TEXTILE INTELLIGENCE CENTRE
IBTEX
INFORMATION BUREAU TEXPROCIL

TEXPROCIL NEWS CLIPPINGS

An ISO 9001:2015 CERTIFIED COMPANY

The Cotton Textiles Export Promotion Council (TEXPROCIL)
Engineering Centre, 5th Floor, 9, Mathew Road, Mumbai 400004. Maharashtra State. INDIA
W. www.texprocil.org E. ibtex@texprocil.org T. +91-22-23632910 to 12 F. +91-22-23632914

IBTEX No. 26 of 2022 February 08, 2022

US 74.69| EUR 85.30| GBP 101.00| JPY 0.65

NEWS CLIPPINGS

	NATIONAL NEWS
1	India's economic progress is example for world, we are fastest growing among major economies: PM Modi in Lok Sabha
2	Time ripe for India to go on two-track growth path: FM Nirmala Sitharaman
3	India and plurilateral deals at WTO
4	India hopes to start fresh talks with Canada on new trade pact soon
5	More than 43.34 crore Permanent Account Numbers (PANs) linked with Aadhaar till 24.01.2022
6	Record GST collection of Rs.1,40,986 crore reported for January, 2022
7	Centrally Sponsored Schemes for Employment
8	Maharashtra Textile Minister halts lifting of power subsidy to powerlooms
9	MSMEs clusters development programme
10	Assistance to MSMEs sector
11	Haelixa Teams With Home Textiles Maker for Organitrack Track & Trace System

INTERNATIONAL NEWS

USA: Apparel Importers Worried About 5 Big Issues

Apparel importers face a challenging year with more customs regulations being imposed and high-volume traffic expected at overtaxed ports seeing record volumes.

Xinjiang

The No. 1 challenge will be the Uyghur Forced Labor Prevention Act signed into law on Dec. 23 by President Joe Biden to combat the Chinese government imposing forced labor conditions on the Uyghur people in Xinjiang. That law goes into effect on June 21 and sunsets in eight years.

Because Xinjiang in western China is a major cotton producer, importers must now make sure that none of their apparel or textiles sourced in China or even other parts of the world contains cotton from that region. At the Chicago Collective men's wear trade show on Sunday, Terresa Zimmerman, founding CEO of Wood Underwear, said her company recently decided to diversify sourcing into India after spending two years trying to ensure its supply chain was free of cotton from the divisive region. "Cotton out of China is being very scrutinized," she told Sourcing Journal of how working with a factory in India offers a means of "risk mitigation."

Zimmerman is far from the only executive worried about de-risking supply chains.

In a one-day Fashion Forward 2022 webinar organized by the U.S. Fashion Industry Association last week, 100 percent of the participants said that managing risk from forced labor used in their supply chain was their biggest concern. Many were worried about how to prove to customs officials on high alert that their supply chain contained no cotton from Xinjiang or forced labor was used in factories.

"The new law assumes that goods made in that region are made by forced labor and that they should be denied entry into the United States," said David Spooner, an attorney and partner with the Washington, D.C. law firm Barnes & Thornburg, who spoke at the webinar.

Providing detailed paperwork outlining every step of the production process will be more important than ever. That means showing where imported cotton was planted, harvested, ginned and baled. In the words of one customs official, importers should “document, document, document.”

If customs is convinced that forced labor was not used anywhere along the supply chain, merchandise may be entered.

Myanmar meltdown

Another country that may soon be under import restrictions is Myanmar. One year ago, the military overthrew the democratically elected government, putting civilian leader Aung San Suu Kyi under house arrest.

On Jan. 26, the Biden administration advised U.S. companies that there was a risk to doing business in Myanmar as well as evidence of child labor. “Expect suspensions of the trade and investment framework agreement, suspension of GSP [Generalized System of Preferences] when GSP is renewed and targeted sanctions,” Spooner said.

These restrictions could be similar to 2003 when imported apparel was banned from Myanmar after Aung San Suu Kyi was placed under house arrest. When she was released from house confinement in 2010, the government lifted import restrictions and constraints on doing business with Myanmar.

Free trade negotiations

Meanwhile, not much is going on with free trade agreement negotiations. In 2020, the Trump administration said it intended to start negotiations with Kenya on a free trade agreement, but not much activity has been seen on that front.

Under Trump, the U.S. withdrew from the Trans-Pacific Partnership, a free-trade accord that was negotiated during the Obama administration between the U.S. and 11 other countries around the Pacific Rim. It was signed in 2016, but the United States withdrew from the pact in 2017 when former President Trump took office. Because the U.S. withdrew, the TPP could not be ratified. Instead, the remaining 11 countries regrouped and formed the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

"Now Congress and the U.S. trade representative have expressed the desire to negotiate a new free trade agreement called the Indo-Pacific Partnership," Spooner said.

301 exclusions

In 2018, the Trump administration placed tariffs on more than $360 billion of Chinese goods to force that country to strengthen its intellectual property protections. To get around those additional tariffs, which added 7.5 to 25 percent to imports, hundreds of companies asked to be excluded from the Section 301 tariffs.

Some 2,200 exclusions were granted, but most of those exclusions expired at the end of 2020. In October, U.S. Trade Representative Katherine Tai said her office would re-evaluate those exclusions on a case-by-case basis, starting with some 500 products to determine how bringing them into the United States would affect domestic businesses.

Importers are still waiting to see what happens. Among those asking for tariff exclusions are American Textile Co., Swaddle Designs and Sweet Jojo Designs. "Folks have become increasingly frustrated at the non-action in respect to the China tariffs," Spooner said. "You don't see 141 House members writing to the U.S. Trade Representative office asking Tai to reinstate the product-exclusion process."

Anchors away

While tariffs are of major concern to importers, shipping delays pose another worrisome problem. Last year, U.S. ports saw record volumes of merchandise being unloaded at their docks as pent-up consumer demand saw a tsunami of goods hitting U.S. shores.

The ports of Los Angeles and Long Beach, the largest port complex in the United States, were overwhelmed with cargo containers. Last year, the Port of Los Angeles had 10.67 million 20-foot containers, a 15.9 percent uptick, come through its gates while the Port of Long Beach wasn't far behind with 9.38 million containers, a 15.7 percent rise over the previous year.

"The year 2021 was a year like no other," said Noel Hacegaba, the deputy executive director of the Port of Long Beach. "The pandemic was responsible for giving us our most historic year."

Hacegaba said port officials don't expect to see things slow down this year, but the ports are doing their best to accommodate the volume and avoid a cargo container ship traffic jam. At one point, some 100 vessels idled off the coast waiting to offload goods at the two ports.

To make matters worse, stacks of cargo containers were piled on docks waiting to be moved to warehouses where empty space is a rare commodity.

"What we determined in October is that almost 45 percent of empty containers sitting on the terminals were there for nine days or longer, and we knew we had to do something fairly quickly [to get rid of the containers] to bring in the ships anchored offshore," Hacegaba said, noting that before the pandemic, about 25 percent of empty containers idled at the port.

Looking for a solution, the two ports threatened to impose a $100 daily fee at the end of January on empty containers dwelling nine days or more at the docks, but the idea has been postponed for now. Still, the fee threat has resulted in a 59 percent decrease in parked empty containers.

In addition, the Port of Long Beach opened 130 acres of land to accommodate 25,000 containers, and it is pushing terminal operators to expand their work hours to help truckers collect cargo.

