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INTERNATIONAL NEWS

Asia-Pacific developing economies forecast to grow faster in '23: ADB

Developing economies in Asia and the Pacific are expected to experience faster growth this year, according to the Asian Development Bank (ADB). The easing of pandemic restrictions is driving consumption and investment. The main factor behind this growth is the reopening of China as it shifts away from its zero-COVID approach.

Economies in Asia and the Pacific are projected to grow 4.8 per cent this year and next year, improving on the 4.2 per cent growth rate in 2022, as per the Asian Development Outlook (ADO) April 2023.

Excluding China, developing Asia is expected to grow 4.6 per cent this year and 5.1 per cent in 2024. The region's inflation, meanwhile, is forecast to moderate gradually toward pre-pandemic levels, though there is considerable variation across economies.

Improved consumption and investment are boosting recovery in many regional economies, offsetting the impacts of elevated energy prices caused by the Russian invasion of Ukraine and other global headwinds.

Risks to the outlook persist, however. A protracted or escalated Russian invasion of Ukraine could stoke renewed spikes global inflation and induce further monetary tightening. Tighter global financial conditions, combined with the increase in debt over the past decade and during the pandemic, have elevated financial stability risks. These risks must be carefully monitored and proactively addressed.

With the lifting of the zero-COVID strategy in December last year, the Chinese economy is expected to grow 5 per cent this year and 4.5 per cent in 2024, compared with 3 per cent growth in 2022. India, meanwhile, is forecast to expand by 6.4 per cent this year and 6.7 per cent next year, due to healthy domestic demand.

Robust domestic demand is boosting Southeast Asian economies like Indonesia, the Philippines, and Viet Nam, with the subregion projected to grow by 4.7 per cent this year and 5 per cent in 2024. Economies in the Caucasus and Central Asia can also expect steady growth, with the subregion forecast to expand by 4.4 per cent this year and 4.6 per cent in 2024. Continued reopening is supporting growth in the Pacific, with expansion likely to reach 3.3 per cent this year before moderating to 2.8 per cent in 2024.

Regional inflation will decelerate to 4.2 per cent in 2023 and 3.3 per cent in 2024 after reaching 4.4 per cent last year. Fading supply chain pressures and tighter monetary conditions are expected to shape developing Asia's inflation outlook, according to ADO April 2023.

"Prospects for economies in Asia and the Pacific are brighter, and they're poised for a strong recovery as we return to normalisation following the pandemic," said ADB chief economist Albert Park. "Economic activities are gathering pace. Because many challenges remain, governments in the region need to stay focused on policies that support stronger cooperation and integration to promote trade, investment, productivity, and resilience."

Source: fibre2fashion.com- Apr 05, 2023

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China launches platform to identify sustainable textile products

China recently launched a platform in Shanghai to identify sustainable textile products to mark one of the industry's significant steps to practice the ‘dual carbon’ strategy.

Supervised by the department of consumer goods industry under the ministry of industry and information technology and the Suzhou Market Supervision Administration, the platform, called the ‘Reborn-China Fibre Zero Carbon Action 2023—Sustainable Textiles Credible Platform’, will be jointly run by China Chemical Fibres Association and the National Advanced Functional Fibre Innovation Centre.

Urging the industry to strengthen the promotion of green fibre products at the launch ceremony, Duan Xiaoping, vice president of the China National Textile and Apparel Council, called for accelerating construction of the platform to guarantee consumers' confidence in buying green products.

The ministry of industry and information technology is working to establish China's recycled fibre standard certification system, and as part of that, is guiding and supporting the establishment of the platform, official Chinese media reported.

China is the world's largest producer and consumer of chemical fibre, a crucial raw material for the textile industry.

A complete waste textiles recycling system to achieve zero old clothes waste also needs to be established to tackle the waste-related pollution and ensure a steady supply of raw materials for the production of green fibers, Duan said.

Twenty six enterprises have signed up for the platform.

Source: fibre2fashion.com- Apr 05, 2023

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UK's manufacturing sector shrinks as PMI falls to 47.9 in March 2023

The UK's manufacturing sector fell back into contraction territory in March 2023, as output declined following a slight increase in February. The country's seasonally adjusted manufacturing purchasing managers' index (PMI) fell to 47.9 in March, down from February's seven-month high of 49.3 and the earlier flash estimate of 48.0. The PMI has stayed below the neutral 50.0 mark for eight successive months.

Output was scaled back in response to subdued market demand, declining new export orders and a preference among companies for reduced inventory holdings (itself a by-product of efforts to control costs and improve cash flow and working capital). Business optimism strengthened to a 13-month high, with almost 60 per cent of manufacturers forecasting output to rise over the coming year, according to the S&P Global/CIPS UK Manufacturing PMI report.

The downturn in output was driven by declines in both the consumer and intermediate goods sectors. In contrast, investment goods production rose for the second month in a row. Output fell at small-sized manufacturers, whereas growth was seen at medium- and large-scale producers.

Market conditions remained tough in March, highlighted by the continued subdued trend in new order intakes. New business rose only fractionally (albeit the first gain in ten months), as a mild improvement in domestic demand was more than offset by a further solid decline in new export orders. Backlogs of work meanwhile fell further, as companies caught up on unfilled orders during the current period of slack demand.

Foreign demand for UK manufactured goods contracted for the fourteenth month in a row. Where a decline was reported, manufacturers linked this to weaker demand from the US, Europe, and China. Subdued global economic conditions and exchange rate factors were also mentioned.

The end of the first quarter provided better news on the supply and price fronts. Average vendor performance improved to the greatest extent in the 31-year survey history, reflecting better input availability, reduced supply-chain disruption, and new capacity coming on stream at suppliers.

Lower levels of purchasing activity also contributed to the improvement in vendor performance. Input buying volumes declined for the ninth successive month, reflecting reduced output, subdued demand, a preference for holding less stock and cost-control considerations. Inventories of inputs and finished products were both depleted during the latest month.

Input price inflation eased to its lowest rate since June 2020. Although a wide range of materials were reported to still be rising in price, there were also reports of better resource availability, reduced supply chain constraints, and lower costs for certain commodities leading to lower prices in some cases. Output charges rose, albeit at a slower pace, as companies maintained efforts to pass on higher costs.

March saw employment reduced for the sixth month in a row. Staffing levels fell at medium- and large-sized enterprises, in contrast to jobs growth at small-scale producers. Companies reported that redundancies, the non-replacement of leavers, and cost saving strategies all contributed to the latest round of job losses.

Source: fibre2fashion.com – Apr 05, 2023

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Cambodia & Morocco look to deepen ties; may boost apparel trade

Morocco's foreign minister Nasser Bourita and his Cambodian counterpart Prak Sokhonn have pledged to strengthen their countries' trade ties, although current textile trade between them is negligible. Morocco is a significant garment market, while Cambodia is a prominent garment exporter, indicating significant opportunities in the textile sector for both countries. As a result, Cambodia can explore potential opportunities in the Moroccan market by deepening trade ties.

The foreign ministers recently had a discussion to improve bilateral relations. According to a joint statement issued after the meeting in Rabat, the two countries agreed to organise a forum in the near future in an effort to explore business opportunities and urged business communities from both sides to boost trade and investment.

In 2022, Morocco imported apparel worth $510.828 million, with only $5.055 million, or 0.99 per cent, coming from Cambodia, according to Fibre2Fashion's market insight tool TexPro.

