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INTERNATIONAL NEWS

Global Economy Seen Growing 5.7% This Year: IHS Markit

A new report from IHS Markit projects global real gross domestic product (GDP) to increase 5.7 percent in 2021 as global economic expansion moves forward through headwinds from the Covid-19 Delta variant.

IHS Markit's "World Flash" for August noted that global real GDP reached a new high in the second quarter, completing a year-long recovery from the Covid-19 recession. Western Europe rebounded from its double-dip recession, while the United States and mainland China sustained robust growth. These gains offset setbacks in India and parts of Southeast Asia and Latin America.

Sara Johnson, executive director of global economics at IHS Markit, who penned the report, said while growth momentum is slowing with the spread of the Delta variant, global expansion is moving forward. After a 3.4 percent decline in 2020, world real GDP is projected to increase 5.7 percent this year and 4.5 percent in 2022, led by strong recoveries in consumer spending and business investment.

This month's IHS forecast of global growth was revised downward 0.1 percent for 2021 and 0.2 percent for 2022, mostly owing to a less robust performance in the United States. Global growth will settle to 3.2 percent in 2023, Johnson forecast, as pent-up demands are satisfied, and fiscal and monetary stimuli are withdrawn.

"The resilience of the global economy amid a lingering pandemic suggests that the world is learning to live with the COVID-19 virus," Johnson said. "In North America and Western Europe, which account for nearly half of world GDP, a return to strict lockdowns that directly impede economic activity is unlikely. In these regions, vaccination rates are relatively high and rising, reducing the risks of severe illness or death."

"People have confidence that a resumption of pre-pandemic activities, with some precautions, is relatively safe," she added. "Consumers and businesses have adapted in ways that allow them to continue to spend and produce, including online shopping, use of delivery services, work from home, and new health and safety measures.

Thus, the likely response to a rise in infections is a slight reduction in travel and activities that involve social interaction. International travel restrictions may be extended, delaying recoveries in tourism-dependent areas."

Regions with low vaccination rates face greater risks from the Delta variant of Covid-19, the report noted. Outbreaks in Asia Pacific have led to new containment measures, disrupting production and trade in a region that accounts for 37 percent of global merchandise exports. In contrast, new infections have sharply declined in South America, facilitating economic recovery and the flow of commodity exports.

In Africa, the spread of the Delta variant could put the region's health facilities under pressures, but extensive activity restrictions are unlikely, IHS said.

In the U.S., "economic expansion is durable," Johnson said. In the second quarter, real GDP grew at an annual rate of 6.5 percent quarter on quarter. Strong gains in consumer spending and business fixed investment were partially offset by declines in residential investment, federal purchases, inventory investment and net exports. In the August forecast, annual real GDP has been lowered 0.5 percent to 6.1 percent in 2021 and 0.6 percent to 4.4 percent, in 2022. The revisions reflect a lower growth path through the end of 2021 based on less inventory investment amid supply bottlenecks and more cautious consumer spending in response to the rise in COVID-19 infections.

But the U.S. expansion remains on solid footing, Johnson said, driven by "unprecedented fiscal and monetary support, continued release of pent-up demand and restocking of depleted inventories." On top of that, employment is surging and job openings remain at record levels. Near-term market imbalances will push consumer price inflation up to 4.2 percent in 2021, before improving supply conditions will reduce it to 2.4 percent in 2022, according to IHS. The Federal Reserve is expected to ease its asset purchases in the months ahead and start raising the federal funds rate in 2023.

Western Europe's consumer-led growth spurt is expected to continue. The easing of Covid-19 containment measures, improving labor markets and household savings accumulated during the pandemic have unleashed a surge in consumer spending. Eurozone real GDP increased 2 percent in the second quarter.

After a 6.4 percent decline in 2020, eurozone real GDP is projected to increase 5 percent in 2021, 4.3 percent in 2022 and 2.1 percent in 2023, IHS said.

China's economic growth is resuming a long-term slowdown, Johnson said. Although the scale of the Covid-19 outbreaks is relatively small, the Chinese government's zero tolerance policy has markedly curtailed economic activities. IHS Markit analysts expect subpar growth near 5 percent in the second half of 2021.

"Should the economy decelerate sharply, the Chinese government will inject fiscal and monetary policy stimulus," the report stated. "The country's real GDP growth is projected to slow from 8.5 percent in 2021 to 5.8 percent in 2022 and 5.5 percent in 2023."

Asia Pacific's manufacturing hubs are the current hotspots for Covid-19 with the spread of the Delta variant in the region aggravated by relatively slow progress of vaccination campaigns outside China, IHS noted. Consumer spending, tourism, industrial production and exports have been adversely affected.

"Supply chain disruptions and shipping delays persist," Johnson said. "Pandemic-related production cuts in Southeast Asia have exacerbated input shortages and cost pressures…In the container shipping industry, a series of shocks–the Suez Canal closure in March, partial shutdowns of Chinese ports, the suspension by Union Pacific on rail shipments from the West Coast to Chicago in July and the ongoing backup of ships off of Los Angeles-Long Beach–have had cumulative effects, extending delays and driving shipping rates sharply higher."

Source: sourcingjournal.com– Aug 24, 2021

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Outbreak Clogs China Air Freight

Another Covid-related supply chain bottleneck is causing delays for air cargo carriers.

Cargo operations at a terminal of Shanghai Pudong International Airport (PVG), the world's third busiest airport by cargo traffic, remained suspended for a fifth consecutive day following a new coronavirus outbreak in the workforce. According to a new report by Everstream Analytics, the outbreak took place at ground handling agent Shanghai International Airport Services (SIAS), which handles operations for major cargo carriers such as Air China, Qatar Airways and Cathay Pacific.

Everstream and media outlets including the South China Morning Post and Reuters said significant delays and backlogs are expected over the coming days as airport authorities implemented sanitation protocols for hundreds of employees.

"While delays have been reported at several airports across China, particularly in Beijing, Shanghai and Guangzhou, as new quarantine rules have come into effect under China's zero-tolerance policy towards COVID-19 outbreaks in recent weeks, the new outbreak at PVG will likely add to the backlog of air cargo shipments that has started to build up since July 2021," Everstream said in a special report. "Limited air cargo capacity out of China will likely further increase spot rates that have already climbed by more than 6 percent month-over-month."

Officials in Shanghai have tested over 80,000 people in response to the new infections and quarantined several hundred people believed to be close contacts of the infected airport workers at SIAS, according to reports.

The suspension of operations at SAIS has resulted in some flights leaving PVG without cargo or being severely delayed due to limited manpower, Everstream noted. Cargo handling times have reportedly been two to three times longer than average, also partly due to high turnover among staff due to the stricter quarantine rules.

The affected airlines will temporarily stop operating cargo-only passenger flights and freighters to PVG until further notice, Evertream said. Qatar Airways, Air Bridge Cargo and Polar Air Cargo have diverted future shipments to either Guangzhou International Airport, Zhengzhou

International Airport and Shenzhen Bao'an International Airport, while China Eastern Airlines and China Southern Airlines have announced cancellations on many of their U.S.-bound flights from PVG, Everstream said.

"Similarly, Etihad Airlines, Lufthansa Cargo, and American Airlines have all cancelled flights departing from the airport in recent days," Everstream's report said. "Disruptions to cargo operations are expected to continue in the coming weeks as it remains unknown when flight schedules will normalize at PVG…Customers are advised to use airlines still operating out of PVG, such as Cargolux, Nippon Cargo, ANA, Kalitta Air and SF Express, which are relying on unaffected ground handlers. Using trucking services to alternative gateways such as Hong Kong for onward flights into North America or Europe should also be considered."

