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SAYING NO TO CHILD LABOUR

INTERNATIONAL NEWS

Deloitte's US economic forecast optimistic, key risks seen next year

Four key problems need to be solved for the US economy to continue to grow: labour markets need to loosen up, Congress needs to vote to raise the debt ceiling, Congress and President Joe Biden need to agree on a budget for the government by October 1, and the realisation of two separate budget problems, i.e, the need to raise the debt ceiling and the need to pass appropriation bills to fund the government, according to Deloitte.

Despite additional obstacles witnessed this year, Deloitte's economic forecast for the United States remains optimistic, while taking into account some significant risks for the next year.

With employment rising by over half a million in January this year, the trend is unsustainable when the working-age population is growing at a trend rate of about 50,000 per month, Deloitte noted.

If employment doesn't slow, wage growth could accelerate. The Federal Reserve (Fed) would then respond quite strongly, and continued interest rate hikes pose a clear danger for economic growth, it said in a note.

Businesses have ramped up investment since the initial impact of the pandemic, but they have been selective about what they are investing in. The business case for office buildings and retail space has collapsed, with online shopping and the shift toward working at home.

The savings rate has dropped from an average of around 9 per cent before the pandemic to around 3 per cent in the final quarter (Q4) of 2022.

The baseline Deloitte forecast assumes that continued job and income growth will support continued growth in consumer spending, but spending will slow as the savings rate eventually rises back to the 6 per cent range.

In Q4 2022, durable goods accounted for 12 per cent of total consumer spending, up from 10.5 per cent in 2019. If consumers just return to their pre-pandemic spending patterns, durable consumer goods sellers will be looking at a 20 per cent fall in spending. And consumers could conceivably spend even less since the durable goods they previously bought aren't going to wear out that quickly, Deloitte said.

The Russian invasion of Ukraine has created some headwinds for US exporters. Lower demand from Europe (market for 15 per cent of US exports) and a higher dollar because of greater global risk have created some short-term challenges, it said.

Beyond the Ukraine crisis, however, things look more positive, it noted, as real US exports are now slightly above the pre-pandemic level.

As global financial and economic conditions normalise, US exporters are expected to see more opportunities. Demand for US goods is likely to rise in the medium term as the global economy recovers from the pandemic and the Ukraine invasion shock, Deloitte said.

Further, more normal financial conditions would create more opportunities for investment outside the United States and less desire to hold dollars to avoid risk. That will potentially lower the dollar, making US exports more competitive globally, it added.

Meanwhile, real US imports have fallen in the last two quarters. There has been a substantial decline in imports of consumer goods, reflecting the shift in consumer spending from goods to services. That is likely to continue, helping to dampen import growth, it added.

Source: fibre2fashion.com- Mar 20, 2023

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Canada's apparel imports at $12 bn in 2022, China's share 30%

Canada's apparel imports jumped to $12.417 billion during 2022 which was 28.34 per cent higher than the shipment of 2021, when the country had imported apparel worth $9.675 billion. Despite tension with the West, China remained the largest apparel supplier for Canada as it supplied more than 30 per cent apparel to the latter.

Canadian apparel imports slipped to $8.676 billion in 2020 from the shipment of $10.111 billion in 2019, but it bounced back to $9.675 billion in 2021. The country had imported apparel worth $9.663 billion in 2018 and $9.248 billion in 2017, according to Fibre2Fashion's market insight tool TexPro.

Canada's imports of apparel touched the highest levels in 2022. In value terms, the imports were not affected by inflation and economic worries. On a quarterly basis, the imports eased to $2.454 billion in Q1 2022 in comparison with $2.656 billion in Q4 2021 and $2.798 billion in Q3 2021. They increased to $2.931 billion in Q2 2022 and $3.986 billion in Q3 2022, before coming down again to $3.044 billion in Q4 2022.

China was the largest supplier of apparel to Canada in 2022, accounting for 30.68 per cent of total imports. Among the top five suppliers, Vietnam had a share of 14.28 per cent, Bangladesh 14.15 per cent, Cambodia 10.45 per cent, and India 3.37 per cent of the total trade, as per TexPro.

Source: fibre2fashion.com- Mar 18, 2023

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UAE, Cambodia conclude talks on CEPA

The United Arab Emirates (UAE) and Cambodia recently announced concluding talks on a Comprehensive Economic Partnership Agreement (CEPA) after three rounds of negotiations that began in December last year. Both sides will work to sign the agreement this year.

Cambodia is exploring the export potential of a variety of products, including garments, footwear and travel goods, to UAE.

Cambodian commerce minister Pan Sorasak said that the agreement covers trade, customs procedures and sanitation and phytosanitary, investment, digital trade, intellectual property, small and medium enterprises, dispute resolution mechanisms, and provisions for services.

The pact will contribute to strengthening bilateral relations through opening market channels more widely and provide more opportunities for investment for mutual benefits and deepening cooperation in other economic activities, Cambodian media quoted the minister as saying.

The first round of talks took place in Dubai, followed by one each in Phnom Penh and Dubai.

Source: fibre2fashion.com- Mar 19, 2023

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Philippine province guv calls for producing more traditional fabrics

Imelda Quibranza-Dimaporo, governor of Lanao del Norte province in the Philippine, recently urged women livelihood organisations to produce more traditional fabrics, especially Meranaw cultural textiles, as many suppliers are looking for such high-quality fabrics.

The Northern Mindanao branch of the country's department of trade and industry is continuously assisting the weavers by handing over sewing machines and equipment to produce quality Meranaw wearables and handicrafts.

The department, under its Shared Service Facility (SSF), recently offered 10 sewing machines, two cloth cutting machines and three sequencing and cutting tables worth to the Pangutaman Women's Association and the Islahiyyah Women's Association in Maigo and Poona Piagapo towns respectively, a news agency reported.

Other beneficiaries were a curtain Shop in Lala town and a school in Tubod.

The programme can be availed of by cooperatives, associations, local government units and academic institutions, the governor added.

Source: fibre2fashion.com- Mar 18, 2023

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China: Exports in focus amid this year's economic expansion drive

China's exports continued their mild momentum at the start of the year, falling 6.8 percent from a year earlier to $506.3 billion for the January to February period, said the General Administration of Customs.

Imports, meanwhile, also extended their downward trend over the same stretch, falling 10.2 percent year-on-year to $389.42 billion.

Exports to the European Union and the United States, in the first two months, continued to decline as high inflation undercut demand for Chinese products. That said, exports to the Association of Southeast Asian Nations — China's biggest trading partner — rose by 9 percent year-on-year.