Turkey, China, Portugal, Spain, and Bangladesh were Morocco's top five apparel suppliers, accounting for about 70 per cent of its imports last year.

Morocco's apparel imports increased from $4.348 million in 2021 to $5.055 million in 2022. However, the country's apparel imports declined sharply in 2020 due to the pandemic, dropping to $4.878 million. It has yet to recover fully even after two years. The imports were $8.634 million in 2019, $5.332 million in 2018 and $4.715 million in 2017 as per TexPro.

Source: fibre2fashion.com – Apr 02, 2023

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Germany's exports jump 7.6%, imports up 3.8% in Feb 2023

In February 2023, German exports were up by 4.0 per cent month-on-month (MoM) and imports by 4.6 per cent MoM on a calendar and seasonally adjusted basis. While exports increased by 7.6 per cent, imports jumped by 3.8 per cent on a year-on-year (YoY) basis.

After calendar and seasonal adjustment, Germany exported goods to the total value of €136.7 billion and imported goods to the value of €120.7 billion in February 2023. The foreign trade balance showed a surplus of €16.0 billion in February 2023.

The calendar and seasonally adjusted surplus of the foreign trade balance had also been €16.0 billion in January 2023, in February 2022 it had totalled €10.7 billion, according to provisional data by the Federal Statistical Office (Destatis).

On a calendar and seasonally adjusted basis, Germany exported goods to the value of €73.9 billion to the member states of the European Union (EU), while it imported goods to the value of €62.8 billion from the same countries in February 2023. Compared with January 2023, calendar and seasonally adjusted exports to EU countries rose by 2.0 per cent and imports from those countries by 5.1 per cent.

The value of the goods exported to euro area countries in February 2023 totalled €52.2 billion at 1.6 per cent and the value of the goods imported from there was €41.7 billion at 3.3 per cent.

In February 2023, goods to the value of €21.7 billion—2.9 per cent—were exported to EU countries not belonging to the euro area, while the value of the goods imported from those countries was €21.1 billion at 8.8 per cent, on a calendar and seasonally adjusted basis.

Exports of goods to countries outside the EU (third countries) amounted to €62.8 billion in February 2023, while imports from those countries totalled €57.9 billion on a calendar and seasonally adjusted basis. Compared with January 2023, exports to third countries increased by 6.6 per cent and imports from those countries by 4.0 per cent, Destatis said.

Most German exports went to the US in February 2023, with goods exports up 9.4 per cent on January 2023 after seasonal and calendar adjustment. Exports to the US thus rose to €14.0 billion. Exports to China increased by 10.2 per cent to €8.5 billion and exports to the UK by 2.5 per cent to €6.3 billion.

Most imports came from China in February 2023. Goods to the value of €13.6 billion were imported from there, which was a 6.7 per cent increase compared with the previous month, after calendar and seasonal adjustment. Imports from the US were down 8.7 per cent to €7.6 billion. Imports from the UK dropped by 4.0 per cent to €3.1 billion in the same period.

Exports to Russia declined a calendar and seasonally adjusted 14.3 per cent to €0.9 billion in February 2023 compared with January 2023 and dropped 59.9 per cent from February 2022. Imports from Russia fell 67.2 per cent to €0.3 billion in February 2023 from January 2023.

Germany exported goods to the value of €132.3 billion and imported goods to the value of €115.4 billion on a nominal basis (not adjusted for calendar or seasonal effects) in February 2023. Compared with February 2022, exports increased by 6.3 per cent and imports by 2.6 per cent in February 2023. The unadjusted foreign trade balance showed a surplus of €16.9 billion in February 2023. In February 2022, the surplus had been €12.1 billion.

Source: fibre2fashion.com – Apr 05, 2023

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USA: NCTO Annual Meeting Talks China, De minimis and Exports

Members of the National Council of Textiles Organizations (NCTO) at its 19th annual meeting last week got a mix of post-pandemic good news about increases in trade, rule changes and more on-shoring and nearshoring. Countering that were stern warnings from a banking official about how to plan ahead in the face of seismic worldwide demographic changes under way.

According to outgoing NCTO chairman David Poston, the positive trends reported in 2022 included increased government procurement of US textile-based products, more pressure to crack down on abuse of the de minimis waiver system, safeguarding our free trade agreements and maintaining a strong position on China trade enforcement. Maintaining the integrity of the yarn forward rule of origin was also cited.

Poston, president of the South Carolina-based Palmetto Synthetics, noted payoffs on efforts by several government agencies that resulted in $2 billion in new textile and apparel investments in the US and Central American region. More pending legislation to boost US output is the Homeland Procurement Reform Act (HOPR), which would further allow the Department of Homeland Security to purchase high-quality American-made PPE for front-line personnel.

Former US Senator Heidi Heitkamp, now chair of the Ex-Im Bank Advisory Board of Directors, exhorted NCTO members to plan ahead, not just regarding PPE supplies but for vast population shifts that manufacturers are not poised to take advantage of.

As a country of 330 million people, she said, “we’re not growing.” The crisis of aging and zero-population growth has hit Japan and Europe and is coming to the US, according to the former elected official. Manufacturers have to begin to look at developing exports to Indochina because that is where the customers for US goods will be. In 20 years, some 70 percent of the world’s population will be in Indochina. “We will not be successful as a country if we’re not exporting,” she said.

The US also has to maintain relationships with its traditional trading partners in Europe.

Emerging and green technologies have to be kept in perspective, the Senator said. She elaborated: you can't always refuse to buy a product because it doesn't meet US standards and you must be able to stand by claims you make on your own so-called green products.

According to Heitkamp, the message has to be one of openness and robust collaboration. We cannot go back to where we were pre-pandemic, she said. We have to be able to generate enough steel in this country to run our industries, make sure we have enough manufacturing to put clothes on our backs and sheets on our beds without being beholden to another nation.

"We're now doing what it takes to jumpstart American manufacturing," Sen. Heitkamp said. "But getting American manufacturing up and moving again won't be sustainable if we don't access international markets."

Also speaking at the event were USTR Katherine Tai, who appeared via video, and Livia Shmavonian, Made in America Director at the US Office of Management and Budget.

Marisa Lago, Undersecretary of Commerce for International Trade, concurs that our biggest and most unwieldy trading partner, China, has to be held accountable and forced to comply with all trade regulations. Lago refers to Secretary of State Blinken in his summation of working with China: invest, align, compete.

That means the US invests in trade, works with our allies, but at the end of the day still competes with China on many levels. The US is never going to sacrifice our intellectual property protections in order to compete with China, or compromise on our support of human rights, Lago said.

"But one thing I have to emphasize even as we are engaging in promoting US exports, we are never going to lose sight of the primary importance of protecting our national security and living up to our values," the Undersecretary said.

Diversity issues are one area Lago feels have not reached the goal she set for any of the administrations she has served or any of the multiple positions she has held in government. "We need to do more in the areas (you) mentioned: women, minorities, the disadvantaged, veterans, rural and historically disadvantaged communities," she noted.

The textile industry is well placed to make inroads in these areas. It has many jobs that don't require a college degree and recognizes the importance of technical trade training. She points to North Carolina as a mecca for this approach and commends the state for its focus on fair labor practices.