Everstream added that freight forwarders have also turned to different forms of transportation such as shipping to Singapore by ocean and then flying from Singapore Changi Airport to final destinations, all of which are likely to increase to transit times.

Authorities previously curtailed flights out of Nanjing Lukou International Airport (NKG) and Yangzhou Taizhou International Airport (YTY) to combat the spread of the Delta variant. In June, Chinese authorities restricted operations at the Port of Yantian in an effort to slow a Covid-19 outbreak in the region, creating a massive cargo bottleneck at the port and driving container prices from $5,515 in June to $15,336 this month, Seatrade Maritime News reported, citing Container xChange data. Average prices for locked-down Ho Chi Minh, meanwhile, reached $4,875 this month, up from $2,872 in May, it added.

Plus, major U.S. ocean terminals such as the twin ports of Long Beach and Los Angeles have been fighting congestion for months as retailers restocked inventories from Asian suppliers amid high consumer demand.

Source: sourcingjournal.com– Aug 24, 2021

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Chinese recovery slows down: Retail sales disappointment hits global markets

While still on the uptrend, China's economy's recovery slowed down in July. National retail sales in China grew 8.5 percent compared to a year ago, falling short of expectations and signaling a potential new dip as the Delta variant virus outbreak takes force.

Even if the Asian giant's retail sales missed the consensus analysts' forecast for July (11.4 percent growth) the numbers were still above 2019 levels, per Yahoo Finance data. Indeed, total sales of consumer goods in July were up by 7.2 percent compared to the same period two years ago.

In July, apparel sales in China grew by 7.5 percent, while jewellery sales improved by 14.3 percent. Online retail sales, which account for 23.6 percent of total retail sales, increased by 17.6 percent year-on-year. For the first seven months of the year, total sales increased 20.7 percent year-over-year.

Commenting the figures in a market note, ING Bank's greater China chief economist Iris Pang, warned that "We see few positive factors for the economy, instead, we see more risk factors." She detailed some of the most pressing threats to the Chinese economy's recovery: "There have been more floods in China. The Delta COVID-19 variant is spreading in the Mainland, although the number of cases remains fewer than 200 per day. Strict social distancing measures have affected the ports in Ningbo and Shanghai, which are close to each other...Strict social distancing measures also limit people flows around the Mainland, which limits domestic leisure travel and spending during the summer holidays."

China's factory output and retail sales fell sharply in July

The impact of new coronavirus variants and extreme weather dented China's factory output and retail sales growth earlier in the summer. As a result, those indicators fell sharply and missed expectations in July, hinting that the country's economic recovery is stalling.

The Chinese industrial production increased 6.4 percent year-on-year in July, as shown by data from the National Bureau of Statistics. This increment missed analysts' expectations for a 7.8 percent increase in July.

Meanwhile, retail sales increased 8.5 percent year-on-year, again behind the estimated 11.5 percent rise.

Chinese economy's slowdown drags stock trading worldwide

On a related note, online sales of physical consumer goods rose by 4.4 percent in July, far below an average of about 21 percent for the past five years, per CNBC's calculations of official data. This acute dip was partially due to massive shopping promotions in June, which were followed by logistics disruptions amid Covid-19 travel restrictions, floods and typhoons in July, explained Bruce Pang, head of macro and strategy research at China Renaissance. Back in June, Alibaba and JD.com handled a record 136.51 billion dollars of combined sales during the major June 18 shopping event known as "618."

On the back of China's economic update, weaker stock trading worldwide highlight a growing unease in the market over slowing growth in the Asian country, the second largest world's economy. "Asia's low vaccination rates and low tolerance for community spread suggest it is the region most at risk economically from the Delta variant," said to Reuters JPMorgan economist Bruce Kasman. He added that "China is in the midst of removing policy supports, which looks likely to restrain domestic demand growth and weigh on regional performance through the rest of this year. With these drags building in recent weeks we have been lowering 2H21 regional growth forecasts."

Source: fashionunited.uk– Aug 24, 2021

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Denim Industry Prepares for In-Person Events in Europe

In-person industry events are coming back in Europe next week with a special focus on education.

Munich Fabric Start Exhibitions GmbH will welcome the global textile and denim industries next week when it hosts Bluezone Aug. 31-Sept.1 and Munich Fabric Start Aug. 31-Sept.2.

Showcasing approximately 1,000 collections across 430,000-square-feet of "Covid-19 compliant" exhibiting space at the MOC Munich and the newly designed Zenith area, "visitors are invited to be inspired, meet long-term partners and finally experience materials live again in their diversity and depth."

Health and safety will be a priority at the event—the first since February 2020. With specialist staff and in close coordination with Messe München and the authorities, the organizers have developed a hygiene concept that meets the official requirements and even goes a few steps further.

"As organizers, we have literally turned every stone in order to create a safe, creative environment for the industry for efficient work and inspiration under the new conditions," said Sebastian Klinder, Munich Fabric Start managing director.

Visitors are required to wear an FFP2 mask on the entire exhibition grounds, which will be provided free of charge. All attendees will also need to pass through "screening stations" at the front of the exhibition halls. A valid Covid-19 test, a recovered certificate or a vaccination certificate recognized in Germany must be available. However, the show urges all guests to become familiar with the travel and safety information of their respective country to and from Germany.

In addition to meeting with vendors, visitors will have access to newly designed areas dedicated to sustainability as well as an event program that will cover hot topics on circularity, denim trends and the future of textile innovation. The ReSource x Sustainable Innovations forum will offer an interactive platform with in-depth information and specific application options for sourcing futuristic textiles.

Denim and trims exhibitors at Bluezone include Advance Denim, Berto, Bossa, Calik, Dorlet, Kipas, Orta, P.G. Denim, Prosperity, Tejidos Royo and more. There, Tencel's Carved in Blue blog will honor the best in denim videos spanning categories related to education and design at the first-ever Blue Lenz Denim Video Awards.

"Bluezone at Munich Fabric Start provides a wonderful venue and opportunity to finally meet in person to celebrate the resilience and transformation of the global denim industry," said Tricia Carey, director of global business development—denim, Lenzing.
GenovaJeans

Education and fashion will co-mingle in the first-ever GenovaJeans, a five-day consumer-facing event that underscores Genoa, Italy's history in denim. From Sept. 2-6, the event program will include conferences that will explore topical themes related to the history jeans, its relationship with sustainability and the link with great social changes and female empowerment.

Though the material has several hubs around the world, denim (or de Nîmes) fabric was first woven in the town of Nîmes in France, and sewn into jeans (or Genes) in Genoa.

Along with a denim exhibition at the Biblioteca Universitaria, Diesel will present a replica of the first jean ever made in the atrium of Palazzo Cattaneo Adorno in Via del Campo and a peak into Diesel's private archive with a special exhibition dedicated to the brand's iconic pieces. Candiani Denim will host an interactive exhibition that will highlight the impact the production of jeans has on the environment and will provide new sustainable solutions.

As part of the event, GenovaJeans announced the debut of "Jeans – The Genoa -R- Evolution," a film produced by Pulse Films Italia and Laura Borgio. The film is described as a "modern and bold musical documentary that looks back at the history of this iconic garment to recognize its revolutionary transformation and its undeniable connection with the city of Genoa."

Visitors can purchase a one-day pass for 8 euros ($9.40) or a five-day pass for 15 euros ($16). Conferences are free by reservation.