"The conversations we have had with shippers and importers is that it is going to be another strong year," Hacegaba said. "I think 2022 in many ways will look like 2021 but with measurable improvements."

Source: sourcingjournal.com– Feb 07, 2022

HOME

****

Supply chain disruptions and China are main issues for US apparel in 2022

The results of five surveys conducted for the USFIA seminar, revealed that shipping delays, supply chain disruptions, increasing logistics costs, and managing risks from forced labour in supply chains such as in China's Xinjiang region, were the most pressing problems for the industry today.

The results, which were announced in time for the virtual seminar that took place on Wednesday 3 February, revealed that all respondents (100%) are concerned about managing risks from forced labour in apparel supply chains, while half are concerned about shipping delays and supply chain disruptions and half are concerned about increased logistics costs and delays in the supply chain.

The surveys also revealed that 75% of respondents had shipments detained due to the withhold release orders on China's cotton, 75% also had to shift sourcing while 50% hired tracking and technology support to overcome the issues.

The seminar itself focused on the latest updates on US Customs and Border Protection, policy and politics and supply chain disruptions to tackle the issues presented in the surveys.
The seminar covered compliance, logistics, sourcing, supply chain management, government relations, and corporate social responsibility.

The session was opened by USFIA president Julia K. Hughes, and during the opening session, USFIA Washington Counsel David Spooner focused on two major issues for 2022: the fate of the China Section 301 tariffs and the impact of the newly passed Uyghur Forced Labor Prevention Act (UFLPA).

Key presentations included:

- A keynote by the Office of Trade Remedy Law Enforcement Directorate Acting Executive Director Eric Choy from U.S. Customs and Border Protection
- An update on policy and politics for the fashion industry from David Spooner, USFIA Washington Counsel, and John Pellegrini, USFIA Customs Consultant
- A supply chain update from Dr. Noel Hacegaba, Deputy Executive Director and COO for the Port of Long Beach.

- Overview of policy and politics for Fashion Forward in 2022

In a discussion facilitated by Senior Managing Director Maytee Pereira, PwC's Scott McCandless and Belinda Rowsell addressed the importance of environmental, social and corporate governance (ESG) considerations beyond the social responsibility perspective and how all departments in your company can contribute to build the right narrative.

Talking about one of the biggest issues for brands and retailers, Dr. Noel Hacegaba discussed improvements at the Port of Long Beach to alleviate dwell time – including increasing hours – some of the challenges they are still facing, and plans for ongoing improvements.

While, Mark Messura and Janet Ydavoy highlighted specific examples developed by Cotton Incorporated to show how tariff engineering can lower production costs with a few design changes.

Executive Director of CBP's Trade Remedy Law Enforcement Directorate, Eric Choy, took a session about CBP's forced labour enforcement, provided insight into its enforcement experience, and discussed the issues he thinks the industry will be facing in 2022, including the UFLPA.

During an off the record session, the Apparel, Footwear, and Textiles Center for Excellence and Expertise also talked about their priorities for 2022 and how importers can help facilitate faster investigations.

Source: just-style.com– Feb 07, 2022

HOME

****

US' Home Depot names Ted Decker as new CEO & president

The Home Depot, the US-based home improvement retailer, has named Edward Ted Decker as the company's CEO and president. He has been elected as a board of director, all effective March 1, 2022. Craig Menear, currently chairman and CEO, will continue to serve as chair of the board. The company operates in a total of 2,317 retail stores in all 50 states.

Decker joined The Home Depot in 2000 and was named president and chief operating officer (COO) in October 2020, where he was responsible for global store operations, global supply chain, outside sales and service, real estate, as well as merchandising, marketing and online strategy, serving Pro and DIY customers in stores and online. Previously, Decker served as chief merchant and executive vice president of merchandising, where he was responsible for all store and online merchandising departments, merchandising strategy, vendor management and services, and in-store environment, the company said in a press release.

"As a 22-year associate of The Home Depot, Decker has nurtured our culture by living our values and demonstrating servant leadership throughout his career. Decker has grown with the company by taking on expanded roles of leadership from his time in strategic business development, finance and merchandising to leading our day-to-day interconnected operations in his role as president and COO. His ability to blend the art and science of retail is exactly what is needed in the next phase of growth for The Home Depot. I have tremendous confidence that he will guide our company to new heights," Menear said.

"On behalf of the board, I want to thank Menear for his exceptional leadership over the last seven years. Among Menear's many accomplishments, he has built a world-class leadership team, driven a bold strategic vision focused on the interconnected retail experience, and delivered outstanding results for our shareholders – all while fostering The Home Depot's unique, values-driven culture. We are fortunate to have a strong successor in Decker and look forward to working with him and the entire Home Depot management team as the business enters its next phase of growth," Greg Brenneman, the board's lead director said in a statement.

Source: fibre2fashion.com– Feb 08, 2022

HOME

****

Foreign investment inflow into Vietnam rises by 4.2% in Jan

Foreign investment into Vietnam hit over $2.1 billion as of January 20, up by 4.2 per cent year on year (YoY), according to the latest report from the Foreign Investment Agency (FIA), which said disbursement of foreign direct investment (FDI) also witnessed a rise of 6.8 per cent to surpass $1.61 billion during the first month of this year.

Following the recovery from the end of 2021 after the impact of the COVID-19 pandemic, many foreign-invested enterprises have stabilised and expanded their production and business activities, FIA noted.

According to the document, up to 103 new foreign-invested projects were licensed with a total registered capital of nearly $388 million, up by 119.1 per cent YoY in terms of the number of projects, but down 70.7 per cent in value, a Vietnamese news agency reported.

Although registered investment capital decreased compared to the same period last year due to a lack of large-scale projects, an increase in the number of new investment projects showed the confidence of foreign investors in the country's investment environment, FIA said.

Meanwhile, 71 operating projects were allowed to raise their capital by $1.27 billion, up by 54.3 per cent in project number and nearly triple the level of capital seen in the same month last year.

Capital contributions and share purchases by foreign investors stood at $443.5 million, up two times over the last year's corresponding month.

Among 15 sectors receiving FDI in the first month, processing and manufacturing took the lead with over $1.2 billion, accounting for 58.9 per cent of the total FDI. Wholesale and retail received over $221 million and $52.5 million respectively.

Singapore led 33 countries and territories investing in Vietnam with total investment capital of nearly $666 million, making up nearly 31.7 per cent of the total FDI registered in the country.

South Korea ranked second with over $481 million, up by five times YoY or equivalent to 30 per cent of the total FDI. Mainland China came third with nearly $451 million, down 27 per cent or 21.5 per cent.

The capital city attracted the highest amount of FDI, with over $448 million, 29.9 times higher than last January, making up 21.3 per cent of the total. The central province of Nghe An came second with $400 million or 19 per cent. It was followed by Bac Ninh, Long An and Phu Tho.

Source: fibre2fashion.com– Feb 07, 2022

HOME

****

Cambodia-Korea FTA Law promulgated by King Norodom Sihamoni

Cambodia's King Norodom Sihamoni recently signed into law the ratification of the free trade agreement (FTA) between Cambodia and South Korea after it was cleared by the National Assembly and Senate. The agreement will boost exports, increase gross domestic product and jobs, and help boost recovery of the two economies affected by the COVID-19 pandemic.