US exports of fibers, textile and apparel were up last year, to $34 billion from $28.4 billion in 2021, according to David Poston. Capital expenditures also remain strong, with investments in yarn, fabric, apparel and some production, hitting $2.27 billion in 2021, compared with $1.85 billion in 2020. There is $39.8 billion annually in two-way trade with the Western Hemisphere, up 18.4 percent in the past five years. This supports two million jobs in the supply chain, Poston said.

Poston left his position as chairman of the NCTO at last week's meeting and handed the gavel to the newly elected Norman Chapman, CEO of South Carolina-based Inman Mills. The newly elected vice chairman is Charles Heilig, president of Parkdale Mills, located in North Carolina.

De minimis issues remain paramount in enforcing trade regulations, which fall under the aegis of Customs and Border Protection. There was an important change however, in that the legal value of any item to be taxed upon crossing the border, which was raised to $800, up from $200. Despite that 400 percent jump, there are still almost 1 billion de minimis shipments crossing the border a year, up from 150 million in 2016 when the requirement was changed, according to John Leonard, Deputy Executive Assistant Commissioner, Office of Trade, U.S. Customs and Border Protection.

The CBP enforces more than 500 US trade regulations, 14 trade agreements and seven priority trade issue in collaboration with 49 partner government agencies.

It is working to improve data collection with programs called 321 Data Pilot that gets data from the Amazons and Alibabas of the world, and Type 86 which generates a Harmonized Tariff number. To give an idea of volume, the 321 Data Pilot recorded 161 million entries in FY22; Type 86 recorded almost 350 million transactions. Leonard said it was so effective the system ran out of numbers and had to be reconfigured.

CBP is also developing more effective tracing technology which can identify the origin of a fiber, often using DNA, to determine if it came from a region known for forced labor and therefore considered contraband.

It has an on-line reporting system, e-Allegations, where complaints of infractions are triaged and investigated. It works closely with Congress and has added staff. Still, the number of confiscations grows with no end in sight, according to Leonard. Those confiscations don't solve the bigger issue. "We can't seize our way out of this problem," he said.

Source: sourcingjournal.com – Apr 04, 2023

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How Fashion Brands Can Safeguard Workers in Earthquake-Hit Turkey

Labor campaigners are urging fashion's biggest names to support garment and textile workers in Turkey as recovery efforts continue in the wake of a massive earthquake and an equally devastating aftershock that battered the southern and western parts of the country, along with parts of Syria, in early February, killing 50,000 people and causing widespread damage to a region housing a sizeable portion of the industry.

International brands sourcing from the impacted areas, together with factory owners and the Turkish government, must ensure that workers aren't being yoked with additional financial hardship, on top of the suffering they've already endured as a result of the disaster, said #PayYour Workers, a campaign demanding economic relief for garment workers that is endorsed by more than 280 trade unions and labor rights groups, including the Asia Floor Wage Alliance and Clean Clothes Campaign.

Many factories, #PayYourWorkers said in a statement Monday, have opened "recklessly soon" because they feared financial penalties from their buyers for delays in deliveries.

"One week after the first earthquake, factory owners in the heavily affected areas were already urging workers, many of whom had lost family members or their homes, to return to work," the group said. "Reports have already come in about garment workers not being allowed to freely move out of a factory during aftershocks in the area."

While many newer facilities withstood the brunt of the tremblors—and initially opened their doors to survivors needing food and shelter—production ceased in many places because of the damaged infrastructure and displaced employees.

It is of "utmost importance" that workers who are unable to return to their job have sufficient income to survive, #PayYourWorkers said, noting that the 133 Turkish lira ($6.93) they currently receive from the state is "far from sufficient to sustain one person, let alone a family."

Factory owners, it said, are "using the post-earthquake chaos as a pretext to offload risks onto their employees." It cited Marbit Tekstil, a factory in the province of Adana that produces for Spanish chain Zara and local brand LC Waikiki. The manufacturer, which is shuttering, had originally dismissed its 300 employees without compensation, union representatives claimed. They said that it was only following days of protests that the supplier agreed this week to pay them what they were owed, in accordance to their seniority. Zara and LC Waikiki did not respond to requests for comment, while Marbit Tekstil declined to provide a statement.

Cem Altan, president of the International Apparel Federation and a board member of both the Istanbul Apparel Exporters Association and the Turkish Clothing Manufacturers Association, said he was surprised to hear of #PayYourWorkers' allegations.

"As far as I know, many brands helped Turkey to recover from this terrible earthquake," he told Sourcing Journal. "They also supported suppliers by not canceling any production and did not [penalize] for late shipments."

Altan said it's important for suppliers to restart their production lines so workers can stay employed. He estimates that 80 percent of the manufacturers near the earthquakes' epicenters have already done so. "They need business to survive," he said, adding that all workers in the affected areas are supported by both the Turkish government and the companies they're employed by.

Meanwhile, organizations such as the Turkiye Export Assembly and the Turkish Clothing Manufacturers Association have organized accommodation for those who need it, Altan said.

The İstanbul Apparel Exporters Association, better known as IHKIB, likewise lauded the "valuable" support of the country's international partners, several of which have contributed to relief efforts. H&M Group, for instance, donated $100,000 to AFAD, the disaster management agency operating under Turkey's Ministry of Interior, while the H&M Foundation, the philanthropic vehicle operated by the retailer's founding family, gave $500,000 to the Red Cross/Red Crescent and Save the Children. Zara owner Inditex, meanwhile, shelled out 3 million euros ($3.2 million) to the Red Crescent.

Companies making purchases worth $10 billion have given the message to "continue cooperation" with Turkey, the trade group said. It suggested that Marbit Tekstil's closure was due to forces other than the earthquakes.

“The Turkish apparel industry has established good connections with international buyers [over the] years,” said Mehmet Kaya, president of the IHKIB sustainability committee, noting the many discussions with brands, as well as the establishment of internal working groups, to address any challenges. “The current support of buyers with a value-chain approach is very [much] appreciated.”

Mustafa Pasahan, vice president of IHKIB, said that production in the affected regions will likely return to normal within a few months. Damage to garment and textile facilities in the key hubs of Malatya and Adiyaman has been limited, he said, which means that the impact of the disaster on apparel production overall “will not be more than 1 percent.”

Capacity in unaffected regions is plentiful, he noted, meaning that buyers are able to shift their production elsewhere, through a mechanism developed with IHKIB, to meet their deadlines. The bigger issue is the availability of employment for full-capacity production. Most city residents fled the impacted provinces to “forget the earthquake tragedy [and] also for housing problems.”

“The main problem is the psychology of earthquake victims,” Pasahan told Sourcing Journal. “They want to forget their tragedy, but [the] earthquakes and some other conditions are hindering full capacity production. It seems the employers need more time to be normalized.”

Still, #PayYourWorkers warned brands against making the same mistakes of the “Covid-19 pandemic era,” when a spate of canceled and suspended orders drove many suppliers to the brink of insolvency. Hundreds of thousands of workers, facing layoffs, furloughs or severely curtailed hours, fell even further below the poverty line, where they struggled with hunger and deprivation.

“It is very possible that some brands may now refuse to pay suppliers when delivery is late, even though delays are a direct and unavoidable result of the earthquake, leaving their suppliers scrambling and further shifting the economic burden onto workers,” said the campaign, which sprung as a response to what it characterizes as wage theft during the pandemic. “It is critical that brands do not repeat Covid-19 pandemic-era patterns of forcing suppliers to fend for themselves. Brands must manage this crisis responsibly and heed their obligations to suppliers and workers.”