“We are proud to introduce, right here where jeans were born, sustainable innovations that allow us to clean up the industry and to keep wearing the iconic blue jeans without hurting the environment,” said Alberto Candiani, owner of Candiani Denim. “Jeans have invaded the world starting from Genoa’s port and today, once again, we want to export the new generation of jeans to all those who care about them and about our planet.”

Source: sourcingjournal.com - Aug 24, 2021

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Turkmenistan prepares to open new textile complex in Kaka Etrap

Turkmenistan is on its way to open a textile complex in Kaka etrap of Ahal province, vice premier Chary Gylyjov recently told President Gurbanguly Berdimuhamedov during a cabinet meeting.

The modern complex is aimed at producing 3,650 tonnes of yarn, 12 million square metres of fabrics and 1.2 million tonnes of finished products annually, he said.

Once commissioned, the enterprise will employ 1,300, and sell in domestic as well as export markets, Gylyjov was quoted as saying by media outlets in the country.

President Berdimuhamedov emphasised that Turkmen designers should develop and launch new clothing lines.

Turkish company Cotam Enterprises Ltd started the construction of the new textile complex in 2018.

Source: fibre2fashion.com– Aug 24, 2021

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Rising China-Europe freight rates to benefit Turkey's textile exports

Turkey's textiles, apparel and home textiles exports are expected to rise in the rest of the year due to consistently rising freight rates and high transport costs on the China-Europe routes. The freight costs for exporting goods from China to Italy are over five times more than the same for Turkey to Europe, thus giving Turkey a competitive advantage.

The global demand for clothing and textiles is also rising due to vaccination drives in most countries and implementation of strong measures and business models to deal with the impact of the COVID-19 pandemic. This will also drive Turkey's textile and apparel exports.

Turkey exported textiles, apparel and home textiles worth $2.33 billion in January 2021, which increased by 14.99 per cent in Q1 2021 to reach $2.68 billion in March 2021, according to Fibre2Fashion's market analysis tool TexPro.

Exports further increased to $2.79 billion in June 2021 and are now expected to touch $2.96 billion by December 2021.

Source: fibre2fashion.com– Aug 24, 2021

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Retail sales in Canada up 4.2% to $56.2 bn in Jun, apparel stores lead

Retail sales in Canada increased by 4.2 per cent in June from May, led by a strong rebound in demand for clothing and accessories, while July retail sales likely fell by 1.7 per cent, Statistics Canada (Statscan) data showed. Sales rose in eight of 11 sub-sectors, representing 69.5 per cent of retail trade, as COVID-19 restrictions were eased, Statscan said.

Clothing and accessory sales grew by 49.1 per cent in June, with sporting good sales up by 27.9 per cent and home goods up by 23.2 per cent.

The June gain was slightly below the average analyst estimate of 4.4 per cent, according to a global newswire.

While the preliminary estimate for July was disappointing, economists noted that even with the decline, retail sales remain well above their pre-COVID-19 levels. The drop in July could also signal a shift to more spending in bars and restaurants.

Canadian provinces eased restrictions through the spring as new COVID-19 cases fell amid a successful inoculation campaign. But a Delta variant-driven rebound of COVID-19 cases has started clouding the outlook.

Source: fibre2fashion.com– Aug 24, 2021

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Indonesia's industry growth in line with national economic growth: Industry Minister

Agus Gumiwang Kartasasmita, Minister of Industry, said, the 6.91 per cent growth in Indonesia's industrial sector in Q2FY21 is line with the national economic growth of 7.07 per cent. In the middle of this year, Indonesia also launched the results of a study on the potential economic, social and environmental benefits of implementing a circular economy in the country's textile sector. The implementation of a circular economy in this sector will reportedly help create an economic impact of IDR 24 trillion, 200 thousand jobs, reduce CO_2 emissions by 16 million tonne, and save water by 1.3 billion cubic meters by 2030.

On the other hand, consumers will also benefit from products that are durable, long lasting, innovative and environmentally friendly. Kartasasmita explained, the government has mentioned sustainable fashion as part of the green industry in its regulation No. 28 of 2021 and has been implemented or stated in the roadmap for making Indonesia 4.0 in RIPIN and KIN 2020-2024 with a focus on the recycle polyester and staple fiber industry. In particular, it came from used plastic bottles and the development of renewable and sustainable fiber rayon, with tracable woods, sustainable forestry, and eco-friendly production, he added

Rosa Vivien Ratnawati, Director General-Waste, Waste and Hazardous Toxic Material Management (PSLB3), Ministry of Environment and Forestry, explained that textile waste is a potential that can be utilized. Data from August 2021 report shows, Indonesia generates 1.7 million ton wastes in 292 districts every year. A circular economy approach can help alleviate this problem, adds Ratnawati.

Source: fashionatingworld.com– Aug 24, 2021

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Apparel sales in Japan's department stores rise 0.80 per cent in July

Apparel retail sales by Japanese department stores increased 0.80 per cent in July '21 over July '20, shows data released by Japan Department Stores Association (JDSA).

As per an Apparel Resources report, total revenues from apparel sales in the country's department stores reached 95,832.73 million yen ($870.80 million) during July '21. These constituted 23.80 per cent of the total revenues earned by the Japanese department stores in the month of July '21.

Women's wear proved to be the biggest category as it earned 65.80 per cent of overall revenues and valued 63,083.49 million yen ($ 573.20 million). The revenues clocked by men's clothing reached 19,581.45 million yen (US $ 177.93 million), dropping 1.70 per cent Y-o-Y.

Kid's wear witnessed a drop of 4.80 per cent on yearly basis to hit 6,034 million yen ($ 54.83 million) in revenues, while all other types of clothing noted marginal growth of 1.60 per cent in July '21 and valued 7,136.78 million yen ($ 64.85 million).

Source: fashionatingworld.com– Aug 24, 2021

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Pakistan: Govt releases Rs6bn under DLTL scheme for exporters

The Ministry of Commerce has released Rs6 billion under duty drawback on local taxes and levies (DLTL) scheme, informed Advisor to Prime Minister on Trade and Investment Abdul Razak Dawood on Tuesday.

"I am glad to share that the Ministry of Commerce (MOC) has released a total of Rs6bn under DLTL schemes," said Dawood, adding that this includes Rs5.6 billion for the textile sector and Rs400 million for the non-textile sector. "I hope this will contribute to improving the liquidity issues of our exporters and enable them to enhance Pakistan's exports," he said.

Increasing exports is vital for Pakistan's economy that struggles with an increasing current account deficit and pressure of repaying multi-billion dollars of loans taken from international lenders. For this purpose, the government has initiated a 'Make in Pakistan' trade policy, which aims to introduce Pakistan's traditional and non-traditional export sectors and local products in the international trade market.

Just days ago, Dawood expressed hope that by the last fiscal year of the current government's tenure, ie, 2023, the country's exports would reach $50 billion by following the policy of trade diversification in potential trade sectors and markets.

Dawood optimistic about $50bn export target prospects

As per the Pakistan Bureau of Statistics (PBS), during FY 2021, exports increased by 18.3% to $25.3 billion ($21.4 billion last year). Major exported commodities included knitwear, posting growth of 36.6%, Readymade garments; 18.8%, Bed wear; 28.9%, Towel; 31.8%, carpet, rugs & mats; 36.9%, leather manufactured; 18.7%, while Fish and fish preparations posted 1.9% growth.

Meanwhile, Pakistan's exports figures during the first month of the current fiscal year amounted to $2.3 billion, the highest figures in July showing a percentage growth of 17.3% as compared to $2 billion in July 2020.

