in Mangaluru, Hubballi, and Mysuru districts.

According to an estimate by the Karnataka Employers' Association, exports from the State from the manufacturing sector alone roughly translate to about \$250 million every month.

These come from about 300-export oriented companies as well as those companies catering to both the domestic and the international market. There are roughly about 500 garment industries that are exclusively export oriented.

The association said that industries in garment, auto, electronics, machine manufacturers and components that are now shut, since they are classified as non-essential, have been affected.

“A large number of medium and small scale, micro industries, export-oriented industries have been severely affected by the closure. We have requested the government to permit them to function to honour their export orders or domestic commitments with immediate effect,” president of

Karnataka Employers' Association B.C. Prabhakar told The Hindu. "Several industries are struggling to meet the supply deadline commitment."

In the light of industries facing crisis, the association has shot off a letter to Chief Minister B.S. Yediyurappa seeking exemption for export oriented industries, medium and small scale industries to function.

The association has also pointed out that neighbouring States, such as Kerala and Tamil Nadu, are permitting industries to operate having export commitments. "Several other States have also permitted industries with 50% employee strength," he added.

"Many industries have rearranged working shifts, shop floor layouts, and also extended support to employees for testing, vaccination and treatment. In spite of their distress, industries have also invested for bringing the required essential changes in the infrastructure," the association said.

Source: thehindu.com– May 20, 2021

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Shaktikanta Das asks PSBs to quickly implement measures announced by RBI

Das during a meeting with the MDs and CEOs of public sector banks acknowledged the important role being played by PSBs in extending various banking facilities including credit facilities to individuals and businesses while tackling the challenges brought on by the pandemic.

RBI Governor Shaktikanta Das on Wednesday asked state-owned banks to quickly implement measures announced by the central bank recently in the “right earnest”, and to continue focussing on steps to enhance the resilience of their balance sheets.

Das during a meeting with the MDs and CEOs of public sector banks acknowledged the important role being played by PSBs in extending various banking facilities including credit facilities to individuals and businesses while tackling the challenges brought on by the pandemic.

“He impressed upon the banks to quickly implement the measures announced by RBI recently in the right earnest. He also urged the banks to continue focussing on steps to enhance the resilience of their balance sheets,” the RBI said in a statement post the meeting held over video conference.

Earlier this month, the governor had announced a slew of measures, including term liquidity facility of Rs 50,000 crore to ease access to emergency health services, to further improve lending to MSME sector, restructuring of loans, and rationalisation of compliance to KYC, in wake of the second wave of the Covid-19 pandemic.

Other matters that came up for discussion during the meeting, included the current state of the financial sector; credit flows to different sectors including to small borrowers, MSMEs; and progress in the implementation of Covid Resolution Framework.

Monetary policy transmission and implementation of Covid-related policy measures taken by RBI too were discussed.

In his opening remarks, the governor acknowledged the important role being played by PSBs in extending various banking facilities including credit

facilities to individuals and businesses while tackling the challenges brought on by the pandemic.

The meeting was also attended by Deputy Governors M K Jain, M. Rajeswar Rao, Michael D Patra and T Rabi Sankar.

Source: financialexpress.com – May 19, 2021

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Salaried income taxpayers will get two more months to file income-tax returns for AY22 (FY21). The Finance Ministry on Thursday eased dates for 14 types of compliances.

“The due date for furnishing of return of income for AY22, which is July 31 under sub-section (1) of section 139 of the Act, is extended to September 30,” a circular by the Central Board of Direct Taxes (CBDT) said.

Corporate and individual taxpayers, who are liable for tax audit, will get one more month to file returns. The circular provided the due date for furnishing of return of income for AY22 for such assessee as November 30 from the scheduled date of October 30. Similarly, the due date for furnishing of audit reports has been extended by a month to October 31. Even the last date for filing belated/revised return for all categories of taxpayers has been extended by a month from December 31 to January 31, 2022.

The due date for filing TDS (Tax Deducted at Sources) returns and SFT (Specified Financial Transactions) statements, which is due by 31st May, has been extended by 1 month to June 30, whereas corresponding due dates for issuance of TDS certificates is also extended by 1 month to 15th July.