Fashion's leaders must first and foremost ensure wage continuation for workers, requiring—and, equally important, financially enabling—suppliers that are unable to function to keep their workers employed and fully paid for the next six months rather than dismiss them, which the Turkish government has expressly prohibited. Where needed, they should work with manufacturers to assist displaced workers with rental costs and ensure that injured workers and the families of those who died are compensated for medical costs and lost income.

#PayYourWorkers also said that brands should insist that factories not reopen without a thorough engineering inspection. If a structure is declared unsafe, the campaign said, buyers should accept shipment delays without penalty and financially support any repairs and remediation.

"Brands should not force workers and suppliers in Turkey, who are already dealing with the human tragedy of the earthquake, to bear the financial burden of the crisis, while the brands themselves can easily absorb profit losses," #PayYour Workers said. "Even though contracts between brands and their suppliers are generally crafted primarily in the interest of the brands, now brands have an opportunity to demonstrate that supply chain risk does not need to be pushed down onto those already hit hardest."

And another thing: don't forget Syria.

"As vulnerable as every worker is in this time of crisis, the precarity of the situation is higher for Syrian refugees in the area, many of whom are employed in the garment and textile industry," the group said. "Given that many of them are informally employed, they face heightened risks in standing up for their rights, a reality that brands and factory owners must take into account."

Source: sourcingjournal.com – Apr 04, 2023

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Sri Lanka's garment exports down 16.8% to $778 mn in Jan-Feb 2023

Sri Lanka’s garment exports stood at $778.4 million during January-February 2023, which decreased 16.8 per cent over the exports of $935.6 million in the same period of the previous year, as per statistics released by the Central Bank of Sri Lanka. Its garment exports dropped by 14.7 per cent in February 2023 due to the slowdown in the world economy.

During the first two months of 2023, textile exports from the island nation increased by 9.1 per cent year-on-year to $60.5 million. The exports of other made-up textile articles stood at $16.8 million during the same period, down 21.6 per cent, according to the central bank’s report titled ‘External Sector Performance’.

Textiles, garment, and other made-up textile articles’ exports together accounted for 54.87 per cent of all industrial exports from Sri Lanka during the period under review, the report showed. The exports of all textile products totalled $855.7 million in January-February 2023. While Sri Lankan total industrial exports stood at $1,558.3 million in the first two months of the current year.

In February 2023, all textile products exports from the South Asian nation declined by 13.1 per cent year-on-year to reach $431.3 million. Category-wise, garment exports decreased by 14.7 per cent to $389.5 million, while textile exports gained 19.5 per cent to $33.1 million. The exports of other made-up textile articles were down by 27.1 per cent to $8.8 million.

On the other hand, imports of textiles and textile articles eased 40.1 per cent to $383.4 million, while clothing and accessories imports were down by 33.8 per cent to $32.2 million during January-February 2023.

Source: fibre2fashion.com – Apr 04, 2023

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Techtextil, Texprocess 2024 to focus on sustainable solutions

The planning for Techtextil and Texprocess from April 23-26, 2024 is off to a promising start. Exhibitors from over 40 countries have already registered to take part. This also includes exhibitors who have decided not to participate in 2022. The coming trade fair editions will revolve around the theme of sustainability and present future-oriented solutions for the textile industry. Start-ups are given a high-visibility platform at the world's leading trade fairs to find business partners.

Techtextil and Texprocess reflect the innovative power of technical textiles, textile manufacturing and processing technologies. This is demonstrated by a broad spectrum of exhibitor presentations and a comprehensive complementary programme, including the Techtextil or Texprocess Innovation Awards.

"It is a strong signal that exhibitors we missed at Techtextil and Texprocess 2022 have announced their participation again for the coming year. This confirms the international relevance of the two fairs. We offer the industry's most important innovation platform for presenting products and technologies to an international audience, exchanging ideas with the industry and expanding knowledge," explained Sabine Scharrer, director Techtextil and Texprocess.

More than a year before the start of the events, it is already becoming apparent: exhibitors from all over the world are relying on Techtextil and Texprocess as important networking platforms and sales channels for the future. Companies from over 40 countries, including Italy, South Korea and the United States, have already registered to take part. As a new exhibitor country, compared to 2022, Brazil will be represented again. All product segments, from fibres and yarns to nonwovens and coated textiles, including textile manufacturing technology, will be presented at Techtextil. Machines, plants and processes, from cutting, sewing and embroidery technology to printing technologies and finishing, will be on show at Texprocess, the organiser Messe Frankfurt said in a press release.

Visitors can look forward to Carrington Textiles from Great Britain, Concordia Textiles from Belgium, Everest Textile from Taiwan, Kuraray from Japan, Kusumgar Corporates from India, Groz-Beckert, Outlast Technologies and Sandler from Germany as exhibitors at Techtextil and

ASTAS from Turkey, FK GROUP SPA from Italy, Kai Corporation and Tajima Industries from Japan, Amann & Söhne, Assyst/Style3D, bullmer, Brother Internationale Industriemaschinen and Dürkopp Adler from Germany at Texprocess. In addition, numerous organisers of joint stands have declared their participation. From Germany, for example, the IVGT - Industrieverband Veredlung - Garne - Gewebe - Technische Textilien e.V. (Industrial Association for Finishing - Yarns - Fabrics - Technical Textiles), VDMA Services GmbH with the VDMA Textile Machinery, the Saxon joint stand organised by the Verband der Nord-Ostdeutschen Textil- und Bekleidungsindustrie (Association of the North-East German Textile and Clothing Industry) or Bayern Innovativ with a joint presentation. Internationally, country presentations from China, France, Italy, Japan, Spain, the Czech Republic, Turkey and Switzerland have already been announced.

"Techtextil, and especially the event in Frankfurt, as the leading trade fair for technical textiles and nonwovens, has shown in recent decades that it brings business partners together in one central location - not only from Europe, but from all over the world. We are looking forward to meeting the entire textile world again in Frankfurt at Techtextil 2024 and to holding personal meetings with business friends and partners. The Lenzing Group will continue to bring the idea of sustainability in the fiber industry to the world of technical textiles. Techtextil offers us an ideal platform for this," said Oliver Spöcker, director workwear and protective wear, global commercial director FR Fibers at Lenzing AG.

"Techtextil in Frankfurt has always been a very important trade fair for SAHM. The Techtextil trade fairs abroad in Atlanta or Mumbai are also part of our trade fair portfolio. This is where we meet our customers and partners and exchange ideas. We missed this very much during the Corona period. We are therefore very much looking forward to Techtextil North America in Atlanta and Techtextil 2024 in Frankfurt," explained Heike Kollmann, head of marketing at SAHM.

"The expectations of the entire textile processing industry are very high, also with regard to sustainable development. These must be addressed with future-oriented innovations and products. A sustainable transformation will continue to drive the industry forward decisively. Texprocess plays a decisive role in this. The world's leading trade fair is the best possible platform for international experts to see innovations, digitalisation and customised solutions and thus to generate sustainable potential," said Elgar Straub, general manager of the Texprocess partner association VDMA Textile Care, Fabric and Leather Technologies.