Source: brecorder.com– Aug 24, 2021

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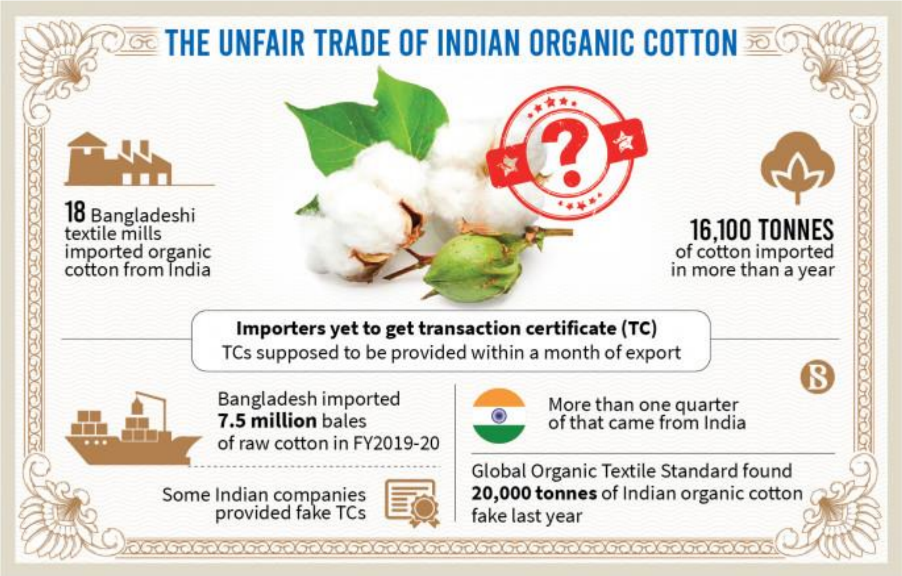
Bangladesh: Spinners pay price of unproven Indian organic cotton

A number of Bangladeshi spinners who imported organic cotton from India are in trouble as they are yet to get the authentication certificate – called a transaction certificate (TC) – from their suppliers in more than a year now.



At least 18 millers now fear huge losses following possible order cancellations as their buyers seek TCs as proof that the raw materials they collected from the spinning mills are made of organic cotton.

The millers have repeatedly tried to reach out to the suppliers to get the certificates – which are supposed to be provided within a month of the procurement, but to no avail, according to Bangladesh Textile Mills Association (BTMA).

The BTMA said some of the Indian suppliers had provided TCs for the supplied cotton, but the certificates were later proven fake and subsequently withdrawn by the Control Union.

The mills manufactured yarns and fabrics with the procured cotton and supplied those to factories nominated by local and foreign buyers and now some buyers have started seeking compensation from the millers for their losses on sales of products made with fabrics of uncertified cotton.

Against this backdrop, last month, the BTMA sent a letter to the Indian High Commission in Dhaka, the Cotton Association of India, the International Chamber of Commerce Bangladesh (ICCB) and other parties concerned, seeking measures to this end.

In the letter, the BTMA says its member mills have become victims of fraudulent activities and such unethical practice needs to be stopped.

"Since BTMA's member mills import cotton from India frequently, this kind of incident may deteriorate the existing bilateral relationship between Bangladeshi spinners and Indian cotton suppliers as the issue relates to huge financial implications," BTMA President Mohammad Ali Khokon said. "We apprehend that this may lead to a misunderstanding between both countries as well," the BTMA president added.

The yarn made of organic cotton is sold directly to local garment entrepreneurs along with garment or textile factories nominated by foreign buyers, which are then exported abroad.

Bangladeshi importers say they import most organic cotton from India as the price is relatively lower in that country. A small amount of organic cotton is also imported from other countries.

According to the BTMA, Bangladesh imported 7.5 million bales of raw cotton in FY20, and more than a quarter of it came from India. But, the BTMA does not have information on the amount of organic cotton imported during this time.

According to the importers, Indian suppliers are not giving transaction certificates for 16,100 tonnes of organic cotton imported by 18 Bangladeshi companies against 23 LCs. Certificates were issued to only three importers, which were later revoked as they were fake.

As per Tuesday's rate, the import price of conventional cotton is $1.05 per pound, while that of organic cotton is $1.78 per pound. If the latest market price is taken into account, the cost of 16,100 tonnes of organic cotton would be around $63 million.

Envoy Textile Mills Limited, one of the largest textiles in the country, imported 600 tonnes of cotton from two Indian companies – Agritech Industries Pvt Ltd and Glossy Impex Pvt Ltd.

But, the mill has not got any TC from Agritech Industries. Glossy Impex provided Envoy with the certificate, but it was later proved to be fake.

Md Ataur Rahman, head of supply chain (cotton and yarn) at Envoy Textile, told The Business Standard, "We have already exported fabrics manufactured with that cotton and supplied to foreign buyers. But we could not give them the transaction certificates as we did not get those from the Indian suppliers.

"We think the organic cotton that Indian suppliers provided us is fake. That is why they cannot provide us certificates."

Maksons Spinning Mills Limited and Israq Textile Mills Ltd have also fallen victim to anomalies of Indian cotton suppliers.

"I imported 1,500 tonnes of cotton. They provided the TC but it was later cancelled. Many like me faced the same problem. We have already contacted our trade body, but have not got any solution," said Fazlul Haq, owner of Israq Textile Mills Ltd.

According to BTMA sources, they have identified at least nine Indian cotton exporters who are not certifying organic cotton or giving fake certificates. The list includes Agrotech Industries Pvt Ltd, Gujarat Cotton Corporation, Axiata Cotton Limited, Glossy Impex Pvt Ltd, Ghanshyam Agro Resources, Basil Commodities Pvt Ltd, Kratos Impex Ltd, Sri Salasar Balaji Agrotech Private Limited and Narendra Overseas.

An investigation, carried out by the Global Organic Textile Standards into organic cotton fraud in India, also revealed 20,000 tonnes of cotton were incorrectly certified as organic through a scam abusing the Indian government certification system, just-style reported November 2020.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), told TBS, "The certification problem apart, the price of organic cotton has also recently gone up. That is why we are discouraging our members to take orders for organic cotton-made clothing."

"The demand for organic cotton-made garments has increased worldwide. The price of this cotton is around 40% higher than the normal cotton. Cotton production requires a lot of fertilisers and pesticides, which are harmful to the human body. But organic cotton does not use any harmful chemicals," he said.

Source: tbsnews.net– Aug 24, 2021

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Bangladesh: BGMEA seeks 4% incentive against RMG items made with imported yarn

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) in a letter to the commerce ministry has sought a 4% cash incentive on export-oriented apparel items that are made from imported raw materials. Exports of garment items can almost double with such a reward on imports of yarn and fabrics.

However, spinners say this kind of incentive will deal a devastating blow to the country's textile industry. Giving an incentive to imported yarn means subsidising foreign companies with public money, which is not desirable at all, they add.

Abdul Hai, former president of Bangladesh Textile Mills Association (BTMA), told The Business Standard that if an incentive is given on exports of readymade garments produced from imported yarn, huge investments in the textile sector will go in vain and millions of workers will lose their jobs. The government now only gives a 4% incentive against exports of RMG goods made with yarn and fabrics produced in Bangladesh.

As prices of yarn have recently gone up in the country, garment owners are getting interested in importing yarn from abroad. So, the BGMEA seeks an incentive at a 4% rate on the exports of RMG items produced from imported yarn.

"The spinners have sold yarn at huge losses in the last two years. Those who have other businesses have managed to survive. Now, cotton prices in the international market have increased by 50%. When the cotton production season starts next November-December, yarn prices will also come down," he added.