Among all products, export volumes of electromechanical products, such as automobiles and mobile phones, saw a slight increase, while labor-intensive products including clothing and textiles dipped.

Though struggling for the time being, exports had been a major highlight and a forceful driver of growth in the Chinese economy since the beginning of 2020 till the middle of last year.

In particular, China's exports maintained strong performance throughout the whole year of 2021, growing by 29.9 percent compared to the previous year. In combined figures for the first three quarters of 2022, exports still witnessed a 12.5 percent year-on-year increase.

Since the fourth quarter of last year, however, China's exports began to soften considerably. In October, exports fell 0.3 percent from the year before, followed by 9 percent and 9.9 percent drops in November and December, respectively — record lows not seen since March 2020.

As a number of containers have been lying idle in ports recently, compounded by the continuous decline in export freight rates, people's growing concerns about dim export prospects have been brought to the fore.

Given such factors as economic slowdowns in the US and Europe, the complex international landscape and diversification of industrial chains away from China, the country's export outlook for the whole year could be gloomy.

To begin with, the economies of the US and Europe have slipped into stagflation, a combination of recession accompanied by high and rising inflation, which is a key factor behind China's sharp decline in exports.

According to the World Economic Outlook released by the International Monetary Fund in January, it is expected that US economic growth rates will drop from 2.0 percent in 2022 to 1.4 percent in 2023, and the euro zone will plunge sharply from 3.5 percent in 2022 to 0.7 percent.

The US and Europe are heading for an economic downturn, which, as a result, will dampen demand and stifle global trade to a great extent.

The World Trade Organization projected in October that after expanding at a 3.5 percent pace in 2022, growth in the trade of goods this year will drop to just 1 percent. That's considerably below its previous estimate in April, which had trade expanding at a 3.4 percent clip this year.

Imports by North America and the EU will drop 1 percent and 0.7 percent, respectively, compared to last year.

All the aforementioned data bode ill for a significantly contracted overseas demand and pose serious challenges to China's exports.

On top of this, the US and other Western countries are promoting a move away from reliance on China in the global supply chain and core technology industries such as chips amid the growing complexities and uncertainties in the international landscape, which will also bring down the growth of China's exports.

Last year, the US government signed two bills into law — the CHIPS and Science Act and the Inflation Reduction Act — in a bid to relocate enterprises involving chips, automobiles and other industries to its own territory through massive subsidies.

The above-mentioned bills attempt to impose a technological blockade on China and hinder the production and exports of China's chip-related industries, which account for some 15 percent of China's total exports.

Beyond these two factors, cross-border relocations of large-scale labor-intensive industries — which are an important force behind China's exports — from China to ASEAN countries also pose mounting challenges to Chinese exporters.

Induced by deglobalization, trade disputes between China and the US and rising domestic labor costs, the outward migration of Chinese labor-intensive industries has to some extent mitigated risks inherent in some global industrial chains.

ASEAN member states such as Vietnam, Indonesia, the Philippines and Cambodia are well-positioned to accommodate China's labor-intensive firms with their low tariffs, abundant labor resources and low costs.

In the US luggage import market, for instance, China's share fell from 65 percent in 2015 to less than 30 percent in 2021, while ASEAN's share rose from 14 percent to nearly 33 percent over the same period, more than doubling in six years.

Going forward, deeper ties with ASEAN countries should serve as an important fulcrum to tackle the drop in China's exports. The role of ASEAN countries in underpinning the country's exports will be better leveraged, and coordination and complementarity of the industrial chains between China and ASEAN will be better enhanced.

Since 2010, ASEAN's share of China's exports has been picking up pace, from 8.8 percent in 2010 to 15.8 percent in 2022, and has now overshadowed the EU as the second-largest partner for China's exports, second only to the US.

China's two-way trade with ASEAN came to 6.52 trillion yuan ($947.8 billion) in 2022, a significant annual increase of 15 percent, significantly outpacing trade partners such as the US, Europe and Japan. ASEAN countries have become the leading force supporting China's exports.

As China and ASEAN members both signed the Regional Comprehensive Economic Partnership agreement, along with the more frequent local currency settlement and currency swaps with enhanced infrastructure connectivity, there is still broad room to tap the potential of China's exports to ASEAN.

Though ASEAN countries are taking over large-scale labor-intensive industries from China, such relocation will help China push ahead its trade structure upgrade and export more high value-added goods to the region.

China and ASEAN countries will gradually develop a mutually beneficial trade model where ASEAN exports primary goods to China, imports capital-intensive and technology-intensive goods from China, and exports consumer goods to China and elsewhere.

In a bid to boost its exports, China should further accelerate regional integration in the Asia-Pacific region, better harness the RCEP and the Belt and Road Initiative, and cultivate hubs for industrial integration.

The country should open up even wider, foster a more enabling business environment, slash restrictions on access to foreign enterprises and strengthen coordinated development of industrial chains.

Source: chinadaily.com.cn- Mar 20, 2023

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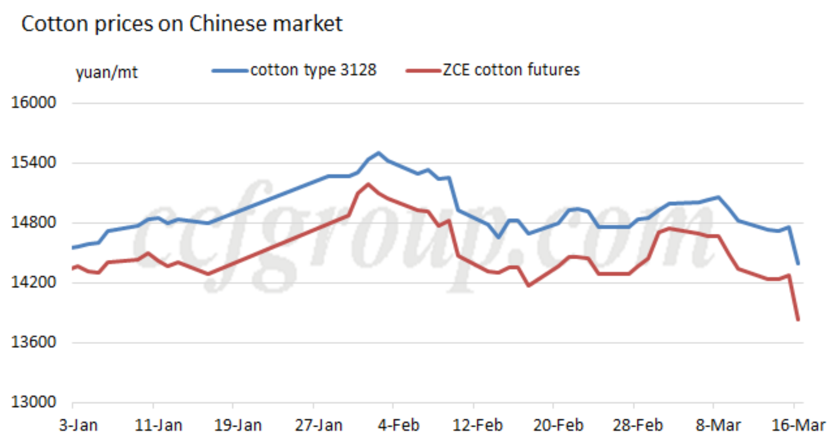
China: Sharp fall of ZCE cotton-the "scourge" caused by Fed's interest rate hike

Cotton market has seen significant changes during the first half month of Mar. In early month, ZCE cotton futures still have upward momentum under the favorable macro environment with higher than expectation of purchasing managers' index (PMI) for China's manufacturing sector in Feb. Nevertheless, the market gradually steps downward from Mar 10 under unfavorable macro economy. On Mar 10, U.S. bank stocks slumped overall, and on Mar 11, Silicon Valley Bank announced to be closed, triggering risk aversion, while the panic mood has not simmered apparently as the U.S.