“Texprocess is the international trade fair of reference for our industry. It is important for Battistella to be present here and to stay in touch with all the important buyers in the sector. We expect the best innovations in the industry to be in step with the times. We are planning to bring many innovations to our machinery, that we will be presenting at Texprocess. For us, personal encounters with our customers is essential. Building the trust and respect of our customers can only happen in face-to-face meetings. Exhibiting at Texprocess also connects us to a network of possible buyers,“ said Michele Battistella, sales manager at Battistella.

The past Techtextil and Texprocess in June 2022, with an internationality level of 66 per cent on the visitor side, confirmed how important it is for the international branch to come together in person at one place. Getting to know new products, expanding specialist knowledge and networking or exchanging experiences were among the most frequently mentioned objectives of trade visitors to Techtextil and Texprocess 2022. About 96 per cent of visitors to Techtextil and 94 per cent to Texprocess achieved their goals for visiting the fair. The coming edition also meets these requirements to a high degree. Here, the international participants in the sector and relevant market players come together in an ideal setting. The extensive complementary programme, including the Techtextil or Texprocess Forum and Innovation Awards, complements the visit to the fair.

Sustainability and the EU Textile Strategy already proved to be a highly relevant topic for the branch at previous editions and, in particular, at Techtextil and Texprocess 2022. For example, 96 per cent of trade visitors to Techtextil and 97 per cent to Texprocess said that sustainability would play a role for their company in the next three to five years. The two leading trade fairs are responding to these developments with a comprehensive range of products. Companies with sustainable products and innovations, as well as recycling technologies, will be specifically highlighted and the complementary programme for information and knowledge exchange expanded. For example, guided tours to selected exhibitors with sustainable solutions will be offered for the first time.

Source: fibre2fashion.com - Apr 04, 2023

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Europe's Better Cotton launches 2030 Impact Targets

Better Cotton, the world's largest cotton sustainability initiative, has announced four new Impact Targets covering soil health, women's empowerment, pesticides, and sustainable livelihoods. These ambitious new metrics form part of its ongoing 2030 strategy and detailed plans to galvanise change at the field level in key areas.

The new targets sit alongside the first commitment outlined in the organisation's strategy – related to climate change mitigation – which sets out to reduce greenhouse gas emissions by 50 per cent per tonne of Better Cotton lint produced by the end of the decade.

The Intergovernmental Panel on Climate Change's (IPCC) recent Synthesis Report warned that every increment of global warming results in rapidly escalating climate hazards, with more intense heat waves, heavier rainfall and other weather extremes expected to further increase risks to human health and ecosystems.

“Mainstreaming effective and equitable climate action will not only reduce losses and damages for nature and people, it will also provide wider benefits,” insisted IPCC chair, Hoesung Lee.

With more than 22 million tonnes produced annually, cotton is one of the world's most important renewable resources and exists in very diverse landscapes. The sector's development has the potential to reduce poverty whilst promoting sustainability and equality which is why four Impact Targets were developed in conjunction with leading civil society organisations and industry experts.

Sustainable Livelihoods aims to sustainably increase the net income and resilience of two million cotton farmers and workers. Soil Health ensures that 100 per cent of Better Cotton farmers improve the health of their soil. Women's Empowerment focuses on reaching one million women in cotton with programs and resources that promote equal farm decision-making, build climate resilience, or support improved livelihoods, while also ensuring that 25 per cent of field staff are women with the power to influence sustainable cotton production. Regarding pesticides, the goal is to reduce the use and risk of synthetic pesticides applied by Better Cotton farmers and workers by at least 50 per cent.

In the 2020-21 cotton season, Better Cotton and its network of field-level partners trained 2.9 million farmers in 26 countries on more sustainable farming practices. Better Cotton continues to drive continuous improvement at the field level to help cotton farming communities survive and thrive, while protecting and restoring the environment. These new Impact Targets will help ensure more significant and lasting economic, environmental and social benefits in cotton-growing communities by establishing focus and helping to leverage funding, knowledge partners and other resources to build momentum for change at scale, Better Cotton said in a press release.

"Driving impact at the field-level is imperative for Better Cotton's ambitions in what is a defining decade for our planet. Our new Impact Targets will allow us to continue taking measurable steps to support more sustainable cotton production. Pushing further towards regenerative and climate-smart agriculture, we can ensure cotton farmers and farm workers are equipped to address their environmental impact, futureproof their operations and adapt to the often unpredictable effects of global warming. Better Cotton continues to train an ever-growing global community on more sustainable farming practices. The Impact Targets will improve conditions across more than just cotton production, reaching beyond farming communities to benefit their landscapes, supply chains and ultimately consumers," Alan McClay, CEO of Better Cotton, said.

"We welcome the four additional Impact Targets that form part of Better Cotton's 2030 Strategy. Together, we can help increase yields and market access for smallholder farmers, promote decent work, reduce inequality, and drive women's empowerment in cotton production," said Tamar Hoek, senior policy advisor, Sustainable Fashion, Solidaridad.

Climate change impacts everybody, but the most affected are often women, children, low-income households and small-scale producers. Better Cotton's 2030 Strategy continues to set the direction of its ten-year plan to drive impact at the field level over and above compliance with the Better Cotton Standard (principles & criteria). These new commitments also align with the 2030 Sustainable Development Goals and build on the agreements reached at COP27 to reach action-based climate mitigation outcomes for cotton farming communities.

Source: fibre2fashion.com - Apr 04, 2023

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New China-Brazil air cargo route to boost e-commerce trade

A new cargo air route has been opened between the southern Chinese city of Shenzhen and Sao Paulo, Brazil. The route will boost e-commerce trade between the two countries. Launched by Shenzhen Bao'an International Airport and Cainiao Network, the route will operate two flights weekly using Atlas Air's Boeing 747 all-cargo aircraft.

The maiden flight, which carried 100 tonnes of e-commerce products, took off on Sunday. Cross-border businesses in Shenzhen and surrounding cities can now deliver products to Brazilian consumers in just over a week, said Chinese media reports quoting the Shenzhen airport.

The Shenzhen Bao'an International Airport has cooperated with airlines and logistics operators to open new cross-border air routes, with the volume of air transportation of cross-border products up by 70 per cent year on year.

In 2022, the bilateral trade between Brazil and China was $171.49 billion, a year-on-year (YoY) growth of 4.9 per cent, as per China's General Administration of Customs.

Source: fibre2fashion.com - Apr 04, 2023

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Bangladesh's garment exports up 12.17% to $35 bn in July-Mar 2023

Readymade garment (RMG) (Chapter 61 & 62) exports from Bangladesh increased by 12.17 per cent to $35.252 billion in the first nine months of fiscal 2022-23 (July-June FY23) compared to exports of $31.428 billion in July-March 2022, as per provisional data released by the Export Promotion Bureau (EPB). Woven RMG exports grew at a faster pace than knitwear.

RMG exports from Bangladesh were 3.37 per cent higher than the target of $34.102 billion for July-March 2023, as per EPB data. Exports of knitwear (Chapter 61) increased by 11.78 per cent to $19.137 billion in July-March 2023, as against exports of $17.119 billion during the same months of the previous fiscal.

Exports of woven apparel (Chapter 62) increased by 12.63 per cent to $16.114 billion during the period under review, compared to exports of $14.308 billion during July-March 2022, as per the data.

Home textile exports (Chapter 63, excluding 630510) decreased by 25.73 per cent to $659.94 million during the period under review, compared to exports of $1,157.86 million during July-March 2022.

At the same time, woven and knitted apparel, clothing accessories and home textile exports together accounted for 86.55 per cent of Bangladesh's total exports of $41.721 billion during July- March FY23.