In the letter sent to Commerce Minister Tipu Munshi on 16 August, the BGMEA president said Bangladesh is the second-largest exporter of garments, but the industry is mainly dependent on imported raw materials. There has been a significant investment in backward linkages because of alternative cash assistance to them and regulations on yarn imports, but the demand for imports of core raw materials like fibre and yarn will still be there.

Faruque said Bangladesh's stake in the international apparel market is only 6.8%, which can almost double. This requires motivating the procurement of raw materials from international sources as well as domestic mills so that the country does not miss out on export opportunities owing to the insufficiency of raw materials. Encouraging yarn imports will increase the supply of raw materials and motivate buyers to place more orders, he also said. According to the BGMEA, RMG factories collect about 80% of required yarn from domestic sources. Therefore, to increase fabric production capacity at the local level, it is necessary to motivate and facilitate yarn imports.

A 4% cash incentive on yarn imports will also increase investment in knitting, weaving, processing, brushing, sewing, bleaching, dyeing, printing, washing and finishing industries, which will help Bangladesh retain market benefits after the LDC graduation, the BGMEA president said. "Our mills basically make yarn of certain categories. We have to rely heavily on imported yarn for manufacturing specialised fabrics and product diversification and innovation," he added.

However, regarding the quality of locally produced yarn, Abdul Hai said, "The quality of yarn in Bangladesh is much better and more varied than that of Indian yarn. Because India produces yarn in its own machine. Bangladeshi mills produce yarn with the latest machines of Germany and Switzerland." The BGMEA's allegation that garment products cannot be diversified and innovated with locally produced yarn is completely baseless, he added. 10% incentive demanded for non-cotton garment exports

In a separate letter to Commerce Minister Tipu Munshi on 21 August, the BGMEA proposed a 10% incentive for non-cotton garment exports, saying it will boost exports as well as investment and employment. RMG exports have increased to $34 billion, but there is no product diversification. In FY19, 74.14% of garment items exported were made of cotton, up from 69% a decade ago. The garment industry's dependence on cotton has increased over a decade.

According to the BGMEA, in 2018, Bangladesh imported a total of 20.52 lakh tonnes of fibre. Of them, 93.57% were cotton items. Some 403 out of 430 spinning mills in the country are cotton spinning mills.

Source: tbsnews.net– Aug 24, 2021

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Bangladesh: FDI in textile and weaving sector jumps by 11pc in ’20

Bangladesh’s Foreign Direct Investment (FDI) inflows in the textile and weaving sector in 2020 amounted to $271 million, an 11% increase from the previous year. According to Bangladesh Bank data, in 2020 Bangladesh received $271 million as foreign direct investment, which was $244 million in the previous year.

As per the data, South Korea was the largest investor with an investment of $50.32 million in the country’s textile and garment industry, followed by Kong $35.11 million, China $25.19, the United Kingdom $14 million, the Netherlands $6.18 million, USA $11 million, the British Virgin Islands $26.46 million, Sri Lanka $22.36 million and India $11 million.

However, the overall foreign investment in Bangladesh declined by 10.80 percent to $2.56 billion in 2020, which was $2.87 billion in 2019.

The FDI figure in the textile and weaving sector is not as much as expected but trade analysts and industry people termed it as a positive sign for the country when the country’s total investment is going through a stagnant situation.

Sector people are welcoming foreign investment in the new segment where there are opportunities to grow mostly in the high-end products.

“Right now, we are focusing on non-cotton products as the future of this category is bright and is gradually increasing. This segment needs more investment,” Bangladesh Garment Manufacturers and Exporters Association (BGMEA) president Faruque Hassan told.

We are welcoming foreign investment mostly in the segment where there are opportunities to diversify products and knowledge sharing, said the business leader.

However, the rise in foreign investment inflows is a good sign for us and I am very much optimistic about the continuation of trend and better growth this year, said Hassan, also Managing Director of Giant Group.

On the other hand, the economist also suggested attracting more foreign investment in fabrics manufacturing in woven mostly, while there are opportunities for value-added products.

“Bangladesh has overcapacity to produce traditional goods and it is gradually moving towards high value good” Centre for Policy Dialogue (CPD) research director Khondaker Golam Moazzem has told.

To become self-sufficient in raw materials for high end products, the government should offer an opportunity to attract foreign investors with large volume investment, said Moazzem. The apparel sector needs a huge amount of capital and skilled workforce where FDI can play an important role, said the economist.

He also opined that FDI should come in backward linkage and textile sector also as still we are importing huge amounts of fabrics.

Not only that it will help the local manufacturers to experience knowledge from the foreign investors, said Moazzem.

Source: dailyindustry.news– Aug 24, 2021

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Bangladesh: BGMEA wants Spanish investment in non-cotton, technical textiles

Bangladesh Garment Manufacturers and Exporters Association president Faruque Hassan on Tuesday sought support from Spain regarding the potential of foreign investment in non-cotton and technical textiles and high-end apparel items.

He also sought support and cooperation of the government of Spain through extension of transition period for smoother graduation from LDC.

Ambassador of Spain to Bangladesh, Francisco de Asís Benítez Salas, met the BGMEA chief at the latter's office and discussed areas of cooperation. The Ambassador of Spain lauded the progress of the apparel industry of Bangladesh.

BGMEA vice-president Shahidullah Azim also attended the meeting.

They had discussions about issues related to the readymade garment industry in Bangladesh, including its progress in the areas of workplace safety, social and environmental sustainability.

Bangladesh is proud to have the highest number of green garment factories in world and more factories are in the process of achieving Leadership in Energy and Environmental Design certification from the US Green Building Council, BGMEA said.

The BGMEA President apprised the envoy of the priorities of Bangladesh RMG industry, especially more focus on production of valued-added apparel items made from man-made fibre and innovation in product development and process optimization.

The discussants also highlighted the future potential of the industry and the need for industry upgrading particularly in the area of skills and efficiency enhancement, technological expertise, and diversification of products (especially non-cotton).

Source: newagebd.net– Aug 24, 2021

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India's envoy Sandhu discusses business ties with US Commerce Secretary Raimondo

They also discussed scheduling the US-India CEO Forum and US-India Commercial Dialogue

India's US Ambassador Taranjit Singh Sandhu has met US Secretary of Commerce Gina Raimondo here and underscored the importance of bilateral commercial relationship and their commitment to growing business ties in support of the broader strategic relationship.

Sandhu and Raimondo held a meeting on Monday and discussed the US-India commercial relationship, according to a statement issued by the US Department of Commerce.

"During their meeting, Secretary Raimondo and Ambassador Sandhu underscored the importance of this commercial relationship and their commitment to growing business ties in support of the broader strategic relationship," it said.

They also discussed scheduling the US-India CEO Forum and US-India Commercial Dialogue and the rescheduling of the US-India High Technology Cooperation Group meeting, it said.

Sandhu and Raimondo also discussed US-India technology collaboration and improving digital economy policies to strengthen that collaboration, the statement added.

Source: thehindubusinessline.com– Aug 24, 2021

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India pips US to rank 2nd in list of most attractive manufacturing hub globally; China 1st

In the last year's report, the US was at second position while India ranked third

India has overtaken the United States (US) to become the second-most sought-after manufacturing destination globally, driven mainly by cost competitiveness, according to real estate consultant Cushman & Wakefield. China remains at number one position, the consultant said in its 2021 Global Manufacturing Risk Index, which assessed the most advantageous locations for global manufacturing among 47 countries in Europe, the Americas and Asia-Pacific (APAC).

“India takes the second spot after China as the most sought-after manufacturing destination globally,” Cushman and Wakefield said in a statement. The US is at third position, followed by Canada, Czech Republic, Indonesia, Lithuania, Thailand, Malaysia and Poland. In the last year’s report, the US was at second position while India ranked third.