Treasury Department, the Fed, and the Federal Deposit Insurance Corporation on Sunday announce joint action to stabilize the U.S. banking system. But on Mar 15, Credit Suisse shares fell to new record low, triggering more banking system problems, and ZCE major cotton contract dipped below the support level of 14,000yuan/mt on Mar 16.



In general, the cotton prices are dominated by the macro environment currently, and the role of cotton industry played is not very important now. Of course, the weaker cotton yarn sales around Mar 10 put certain pressure on cotton market as well. But the risk aversion brought about by the crisis of Silicon Valley Bank and Credit Suisse is still the "scourge" caused by the Fed's interest rate hike.

The Silicon Valley Bank's failure was due to a mismatch of assets and liabilities. The Bank took on too many huge deposits, and was caught by higher interest rates.

It kept a small part of deposits in cash and used the rest of them to buy long-term debt like Treasury bonds or invested it in mortgage-backed securities (MBS). Those investments offer good returns when interest rates remain low. However, SVB hadn't considered that the Federal Reserve started hiking interest rate to combat the high inflation.

Moreover, the Credit Suisse event dampened the market sentiment again, resulting into lower commodity and cotton prices on Mar 16. Players are still wary about the banking system problems and systematic risks.

Of course, some players believe that current banking system problem has little impact on the market, and the decline of bank shares is more of a threat to the upcoming European Central Bank and Federal Reserves' interest rate decisions. If the Fed stops interest rate hike or cut the interest rate, the market sentiment will ease in short, and cotton prices will rebound, but the credit status of the U.S. dollar as the global reserve currency will be further impacted, and some hidden dangers will continue to be burdened.

For the cotton industry, the bullish factors are: 1. 2023/24 Xinjiang cotton planting areas may reduce, and attention is paid to the 2023/24 Xinjiang cotton planting subsidy; 2. Numbers of ginning factories increase in 2022/23 and ginners have good returns in 2022/23 season, so ginners may be rush to purchase new cotton in 2023/24; 3. Good Chinese domestic demand supports the high operating rate of spinning mills, and the consumption of cotton is high recently.

The bearish factors are: 1. 2022/23 Xinjiang cotton production is over 6 million tons, an increase of 12% year on year, leading to high ending stocks, offsetting the stimulus caused by lower planting areas; 2. Overseas demand maintain, and whether the good domestic demand will sustain is uncertain.

In general, the macro environment is complicated in 2023, and cotton prices may fluctuate with shorter frequency, and are hard to see tendency. Viewed from current situation, cotton prices are supposed to be easy to decline and hard to rise in the second quarter.

Source: cottongrower.com- Mar 17, 2023

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China's apparel exports to UAE slip to $2.627 bn in 2022

China's apparel exports to United Arab Emirates (UAE) slipped to $2.627 billion during 2022. The country exported apparel worth $2.810 billion in the preceding year. The outbound trade was hit during the COVID year 2020, but the exports bounced back the very next year. China is a leading supplier for importers in the UAE.

Exports to the UAE peaked at $3.251 billion during 2017 but declined to $2.462 billion in 2018 and $2.445 billion in 2019. The trade crashed to $1.639 billion in 2020 when normal life as well as trade came to a standstill due to the pandemic. However, the world's manufacturing hub succeeded in boosting its trade again in 2021, according to Fibre2Fashion's market insight tool TexPro.

Apparel exports increased to pre-COVID levels of $2.810 billion in 2021. But the trade eased down in the last year to $2.627 billion. China's quarterly apparel exports to the UAE reduced to just $321.948 million in Q2 2020 when COVID infections were severe. It jumped to $825.977 million in Q2 2021 but eased down to $755.704 million in Q2 2022, $755.049 million in Q3 2022, and $562.340 million in Q4 2022.

Trousers and shorts dominated China's apparel exports with 20.92 per cent share in the total exports. Among the top five products, the exports of Jackets and blazers were 11.79 per cent, Jerseys were 9.81 per cent, dresses were 8.57 per cent and accessories were 7.20 per cent of the total apparel exports, as per TexPro.

Source: fibre2fashion.com- Mar 19, 2023

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Only 11% of Malaysian manufacturers utilize FTAs: FMM

A recent survey conducted by the Federation of Malaysian Manufacturers (FMM) has revealed that only 11% of Malaysian manufacturers are utilizing both the Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) agreements.

The survey also found that 77% of the respondents had not started utilizing these free trade agreements yet, with 41% citing a lack of information or policy direction on these FTAs.

FMM has called on the government and trade associations to promote these agreements aggressively so that manufacturers can take advantage of the export opportunities they offer.

The survey also revealed that 55% of respondents faced an increase in their cost of production following the Bank Negara Malaysia's overnight policy rate hike in November 2022, affecting cash flow and business operations of 44% of manufacturers.

Meanwhile, 24% of respondents were concerned about a possible change in consumer spending habits that could affect their sales and cash flow, and 20% had to reduce their capital expenditure.

In terms of the new unity government administration, 59% of respondents said it was too early to gauge the impact of any policy changes, while 33% responded favorably. However, most respondents (68%) hoped that the new government would gradually reduce corporate tax rates to improve Malaysia's tax competitiveness.

Source: fashionatingworld.com- Mar 18, 2023

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Australia's home textiles imports from Asia-Pacific fell in 2022

The value of Australia's home textiles imports from the Asia-Pacific region slipped further in 2022. After a rise during the COVID year of 2022, the imports had declined in 2021. However, the Asia-Pacific region continues to remain as the major supplier of home textiles, ahead of Europe and Africa.

Australia's home textiles imports from Asia-Pacific topped to $2,837.785 million in 2018. Subsequently, it fell to $2,082.851 million in the next year 2019. However, the shipment bounced back to $2,107.311 million in 2020 as consumers increased buying of home furnishing items during COVID-related lockdowns. The next year 2021 saw imports down to $1,611.137 million. The value has further fallen to $1,510.128 million in 2022, according to Fibre2Fashion's market insight tool TexPro.

Australia's home textiles imports from Europe were $91.169 million in 2017, which increased to $104.310 million in 2018. But it came down to $91.619 million in 2019. The inbound shipment increased to $94.512 million in 2020. It further jumped to $118.407 million in 2021. However, it decreased to $94.931 million during 2022, as per TexPro.

The import from Africa was recorded at $19.478 million in 2017, which was the highest in last six years. It eased down to $11.029 million in 2018. But the import increased to $13.865 million in 2019 and again to $14.944 million in 2020. However, the shipment slipped to $13.003 million in 2021 and $12.745 million in 2022.