Shailesh Kumar, Partner at Nangia & Co LLP feels that the extension of due dates is likely to provide some relief to taxpayers on tax compliance front. However, “for taxpayers, whose entire income tax liability is not discharged by TDS and advance tax and such shortfall is more than ₹ 1 lakh, they should endeavour to file their ITR (Income Tax Return) within respective original due date to avoid charge of interest u/s 234A, which is charged on filing ITR beyond the original due date at the rate of 1 per cent per month for every month/ part thereof after original due date of filing ITR,” he said.

Echoing the same sentiment, Sujit Bangar, Founder of Taxbuddy.com says this year brought new compliances related to pre-filled ITRs. Due date extension announcement is made much more in advance. This will allow time for preparation for filing accurate compliances. However, “it must be noted that interest to be charged on filing beyond original dates is not waived in cases of self-assessment tax more than ₹ 1 lakh. Therefore, it’s advisable to work out tax liability at earliest and pay self-assessment tax in such cases,” he advised.

Source: thehindubusinessline.com – May 20, 2021

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The Institute of Small Enterprises Development (ISED) has called for confidence-building strategies for industry from the new government in Kerala at a time when the State's economy is reeling under the strains of Covid pandemic.

Reviving entrepreneurial confidence needs to be the top priority for the new government, says an ISED Policy Brief- 'Limits to Enterprise and Entrepreneurship under a Pandemic: The Kerala Scene' brought out by the ISED Small Enterprise Observatory.'

Enterprise Security is a problem that demands an integrated revival package involving components such as real services, innovative financial products, policy directives, and advocacy with the Union Government for reforms in some of the existing Central schemes, P.M.Mathew, ISED Chief, and author of the document said.

Distributional consequences

The pandemic, according to him, has brought serious distributional consequences, between those having social protection (the salaried), and the others. The self-employed, with the limited scope of the market for their products, and uncertain incomes, are the worst affected. While the 'new normal' is stretching out, many of the old jobs have disappeared; new products and services have replaced old ones; consumption patterns have drastically changed. All these involve adverse consequences on income opportunities of the 'job creators' in general, and more specifically the petty producers at the "bottom of the pyramid".

In a State where, as high as 71.4 per cent of the budget gets allocated for salaries and pensions, this widening gap is a matter of immediate policy concern. The first priority of the new Government and the State Planning Board must be to make a scientific assessment of the situation, Mathew said.

Quoting estimates, he said the survival rate of registered MSMEs in Kerala is 10 per cent. Even this survival rate might have seriously eroded during the last two years. This is a matter of serious concern from the angle of sustainability of small businesses and entrepreneurship, and for provision of 'decent jobs' to the ever-increasing number of unemployed.

Two-pronged strategy

The ISED document underscores a two-pronged strategy such as the need to expedite the ongoing industrial infrastructure projects like corridors and industrial parks and a campaign mode intervention for rejuvenation.

There is a need for a ‘Decentralised Smart Entrepreneurship’ strategy, a match-making exercise in MSME rejuvenation, and meeting the aspirations of the technology start-up, Mathew added.

Source: thehindubusinessline.com – May 20, 2021

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Brands, Governments Must ‘Step Up’ for India’s Garment Workers

Labor advocates are appealing to brands and governments to “step up” as India continues to be overwhelmed by a wave of coronavirus infections and deaths that has driven its health system past the point of collapse. With the B.1.617 variant, which was first detected in the country, now declared a “variant of concern” by the World Health Organization, the risk of transmission to neighboring nations goes more dire by the day.

“Throughout India, families are struggling to find the care necessary to save their sick relatives and people are dying in their homes, in the hospitals and in the streets due to lack of medical attention,” the Clean Clothes Campaign, the apparel industry’s largest consortium of labor unions and non-governmental organizations, said this week. “The failure of the Union government to prepare for this eventuality has left every level of Indian society in pandemic-related freefall and which is now resulting in the surge spreading to other South Asian nations.”

For garment workers, who were already facing massive social, economic and medical disparities, the sense of desperation has grown more acute. Most were already on the brink of destitution after factories were forced to shutter during last year’s lockdown. Though many production lines are operating at half to full capacity, depending on the state, garment workers have to confront an “untenable decision” between showing up for work and potentially contracting the disease or staying home and starving, the Clean Clothes Campaign said.