The consultant said that this indicates the growing interest shown by manufacturers in India as a preferred manufacturing hub over other countries, including the US and those in the APAC region. “The growing focus on India can be attributed to India’s operating conditions and cost competitiveness. Also, the country’s proven success in meeting outsourcing requirements has led to the increase in the ranking year-on-year,” the statement said.

The rankings in the report are determined based on four key parameters, including the country’s capability to restart manufacturing, business environment (availability of talent/labour, access to markets), operating costs, and the risks (political, economic and environmental). The baseline ranking for top manufacturing destinations is determined on the basis of a country’s operating conditions and cost effectiveness.

“This year, India and the US switched places (second and third) taking India one rank above from the rankings released last year, when India stood at the third place. “This switch in ranking is attributed to the plant relocations from China to other parts of Asia due to an already established base in pharma, chemicals and engineering sectors, that continue to be at the centre of the US-China trade tensions,” it said.

As far as the cost scenario ranking goes, India continued to retain the third spot like last year, while Vietnam is pushed to the fourth position from the third.

“Despite being among the top-three countries in the baseline and cost scenario rankings, there is a long road for India to traverse when it comes to areas like managing the geopolitical risks involved in running business and its ability to restart its manufacturing business after a devastating second wave of the COVID-19 virus,” Cushman said.

Source: financialexpress.com– Aug 24, 2021

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Finance Minister Smt. Nirmala Sitharaman says Government committed to policy certainty, Industry should come forward and take more risks

The Government is committed to working towards ensuring policy certainty said Union Minister of Finance and Corporate Affairs Smt. Nirmala Sitharaman, while interacting with Industry captains at a Confederation of Indian Industries (CII) interaction held at Mumbai today. The regulators also had a key role in ensuring the same and the Government is working with them as well on this important issue, Smt. Sitharaman added.

Expressing the Government's keenness to facilitate trends and sectors that are the future of the Indian economy, the Finance Minister acknowledged that there are seminal changes happening in the financial sector, which the government policy should facilitate. The economy is moving gradually from a bank-led lending model to a more market-based finance model. Also once the Development Finance Institution is operational, it will perform the function of long-term lending which traditionally has been done by banks. Smt. Sitharaman added that this would increase competition for the banks and also improve their efficiency.

The Finance Minister emphasised on the importance of Government and Industry working together to 'create India's own equity capital'. Smt. Sitharaman also emphasised on identifying how the sunrise sectors and start-ups can contribute to the future of India and how the Government could facilitate them. The Finance Minister said that this Government believes in listening, working and responding and would extend all possible support.

Praising the risk-taking ability of the start-ups, Smt. Sitharaman urged industry to also come forward and take risks and assured Industry captains of addressing issues related to competitiveness including high power tariffs, and the issues related to cumbersome regulatory compliances.

Dr T.V. Somanathan, Finance Secretary & Secretary Expenditure, Ministry of Finance, in his address emphasised that the government trusts wealth creators. Responding to suggestions from industry, Dr Somanathan, shared that the Government is exploring on instituting insurance bonds as alternatives to bank guarantees. On the issue of arbitration awards being typically appealed, Dr Somanathan said that a behavioural change is required. On increasing the pace of vaccination, Dr Somanathan expressed that the Government has been very aggressive in procurement, even relaxing procurement guidelines. The constraint was on the supply side which is likely to be addressed soon, as new vaccines become available.

Shri Tarun Bajaj, Secretary, Revenue, Ministry of Finance, mentioned that the Department of Revenue was working on the tax related issues of start-ups and sought industry inputs on the same.

Earlier, while sharing the CII suggestions for a robust recovery, Mr T. V. Narendran, President, CII, said that for growth to take deep roots, sustained demand is critical, and the immediate source of demand has to be government expenditure. Welcoming the Government's push to capital expenditure, Mr Narendran recommended frontloading of the committed capital expenditure, especially on infrastructure and added that the revenue buoyancy seen in the first quarter has created fiscal room for this frontloading.

Source: pib.gov.in– Aug 24, 2021

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FTAs could up exports of auto components and textiles: India Inc's top CEOs

A committee comprising India Inc's top CEOs have argued that India's proposed Free Trade Arguments (FTAs) could help increase exports of auto components and textiles.

Focussing on cost and ease of doing business, market access via trade treaties, technology and quality issue and supporting Brand India for manufacturing, the Steering Committee for Advancing Local Value-Add and Exports(SCALE committee) suggested that a sustained effort be maintained to reduce disabilities for domestic businesses.

Headed by former M&M MD, Pawan Goenka, the committee is working on improving exports of 24 products that have been identified by them. He said that the government must focus on addressing cost issues, related to land, power and capital, and scale, which in turn helps in lowering cost disabilities.

He added that businesses can be made more competitive in the global markets by addressing concerns related to infrastructure and logistics, labour flexibility. Strengthening MSMEs could also help in lowering costs for companies.

The committee put up a presentation at a meeting between industry players and the Minister of Commerce, Piyush Goyal. In the meeting, on Monday, the committee suggested a push to the "China plus one" strategy. This would help to pull in foreign investment and would also position India as an export hub.

Piyush Goyal agreed with most of the points stated, and said that the government is working towards certain points already. The committee added that with the FTAs in place, auto components could be the biggest gainer across markets like the UK, US and the EU.

Besides that, treaties with the UK, EU, Asean, South Asia and the US could benefit textiles. ACs and drones could also gain in four markets each.

Source: economictimes.com– Aug 24, 2021

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Exports to ASEAN estimated at $46 billion in FY22, says Anupriya Patel

Minister of state for commerce Anupriya Patel on Tuesday said the Association of Southeast Asian nations (ASEAN) will be an important region for India with an export target of $46 billion in meeting the global export target of $400 billion in the current fiscal year.

“ASEAN, with over 15 per cent share in India’s global engineering shipment, is likely to be a key region to focus with a target of around $ 16 billion of exports for 2021-22,” the Patel said at the India-ASEAN Engineering Partnership Summit organized by EEPC India.

India’s engineering exports during April-July was $35.3 billion and is expected to achieve the target set for fiscal 2021-22 at $ 105 billion.

Source: business-standard.com– Aug 25, 2021

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India's GDP likely to grow at 18.5% in April-June quarter this fiscal: SBI report

India's gross domestic product (GDP) is expected to grow at around 18.5% in the first quarter of the current financial year, SBI noted in its research report Ecowrap, lower than the RBI's 21.4% projection. "Based on our 'Nowcasting' model, the forecasted GDP growth for Q1 FY22 would be around 18.5% (with upward bias)," the report said.

Higher growth in the second quarter of 2022, or Q1 FY22 is mainly on account of a low base. The report expects gross value added (GVA) to be at 15% in Q1FY22. The corporate results announced so far indicate that there is a substantial recovery in corporate GVA EBIDTA (earnings before interest, taxes, depreciation, and amortisation) + employee cost) in Q1 FY22, it said.

State Bank of India has developed the 'Nowcasting Model' with 41 high-frequency indicators associated with industrial activity, service activity, and the global economy. The corporate GVA of 4,069 companies registered a growth of 28.4% in Q1 FY22. However, this is lower than growth in Q4 FY21, thereby corroborating the lower GDP estimate than what was thought earlier, the report stated.

With the decline in mobility, the economic activity declines and thus GDP growth, however, with an increase in mobility the GDP growth does not increase in the same proportion, it added. "The relationship between the two has become weaker as can be seen in Q1 FY22 when mobility has declined, however, GDP growth is high and positive. But higher y-o-y growth is mainly on account of the base effect," the report said.