The agreement will further boost Cambodia's exports to South Korea like garments, textiles, footwear, bags, spare parts, electronics, rubber and agricultural products.

The FTA would expand trade liberalisation in markets in addition to the ASEAN-Korea Free Trade Agreement (AKFTA) and the Regional Comprehensive Economic Partnership Agreement (RCEP).

The FTA was discussed and drafted by the two countries' expert working group in 2021. It was officially signed via a video conference by the Cambodian minister of commerce Pan Sorasak and his South Korean counterpart YEO Han-Koo on October 26 last year.

Source: fibre2fashion.com– Feb 08, 2022

HOME

****

Cambodia can regain economic growth by boosting productivity: WB

Cambodia can regain sustained economic growth by increasing productivity among firms and workers, diversifying exports, and taking steps to boost domestic investment, the World Bank said in its Cambodia Economic Memorandum. Cambodia's growth rate plunged an estimated 10.1 percentage points to contract by 3.1 per cent in 2020 before resuming modest growth of 2.2 per cent in the year just ended.

The dramatic slowdown in output can be attributed in large part to the pandemic, but Cambodia's dependence on a narrow range of products, markets, and financing sources left it poorly positioned to absorb the shocks, according to the report, Resilient Development, a Strategy to Diversify Cambodia's Growth Model.

Five products – garments, footwear, rice, cassava, and tourism – have accounted for 80 per cent of Cambodia's total exports in recent years, while just two markets – the European Union and the United States -- take 69 per cent of merchandise exports. Labour productivity is low due to low levels of skills and training and low 'total factor productivity', a measure of how efficiently a country uses labour and capital in aggregate. In addition, the country's low savings rate and low domestic investment have led to a heavy reliance on external financing sources.

"Getting back to a sustainable growth path will require an ambitious reform agenda that focuses on improving the capabilities of Cambodia's firms, workers, and households; strengthening regulations to address market distortions and improve the enabling environment for business; and investing in infrastructure that supports higher quality growth," said World Bank country manager for Cambodia Maryam Salim. "A number of short- and medium-term policy actions can support an economic recovery strategy that will allow Cambodia to build back better after the COVID-19 crisis."

Cambodia has many options to address the lack of diversification and build back stronger. Investing in human capital, supporting more efficient resource allocation through improved market institutions, and improving public investment management can help boost productivity.

Upgrading contributions to global value chains, creating added value in agriculture, and increasing competitiveness in the services sector could diversify exports.

Promoting higher savings, encouraging foreign investment in the most productive sectors, and improving financial access could support domestic investment, the World Bank report said.

Source: fibre2fashion.com– Feb 07, 2022

HOME

****

Vietnam's global rail freight transport sees 34% surge growth in 2021

International railway freight transport service in Vietnam witnessed positive growth last year and in January this year, according to the Vietnam Railway Corporation (VNR). Despite the challenges posed by the COVID-19 pandemic, nearly 1.16 million tonnes of goods were transported by trains in 2021, a 34 per cent surge compared to the 2020 figure.

The Dong Dang railway station of the northern border province of Lang Son witnessed a surge of 82 per cent in the volume of goods and 117 per cent in carriage frequency in the fourth quarter of the last year.

The exported items were primarily garments and textiles, ore, sulphur, chemicals and electronic items.

The railway sector is stepping up freight transportation to offset the current decline in passenger traffic, with a priority given to the Vietnam-China route, which will ship products to a third nation in Europe and Central Asia, a domestic news agency reported.

In the long term, the VNR will work to improve railway infrastructure and build new international railway stations in the central and southern regions to reduce congestion at border ones.

Source: fibre2fashion.com– Feb 08, 2022

HOME

****

Pakistan: Textile, Apparel Policy: MoC prepares revised draft

Ministry of Commerce has prepared a revised draft of Textile and Apparel Policy 2020-25 that would be considered by the Economic Coordination Committee (ECC) on Wednesday (tomorrow), well informed sources told Business Recorder.

“There was a dispute between Commerce Ministry and Energy Ministry on the wording of a decision, which will be altered by the ECC,” the sources added.

On January 12, 2022, Secretary Commerce Sualeh Ahmed Faruqui testified before a National Assembly panel that the issue of gas prices for the textile and apparel sectors, assumed in the policy including Captive Power Plants (CPPs), is yet to be resolved.

According to Commerce Ministry, it re-submitted summary on Textile and Apparel Policy 2020-25 for consideration of the ECC on October 11, 2021. The decision of the ECC was as follows: “The ECC considered the summary of Commerce Ministry on Textile and Apparel Policy 2020-25 and constituted a Committee under chairmanship of Advisor to Prime Minister on Commerce and Investment, Secretary Commerce, Secretary Power, Secretary Petroleum, Secretary Finance and Chairman FBR to deliberate on the policy in a holistic manner and submit viable recommendations to the ECC within two weeks for consideration. The committee may co-opt any member as may be required.”

MoC withdraws textile, apparel policy 2020-25?

In pursuance of the decision, the Committee held several meetings and recommended a few changes that have been incorporated by the Commerce Division in the revised draft of the Policy.

Ministry of Commerce has undertaken an exercise of thorough consultations with the private sector stakeholders and proposed to set an export target of $ 20 billion for textile and apparel industry during FY 2021-22 and the target has also been approved by the Prime Minister. The export target for FY 2021-22 is further cascaded till 2024-25 with a projection to double textile and apparel exports to $ 40 billion. However, strong resolve and long-term commitments from Federal Government, robust implementation of policy interventions by relevant Ministries/ Divisions/ Departments and full fiscal support from the Finance Division would necessarily be required to keep intact the due support on proposed interventions throughout the policy years to achieve the set milestones.

According to the first draft, it was proposed that electricity will be provided at Cents 9/ kWh all-inclusive and RLNG at $ 6.5/ MMBTU all-inclusive for the FY 2021-22 and concessionary regime will be continued at regional competitive energy rates for five years after deliberation with the stakeholders.

However, after consultation, the policy was altered with the following: "supply of energy (electricity and RLNG) to export oriented units/ sectors of textile industry at regionally competitive rates throughout the policy years without any disparity among provinces."

Source: brecorder.com– Feb 08, 2022

HOME

****

Uzbek investors to invest in Pakistan's textile sector

Governor Chaudhry Sarwar laid the foundation stone of the first medical university to be set up in Namangan province of Uzbekistan with the cooperation of Punjab province.

More than 20 investors from Uzbekistan announced to invest in the textile sector and various other sectors of Pakistan. Uzbekistan would provide technical assistance to increase cotton production in Punjab.

According to a statement issued from Governor House, Governor Sarwar, during his visit to Namangan province of Uzbekistan on Monday, laid the foundation stone of the first medical university to be established in collaboration with Governor Shavkat Abdurazzakov of Namangan province. Leading personalities from the business community of Uzbekistan and Punjab as well as others were also present on the occasion.

The governor also met with investors from various sectors of Uzbekistan including textiles on the second day of his visit and invited them to invest in various sectors of Punjab. The investors from Uzbekistan have announced to visit Punjab soon and also to invest in various sectors.

Addressing the ground breaking ceremony of the university, Sarwar said that he is happy that he has laid the foundation stone of the first historic project of Namangan which was started with the cooperation of Punjab. In the coming days, more such projects will be launched which will bring the two provinces closer to each other and will also promote investment and create employment opportunities in both the provinces.