Source: fibre2fashion.com- Mar 20, 2023

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Vietnam's trade with 11 Asian markets to grow to $465 bn by 2030: UPS

Vietnam's trade with 11 other major Asian markets could significantly rise in value by 2030 from $326 billion now to $465 billion by 2030, according to an industry study released by UPS, which urged businesses with trade interests in the country to diversify supply chains, go completely digital and integrate micro, small and medium enterprises (MSMEs) into regional supply chains.

Lack of progress on logistics infrastructure in the country could constrain its ability to serve centres of demand in rapidly developing economies, the study, titled 'Clearing the Runway for Intra-Asia Trade' noted.

Trade in just 12 key markets—Australia, China, Hong Kong, Indonesia, Japan, Malaysia, the Philippines, Singapore, South Korea, Taiwan, Thailand, and Vietnam—known as the Asia 12, accounts for 88 per cent of intra-Asia trade and could more than double in value from $6.4 trillion in 2020 to $13.5 trillion in 2030.

Four segments have driven the surge in trade among the Asia 12: retail; industrial manufacturing and automotive; high-tech; and healthcare. In Vietnam, these segments accounted for 82 per cent of trade with the rest of Asia in 2020.

Vietnam's exports contributed to 82 per cent of its gross domestic product. Particularly noteworthy is that 35 per cent of the exports is dependent on SMEs that have working capital as a key roadblock to their growth aspirations, the study found.

Source: fibre2fashion.com- Mar 19, 2023

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Bangladesh: RMG exports to non-traditional markets see 35pc growth in July-Feb period

Bangladesh's apparel exports to the non-traditional markets, which excludes the European Union, US, and Canada, witnessed a 35 per cent growth during the first eight months of the current fiscal year.

The country fetched US$5.69 billion during the July-February period of FY'23, which was $4.21 billion in the same period of the last fiscal.

"During the period, our exports to India grew over 61 per cent to US$753 million, Japan to US$1.08 billion, marking 47.65 per cent growth," Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President Faruque Hassan said.

He also noted that during the July-February period of FY'22, Bangladesh's share of the non-traditional markets was 15.32 per cent, which now stands at 18.13 per cent. Mr Hassan was addressing a press conference on the current situation of the country's readymade garment industry on Saturday at the trade body's headquarters in the capital.

Bangladesh's exports to the EU, UK and Canada grew by 14.29 per cent, 14.52 per cent and 20.05 per cent to US$15.72 billion, US$3.36 billion and US$980.96 million, respectively. Shipments to the US during the period, however, declined by 2.87 per cent to $5.60 billion.

Explaining the industry's growth momentum, Mr Hasan said they are working to increase the export earnings to the non-traditional markets despite the overall global market share declining due to the geo-political situation triggered by the Russia-Ukraine war and high inflationary pressure across the world.

The contribution of the garment sector to the overall export earnings is increasing and now stands at about 85 per cent, and the share would be about 89 to 90 per cent if the earnings of home textiles and other textile goods are taken into consideration, he added.

Source: thefinancialexpress.com.bd- Mar 18, 2023

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Pakistan: Over $11 bln textile products exported in 8 months

Textile exports reached $11,218.655 million during the first eight months of the current fiscal year (2022-23), the Pakistan Bureau of Statistics (PBS) reported on Friday. The textile exports showed a decline of 11.09 percent from $12,617.372 million during the same period of last year (July-February 2021-22). The export of raw cotton witnessed positive growth during July-February (2022-23) of 86.80 percent from $6.577 million (last fiscal year) to $12.286 million, and that of tents, canvas and tarpaulin went up by 19.89 percent from $72.007 million to $86.332 million.

Similarly, the export of cotton yarn showed negative growth by 38.12 percent from $816.102 million to $505.015 million.

Likewise, the export of cotton cloth decreased by 12.95 percent from $1,585.387 million to $1,380.075 million; cotton (carded or combed) by 39.80 per cent from $1.610 million to $0.969 million, yarn (other than cotton yarn) by 29.35 per cent from $41.845 million to $29.562 million, knit-wear by 6.83 per cent from $3,304.616 million to $3,078.885 million, bed wear by 16.13 percent from $2,187.922 million to $1,834.904 million and towels by 7 percent, from $716.688- million to $666.497 million.

The export of readymade garments also declined by 5.48 percent from $2,518.743 million to $2,380.837 million; art, silk and synthetic textile by 10.78 percent from $306.079 million to $273.080 million; made-up articles (excluding towels, bedwear) by 12.89 per cent from $556.476 million to $484.763 million, and all other textile materials by 3.55 percent from $503.319 million to $485.450 million.

On a year-on-year (YoY) basis, the textile goods' exports declined by 29.92 percent in February 2023 to $ 1,180.450 million against $1,684.313 million in February 2022. On a month-on-month (MoM) basis, the textile goods' exports decreased by 10.69 percent in February 2023 against $,321.768 million in January 2023, according to the PBS data.

Source: pakistantoday.com.pk- Mar 17, 2023

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Pakistan: Banking crisis on cards as textile sector near brink of default

The textile sector has reached the brink of default in the wake of its inability to service the loans it received under TERF (Temporary Economic Refinance Facility) and LTFF (long-term facing facilities) which may also lead to a possible banking crisis, discloses the letter of APTMA to the State Bank of Pakistan written on February 27, 2023.

The State Bank of Pakistan (SBP) during the PTI era provided the TERF and LTFF facilities to help industrialists to install more textile units and expansion of units for more growth in exports of the country.

However, because of the ongoing LCs crisis, stuck-up consignments of imported cotton at the ports owing to the dollars liquidity crunch and withdrawal of RCET by the government in line with IFM diktat, all the new and expansion units in the sector have become non-functional. This has led to immense pressure on export-reignited units which are unable to generate funds to pay even interest on the loans, leading to massive defaults, curtailment capacity and a possible banking crisis.

The textile industry has asked the State Bank of Pakistan to extend the moratorium on debt under TERF and LTFF from June 1, 2023, to December 2023 to avoid large-scale Non-Performing Loans (NPLs) and severe negative impacts on the banking sector. The APTMA asked for a zoom meeting with top functionaries of the central bank of Pakistan.

Banks are not opening LCs or retiring cotton imports, the letter says, which had led to the non-functioning of the textile units. "Now loyal international customers are reluctant and asking Pakistani suppliers whether or not they will be able to meet deadlines and ship orders on time resulting in a loss of export orders.

The industry is running out of cotton stocks and textile mills have either shut down or will shut down in the very near future if decisive and urgent action is not taken." The textile sector also urged the SBP to declare the opening of LCs of cotton imports the status of "Must Open."