Meanwhile, the business activity index based on ultrahigh-frequency indicators show a further increase in August 2021, with the latest reading for the week ended August 16, 2021, at 103.3, it added.

RTO (regional transport office) collection, electricity consumption along with mobility indicators have revived in Q2 FY22, indicating positive momentum in economic activity going forward, the report said.

Source: economictimes.com– Aug 24, 2021

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CII holds session to promote trade with Indonesia

The Confederation of Indian Industry (CII) Telangana organised an interactive session with Agus P Saptono, Consul- General of the Republic of Indonesia in India, to discuss the trade and investment opportunities between the two countries.

Saptono discussed the opportunities for collaboration, especially in crude oil, textiles, food-processing, spices, paper and furniture.

He was accompanied by Pangky B P Saputra, Consul (Economics) and Mutaqien Priyo Hutomo, Officer (Socio-Cultural).

Industry representatives from Telangana, led by Sameer Goel, Chairman, CII Telangana and Managing Director, Coromandel International Ltd, shared the opportunities available in Telangana.

He mentioned that CII would be happy to partner both governments to support initiatives that continue strengthening the economic engagement towards enhancing bilateral trade between the countries.

Source: thehansindia.com– Aug 25, 2021

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AatmaNirbhar Bharat manufactures its own PPE Kits! India is now 2nd largest manufacturer

The country that once faced a shortage of personal protective equipment, is now the second-largest manufacturer of PPE kits in the world. India manufactures more than 5 lakh PPEs and more than 104 lakh N-95 masks per day. The PPE industry in India is a Rs 7000 crore industry in the making.

Personal Protective Equipment (PPEs) are protective gears designed to safeguard the health of workers by minimizing exposure to any biological agent. It includes goggles, face-shield, masks (Surgical/N-95), gloves (surgical/examination), coverall/gowns (with or without aprons), headcover, and shoe cover.

Journey from shortage to 5 lakh

Personal protective gears play a vital role in combating the coronavirus. However, when the outbreak started in the country, India felt a shortage of protective gear including masks. However, the Ministry of Textile stepped in to lead the assessment of the availability of all protective wear.

According to Invest India's report on PPE, from zero, India produces nearly 450,000 PPE kits every single day. In 60 days, the PPE industry in India witnessed 56 times the growth. Until May 31, 2020, the total production of PPE body coveralls from indigenous sources had crossed 1.1 crores.
The Ministry of Health and Family Welfare, India manufactures more than 5 lakh PPEs and more than 104 lakh N-95 masks per day.

Ramping up the textile industry

The Ministry of Textiles stepped up to meet the demand for PPE kits in the country. The Ministry of Textiles and Ministry of Health & Family Welfare (MoHFW) launched an outreach programme, wherein it invited fabric and garment manufacturers to develop suitable products and build manufacturing capacities on a war-time basis.

They initiated communication and discussions with the manufacturers and met their queries and concerns in all the ways possible. An emergency control room was set up to monitor the production and supply of medical textiles (N-95 mask, PPE coveralls, and melt-blown fabric).

At present, there are 10 laboratories in the country for testing and certification of PPE coveralls for Covid-19. According to Smriti Irani, former Minister of Textiles, after receiving WHO guidelines on PPE, in less than a month's time, 14 manufacturers cleared rigorous technical testing and started manufacturing indigenous PPEs for our frontline health workers.

Decline in PPE imports

Initially, India had to completely depend on imports for PPE kits. In January 2020, there were only 2.75 lakh PPE kits available, owing to timely import. Furthermore, buffer stock is also maintained at the Centre-State level and domestic orders are placed in advance to meet emergencies, thus reducing the stress and need for import of PPEs.

The domestic production of PPE in India has increased from about 2.5 lakh PPE kits per day to 5 lakh PPE kits per day.

In terms of manufacturing hubs, Bengaluru, Karnataka amount for nearly 50% PPE coverall production. In addition to Bengaluru, these are also being manufactured by approved production units in Tiruppur, Chennai, and Coimbatore in Tamil Nadu, Ahmedabad and Vadodara in Gujarat, Phagwara, and Ludhiana in Punjab, Kusumnagar and Bhiwandi in Maharashtra, Dungarpur in Rajasthan, Kolkata, Delhi, Noida, Gurugram and few other places.

During this period, India also witnessed innovative solutions to the growing demand for protective gear, such as the manufacturing of disinfectant masks, machines that could disinfect the PPE kits making them reusable. It saw the coming together of organizations and institutions, both private and public to meet the demand. The Indian Navy formed a team to design and produce PPEs.

Source: newsonair.com– Aug 24, 2021

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Govt to launch e-SHRAM portal on Thursday for maintaining database of unorganised workers

As part of the initiative, the workers will be issued an e-SHRAM card containing a 12 digit unique number.

The government will launch the e-SHRAM portal to maintain a database of workers in the unorganised sector on August 26, Union Minister for Labour and Employment Bhupender Yadav said on Tuesday.

Yadav on Tuesday launched the logo of the e-SHRAM portal, through which the government aims to register 38 crore unorganised workers such as construction labourers, migrant workforce, street vendors, and domestic workers, among others.

Following the launch of the portal, the workers from the unorganised sector can begin their registration from the same day, he said.

The minister said the portal will be launched on August 26 and on the same day, a national toll free number 14434 will also be launched to assist and address the queries of the workers seeking registration on the portal. As part of the initiative, the workers will be issued an e-SHRAM card containing a 12 digit unique number.

The objective behind the move is integration of social security schemes of the government. The details of the workers will also be shared by state governments and departments.

A worker can register using his/her Aadhaar card number and bank account details, apart from filling other necessary details like date of birth, home town, mobile number, and social category.

Source: financialexpress.com– Aug 24, 2021

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Weather may impact soyabean, cotton, sugarcane and paddy crops

Besides the monsoon's 'break' phases, rain and floods have also affected crops in some States

While deficient rainfall this year is feared to impact kharif crop acreage and production, the country's agriculture production has also faced problems of sudden downpour and flash floods in some parts.

Such damage has particularly been reported from Madhya Pradesh, Rajasthan, Haryana, Maharashtra, Bihar and Karnataka.

"Erratic monsoon had earlier delayed sowing in key kharif crop-growing states. Excessive rains now pose further threat to kharif output. We estimate a drop of upto 3-5 per cent in soyabean. Other crops like paddy and pulses may be less impacted," said Prasanna Rao, Co-founder and CEO, Arya Collateral Warehousing Services Ltd.

According to Deepak Yadav, founder of agritech startup GreenSat, water stagnation in a few areas and insufficient rains have hit the transplantation of paddy crops.

"The yield loss for paddy crop from Bihar is estimated to be about 50 per cent, while about seven lakh hectares of kharif crops have been damaged in Maharashtra, where over 90 per cent of sowing had been completed," he said.

Sensitive crops

High-value and sensitive crops such as soyabean, cotton, sugarcane, and paddy have been affected, he said. In Madhya Pradesh, soyabean crop could be 20 per cent in some areas.

Yadav said flooding and stagnant water could badly affect yield in some states this year. "We have to foresee the possibility for second sowing to recover the crop loss, but it seems highly doubtful now," he said.

However, BK Singh, founder of BKC WeatherSys, said cotton and, to some extent, soyabean production could be affected due to erratic monsoon, though flash floods may not cause much loss. He said other crops may not be affected much.