Sarwar said that Uzbekistan's assurance of full guidance of Pakistan regarding increase in cotton production in Punjab is also welcomed for which a delegation of Uzbek agricultural experts will soon visit Punjab. He said that we are also creating new special economic zones for domestic and foreign investors.

In line with the vision of Prime Minister Imran Khan, we are ready to work with the business community to promote investment in Pakistan. All international organizations are also acknowledging the economic growth and stability in Pakistan. S havkat Abdurazzakov, Governor of Namangan Province, said any of our investors who will invest in other sectors including textiles in Punjab will work same as they do in their own country.

We are fulfilling our responsibility for the development and prosperity of the province as the people of Punjab and Namangan consider each other as brothers. We are grateful to Punjab for their cooperation in establishing a Medical University in Namangan, he added.

Source: dailytimes.com.pk– Feb 08, 2022

HOME

****

CPEC to enhance Pakistan’s manufacturing industry

Top leaders of China and Pakistan reaffirmed their support for the high-quality development of the China-Pakistan Economic Corridor (CPEC), agreeing that CPEC has significantly contributed to Pakistan's economic and social progress, according to a joint statement released by the two countries in Beijing on Sunday.

The CPEC construction went through an extraordinary year in 2021 as the COVID-19 pandemic posed great uncertainty to the economic development of most countries and regions around the world. Nevertheless, the economic and social cooperation between China and Pakistan, represented by the CPEC, has been advancing in an orderly manner, playing a significant role in supporting and ensuring Pakistan's economic and social development.

Take textiles, one of Pakistan's pillar industries, as an example. Despite the impact of the pandemic, the South Asian nation has registered a robust performance in its textile exports. During the second half of 2021, Pakistan's textile and garment exports surged 26 percent year-on-year to reach $9.38 billion, according to the latest data from the Pakistan Bureau of Statistics.

The stronger export capacity in Pakistan's textile industry is primarily due to its government's enhanced efforts to attract foreign investment despite the pandemic. Moreover, increased investment Chinese textile companies made in Pakistan as well as the improved connectivity brought by the Belt and Road Initiative (BRI) construction have also contributed to the development of the local textile industry.

To a certain extent, the rapid development of Pakistan's textile industry is a microcosm of China's efforts to boost local economy and manufacturing through the CPEC.

For a long time, poor transportation conditions and energy shortage were the two major bottlenecks restricting Pakistan's economic development and societal progress. The CPEC construction has greatly improved the transportation, power supply, road communication and other infrastructure along the BRI route.

Since 2015, the CPEC has directly created more than 75,000 jobs in Pakistan. In the meantime, China has also invested heavily in various projects in the country. It is conceivable that once the CPEC construction is fully completed, more investment will be drawn to the country, which will be greatly conducive to improving Pakistan's manufacturing base.

By comparison, it is undeniable that India has a number of advantages to become a manufacturing power, but it also lacks some fundamental basis for long-term manufacturing development. Some of its most apparent weaknesses such as poor infrastructure, undereducated labor force and trade and investment protectionism will likely be a drag on the long-term growth of Indian manufacturing industry.

Of course, some may argue that there is still a considerable gap between India and Pakistan in terms of manufacturing strength, but with the improved BRI connectivity as well as the steadily growing investments by Chinese companies in Pakistan, the South Asian nation is well poised for a rapid facelift. And this could pose a new challenge for India as it is likely to face rising competition from Pakistan in sectors including auto parts and textiles in the near future.

Source: globaltimes.cn– Feb 07, 2022

HOME

****

Pakistan: ‘China commits $10-$15 billion investments’

Pakistan has received commitments from China for getting investments of $10-$15 billion for various sectors, including for establishing industrial units at 2,200 acres of Gwadar Free Zone, exploring the possibility to establish oil refinery at Pasni and relocation of industries into seven important sectors, including textile, footwear and pharmaceuticals into upcoming the Special Economic Zones.

Adviser to Prime Minister on CPEC, Khalid Mansoor, on Monday said that Pakistan took steps to address the outstanding concerns of Chinese investors such as payment of dues to independent power producers, making revolving funds functional and changing Special Economic Zones (SEZ) Act. This change in SEZ Act will pave the way to bypass 37 approvals for federal and provincial governments for making investments in SEZs.

"The government has paid Rs50 billion to IPPs while another installment of the same amount will be given by the end of the ongoing month. The Revolving Fund has been made functional," PM's Adviser on China Pakistan Economic Corridor (CPEC) Khalid Mansoor said while addressing a news conference here on Monday. The Pakistani delegation under PM Imran Khan had returned from China after attending Olympics Winter 2022 and on the sidelines, they held meetings with Chinese leadership, including President Xi Jin Ping.

However, both sides could not make the progress on the much-awaited multi-billion-dollar project for the construction of Mainline-1 (ML-1) to upgrade the rail line from Peshawar to Karachi. The official sources said that the resolutions of outstanding concerns, including repayments for IPPs and making Revolving Fund functional, would result in paving the way for achieving progress on striking financing agreement on ML-1.

Meanwhile, Federal Minister for Planning and Development Asad Umar told The News on Monday that the prime minister held meetings with 19 Chinese companies, inviting them to invest in Pakistan. He said that they shared the detailed documents with Chinese authorities on investment potential and comparative advantage of Pakistan in seven sectors, including textile, pharmaceutical, automotive, information technology, footwear, furniture, and agriculture.

A consortium of three Chinese companies Huazhong Technology, China Communication Construction Company (CCCC) and Zhejiang Seaport Company will set up a paper and metal recycling Park at Gwadar, which will include multiple units at an estimated cost of $4.5 billion. The park is expected to create 40,000 employment opportunities.

A Chinese textile company will establish a Special Economic Zone, which will be a Chinese textile cluster, with an investment of USD250 million.

Three Chinese companies, SINOMACH, Royal Group and Zhengbang Group, have expressed interest in investing in agriculture sector projects, such as FMD free zones, agricultural mechanization, production of pesticides, poultry and cattle feed, etc.

In information technology sector, five Chinese companies have expressed intent to invest around USD2.4 billion. These include Hunan Sunwalk Construction Group (optic fiber network), Fourishtech (research lab and mobile phones assembling and parts manufacturing) and Neusoft Medical Systems (medical diagnostic equipment); Global Semiconductor Group (semiconductor testing and assembly); NAV E-Vehicles (Pvt) Ltd (electric vehicles). MoUs have already been signed for the first two projects.

In the energy and water sectors, two large Chinese companies, China Energy Group and Power China, expressed interest for investment in water sector projects. In the housing sector, three Chinese companies, China State Construction Engineering Corporation (CSCE), China Railway Group Limited and CHINAMEX have expressed interest in implementing various projects.

In the petroleum and mining sectors, three Chinese companies i.e. China Metallurgical Group Corporation (MCC), East Sea Group Limited and Consortium of Sino Infrastructure Hong Kong Orientals Times Limited (SIOT) and Beijing Century Industrial Development Co. Ltd (CENTINCO) expressed interest in investing in various projects, including refineries. Investment agreement on industrial cooperation was signed between China and Pakistan during the PM’s visit.