In 2021-22, Bangladesh achieved an all-time high in the value of its RMG exports, reaching $42.613 billion, which represents an increase of 35.47 per cent compared to the exports of $31.456 billion in fiscal 2020-21. Despite the global slowdown, Bangladesh has succeeded in achieving positive growth in garment exports in the recent months.

Source: fibre2fashion.com - Apr 05, 2023

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Logistics has become the centerpiece of India's policy: Sh. Piyush Goyal

Union Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Shri Piyush Goyal said that logistics has become the centerpiece of India's policy making in its journey towards becoming a developed nation and a leader in international trade. He also said that express delivery of services has transformed through innovative ideas under the leadership of Prime Minister Shri Narendra Modi.

During his address at the ICRIER Release of the Report on Express Delivery Services in New Delhi, the Minister praised the Indian Council for Research on International Economic Relations (ICRIER) for a report which aims to improve the overall logistics system by partnering with industry and government. He said that ICRIER acts as a bridge between government and industry. He added that it must work with industry experts on the roadmap for fruitful realization and implementation of the recommendations of the report.

The Minister noted that the growth in overall exports over the last two years despite challenges like inventory pileup, high raw material costs, freight issues, and the COVID-19 pandemic's impact is commendable. He said that the government is making a conscious effort to change the mindset of looking at things from the old perspective and living in hesitations of history. It is the result of these efforts that the overall exports from India in 2022-23 are expected to be about US$ 765 billion, he said.

The Minister said that the government is focused on taking digital connectivity across the length and breadth of the country, with 4G and broadband internet reaching almost every corner of the country. He observed that the seamless digital connectivity enabled India to deliver services on time during the COVID period by facilitating work from home. He said that this express delivery of services through an expansive digital network created over the last 8 years must be duplicated in the logistics sector for timely delivery of goods.

He said that Express Delivery Services is yet to come to terms with the huge potential India holds. The Minister noted that scale, efficiency, and building blocks through technology must be utilized to bring down the cost in logistics. He said that the government is taking steps in this direction through massive infrastructure development through PM GatiShakti for smarter and faster planning and implementation of projects, Unified Logistics Interface Platform and dedicated freight corridors.

He highlighted that when the Prime Minister said that India can be the trusted partner to the world at the G20 Summit, the message went out that India is ready to do business with its transparent and rule based ecosystem and its highly talented and committed human resource. The Minister said that trust, transparency, and talent will help us in our trade.

He said that the Prime Minister's vision for India is big and bold, and the entire world is looking up to India with hope and confidence that the country can deliver. He appreciated the role played by youth in the startup sector and encouraged them to think big and work towards making India a developed country.

The Minister said that the Prime Minister’s innovative ideas, including transporting liquid medical oxygen by trains and empty containers by air transport during the COVID-19 pandemic, led to a significant reduction in delivery time and saved numerous lives. He emphasized the importance of speed in determining the success of India and called for newer ideas and ways of doing work in the spirit of togetherness for the country.

Source: pib.gov.in- Apr 04, 2023

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World Bank, ADB lower India's FY24 growth forecast

Two multilateral agencies, World Bank and the Asian Development Bank (ADB), on Tuesday lowered their GDP-based economic growth rates for fiscal year 2023-24 (FY24) by 30 basis points and 80 basis points, respectively.

World Bank has revised its FY24 GDP forecast to 6.3 per cent as against its December projection of 6.6 per cent. "Growth is expected to be constrained by slower consumption growth and challenging external conditions. Rising borrowing costs and slower income growth will weigh on private consumption growth, and government consumption is projected to grow at a slower pace due to the withdrawal of pandemic-related fiscal support measures," the bank said.

However, ADB has cut its growth projection to 6.4 per cent from 7.2 per cent (as announced in December) for FY 24. "The growth moderation in FY2023 is premised on the ongoing global economic slowdown, tight monetary conditions, and elevated oil prices," the agency said.

Addressing a press conference to release the India Development Update, Auguste Tano Kouame, World Bank's Country Director in India, said the Indian economy continues to show strong resilience to external shocks, notwithstanding "external pressures, India's service exports have continued to increase, and the current-account deficit is narrowing," he said.

Although headline inflation is elevated, it is projected to decline to an average of 5.2 per cent in FY 24, amid easing global commodity prices and some moderation in domestic demand. The Reserve Bank of India has withdrawn accommodative measures to rein in inflation by hiking the policy interest rate. India's financial sector also remains strong, buoyed by improvements in asset quality and robust private-sector credit growth.

Dhruv Sharma, Senior Economist with the World Bank, expects that the Centre is likely to meet its fiscal deficit target of 5.9 per cent of GDP in FY24, and combined with consolidation in state government deficits, the general government deficit is also projected to decline. As a result, the debt-to-GDP ratio is projected to stabilise. On the external front, the current account deficit is projected to narrow to 2.1 per cent of GDP from an estimated 3 per cent in FY23, on the back of robust service exports and a narrowing merchandise trade deficit.

However, Sharma clarified that this deficit estimate has not factored in the possible impact on the oil bill on account of a production cut announced by oil producing countries. “An increase of $10 a barrel could translate into a 40 basis points to half a per cent increase in CAD,” he said.

When asked about the impact of US and European banks going bust on Indian banks, Sharrma said that spill-overs from recent developments in financial markets in the US and Europe pose a risk to short-term investment flows to emerging markets, including India. “But Indian banks remain well capitalised and regulated,” he said.

ADB

While cutting its projection for FY24, ADB said FY 2024-25 (FY 25) is expected to see faster investment growth, thanks to supportive government policies and sound macroeconomic fundamentals, lower non-performing loans in banks, and significant corporate deleveraging that will enhance bank lending. It estimates the growth rate to be 6.7 per cent in FY 25.

“Despite the global slowdown, India’s economic growth rate is stronger than many peer economies and reflects relatively robust domestic consumption and lesser dependence on global demand,” said ADB Country Director for India Takeo Konishi.

Source: thehindubusinessline.com- Apr 04, 2023

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Goods exports touch $447 billion in FY23, says Minister Piyush Goyal

India's goods exports touched $447 billion till the last count for 2022-23 fiscal year against $422 billion in 2021-22, commerce and industry minister Piyush Goyal said on Tuesday.

The final export and import data for 2022-23 would be released by mid April. At present, the ministry is in the process of collating the data. The trade data for goods comes with a lag of about 15 days and in the case of services data, it is 45 days.

Goyal said services exports are estimated to cross $320 billion in 2022-23. Growth in merchandise goods would be around 6% for the last fiscal, he said, adding that it has grown from "$422 billion to $447 billion at last count (as the) final numbers are still awaited".

He said the country's exports are growing despite global challenges such as rise in raw material prices, restrictions in exports of certain products like wheat and Russia-Ukraine war.

"The final numbers (exports of goods and services will be closer to $765 billion... I would not be surprised if we actually go up to $772 billion which we figured while drawing the road map for $2 trillion of exports by 2030," the minister said. If the data reaches $772 billion, Goyal said, "then, I will probably reset the $2 trillion target also".

Speaking at an event, he also said that the express delivery services sector had huge potential for growth in India. "To bridge the cost in logistics, we need to look at scale, efficiency and the building blocks through technology," he added.