India’s clothing industry, which employs at least 12 million people, exported \$12.3 billion in garments in 2020, a drop of more than 20 percent from \$15.5 billion the previous year, according to the Mumbai-based Cotton Textiles Export Promotion Council.

“Unfortunately, due to decades of lack of investments from international brands and local factory owners, Indian garment factories are riddled with occupational safety and health risks, and, additionally, often do not provide sufficient hygienic facilities to prevent infection,” the organization said. “If workers are required to come to the factory during the pandemic, many will fall ill and will die. Staying at home, on the other hand, means inevitable hunger, with migrant workers among those hit hardest.”

In Tiruppur, a city in the textile-producing hub of Tamil Nadu, where some 2,000 mills and 280,000 workers create yarns and fabrics earmarked for the U.S. and European markets, nearly one-third of workers hail from other states, said Aloysius Arockiam, director of the labor nonprofit SAVE. Such workers, he said, are excluded from the vaccination drive and are less likely to receive quality medical treatment when infected.

Migrant workers also have fewer savings because they sent most of their paychecks home, Arockiam told Sourcing Journal. And, in the midst of a partial lockdown, any requests for wage advances are being denied because employers fear they'll flee to their hometowns without paying back the amount. "The suppliers have failed to protect their own workers," he said.

The world's brands and retailers, with their extensive resources and significant influence, have a responsibility to safeguard the workers whose labor their businesses rely on, the Clean Clothes Campaign said. They must honor signed contracts and payment terms, allow greater latitude on production timelines and ensure that workers are able to perform their duties in workplaces that respect international occupational health and safety standards.

Equally important, companies must protect workers' right to organize, engage in dialogue with unions and worker organizations to address outstanding issues and ensure that all employees are paid their legally mandated wages and benefits, including severance and sick pay, even during quarantine, isolation or furlough.

By committing to pay into a negotiated severance guarantee fund, brands and retailers can also cover wage arrears and severance while supporting stronger social protections for workers, the organization said.

Lawmakers, including the governments of India, other South Asian nations and countries where brands and retailers are headquartered, also have a vital role to play. For one thing, they can strengthen labor laws and human-rights due-diligence legislation, the Clean Clothes Campaign said. For another, they can ensure that the financial stimulus packages they provided are connected to cost-sharing, protection of labor rights and human-rights due diligence. Ensuring garment workers have equitable access to the Covid-19 vaccine for free is important, as well. "The situation facing garment workers is indefensible," the group added.

Researchers are seeing similar patterns with garment-worker vulnerability in neighboring Bangladesh, which is still grappling with the fallout of last year's rash of canceled orders, which in turn drove up unemployment rates. Many of the country's 4 million garment workers saw their meager savings evaporate because of pay cuts or lost jobs, according to a study published last month by the Subir and Malini Chowdhury Center for Bangladesh Studies at the University of California, Berkeley, in collaboration with the Institute for Human Rights and Business and with the support of the United Nations Development Programme and the Swedish International Development Cooperation Agency. The report, said Sanchita Banerjee Saxena, one of its authors, offers similar recommendations.

Because most of the garment industry's woes are the result of the "inherent power imbalance" between large companies from the industrialized world and low-wage workers with lackluster representation, the Bangladesh government needs to strengthen social protection mechanisms, including health benefits and a social security net, the report noted. Authorities could also provide resources through "well-designed" furlough regulations so workers' wages are protected in the event of an emergency.

"Our report finds that all parties—Bangladesh government, international agencies, brands, suppliers, and unions—have a role to play to mitigate human rights harms to the workers," Saxena told Sourcing Journal. "The recommendations in our report offer only a top-line presentation of the actions that all relevant actors need to take to address the challenges facing the garment industry in Bangladesh, which the Covid-19 pandemic has brought into sharper focus."

Source: sourcingjournal.com— May 20, 2021

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Punjab agri dept begins project to revive cotton in Moga, starts bed-plantation to save water

On Wednesday, the department officials sowed cotton on 7 acres owned by a farmer Balbir Singh from village Nidhan Wala in Moga-2 block, using this technique.

Once a part of Malwa's cotton belt, the farmers in Moga district of Punjab, slowly and steadily weaned away from this cash crop and drifted towards water guzzling paddy over the past two decades. The result was that last year in 2020, miniscule 150 hectares were under cotton cultivation in Moga, of overall 5 lakh hectares on which cotton was sown across the state.