Khalid Mansoor said that a number of companies came up with investment proposals for the phase-2 of CPEC that would entail multi-billion dollar investments in Pakistan. He said most Chinese companies had shown their interest to invest in country. He said the prime minister had about 20 back-to-back meetings with top executives of Fortune-500 companies to attract investment.

The adviser said that the Chinese companies had been facilitated with a compliance regime and they were not required to obtain NOCs from 37 different departments before launching any investment project in the special economic zones. They would be required to comply with the Pakistani law that would be audited later and subjected to penalties and other fallbacks in case of violations of law.

He said that Chinese companies would also help develop agriculture of the country on modern lines to enhance per acre yield and seed quality. Some companies were interested to grow maize and soybean in Pakistan while another large corporation was interested in setting up an LNG storage at Karachi Port whereas a factory for value-added products would be set up on Lahore-Kasur Road in the textile sector.

The adviser said that another Chinese company, Royal Group, was interested in investing $50 million in the auto sector of the country. Chinese companies wanted to invest $200 million in making medical devices whereas an investment of $2 billion by the Chinese companies would be made for laying optical fiber.

Responding to a question on Pakistani request for additional financial support and debt rollover, Khalid Mansoor said they acknowledged it and would consider and get back to us.

Source: thenews.com.pk– Feb 08, 2022

HOME

****

Bangladesh: Reverse Resources: Turning textile waste into raw material

For the last three years, Simco Spinning and Textiles Ltd. has been recycling 200 tonnes of textile waste materials every month.

In place of using virgin material (unused raw material), it uses 95 percent recycled material in its production. Simcon collects its textile waste for a particular buyer, recycles them for that buyer and upcycles (reuses) them into raw materials. But as the trash is often found in small cut up pieces, it does not always match the demand for raw material production.

So, it needs to source garments waste from other garments too. Sourcing this massive amount of materials has not been easy, as there are many obstacles, from political to administrative.

But ever since Reverse Resources (RR) created a platform to get the fashion industry to collaborate in circulating textile waste back to recycling, things have become easier for collectors.

Sujaud Doullah (Sohan), manager of procurement and supply chain of Simco Spinning and Textiles Ltd, said they took up this recycling project a few years ago and RR has been a great resource.

How RR builds networks

RR has on-ground operations set up in Bangladesh and India, but remotely, it has already covered a network of recyclers and suppliers in 10 more countries and conducted waste mapping surveys in over 20 countries, mainly in South-East Asia, Northern Africa and Europe.

The platform was established in 2014 and things began to move faster after it won the Global Change Award from H&M Foundation only a year later. Since 2015, it has been helping the emerging high-end textile-to-textile recyclers find efficient access to the specific waste streams per their need.

As a SaaS platform, it helps connect an extensive network of stakeholders – brands, recyclers, textile and garment factories, post-consumer collectors, waste handlers and processors and helps them benefit from a wide overview of the market and connections.

"Sometimes to help us in the recycling industry, RR brings buyers for us too, who appreciate it and get interested in recycling. It works like a median, but whenever we have faced any issue about the quality or quantity, they were very responsive and behaved responsibly," said Sohan.

Among garment factories (the first strategic source of waste for recyclers), RR helps increase awareness of the importance of segregating waste by composition. It also supports setting up transparent and efficient supply chains of waste or helps to trace the waste. It focuses on data and insight for the industry to learn about the current textile waste flows, set targets and follow progress.

Initially, it started with creating a marketplace of deadstock fabrics from Bangladesh to help upcycling designers in Europe have a digital overview of the excess materials they could use in their designs.

"After that, four years of research and trials led us to understand the market dynamics much better and realise that a traditional marketplace model would not apply in such a complex scenario for some local issues. However, our mission has remained the same. We switched our focus on cutting scraps and recycling," said Ann Runnel, Founder and CEO of RR.

Click here for more details

Source: tbsnews.net– Feb 07, 2022

HOME

****

NATIONAL NEWS

India's economic progress is example for world, we are fastest growing among major economies: PM Modi in Lok Sabha

Prime Minister Narendra Modi on Monday said that economy of India was the fastest-growing globally and the world has taken note of the country's economic strides that too in the middle of a once-in-a-lifetime pandemic.

"Today India among other big economies is the fastest growing economy.

Even during the Covid-19 period, our farmers produced record quantity foodgrains. Over 80 crore people of the country were provided with free ration," the Prime Minister said while participating in the debate on the motion of thanks on the President's address in Lok Sabha.

PM Modi said that the country's handling of the pandemic is an "example for the world."

Noting a rise in the exports of the country, the Prime Minister said that India has recorded highest exports in various sectors including krishi (agriculture), mobile, software and defence.

India is making its identity in defence exports as well, said Prime Minister Modi adding that it is because of the country's vision of Atmanirbhar Bharat. "Total exports of India have touched record high figures even despite the pandemic," the Prime Minister said.

He also noted that India recorded highest ever FDI inflow even amidst these trying times of Covid-19 pandemic.

PM GatiShakti National Master Plan, the Prime Minister said, will encompass economic transformation, seamless multimodal connectivity and logistics efficiency.

From manufacturing to service sector, under Aatmanirbhar Bharat campaign, PM Modi said that India is now becoming part of the global value chain. "Our big focus is on MSMEs and textile - the labour-intensive sectors," he added.

To protect Micro, Small and Medium Enterprises (MSMEs), the government has formulated a scheme worth Rs 3 lakh crore, he said.

Highlighting the works of the government, the Prime Minister said that "For the first time under Svanidhi Yojana, our street vendors are getting loans and are benefitting from digital transactions."

"Space, defence, drones and mining are open to private sector, inviting them to be a part of India's development," PM Modi said.

Source: timesofindia.com– Feb 07, 2022

HOME

****

Time ripe for India to go on two-track growth path: FM Nirmala Sitharaman

Finance minister Nirmala Sitharaman on Monday said despite the pandemic, India is at a stage where it has to tread on a two-track growth path.

“One is the rail, which is going to have a multi-modal approach and guided by the spirit of PM Gati Shakti where 21st century infrastructure will be built. Understanding the length and breadth of this country, economic corridors are going to be built, logistics hubs are going to be built so that you are going to have inter-connectivity with all of them,” she said.

The finance minister said the other track involves new opportunities such as start-ups, sunrise sectors and the transition towards clean energy for sustainable growth.

“We need to have such infrastructure in sunrise sectors, which will help us to give that traction for our aspirations. That’s the kind of new India, which is getting built up, and which looks for the government to be a facilitator rather than making our lives difficult,” the FM added.

Sitharaman exhorted the private sector not to miss the opportunity of kickstarting its investments. This comes at a time when major economic agencies have projected India to be the world’s fastest-growing economy for the next two years.

“This is the opportune time for private investments to come in, expand your capacities, build new capacities. The corporate tax rate has been reduced much before the pandemic. I would honestly appeal to you, do not let this opportunity go away.

Not just us but globally, too, the assessment by normally very discerning investors and financial sector observers is that India will be the fastest-growing economy this year and the next year. And, if India shall be the fastest-growing large economy, I am sure it will also be because you have come forward. It’s because India as a team — government and private — will have to work together. It just can’t be only the government doing it,” Sitharaman said at a post-Budget interaction with industry leaders organised by PHD Chamber of Commerce and Industry.