The commerce ministry says that textile industry representatives may hold today (Monday) an urgent meeting with top mandarins of the State Bank of Pakistan. The commerce ministry's top sources said that the prime minister convened meetings on exports sector issues four times but the said meetings couldn't be held mainly because of the Premier's pressing engagements.

However, the APTMA letter to the SBP government also mentions that the business plan for new industrial units and expansion of the existing units had been carved out based on RCET (Regionally Competitive Energy Tariff) ---- electricity tariff of Rs19.90 per unit and gas rate at 9 cents per MMBTU. However, with the withdrawal of RCET, the industry is forced to run on an electricity tariff of 40 per unit owing to which the textile sector has started dying out day by day.

The letter also disclosed alarming facts saying that the textile sector is already running at less than 50 percent capacity. Around 7 million workers in the textile sector and textile-related industry were laid off since last summer and if this sector is closed down it will lead to more layoffs resulting in significant unemployment of more than 10 million workers and further deterioration in the balance of payments in the shape of at least $10 billion exports per annum.

The textile industry also highlighted in its letter about the bleak cotton production in the country, saying that the country's cotton production has declined to a historic low this year dropping to 5 million bales due to heavy rains and floods. The cotton production loss has been worth more than $2 billion. The textile industry consumes nearly 15 million bales and the current season's anticipated demand indicates that about 10 million bales will need to be imported. However, banks are not opening LCs for the import of cotton.

Source: thenews.com.pk- Mar 20, 2023

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NATIONAL NEWS

PM Mitra textile parks will pave way for exports worth $100 billion by 2030: Texprocil chief

The Cotton Textile Export Promotion Council expects the Prime Minister Mega Integrated Textile Region and Apparel (PM Mitra) parks, to be set up across seven states, to act as a catalyst for achieving the export target of $100 billion by 2030.

The PM Mitra Parks can attract large-scale investments and accelerate the pace of exports in the textile value chain.

Sunil Patwari, Chairman, Texprocil said the Prime Minister's vision to integrate the 5Fs of the textile sector -- Farm to Fibre to Factory to Fashion to Foreign – under one roof in the PM Mitra parks will work wonders and boost exports. The parks are the need of the hour to attract large-scale investments from across the world in the textile sector, particularly when the global supply chains are being realigned in the post-Covid era, he said.

Changing geopolitical alignments have reinforced the "China plus one" policy and India has emerged as a beacon of economic stability attracting the attention of global investors. The PM Mitra scheme will reassure investors regarding the need for single window clearances and quick decision-making, said Patwari.

With world-class infrastructure and "plug & play" facilities the seven Mega Parks coming up in Tamil Nadu, Telangana, Karnataka, Maharashtra, Gujarat, Madhya Pradesh, and Uttar Pradesh will encourage investors to commence production with minimum delays.

The parks will strengthen the foundations of "Atmanirbhar Bharat," making India a strong and dynamic player in global trade in textiles and clothing. The integrated facilities will also reduce the cost of manufacturing and make Indian exports of textiles immensely competitive, said Patwari.

Source: thehindubusinessline.com- Mar 18, 2023

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PM Mitra parks to boost India's $100 bn textile export goal, says industry

The Indian textile industry believes the opening of seven PM Mega Integrated Textile Regions and Apparel (PM Mitra) Parks across the country will help develop the country as a global hub for textile manufacturing and exports. The textile sector is expected to attract major global investment, helping to boost its exports to $100 billion by 2030.

On Friday, the government had announced the setting up of PM MITRA Parks in Tamil Nadu, Telangana, Gujarat, Karnataka, Madhya Pradesh, Uttar Pradesh and Maharashtra. The move has been inspired by the 5F vision of the Centre focussing on farm to fibre to factory to fashion to foreign. "These parks will fuel investment once the global slowdown is over and attract large foreign direct investment as they provide world class infrastructure at a scale," said Sanjay Kumar Jain of Delhi-based TT Ltd

According to sources, the Central and Tamil Nadu State Governments have identified and proposed to set up a Mega park on about 1,100 acres near E Kumaralingapuram in Virudhunagar district.

"The parks will attract major global investment in textiles helping to boost the sector's exports to $100 billion by 2030. With the realignment of the global value chain and focus on friendshoring, India is on the radar of global investors looking for opportunities outside China. A scheme like PM Mitra will hasten the process of decision making by such investors in India's favour," said A Sakthivel , President of Federation of Indian Export Organisations (FIEO).

A special purpose vehicle owned by the Centre and the State Government will be set up to handle each park. The ministry of textiles will provide financial support in the form of Development Capital Support up to Rs 500 crore per park, while a competitive incentive support (CIS) up to Rs 300 crore per park to the units in PM Mitra Park shall also be provided to incentivise speedy implementation.

State governments will provide contiguous and encumbrance-free land parcels of at least 1000 acres of land and will also facilitate provision of all utilities, Reliable Power Supply and Water availability and Waste Water Disposal system, an effective single window clearance as well as a conducive and stable industrial/textile policy.

“The parks will bring much needed boost to scale and integrated manufacturing infrastructure. Global buyers are now looking for large, integrated and compliant facilities to bring more business to India as an apparel sourcing diversification strategy. The TN Mitra park can be visualised with a specific theme like ESG to attract investment from international buyers,” said Prabhu Damodaran, secretary, Indian Texpreneurs Federation (ITF), a textile industry body.

Modern industrial infrastructure facilities for the entire value-chain of the textile industry will also significantly reduce logistics costs and improve competitiveness of textile exports with access to state-of-art technology.

“The parks will attract investment and generate more employment, particularly for women workers. We have also suggested to create an ecosystem to attract MSMEs in Tirupur, plug-and-play facilities, building area to commence from 15,000 sq ft for the benefit of MSMEs, requirement of an additional incentive to setup units in PM Mitra Park, inclusion of PLI-2 scheme to avail the incentives by the units being set up in the project and solar power for the industry and common effluent treatment,” said K M Subramanian, President, Tiruppur Exporters’ Association.

Source: business-standard.com- Mar 19, 2023

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India, EU conclude another round of talks for proposed trade agreement

India and the European Union (EU) on Saturday concluded the fourth round of talks for a comprehensive free trade agreement in Brussels, a move aimed at further strengthening economic ties between the two sides.

The next round of the talks is planned for 12-16 June here.

India and the 27-nation bloc resumed negotiations on June 17 last year after a gap of over eight years on the proposed agreements on trade, investments and Geographical Indications (GI).

"Round 4 of India EU-FTA negotiations held at Brussels," Nidhi Mani Tripathi, Joint Secretary in the Department of Commerce has said in a tweet. She is India's chief negotiator for the agreement.