Going by the strong foundation which the government is building in terms of high expenditure for developing modern infrastructure, internationalisation of trade , free trade agreements and growth in exports of goods and services, the economy may reach $35-40 trillion by 2047, he added.

Source: economictimes.com- Apr 05, 2023

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Foreign trade, a new pathway

GoI has issued its Foreign Trade Policy (FTP), 2023. The earlier policy FTP 2015-20, which was to end on March 31, 2020 was extended till end-March this year due to the pandemic and volatile geopolitical conditions. Nevertheless, during the intervening period, policy changes were being undertaken as needed even without announcement of FTP to meet the emerging situation.

The new policy incorporates measures for ease of doing business like e-certificate of origin, online approvals without a physical interface, paperless filing, overall reduction in transaction costs, boost manufacturing and facilitate exports through ecommerce that has been identified as a key thrust area. The policy also focuses on implementation of special schemes in the identified districts as export hubs. A key feature of the new policy is that it emphasises the internationalisation of trade in rupees. Some key highlights:

- FTP 2023-28 does not have any sunset or end-date, and will be continuously updated in consultation with industry, to address the dynamic needs of India's exports. The policy also has moved from incentives to a remission regime.
- India's total exports during 2022-23 are expected to surpass $760 billion, and aims to achieve $2 trillion by 2030, spurred by ecommerce, support from industry, PLI and several new sectors.
- The new policy focuses on internationalisation of trade in rupees. This is reflective of India's increasing standing in the global trade and also help in making rupee stronger and gradually reduce dollar hegemony in the global trade.
- GoI has declared four new towns of export excellence -- Faridabad, Moradabad, Mirzapur and Varanasi. This is in addition to the existing 39.
- A slew of measures has been implemented to benefit ecommerce exports like extending various FTP benefits to them, pegging the potential of growth through ecommerce exports to $200-300 by 2030. This would mean that ecommerce exporters will be eligible for the same benefits as traditional exporters, including credit scrips, duty exemptions and remission schemes etc. GoI also proposes to create designated zones with a warehousing facility, to help ecommerce aggregators for easy stocking, customs clearance and returns processing. The processing facility will help in various last mile

activities like labelling, testing and repackaging. In addition, the value limits of exports through couriers is being increased from Rs5 lakh to Rs10 lakh.

There will be new thrust in inter-ministerial coordination and facilitation of export. There will be necessary enablement of IT systems in the Department of Commerce, Post and Central Board of Indirect Taxes and Customs (CBIC). Dak Ghar Niryat Kendras across India will be operationalised to work in a hub and spoke model with foreign post offices to facilitate cross borders ecommerce and also help artisans, weavers, women, craftsmen, MSMEs etc. to access international markets. There will be a special outreach and training facilities for small ecommerce exporters.

Ecommerce has assumed much greater importance over the last several years as exporters are able to sell their product directly to customers abroad, through established channels like Flipkart and Amazon, who have strong programs to support exports from artisans, weavers and craftsmen like 'Samarth' and 'Global Selling Program from India' and linkages with the state governments and various local bodies. As a result, these small or micro exporters are able to reach customers abroad and showcase their products without investing in a physical set-up.

There is no doubt that FTP 2023 heralds a new era of optimism and growth, with ease of doing business and several new initiatives of facilitation. It will will give a great boost to Indian manufacturing and exports, including through ecommerce, in various sectors and the hinterland.

Source: economictimes.com- Apr 04, 2023

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Piyush Goyal lauds GeM crossing Gross Merchandise Value of ₹2 lakh crore in 2022–23

In the financial year 2022-2023, procurement of goods and services from government portal Government e Marketplace (GeM) has crossed the Rs 2 lakh crore mark, which is a remarkable achievement, said Union Commerce and Industry Minister Piyush Goyal, in Mumbai today. Commerce and Industry Minister highlighted the role of GeM as a digital tool in the public and national interest. GeM is a symbol of the speed with which PM Narendra Modi has taken the country forward through modern technology, said the Minister. He was speaking at a press conference on the landmark achievement of GeM. Mediapersons from various parts of the country also joined the press conference via video conferencing.

Union Commerce and Industry Minister Shri Piyush Goyal congratulated GeM and its strong ecosystem of buyers and sellers, whose unwavering support has been pivotal towards achieving this historic feat. The Minister added that the Prime Minister desires that the Government departments run at the highest levels of integrity and transparency, with participation of people from the remotest corners of the country and enables women entrepreneuers, startups and the MSME sector to participate in a fair and equitable manner in government procurements.

“I am confident that GeM will grow faster, the future is very bright. I would like to appeal to more and more vendors to join GeM so that they too get a chance to participate in the government procurement process”, he also said.

After the GeM portal was launched in 2017, business worth about Rs 400 crore was done, and in the second year, GeM did business of about Rs 5800 crore. The business through GeM has grown from around Rs 35000 crore two years ago and tripled last year to Rs 1 lakh 6 thousand crores, the Minister informed. Growing to Rs 2 lakh crores in 5 years shows that this experiment of the Prime Minister has been successful, he further stated.

The Minister also mentioned that India has crossed total exports of 750 billion dollars for the financial year 2022-23 and the final figure is expected to cross 765 billion dollars.

The G20 Trade and Investment Working Group Meeting was held in Mumbai recently, also saw positive discussions, he informed. The Union Minister expressed that India has got the Presidency of the G-20 under the leadership of Prime Minister Narendra Modi, and it is a great opportunity to showcase the achievements of the rapidly developing New India to the world.

Speaking about the Foreign Trade Policy 2023 released in New Delhi yesterday, he said that this has been welcomed by industry and trade. A sense of stability is reflected in the foreign trade policy, he added.

Speaking about the vision and journey ahead for GeM, CEO of GeM P.K. Singh, thanked all the stakeholders who are the primary drivers behind GeM's reaching such great heights.

As on 31st March 2023, GeM has recorded a staggering ₹ 2 lakh crore of Gross Merchandise Value (GMV) in FY 2022-23. Cumulatively, GeM has surpassed the ₹ 3.9 lakh crore GMV since inception, with the overwhelming support of its stakeholders. The total number of transactions on GeM has also crossed 1.47 crore.

GeM is catering to the diverse procurement needs of over 67,000 government buyer organisations. The portal features over 11,700 product categories with more than 32 lakh listed products, as well as over 280 service categories with more than 2.8 lakh service offerings. Based on various studies, the minimum savings on the platform are about 10%, which translates into a savings of ~ ₹ 40,000 crore worth of public money.

About Government e Marketplace (GeM)

Government e Marketplace (GeM) is an online platform for public procurement in India that was envisaged by the Prime Minister. The initiative was launched on August 9, 2016 by the Ministry of Commerce and Industry with the objective of creating an inclusive, efficient, and transparent platform for the buyers and sellers to carry out procurement activities in a fair and competitive manner.

In the last ~6.5 years, GeM has revolutionized the ecosystem of public procurement in the country through technology, the digitization of processes, the digital integration of all stakeholders, and the use of analytics. GeM is an example of how digital platforms created with a strategic and clear intent to reinvigorate and reimagine legacy processes can bring about lasting change for the nation as well as the underserved. GeM has been effectively contributing to the government's commitment of "Minimum Government, Maximum Governance".