“This time, capex has gone up to Rs 7.5 trillion from Rs 5.5 trillion in the previous year. We are giving Rs 1 trillion to the states from this Rs 7.5 trillion as interest-free 50-year loans. State governments can have that resource in their hand through which they can speed up spending on infrastructure. So, it is an approach where the Centre and states are doing it together,” she added.

Source: business-standard.com– Feb 08, 2022

HOME

****

India and plurilateral deals at WTO

In its 27 years, the WTO has had sparse results by way of multilateral agreements on liberalisation or rulemaking in trade. One reason is the convention of decision-making by consensus—even on beginning negotiations in any area—inherited by the WTO from GATT 1947. In an organisation with a highly diversified membership, achieving consensus is a problem.

The good news is that there is a momentum for change. An increasing number of members appear ready to sidestep the problem. At the 11th Ministerial Conference, large groups of members sponsored the Joint Statement Initiatives (JSIs) to begin plurilateral negotiations on domestic regulation of services, e-commerce, investment facilitation for development, and increasing the opportunities in trade for MSMEs.

On domestic regulation of services, negotiations are over and a text finalised. On e-commerce, there are some issues, such as data privacy and cross-border flow of data, on which the principal players hold divergent views. Even so, the participants have agreed on online consumer protection, electronic signatures, unsolicited commercial electronic messages, access to open government data, electronic contracts, transparency, paperless trading and open internet access.

On investment facilitation, considerable progress has been made on text-based negotiations. The proponents steered clear of the controversial aspects of market access, investment protection and investor-state dispute settlement and the talks have progressed well. In the fourth JSI, an informal Working Group with 88 members has finalised a package of six recommendations to help MSMEs increase participation in global trade.

The number of members sponsoring the JSIs was already large at the outset, and support has grown further. By the end of 2021, as many as 67 were participating in the talks on domestic regulation of services, 86 on e-commerce, 112 on investment facilitation and 88 on MSMEs. The EU, Japan and Canada were among the sponsors of all four. The US initially backed the initiative only on e-commerce, but it later joined the negotiations on domestic regulation of services as well.

Among the G20, China, Brazil, Korea, Mexico, the Russian Federation, Saudi Arabia and Turkey are participating in most of the groups. But India has not only stood aside but has argued vehemently against the approach. It has taken the view that such negotiations are not consistent with the obligations of the WTO Agreement. On e-commerce, it wants to first focus on building its digital infrastructure and ecosystem before locking itself into binding international rules. It has the formal backing of South Africa and Namibia, and the informal support of a number of other African countries.
No doubt, multilateralism prevailed in the days of GATT 1947, but when the situation demanded, the contracting parties were not averse to plurilateral agreements (PAs).

The earliest example was an agreement among 14 developed countries in 1960 to prohibit export subsidies on non-primary products. They did not consider it necessary to wait for developing countries to be ready to undertake obligations on this important trade policy measure. A few years later, in the Kennedy Round (1964-67), the Anti-Dumping Code was negotiated and accepted only by the developed countries, as only these countries were taking anti-dumping measures at that time.

The Tokyo Round (1973- 79) yielded two types of non-multilateral agreements. There were exclusive PAs, such as those on government procurement and civil aircraft, in which benefits were restricted to the parties. And there were open PAs, at that time known as Codes, such as those on five non-tariff measures (technical barriers to trade, subsidies and countervailing measures, anti-dumping, customs valuation, and import licensing), in which the parties extended the benefits to all contracting parties to GATT, irrespective of whether they became parties to the plurilateral agreement. Developed countries and a few developing countries such as India and Brazil became parties even as other developing countries resisted. Fifteen years later, the Codes were assimilated into the WTO Agreement and accepted by all WTO members. Thus, open PAs facilitated the conclusion of multilateral trade agreements.

The WTO Agreement tightened the rules for exclusive PAs but left room for open PAs in both goods and services. The Agreement provides for new tariff commitments in goods and new specific commitments on market access and national treatment in services to be inscribed in the Schedules annexed to the GATT 1994 or GATS Schedules respectively through a simple process. In fact, the GATS provides scope to WTO members to undertake commitments on regulatory disciplines as well. Soon after the conclusion of the Uruguay Round, the desire for quick results on additional multilateral liberalisation led trading nations to wrap up three open PAs. The Information Technology Agreement agreed to in 1997 was followed by two others in the area of trade in services (basic telecom in 1998 and financial services in 1999). In order to minimise free riding, each agreement entered into force only after a critical mass of members (generally with a share 90% of world trade) became parties.

India must review its antagonism to open PAs, asking itself five questions. In the past, have leading nations not entered into such agreements when the situation demanded it? Have these agreements eventually proved to be building blocks for multilateral trade agreements? When consensus is difficult, should the WTO members not take this avenue? By shunning international dialogue, is India not denying itself participation in the evolution of rules in a globalised world? Is there any basis for believing that participation in negotiations will imply compulsion to accept the outcome in e-commerce, for instance, even if its concerns are not accommodated?

Source: financialexpress.com– Feb 08, 2022

HOME

****

India hopes to start fresh talks with Canada on new trade pact soon

In what could be the newest trade deal on the block, India hopes to begin fresh talks for comprehensive trade and investment agreements with Canada.

There has been considerable progress on preliminary talks since Canadian Prime Minister Justin Trudeau won a third term in 2021, senior officials said.

While India's trade with Canada has remained relatively low, the North American country is looked at as a major base because goods can be shipped across the border to the US. This is due to Canada's favourable trade arrangements with the US.

"Talks had stagnated since 2018 due to myriad reasons, including elections in India and our focus on a proposed trade pact with the US," a commerce department official said. "But now, there is a new optimism on both sides to again begin talks since much of the trade potential is untapped." he stressed.

The official added that the agreement with the US has been put on the backburner for now owing to Washington DC's changed perception of its potential trade benefits.

India and Canada have been engaged on and off in negotiations of a proposed Comprehensive Economic Partnership Agreement (CEPA) or proposed free trade pact.

Meanwhile, both nations had also discussed a proposed Foreign Investment Promotion and Protection Agreement (FIPPA) to facilitate investments. Talks on FIPPA had earlier been stalled by New Delhi's decision to conduct negotiations for all investment pacts under the framework of the model Bilateral Investment Treaty issued by the government in 2015.

Now, officials say a single deal combining both the elements of tariffs and investments can be secured if Canada is willing.

There are more than 400 Canadian companies with a presence in India such as train manufacturer Bombardier, insurance major Sunlife, and Canadian pension funds, which are looking to expand in India.

Room for growth

Bilateral trade with Canada has remained low and stood at $6.36 billion in 2019-20, before the pandemic. It slipped to $5.64 billion in 2020-21 and was at $4.32 billion for the April-November 2021 period. Of this, India's exports stood at $2.35 billion, while imports were $1.97 billion.

India has maintained a positive trade balance with Canada for the past few years, mainly due to exports of pharmaceutical products ($226 million), organic chemicals ($170 million), diamonds & jewellery ($159 million), iron and steel articles ($144 million) and steel products such as flat-rolled steel and ferroalloys ($135 million).

"India's export basket for Canada has always been widespread, leading us to believe that there exists captive demand in the Canadian market for Indian products cutting across tariff lines," the official added.

Exports of heavy machinery ($128 million), textiles ($126 million) and plastics ($101 million) are also expected to do better under a pact with more focus on bilateral trade facilitation, the official pointed out.