In an effort to revive cotton cultivation in Moga and more so, to reduce pressure on water resources by weaning away farmers from paddy, the Punjab agriculture department has now started a unique project in the district under which farmers are being encouraged to sow cotton using 'bed plantation technique' — which uses furrow irrigation to save water. The cotton sowing season is currently underway in Punjab.

On Wednesday, the department officials sowed cotton on 7 acres owned by a farmer Balbir Singh from village Nidhan Wala in Moga-2 block, using this technique. Till now 25 acres have been sown in this particular block in different villages with the same technique as a demonstration to encourage other farmers to adopt cotton cultivation instead of paddy, said Dr Jaswinder Singh Brar, assistant plant protection officer, Moga.

Brar said that this year, their target is to bring at least 800 hectares under cotton cultivation in the district and farmers are being encouraged to adopt this technique.

“In early 1990s, at least 15,000 hectares in Moga used to be under cotton but slowly, farmers stopped growing it. Last year, just 150 hectares were under cotton. We have started this project to revive cotton in Moga because not only will it save water, but it will also lead to diversification if farmers shift from paddy to cotton,” he said.

Explaining the technique, Brar said that 4-foot wide beds are created in soil using tractor-operated bed planters and the spaces between those beds are called 'furrows'. “Seeds have to be sown on beds and they have to be irrigated by filling water in those furrows only. The furrow irrigation

technique not only saves water but also saves up to 30 per cent water and increases the yield up to 15 per cent,” says Dr Brar.

Among the many benefits of furrow irrigation and bed plantation technique are: water conservation, timely sowing, early germination of seeds and it even averts waterlogging of fields in case of excess rainfall. “If there is excess rainfall, which otherwise can destroy the crop (if sown traditionally on flat fields), furrows avert waterlogging as excess water can be drained out. Bed plantation also prevents weed growth,” said the officer.

Till early 1990s, cotton was among the main kharif crop in south western districts of Punjab including Bathinda, Mansa, Moga, Fazilka, Muktsar, Barnala, Sangrur and Faridkot — and together the area was known an ‘cotton belt’ of Punjab — with these districts having naturally fit soil as well as climatic conditions for the crop.

“In 1980-90, there even used to be a cotton research station at Raunta village of Nihal Singh Wala block in Moga which was run by Punjab Agricultural University (PAU). But slowly as farmers drifted away from cotton, the station premises was handed over to agriculture department by the varsity and now it is used as a seed farm for wheat and paddy crops,” said Brar.

Due to severe attack of insects, pests and other diseases, farmers left sowing cotton and diverted towards paddy due to factors such as MSP, subsidy on machines, free power etc. The aim is to revive cotton sowing again in Moga district as once it was a part of Punjab’s cotton belt,” he said.

Source: indianexpress.com – May 20, 2021

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Why Indian exports are doing well in 2nd Covid wave and how new restrictions can hurt them

New Delhi: A revival in global demand has seen India's exports surge in April with segments like gems and jewellery and engineering goods seeing a sharp increase during the month.

A close look at trade data available with the Ministry of Commerce and Industry shows that exports in April increased not only in comparison to April 2020 — when exports had slumped due to the nationwide lockdown — but also when compared to exports in April 2019.

Exporters say the surge is continuing in the first couple of weeks of May as well but lockdowns across states are now impacting manufacturing and logistics.

Exports in April rose 196 per cent when compared to 2020 and by 17 per cent when compared to 2019.

“Exports are growing even when compared to 2019. The trend is continuing in May as well. Indian exporters are flushed with orders and the export order booking position is looking good,” said Ajai Sahai, director general and chief executive of Federation of Indian Export Organisations (FIEO).

“The value of India's exports has also increased as prices of many inputs and raw materials have increased in many of the metal sectors,” Sahai said, adding that India is doing well in exports of raw materials and semi-finished items in segments like steel, plastics and chemicals.

What is India exporting?

Engineering goods, constituting 26 per cent of India's total exports, grew 238 per cent over last year and 18 per cent over 2019 to \$7.9 billion (around 56,000 crore).

Gems and jewellery, constituting 11 per cent of India's exports, grew 9300 per cent over last year, and 17 per cent over 2019.