India had started negotiations for a trade pact with the EU in 2007 but the talks stalled in 2013 as both sides failed to reach an agreement on key issues, including customs duties on automobiles and spirits and the movement of professionals.

India's merchandise exports to EU member countries stood at about $65 billion in 2021-22, while imports aggregated $51.4 billion.

A GI is primarily an agricultural, natural or manufactured product (handicrafts and industrial goods) originating from a definite geographical territory. Typically, such a name conveys an assurance of quality and distinctiveness, which is essentially attributable to the place of its origin.

Source: thehindubusinessline.com- Mar 19, 2023

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India should target $350 bn exports through e-commerce by 2030: GTRI

India should target USD 350 billion worth of goods export through e-commerce by 2030 and for that the government needs to address pain points of the sector by taking steps like formulating a separate policy, a report by economic think tank GTRI said.

The Global Trade Research Initiative (GTRI) said the current e-commerce export provisions in India are a patchwork over the rules framed for regular B2B (business-to-business) exporters.

India's e-commerce exports have the potential to grow at a faster pace than its IT exports did in the early 2000s, it said.

With Global business-to-consumer (B2C) e-commerce exports estimated to grow from USD 800 billion to USD 8 trillion by 2030, India's strengths in high-demand customized products, expanding seller base, and higher profit margins per unit of export place it in a prime position to benefit from this trend.

GTRI has identified 21 action points for accelerating the country's exports through online medium.

India's current e-commerce export numbers remain far below their potential. Currently, e-commerce exports account for only USD 2 billion, less than 0.5 per cent of the country's total goods export basket.

The country must plan to export USD 350 billion, or about one-third of its total goods, through e-commerce by 2030. This will require focus on developing the ecosystem for e-commerce exports to fully realize its potential, the report said.

It added that the current export provisions for the medium creates an enormous compliance burden on small firms.

To address such needs, the report recommends that the government issue a separate e-commerce export policy. Such policies in countries including China, Korea, Japan, and Vietnam, have helped many firms sell globally.

As the needs of the e-commerce export sector are vastly different from the regular export sector, the e-commerce export policy should be an independent document addressing all pain points faced by exporters.

It added that this policy should be jointly issued by the RBI, customs, and the directorate general of foreign trade (DGFT) after making necessary changes to their regulations.

It should include provisions for business development, easing regulatory burden, and setting up a national trade network.

The GTRI suggestions include redefining responsibilities of sellers; simplifying payment reconciliation and processes; developing business ecosystem; and setting up of a National Trade Network for the medium.

Small and medium-sized firms rely on online platforms for global exposure and value- added services, such as timely payment assurance.

However, it said that this conflicts with FEMA (Foreign Exchange Management Act) regulations as the platform is responsible for receiving payment, while the ownership of goods remains with the seller.

Compliance procedures can be challenging for small sellers due to high sales volume.

The report added that payment reconciliation is a major roadblock for third-party e-commerce exporters and the RBI guidelines for B2B exports need changes to accommodate B2C exports.

To simplify payment reconciliation, it suggested more time to receive export proceeds, lower restrictions on receipt of export proceeds, annual financial reconciliation process; and simplification of forex payments.

A 25 per cent reduction cap is too restrictive for e-commerce sales that involve discounts and returns. Exporters need flexibility in keeping annual turnover, and restrictions per consignment should be removed, it said.

The report also recommended raising the value cap for e-commerce exports from Rs 5 lakh to Rs 25 lakh to allow exporters to choose the shipment mode as per their business requirements.

As most trade is shifting to global value chains requiring timely deliveries, exporters must be allowed to choose the shipment mode as per their business requirements. China has created an efficient and seamless logistics system to ship goods to global customers, it added.

Besides, the government should create a separate customs code of such shipments, exempting import duties on rejects and treating reimports as duty-exempt imports in line with global practices to reduce costs and expedite the delivery of merchandise, and allowing these exporters to claim GST refunds.

India should focus on developing market intelligence, organizing training for artisans, and facilitating the fulfilment of export orders for high-potential product categories such as handicraft, jewellery, ethnic wear, decorative paintings, and Ayurveda, it said.

Regarding setting up the network, it said, this will bring together the RBI, Customs, DGFT, GSTN, India Post, courier companies, platforms like Amazon and eBay, and the user to create a central technology platform that streamlines the entire process.

GTRI Co-founder Ajay Srivastava said that the internet, technology, and secure online payments have made exporting via e-commerce simple and safe, enabling small firms from a wide range of cities and regions to participate in international trade. Over 100,000 Indian sellers are already exporting through e-commerce, and this number is set to multiply.

Exporting through e-commerce channels can result in higher profits per unit of export, as businesses can cut out intermediaries like indenting agents, bulk buyers, and shopkeepers, he added.

Source: business-standard.com- Mar 19, 2023

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Textile industry welcomes announcement on integrated parks

The textile industry has welcomed the announcement on seven integrated textile parks under the PM Mega Integrated Textile Region and Apparel Parks (MITRA) scheme.

The Confederation of Indian Textile Industry's (CITI) chairman T. Rajkumar said the PM MITRA parks are an initiative to improve the cost competitiveness of the Indian textile sector and are expected to generate about 20 lakh jobs with nearly ₹ 70,000 crore of investment over the next three years.

Due to certain geo-political factors, the global textile supply chain is realigning itself with companies looking to establish their manufacturing base outside China too. The Central government wants to make India a sought after destination and world class infrastructure created at the parks will boost foreign direct investment in the parks.

The domestic textile sector is currently highly fragmented and the cost of logistics in transporting textile raw material from one State to another has a considerable share in the overall cost of production. The proposed parks in the seven States will offer an opportunity to create an integrated textile value chain right from spinning, weaving, processing/dyeing, and printing to garment manufacturing at a single location and thus reduce logistics costs, he said.

According to Sunil Patwari, Chairman of Cotton Textiles Export Promotion Council, the parks will not only attract large scale investments but also accelerate the pace of exports in the textile value chain. The parks will serve as a catalyst to achieve the export target of $ 100 billion by 2030.

The PM MITRA scheme will also reassure the investors about the availability of single window clearances and quick decision making, he said.

Source: thehindu.com- Mar 18, 2023

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BIS hallmarking soon to curb sub-standard imports

The government is planning to come up with quality control orders for 250-300 goods in the coming months as part of a strategy to contain import of sub-standard products that tend to flood the markets and dent domestic manufacturing. Cigarette lighters, pens and household electrical items are some of the products that would be bound by the new norms.