Pulse of the deal

Among imports, shipments of pulses — red lentils (masur) — amounted to $320 million, or about 80 percent of India's total red lentil imports.

Till 2016-17, the import of pulses had made up as much as a quarter of all imports from Canada. That share shrank in subsequent years after caps and higher duties by India following a supply glut in the domestic market.

However, incoming shipments had started to rise again before the pandemic disrupted supply chains. Owing to the potential of yet untapped trade, Canada is learned to have focussed on pulses as a major topic of trade discussions.

"The large agri-processing companies which dominate Canada's agriculture exports have pushed the issue. They are well aware of the cyclical nature of pulses production in India, whereby a bumper harvest year is often followed by a year of relative shortage," a senior official said.

Another agro-product – paper and wood pulp – imported from Canada was worth $221 million in 2021-22.

Products such as coal ($329.5 million), petroleum ($215 million), fertiliser ($163 million), iron and steel ($85 million) and heavy machinery ($82 million) made up other large imports from Canada.

Services trade

For India, the deal is also being looked at as a way to cement the already relatively easy provisions regarding the movement of professionals to Canada. Officials said the government wants Canada to reaffirm its commitment to provide easy visas to Indians wishing to work there, even as entry to the US becomes difficult.

According to the 2016 Canadian national census, 1.37 million Indo-Canadians made up 4 percent of the country's total population. This number has been bolstered by waves of Indian migration to Canada in recent years. According to Statistics Canada, the country's statistics agency, India became the highest source country of immigration to Canada in 2017.

Canada welcomed 96,660 permanent residents from India in the first 10 months of 2021. This was about 13 percent higher than the total number of Indians who made Canada their home in 2019.

Source: moneycontrol.com– Feb 07, 2022

HOME

****

More than 43.34 crore Permanent Account Numbers (PANs) linked with Aadhaar till 24.01.2022

As on 24-01-2022, the total number of Permanent Account Numbers (PANs) linked with Aadhaar is 43,34,75,209. This was stated by Union Minister of State for Finance Shri Pankaj Chaudhary in a written reply to a question in Lok Sabha today.

The Minister further stated that the time-limit as extended by the Government for linking all PAN cards with Aadhaar cards is 31-03-2022.

Speaking on the difficulties involved, the Minister stated that there could be different reasons for difficulties in linking PAN card with Aadhaar card faced by the taxpayers. These inter alia may be on account of mismatch between PAN and Aadhaar details in respect of information regarding name, date/year of birth, mobile number for receipt of OTP for linking of PAN, etc.

If the mismatch is on account of Aadhaar Card details, the taxpayer may get the Aadhaar details corrected by concerned authority. Wherever the mismatch or difficulty regarding PAN card itself is brought to notice, action is taken and resolution is provided to the taxpayer, the Minister stated.

Source: pib.gov.in– Feb 07, 2022

HOME

****

Record GST collection of Rs.1,40,986 crore reported for January, 2022

The average monthly gross Goods & Services Tax (GST) collection for the third quarter of FY 2021-22 has been Rs.1.30 lakh crore against the average monthly collection of Rs.1.10 lakh crore and Rs 1.15 lakh crore in the first and second quarters respectively. This was stated by Union Minister of State for Finance Shri Pankaj Chaudhary in a written reply to a question in Lok Sabha today.

The Minister further stated that a record GST collection of Rs.1,40,986 crore is reported in the month of January, 2022 and this collection has been the highest since implementation of the GST. Giving more details, the Minister stated that the gross (GST) collections in the months of October, November & December, 2021 are given below: -

(Rs. in crore)

Month	GST Collection
October, 2021	1,30,127
November,2021	1,31,526
December, 2021	1,29,780

It may be seen from the above table that there is a minor dip in the GST collection in the month of December, 2021 as compared to the months of October and November, 2021 but it touched the highest ever collection of Rs. 1,40,986 crore in January, 2022, the Minister stated.

The Minister also stated that since the Government has been making concerted efforts to raise tax revenue collections which inter-alia includes GST rate rationalidation to improve tax compliance, e-invoice system, mandatory e-filing and e-payment of taxes, penalty for delayed payment, extensive use of third- party sources such as State VAT Department, Income Tax etc. for compliance verification, regular enforcement & compliance verification of tax returns, taxpayer education and media campaign etc. and further system based analytical tools and system generated red flag reports are being shared with Central as well as State Tax authorities to take action against tax evaders, therefore, it is expected that the GST collection may remain buoyant in the coming months as well.

Source: pib.gov.in– Feb 07, 2022

HOME

****

Centrally Sponsored Schemes for Employment

Employment generation coupled with improving employability in the country including rural areas and small towns is the priority of the Government. Multi-pronged strategies are being taken by the Government to address issues relating to employment opportunity through Centrally Sponsored Schemes viz. Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Deendayal Antyoday Yojana- National Rural Livelihood Mission (DAY-NRLM), Deendayal Upadhyay- Gramin Kaushalya Yojana (DDU-GKY), Pradhan Mantri Gram Sadak Yojana (PMGSY), Shyama Prasad Mukherjee RURban Mission, National Career Service (NCS) etc.

Further, the Government of India has taken various steps for generating employment in the country. The Government of India has announced Aatmanirbhar Bharat package to provide stimulus to business and to mitigate the adverse impact of Covid 19. Under this package, the Government is providing fiscal stimulus of more than Rs. Twenty Seven lakh crore. This package comprises of various long term schemes/ programmes/ policies for making the country self-reliant and to create employment opportunities.

The Government launched the Garib Kalyan Rojgar Abhiyaan (GKRA) of 125 days on 20th June, 2020 to boost employment and livelihood opportunities for returnee migrant workers and similarly affected persons including youth in rural areas, in 116 selected districts across 6 States of Bihar, Jharkhand, Madhya Pradesh, Odisha, Rajasthan and Uttar Pradesh. The Abhiyaan has achieved an employment generation of 50.78 crore persondays with a total expenditure of Rs 39,293 crore.

Aatmanirbhar Bharat RojgarYojana (ABRY) has been launched with effect from 1st October, 2020 as part of Atmanirbhar Bharat package 3.0 to incentivize employers for creation of new employment along with social security benefits and restoration of loss of employment during Covid-19 pandemic. This scheme being implemented through the Employees' Provident Fund Organisation (EPFO), seeks to reduce the financial burden of the employers and encourages them to hire more workers. The terminal date for registration of beneficiaries has been extended from 30.06.2021 to 31.03.2022. Benefits of Rs.3435/- crore have been provided to 46.89 lakh beneficiaries through 1.26 lakh establishments till 29.01.2022.

Prime Minister Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi) Scheme has been launched on June 01, 2020 to provide working capital loans to Street Vendors, vending in urban areas, to resume their businesses, which were impacted adversely due to COVID-19. Under this scheme, credit worth Rs. 3,054 crore to 30.2 lakh street vendors as on 30.11.2021

Pradhan Mantri Mudra Yojana (PMMY) is being implemented by the Government for facilitating self-employment. Under PMMY, collateral free loans upto Rs. 10 lakh, are extended to micro/small business enterprises and to individuals to enable them to setup or expand their business activities. Upto 21.01.2022, Rs.32.12 crore loans were sanctioned under the scheme. The Production Linked Incentive Schemes being implemented by the Government have potential for creating 60 lakh new jobs.