Drugs and pharmaceuticals, cotton yarn, fabrics and handlooms, electronic goods, plastics and rice are some of the other export items that are growing in comparison to last year.

With the pace of vaccinations picking up in global economies, the threat of the Covid-19 pandemic has receded prompting many advanced countries to gradually open up their economies.

Mahesh Desai, chairman, Engineering Export Promotion Council of India said exports of items like medical equipment, industrial machinery and automobile parts are looking promising.

“The order books are so far looking promising. The first week of May showed good exports,” he said.

Biswajit Dhar, a professor at Jawaharlal Nehru University, said India’s export markets are reviving leading to a surge in exports.

“The global economy is rebounding quickly. And this is being reflected in the growth in exports. For instance, gems and jewellery, a segment dependent on consumer demand and incomes of people, has seen a sharp increase. Similarly, the increase in engineering goods is dominated by light engineering goods like non-electrical machinery and is commensurate with global revival,” Dhar said.

“Lot of infrastructure investment is taking place across the world and that also explains the surge in demand for many exports,” Dhar said.

“The surge in exports will continue for at least the next few months. And this is good news for Indian companies as domestic demand has slumped completely. The foreign demand will come in handy and encourage firms to invest to build additional capacity. India’s trade to GDP ratio has been coming down over the last few years but this trend is changing now,” he added.

New restrictions not good news for exports

The demand for exports is continuing but lockdown restrictions in May is impacting manufacturing and leading to logistics disruptions and this is likely to hit exports, exporters said.

“Only continuous process manufacturing is being allowed in many states. On paper, there is no restriction on movement of goods but the disruption is obvious in the supply chain,” Sahai said.

In a report dated 18 May, Care Ratings flagged the restrictive measures imposed across several states and how its impact on the manufacturing activities posed a threat to the recovery of textile exports.

Desai said the government needs to take steps to protect exports. “With lockdowns, production has come to a standstill. Lockdowns are leading to logistics, inventory and finance problems. Export oriented units and hubs should be categorized as ‘essential services’ so that production can be carried out without any disruptions,” he said.

Source: theprint.in – May 20, 2021

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AI-based solution helps India's cotton farmers fight pink bollworm attack

Cotton farmers in Maharashtra, Gujarat and Telangana have seen reduction in damage due to pink bollworm and quality improvement of their crop using artificial intelligence (AI)-based pest management application, according to a report by Wadhvani Institute for AI.

The solution, built by the institute, works on a simple smartphone and provides real-time, localised, and accurate pest advisory that can help the farmers mitigate the pest problem and save crops. The solution, which works in eight Indian languages, gives recommendations for use of pesticide based on the intensity of the pink bollworm attack .

Wadhvani AI said the solution is deployed in four districts across three states in India has helped cotton farmers improve cotton quality and helped in saving cost.

While India is the largest producer and among the top exporters of cotton in the world; more than 75% of the nearly 6 million cotton farmers in India are smallholder farmers.

The institute in a report said the farmers in the three states have witnessed 11% increase in yield; profits by 20-25% (as a result of reduction in pesticide cost and better quality of crop) over the last year. In Kharif 2020, the solution was deployed with nearly 15,000 farmers across Maharashtra, Gujarat, and Telangana, three of the largest cotton-producing states in India, in partnership with Welspun Foundation and Deshpande Foundation, members of the Better Cotton Initiative.

“We were given a problem in 2017-18 by the Maharashtra government when there was an attack by pink bollworm and that damaged 60-70% of the crop..This was declared as a disaster,” said Rajesh Jain, senior director-programmes at Wadhvani Institute of AI

He said there was an encouraging result in the first year of deployment. “The findings show an increase in net profit of around 20-25 % over the last year and also a decrease in the use of pesticides, which saves cost and is kinder to the environment,” said Jain.

Dhruvin Vora, senior product manager at the institute, said they are looking to scale this up.

“The products we build should be easy to use, even for users with limited digital literacy, work effectively in the context in which we operate, and add value to the farmer and our partners. Going through multiple rounds of usability studies, user & partner interactions, we introduced features such as offline inference, microlearning videos, and multi-language support. With these results, now we will look to scale and leverage the product capabilities to tens of millions of farmers over the next few years,” said Vora.

Source: economictimes.indiatimes.com– May 19, 2021

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