The department for promotion of industry and internal trade (DPIIT) is understood to be working on these quality standards, which are likely to be brought in over the next few months. Once notified, these products would have to bear certification by the Bureau of Indian Standards and imports of non-certified goods would not be permitted.

The move is in line with the government's efforts to curb non-essential imports at a time when exports are witnessing contraction owing to the global economic slowdown, raising concerns over the trade and current account deficits. The idea is to use non-tariff measures to curb imports in areas where domestically manufactured alternatives are available. At the same time, imports of raw materials and intermediate goods won't be restricted.

"There are a lot of imported products that have flooded the markets and are being sold at extremely cheap rates. There are no uniform standards for these products and they need to be regulated to ensure that cheap and low-quality imports do no stifle the domestic industry," noted an official source.

However, an import duty hike on these items is not being planned as of now. According to official data, India's merchandise exports shrank for the third month in a row, and imports for the second straight month in February, reflecting the impact of global demand slump in India's external trade.

Export of goods contracted by 8.82% to $33.88 billion and imports by 8.21% to $51.31 billion last month, precipitating a trade deficit of $17.43 billion, the lowest since January, 2022, easing the pressure on the current account. But concerns exist over the current account deficit (CAD), especially since the banking sector crisis in the US is seen to trigger capital outflows. The country's CAD for the first half of 2022-23 stood at 3.3% of GDP, but it is expected to moderate in the second half.

Officials pointed out that the quality control order for toys proved to be very successful in lowering imports and promoting home made goods.To control import of cheap and sub-standard toys, the government has issued Toys (Quality Control) Order, 2020 on February 25, 2020 through which toys were brought under compulsory BIS certification from January 1, 2021.

The norms are equally applicable to domestic manufacturers as well as foreign manufacturers who intend to export their toys to India. The government has also gradually hiked the import duty on toys and components with a hefty 70% import duty proposed in the Union Budget 2023-24.Following various measures taken to this effect, import of toys declined to `870 crore in 2021-22 from Rs 2,960 crore in 2018-19. Exports of toys by India increased to Rs 1,017 crore during the April-December period this fiscal and was Rs 2,601 crore in 2021-22.

Source: financialexpress.com- Mar 20, 2023

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CEPA could be 'game-changer' for India-Bangladesh trade: Indian envoy

Indian high commissioner to Bangladesh Pranay Verma recently said the proposed comprehensive economic partnership agreement (CEPA) could be a game-changer for both the countries in terms of trade. Smooth connectivity is crucial to boosting trade and commerce and there is scope to further expand land routes, railways and waterways between both sides, he said.

Infrastructure development of seven land customs stations is under way and the number of border haats—currently seven—will be increased in future, he said.

Verma was addressing a seminar on 'Improved Connectivity: Unlocking Economic Potential between India and Bangladesh', jointly organised by the Indian High Commission and the Dhaka Chamber of Commerce and Industry (DCCI) in Dhaka, a press release from the chamber said.

Bilateral trade between both sides was worth $16 billion in the last fiscal.

DCCI president Mohammad Sameer Sattar said bilateral trade can be expanded to $20 billion by addressing non-tariff barriers and connectivity-related challenges.

"Connectivity improvement between the northeastern region of India and Bangladesh is essential to supporting the regional market and improving our trade with India," Sattar was quoted as saying.

Mashiur Rahman, economic adviser to the prime minister, said Bangladesh may think of using local currencies for bilateral trade. He called for reconsidering the issue of the anti-dumping duty imposed on the raw jute export from Bangladesh.

Source: fibre2fashion.com- Mar 19, 2023

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Why India's exports and imports have been contracting

Trade data released by the Ministry of Commerce and Industry last week showed that India's merchandise exports and imports continued to contract in February, pointing towards slowing momentum across both the global and domestic economies. Especially worrying is the deepening of the pace of contraction in both exports and imports.

Merchandise exports fell by 8.8 per cent in February, after declining by 6.6 per cent in January and 3.1 per cent in December, while imports declined by 8.2 per cent in February, after falling by 3.6 per cent in January.

On the flip side, a consequence of this deepening contraction is that the country's merchandise trade deficit narrowed further to $17.4 billion in February.

The disaggregated data shows that core-exports, which exclude exports of oil, gold and gems and jewellery, have continued to contract. In fact, 16 of the 30 main export segments actually fell in February, with even labour intensive segments such as leather and textiles witnessing deep contraction.

As per a report by Nomura, as of January, the sharpest declines have been observed in the country's exports to the US, China, Japan and the rest of Asia.

While higher export growth in the first half of the financial year has pushed overall growth for the year so far (April-February) to 7.55 per cent, non-oil non-gems and jewellery exports are almost at the same level as last year. This is a worrying sign.

On the imports side too, a similar scenario exists. Core imports, which exclude oil, gold and gems and jewellery, have continued to contract. The data points towards a softening of imports of consumer and investment goods, indicative of weakening domestic demand.

The outlook for exports remains subdued. According to a report by Crisil, India's merchandise export growth is likely to moderate to 2-4 per cent in the coming fiscal year as two of the country's biggest destinations for exports — the US and EU — are expected to slow down sharply.

As per the International Monetary Fund's latest World Economic Outlook, the US economic growth is expected to slow down from 2 per cent in 2022 to 1.4 per cent in 2023, while the Euro region is expected to moderate from 3.5 per cent to 0.7 per cent over the same period.

This assessment implies that exports are unlikely to provide a fillip to growth. The overall economic momentum will be further weighed down as the full impact of the RBI's tighter monetary policy will be felt across the country.

Source: indianexpress.com- Mar 20, 2023

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Many gaps in the PLI scheme

If there remains a sore spot in India's growth story, it is manufacturing. The government has been attempting to spruce up the sector for a long time now. Production Linked Incentives (PLI) scheme is one such initiative under the flagship Atmanirbhar Bharat Abhiyaan.

With the objective of transforming domestic manufacturing by augmenting its capacity and competence, the scheme aims at creating more jobs, attracting greater investments, reducing imports and making India a global manufacturing hub. In fact, PLI is often touted as the panacea to India's manufacturing problems.

A number of scholars and experts feel that the PLI can significantly restructure India's domestic manufacturing, push its share in the GDP to 25 per cent and foster seamless upgradation of domestic firms into the regional and global production networks.

Ambiguities galore

The real picture, however, is not all that rosy. A closer scrutiny unfolds several chinks in the armour of the scheme and raises serious concerns on its ability to deliver. Forget implementation, the design of the scheme too is riddled with flaws.