Flood impact on MP

In Madhya Pradesh, nine districts have been directly affected by floods. Gwalior and Chambal divisions have been the worst affected. According to preliminary estimates, crops in 1,01,669 hectares have been damaged, official sources said.

Anand Singh Anjana, a farmer from Ujjain district, said soyabean farmers could not spray pesticide when his region experienced continuous rainfall for 10 days. “In addition, we are now facing trouble from a yellow fungus. In the Malwa region, farmers who grew rice will get nothing as lack of rains for a long period has affected the crop,” he said.

Official sources said farmers in Sehore district fed their standing soyabean crop to cattle or destroyed them. The crop turned worthless as the plants could either not bear fruits or were destroyed by insects on thousands of acres in the district, a few kilometers from Bhopal.

Local farmers say that the crop was sown on time this year but the rains stopped after an initial spell, which led to the damage. Heavy rains lashed the region subsequently, causing more damage.

Adverse rains in Haryana

Soyabean seems to have suffered in Madhya Pradesh, Maharashtra and Haryana.
“Some crops such as soybean and urad have been affected by adverse rains in Haryana,” said State Commissioner of Agriculture and Horticulture Department Om Prakash. As much as 2,16,152 hectares of soyabean and 1,13,895 hectares of urad have been affected in the State.

Although heavy rains and waterlogging impacted some pockets, the damage was limited, farmers said. For instance, some 2,500 hectares under maize were affected in Karnal and Kurukshetra districts, forcing farmers to return to cultivating rice in some areas. Similarly, waterlogging hit cotton crop in a few places in Bhiwani district.

In Rajasthan, much of the crop damage has been reported from Kota, Bhundi, Jhalawar, and Baran Sawai Madhopur districts.

Deficit rain hits oilseed crop

BV Mehta, Executive Director, Solvent Extractors' Association of India, told BusinessLine that most oilseed growing states were suffering from rain deficit.

Major oilseed growing states such as Gujarat, Madhya Pradesh, Rajasthan and Maharashtra need one more round of rainfall, he said. There was deficient rainfall in Gujarat's Saurashtra region, where groundnut is grown, and Maharashtra's Marathwada region.

Another round of rainfall is needed within a week to save the standing crop in most oilseed growing areas, Mehta said.

Mixed trouble in Maharashtra

In Maharashtra, preliminary reports said crops in about 4,68,181 hectares across 23 districts had been affected due to heavy rains and floods. Paddy, soyabean, jowar, maize, sugarcane, cotton, turmeric, tur, moong and urad crops were severely affected, besides vegetables.

The maximum damage was reported from Sangli and Kolhapur districts. In the Konkan region, paddy cultivation was affected and, at many places, sowing had to be carried out again.

Vegetables and sugarcane in Sangli district and soyabean in Vidarbha were mostly affected. According to Maharashtra officials, estimates of the damage are based on preliminary reports as assessment is still on in many parts.

On the other hand, Nashik, Pune, Amravati and Aurangabad experienced deficient rainfall, resulting in crops drying, the State government mentioned in a note.

Karnataka also hit

In Karnataka, standing crops on 2.16 lakh hectares, or 3.31 per cent of the planted area, were impacted by flooding and excess rains, mainly in the northern districts of Belagavi, Bagalkot, Dharwad and Kalaburagi.

Due to the flooding, sugarcane on 81,077 hectares has been affected and 31,197 hectares of maize have been impacted. Paddy in 16,716 hectares has been hit.

The reports come even as farmers in Karnataka have increased the area under maize, soyabean, cotton and pulses such as tur and green gram. Green gram sown on 38,316 hectares is feared to be affected, while 18,836 hectares of soyabean have been affected.

Tur or arhar has been impacted by flooding in about 7,605 hectares and a similar acreage of cotton has also been hit.

Karnataka officials said the losses were being assessed and, based on the current figures, there is unlikely to be any major impact on the overall output.

In Bengal, it's advantage jute

Heavy rains have had a mixed impact on West Bengal's kharif crops. While sowing of raw jute has been "exceptionally high" this year, aided by good rainfall, harvesting of jute has also benefited since the rains aided the process of retting.

"Weather has been extremely favourable for the jute crop this year, right from the time of sowing, with good amount of sunshine and rainfall, and now, at the time of harvesting, when it is aiding the process of retting," said Raghav Gupta, Chairman, Indian Jute Mills' Association (IJMA).

In the case of paddy, the impact of rains has been different across different rice-growing pockets.

According to Pradip Kumar Mazumder, Chief Advisor (Agriculture) to the Chief Minister, while some critically dry areas of the State have benefitted from the heavy rains this year, some areas have been inundated.

Three to four pockets have seen losses, but in two districts additional areas have been brought under paddy due to good rainfall. The State is yet to assess the exact impact of the rainfall.

Source: thehindubusinessline.com– Aug 24, 2021

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Threads of distress: Wanderlust leaves craftspersons in the wilderness

The debate around the Sabyasachi Mukherjee-H&M line, Wanderlust, has rekindled the old question of traditional craftspersons' agency over their design and aesthetic vocabulary. Even as a number of India's handicraft and handweaving traditions enjoy protection under the geographical indicator (GI) framework, the enforceability of GI tags remains poor.

So, when one of India's best-known designers collaborates with a global fast-fashion brand to launch a line of apparel mimicking the hoary aesthetic of Sanganeri block prints, the original block printers have little recourse against it. Craft organisations have come together to voice their protest against the appropriation of Sanganeri motifs for digitally printed clothes. Unfortunately, that is the furthest they have been able to go—at least for now.

The travails of Indian artisans are understandable. They have to work doubly hard to survive in a market flooded by cheap replicas that are becoming harder and harder for customers to distinguish from the real thing. It might be too much to expect them to legally challenge every offender flourishing at their expense.

Mukherjee's response to the open letter by crafts organisations speaks of a 'trickle-up' effect, where the mass-market consumers of today could evolve into buyers of hand-crafted luxury over time. The sophistry of this argument lies in the fact that it is applied to purchasing power, and not to taste. It is disingenuous to say that a consumer who can afford apparel priced at Rs 9,999 needs to evolve in some way to be able to buy a hand-printed saree for Rs 2,200.

The irony is especially stark at a time when the Wanderlust line sells out within minutes of its launch, while the Sanganeri printer has to deal with haggling customers over WhatsApp just to sell some yardage going at Rs 250 per metre. The pandemic has disrupted the craft exhibition calendar, and craftspersons are having to look for buyers through other channels.

Unscrupulous designers and unsuspecting consumers are two reasons behind the sorry state of craft livelihoods. Another is the apathy of the government to the grievances of India's artisans. The powerloom lobby is strong and, in 2015, there was a buzz about the government scrapping the

Handloom Reservation Act, which prohibits the use of handloom motifs in machine-made copycats. The Act was saved, thanks to a spirited speech in Parliament by MP Kirron Kher, who pegged the number of handloom artisans at 4.3 million. However, almost every Indian weave is today replicated on powerlooms, and the Act remains only on paper.

In July 2020, the government dismantled the All India Handloom Board that was, with 88 artisan members from across the country, the only mechanism for direct dialogue between craftspersons and the government. The reason given was that the board had become inefficient and was riddled with middlemen. If true, that could only have been an opportunity to rejuvenate the board by bringing in the real stakeholders.

The Wanderlust collection simply exemplifies the abandoning of craftspersons by the state and the market. There is time for course correction. We could begin with a survey to build a definitive registry of traditional craftspersons. At least, there should be a census to determine how many Indian individuals work with crafts, right down to the last woman who spins yarn and the last man who tans leather for Kolhapuris.

Source: financialexpress.com– Aug 25, 2021

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