PM Gati Shakti is a transformative approach for economic growth and sustainable development. The approach is driven by seven engines, namely, Roads, Railways, Airports, Ports, Mass Transport, Waterways and Logistics Infrastructure. This approach is powered by Clean Energy and Sabka Prayas leading to huge job and entrepreneurial opportunities for all.

The Government of India is encouraging various projects involving substantial investment and public expenditure on schemes like Prime Minister's Employment Generation Programme (PMEGP)of the Ministry of Micro, Small & Medium Enterprises, Deen Dayal Antodaya Yojana-National Urban Livelihoods Mission (DAY-NULM) of the Ministry of Housing & Urban Affairs etc. for employment generation.

Besides these initiatives, various flagship programmes of the Government such as Make in India, Digital India, Smart City Mission, Atal Mission for Rejuvenation and Urban Transformation, Housing for All, Infrastructure Development and Industrial Corridors are also oriented towards generating employment opportunities.

This information was given by Shri Rameswar Teli, Minister of State, Ministry of Labour & Employment in Lok Sabha today.

Source: pib.gov.in– Feb 07, 2022

HOME

****

Maharashtra Textile Minister halts lifting of power subsidy to powerlooms

The Maharashtra Textile Minister Aslam Shaikh has put a hold on the decision to stop giving power subsidy to powerlooms having mid-sized capacity.

In an effort to oppose the government's decision, powerloom operators in the textile town of Ichalkaranji in Kolhapur District stopped paying the electricity bills.

Textile Minister Shaikh interacted with stakeholders during his visit to the town analysing the situation of the powerloom and the industry.

He informed that the process of online registration will be made easier and will be out in a month.

"We have temporarily stopped our decision to stop the power subsidy has been stayed temporarily, hence I urge the powerloom operators to pay their pending bills as per the subsidised rates," he added.

A proposal to increase subsidy by Rs 75 paise per unit on power consumed will be tabled before the state cabinet soon, he assured the powerloom operators.

The state of Maharashtra accounts for about 65 million kg of cotton production which is 25 per cent of the country's total.

It contributes around 27 per cent of India's total exports and 10.4 per cent to the country's textile and apparels output.

Source: knnindia.co.in– Feb 07, 2022

HOME

****

MSMEs clusters development programme

Under Micro and Small Enterprises - Cluster Development Programme (MSE-CDP), setting up of Common Facility Centre (CFC) in a cluster is supported. MSE-CDP is a demand driven scheme. Under the scheme, 36 projects of CFCs in various clusters (including 07 in Karnataka) have been developed all over country during the last three years (i.e. financial year 2018-19 to 2020-21). The State/UT-wise details are enclosed.

The turnover, production and exports of the cluster depend upon various factors like aggregate domestic and global demand, seasonality besides various factors, which may not be within the control of the units in the cluster. As per a study conducted under 3rd Party Evaluation of the scheme, cluster beneficiaries have reported on an average 35% increase in production, a significant increase in sales as well as exports.

The clusters of artisans are supported by the Ministry under Scheme of Fund for Regeneration of Traditional Industries (SFURTI).

Click here for more details.

Source: pib.gov.in– Feb 07, 2022

HOME

****

Assistance to MSMEs sector

As per the information available in the SAMADHAN portal, as on 03.02.2022, the total outstanding payments to the Micro and Small Sector since 01.04.2020 is Rs 11,741.21 crore.

Ministry of MSME has notified the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, which provides for setting up of Micro & Small Enterprises Facilitation Councils (MSEFCs) in the States/UTs to deal with cases of delayed payments of the Micro and Small Enterprises (MSEs).

Ministry has also launched a web portal called 'SAMADHAAN' on 30.10.2017 for monitoring of the outstanding dues to the MSEs from the buyers of goods and services. In addition to this, a special sub-portal within SAMADHAAN portal was also launched on 14.06.2020 for monitoring the dues and monthly payments by Ministries/Departments of Government of India and CPSEs to the MSMEs. Ministry of MSME also takes up the issues of delayed payments to MSEs with States/Union Territories from time to time.

The Government of India has announced a series of measures under Aatma Nirbhar Bharat to support the economy, especially the MSME sector. This inter-alia includes (i) Rs. 20,000 crore Subordinate Debt for stressed MSMEs; (ii) Rs. 50,000 crore equity infusion through MSME Fund of Funds (SRI Fund); (iii) 3 lakh crore Emergency Credit Line Guarantee Scheme (ECLGS) for Businesses, including MSMEs (which has subsequently been increased to Rs. 5 lakh crore); (iv) New Definition of MSME (v) No Global tenders for Government procurements upto Rs. 200 crore.

Ministry of MSME implements Credit Guarantee Scheme for Micro and Small Enterprises under which new and existing Micro and Small Enterprises engaged in manufacturing or service activity can avail collateral free loans upto an amount of Rs. 200 lakh from Banks and Member Lending Institutions.

This information was given by Union Minister for Micro, Small and Medium Enterprises, Shri Narayan Rane in a written reply in Rajya Sabha today.

Source: pib.gov.in– Feb 07, 2022

HOME

****

Haelixa Teams With Home Textiles Maker for Organitrack Track & Trace System

Haelixa has partnered with India's BKS Textiles Pvt. Ltd., a manufacturer of high quality woven fabrics and home textiles, to physically mark, trace and authenticate products from producer to retail.

BKS is launching Organitrack, a bedding solution that uses 100 percent organic cotton in its manufacture. This cotton is tagged with Haelixa's DNA markers that provide products with a unique fingerprint, establishing proof of origin and securing transparency across the entire supply chain.

These versatile, non-intrusive and robust markers are Global Organic Textile Standard (GOTS)-approved and are compatible with Standard 100 by Oeko-Tex. Haelixa said third-party testing has verified the integrity of marked Organitrack products and authenticates their history, giving retailers and brands the comfort of standing behind the product claims made.

"Organic cotton has become a crucial driver of sustainability in the textile industry, with the numerous benefits it brings to the environment and the farming community," Dr. Sudha Anand, marketing director of BKS Textiles, said. "At the same time, cases of fraudulent claims, passing off conventional cotton as organic, have been increasing rampantly lately. This makes traceability absolutely crucial and we are very pleased to partner with Haelixa in providing a fool-proof organic cotton solution to our customers."

Dr. Michela Puddu, CEO and co-founder of Haelixa, said knowing how important sustainability is especially for the millennial generation, being able to provide a forensic proof for the authenticity of the fiber helps to reassure the end-consumer.

Haelixa specializes in the development and commercialization of disruptive product traceability solutions to ensure full end-to-end supply-chain consumer good traceability, with a focus on sustainable and ethically manufactured products, such as organic textiles and conflict-free minerals. Haelixa marking technology is based on DNA markers that are physically applied to the material and stay linked to it, providing a traceable physical fingerprint from producer to retail.

BKS Textiles, located in Tamil Nadu in South India, is a vertically integrated manufacturer and exporter of woven fabrics, home textiles and institutional textiles.

Organitrack joins other established cotton traceability systems, such Applied DNA Sciences' CertainT platform that allows raw materials and products to be tagged with a unique molecular identifier, and Oritain's process that analyzes the naturally occurring chemical properties of a fiber to creating a unique chemical fingerprint that links it back to the field in which it was grown.

Source: sourcingjournal.com– Feb 07, 2022

HOME

****