Firstly, an Empowered Committee has been constituted by the government for overseeing the scheme's implementation; it is additionally responsible for fund disbursement under each sector. But the manner in which these incentives are to be awarded remain ambiguous. There are no set criteria or common parameters for consideration by the ministries and departments for giving these incentives.

Further, the lack of a centralised database that captures information like increase in production or exports, number of new jobs created etc. make the evaluation process an administrative nightmare. This information ambiguity impacts transparency and can lead to malfeasance, further widening the fault lines and weakening the policy structure.

Secondly, unlike what was promised, the scheme's orientation appears to be greatly predisposed to larger firms. Evidence from fund disbursement in some of the PLI sectors alludes to a bias towards bigger players.

Unintended effects

Further, beneficiary sectors under the scheme such as automobiles, electronics and technical textiles are largely constituted by big firms. Obviously, this is not representative of the actual configuration of the Indian industrial structure, which is largely composed of Micro, Small & Medium Enterprises (MSMEs). These MSMEs not just contribute to a bulk of the manufacturing output and exports but generate much of the employment in the manufacturing sector.

It is worth mentioning that the next phase of PLI scheme will incorporate labour-intensive sectors such as toys, furniture, leather, bicycle manufacturing in its fold. While the intention is to stimulate the growth of labour-intensive manufacturing, it is important to understand that an unqualified expansion of this list may potentially risk the creation of a subsidies-dependent manufacturing industry.

Withdrawing of these benefits at a later stage may be onerous on account of political economy considerations. This would ultimately lead to industrial inefficiencies and engender a decline in productivity both at sectoral and firm-level thus adversely impacting the aggregate manufacturing output. In other words, an imprudent expansion of PLI sectors may be a retrograde move.

Thirdly, the efficacy of production subsidies to galvanise sector-specific manufacturing depend on a combination of factors like a steady stock of raw materials available at competitive prices, size of the domestic market, relationship between upstream and downstream manufacturers, among others.

For instance, PLI extension to the container manufacturing industry is unmindful of an understanding of the prevailing dynamics in India and that of the global container manufacturing business. Around 80 per cent of the total cost of production of these containers is composed of a single raw material called Corten steel, the price of which is ₹120-130 per kg in India, as compared to ₹80-90 in China.

In fact, India has limited capacity to manufacture A-grade Corten steel. Domestic manufacturers source it from China, Japan and South Korea. Thus, the high cost of primary input makes the sector uncompetitive, limiting its ability to compete in the global market.

To complicate things further, the demand in the sector is driven by the global shipping industry controlled by a few developed countries and China, thus creating significant entry barriers. Since the domestic market for containers is driven only by a handful of shipping companies involved in port-to-port shipment mostly in the neighbourhood, it is quite small to support large-scale production with an assured demand.

The bottomline is that production subsidies to scale container manufacturing will not work until other critical factors shaping the ecosystem are understood and factored in. More importantly, this holds true for other sectors as well.

Finally, the scheme paints manufacturing with a broad brush as if all sectors are at the same stage of development and technological advancement, and, have the same requirements. Consider this — a technology-intensive sector such as pharmaceuticals requires more resources for Research and Development (R&D), and, innovation infrastructure so as to sustain manufacturing at the optimum level.

The needs and nature of incentives required for a sector like textile are totally different. The PLI for textiles rightly underpins the importance of boosting the production of man-made fibres (MMF) and technical textiles. It does not, however, cover fabric which remains a highly imported category in the country.

It further excludes from its scope synthetic fabrics such as viscose, polyester and nylon, that are major inputs for apparels. The complexities and nuances that characterise particular sectors are, thus, hardly taken into consideration in the design of the PLI scheme.

The PLI scheme is a classic case of ‘ good intentions but bad approach’. For the scheme to deliver positive results, the structural problems within the policy design and economic system need to first be addressed. Only then will India fulfil its dream of becoming a global manufacturing hub.

Source: thehindubusinessline.com- Mar 19, 2023

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Indian cotton stocks could fall by 16 per cent, says trade body

Indian cotton stocks could fall to their lowest level in nearly two decades, by a margin of 16 per cent in 2022-23, said a leading trade body. This may be a result of lower crop yields due to adverse weather, it speculated.

Exports may be limited from the world's biggest producer, as a result of lower stockpiles in the next marketing year starting from October 1 and lead to supporting global prices. Thai could also result in domestic prices going up and hamper the margins of domestic textile manufacturers.

The Cotton Association of India (CAI) said that the cotton stocks at the end of 2022-23 could fall to 2.69 million bales, which would be the lowest cince 2003-04. The CAI also added that 31.3 million bales of cotton is likely to be produced in the country in the current season ending on September 30, which is a fall of 2.6 per cent from an earlier estimate.

Likely to lead to lower cotton shipments from India, this drop in output will allow countries like the US, Australia and Brazil to increase their shipments to key buyers in Asia such as China and Pakistan. The CAI added that cotton exports for India in the season could fall to 3 million bales from 4.3 million bales a year ago.

Source: apparelresources.com- Mar 17, 2023

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Integrated textile park to bring over 300,000 jobs in Telangana: Reddy

Union Minister G Kishan Reddy on Sunday said the PM Mega Integrated Textile Regions and Apparel (PM MITRA) Park will generate over 3 lakh jobs in Telangana.

Speaking at an event, Reddy said, "The central government under the leadership of Narendra Modi has decided to establish seven mega textile parks. The PM has decided to set up one of the seven parks in Telangana. It is going to bring a great advantage to the textile industry in Telangana. The training, exports and other value-added activity of the mini textile activities will be increased."

The Union Minister said the Central government is investing around Rs 4,400 crore in the textile parks. The Telangana textile park will get more than Rs 10,000 crore of investments. Apart from this, many products from Telangana can be exported to various foreign countries. The textile park will bring in more than 1 lakh direct jobs and more than 2 lakh indirect jobs to the people of Telangana, Reddy said.

He said the Centre is fully committed to the development of Telangana in all fields including national highways, railways, textile, agriculture, employment generation, investment, IT and others. The central government on Friday announced the sites for setting up of seven PM Mega Integrated Textile Regions and Apparel (PM MITRA) Parks for the Textile industry. According to the Ministry of Textiles, the Parks will come up in Tamil Nadu, Telangana, Gujarat, Karnataka, Madhya Pradesh, Uttar Pradesh and Maharashtra.

According to the Ministry of Textiles, PM MITRA Parks represent a unique model where the Centre and State Governments will work together to increase investment, promote innovation, create job opportunities and ultimately make India a global hub for textile manufacturing and exports. Nearly Rs 70,000 crore investment and 20 lakhs employment generation is envisaged through these parks.

Click here for more details

Source: business-standard.com- Mar 20, 2023

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