The platform enables multiple procurement modes (direct purchase, L1 procurement, bidding, reverse auction, bid followed by reverse auction). GeM has evolved as a trust-based platform and is contactless, paperless, and cashless, where authentication of users is done through API integration with respective domain databases, i.e., Aadhaar, PAN, Startup, GSTN, MCA21, etc. The marketplace includes policies for automated market adjustments as well as end-to-end digital processes that support a thriving buyer-seller ecosystem.

GeM has also developed many important functionalities in consultation with its stakeholders, like Push Button Procurement, Single Packet Bidding, Annual Procurement Plan, Vivaad Se Vishwaas, Business opportunities on GeM and AI/ML-based use cases for helping the buyers make more informed decisions.

Through automation and digitization of processes, GeM has led to higher process efficiencies, better information sharing, improved transparency, reduced process cycle times, and a higher level of trust among bidders, which in turn have resulted in greater competition and higher savings. These innovations in GeM have also brought down waiting times and prices for buyers significantly and ensured timely payments to sellers. This is also expected to enhance the overall "Ease of Doing Business" while also promoting the highest standards of quality in public procurement in India.

Source: pib.gov.in- Apr 1, 2023

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Is Foreign trade policy's $2 trillion export target by 2030 achievable?

The $2 trillion target for exports set for 2030 endorsed by FTP 2023 comprises $1 trillion of goods exports and $1 trillion of services exports.

Set against the FY23 projection of combined goods and services exports of about $770 billion, the $2 trillion seems stiff but not impossible to meet. However, while services exports have shown commendable resilience to the ongoing global turmoil caused by the Russia-Ukraine war and the slowdown in major Western economies, goods exports have not done too well. Goods export in FY23 is likely to overshoot last year's $422 billion by a small margin but that is largely due to the healthy performance in the first four months of the fiscal.

FTP 2023, therefore, has been announced at the right time to lend much-needed support to exporters. Since fiscal incentives are out of the reckoning because of WTO restrictions, FTP 2023, focuses on the continuation of duty remission schemes, that are WTO compliant.

The fact that the FTP does not come with an end date is of great comfort to the industry. No uncertainty regarding the continuation of input duty remissions schemes, such as the RoDTEP and RoSCTL, and timely payments by the government, will help exporters do their business with more confidence.

The FTP has also tried to make life easier for exporters and traders, specifically MSMEs, in a number of ways. Measures have been announced to improve the ease of doing business through a reduction in transaction costs and e-initiatives. MSMEs have been the focus of the policy, as they should be, and many facilitative steps are directed towards the sector. Initiatives, such as districts as export hubs and the promotion of e-commerce exports, also have the potential of translating into more exports. Some steps have also been taken to supplement the government's efforts in promoting manufacturing in textiles, dairy, and agriculture.

If the government stays vigilant and updates the FTP, responding to the needs of exporters, it could play an important role in helping meet the $2 trillion export target.

What are towns of export excellence. Which new towns have been added to the existing list?

Towns producing goods of ₹750 crore or more can be recognised as Towns of Export Excellence (TEE) based on the potential for growth in exports. However, for the handloom, handicraft, agriculture and fisheries sectors, the threshold limit is ₹150 crore. FTP benefits provided to recognised associations of units in the TEEs include financial assistance under Market Access Initiative (MAI) scheme, on priority basis, for export promotion projects for marketing, capacity building, and technological services. Additionally, Common Service Providers (CSP) certified by the DGFT in the TEEs are entitled for authorisation under Export Promotion Capital Goods (EPCG) Scheme. TEEs, of course, also get the benefit of global recognition and brand credibility.

There were already 39 such TEEs in the country and four new have been added to the list in FTP 23. These include Faridabad for apparel, Moradabad for handicrafts, Mirzapur for handmade carpets, and Varanasi for handloom and handicrafts.

What does the policy say about e-commerce exports?

The policy is upbeat about e-commerce exports with the government assuming a potential of annual exports growing to about $200-300 billion by 2030 from about $5-10 billion at present.

All FTP benefits are to be extended to e-commerce exports. An inter-ministerial committee comprising officials from the Department of Revenue, Department of Post, and the DGFT has been set up to come up with appropriate guidelines to increase e-commerce exports. It has been decided that the necessary enablements of IT systems will be completed in six months.

In a major concession, the value limit for exports through courier service has been doubled to ₹10 lakhs per consignment.

Necessary enablement of IT systems in Department of Commerce, Post, and CBIC to be completed in six months.

The FTP also announced the creation of designated zones with warehousing facilities to help e-commerce aggregators with easy stocking, customs clearance, and returns processing.

How does the policy intend to given an impetus to rupee settlement of international trade?

In July last year, the RBI allowed invoicing and payments for international trade in the Indian rupee. The move is aimed at helping India save foreign exchange, get past banking curbs to trade with countries under sanction, and gradually enable the rupee to gain the status of an international currency.

In November 2022, changes were introduced in the previous FTP for the grant of export benefits and fulfilment of export obligation for export realisations in rupee as per RBI guidelines so that those who trade in rupees instead of foreign currencies do not lose out. FTP 23 also endorses those changes.

Also read: India, Malaysia can now trade in Indian rupee

What does the FTP offer to MSMEs?

FTP 2023 has some provisions that will specifically help MSMEs. It has reduced the threshold of minimum exports required for the recognition of exporters as Status Holders. Now many smaller exporters can achieve higher status and avail benefits that will reduce transaction costs.

User charges have also been reduced for MSMEs under the popular Advance Authorisations and EPCG scheme and all charges have been brought within ₹5,000.

How will the provisions on merchanting trade help exporters?

FTP 2023 has allowed Indian intermediaries to carry out merchanting trade involving the shipment of goods from one foreign country to another without touching Indian ports. This will make possible merchanting trade of restricted and prohibited items.

Exporters are optimistic that the policy will help them retain their export markets even when domestic restrictions apply on exports of certain items as they could then source them from another country and ship them to their buyers.

What are the other takeaways from the policy?

Measures, such as a special one-time Amnesty Scheme for default in export obligations, streamlining of Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET) licensing procedure, adding PM MITRA scheme to the list eligible to claim benefits of CSP and EPCG schemes, focussing on promoting districts as export hubs and introducing steps to get more online approvals, and paperless filings to reduce physical interface, are also important features of FTP 2023.

Source: thehindubusinessline.com- Apr 02, 2023

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Long on intent: On India's Foreign Trade Policy

India's long-delayed, refreshed Foreign Trade Policy has finally been unveiled. The new policy, announced on Friday by the Union Minister for Commerce, Industry and Textiles Piyush Goyal, has made bold to set an ambitious target of reaching $2 trillion in total exports (goods and services combined) by 2030.

With the government currently estimating exports to have crossed $760 billion in the fiscal year just ended on March 31, the policy projects a near tripling in outbound shipments of goods and services over the course of seven years. And when one compares this growth goal with the 75% expansion achieved over the last seven years since 2016, the magnitude of the aspiration suggests vaulting ambition.

To be sure, the last three years have been unprecedented, with first the COVID-19 pandemic and then Russia's invasion of Ukraine disrupting global trade momentum.

Still, the last three years, when India put its trade policy reset on hold, also provided policymakers a unique opportunity to take a fresh approach to delineating the contours of its trade policy goals. The end result is long on statements of intent.

The National Trade Facilitation Action Plan, for instance, lists aims to achieve that are essential and laudable but in no way novel: an improvement in the ease of doing business through reduction in transaction cost and time, a reduction in cargo release time, and a paperless regulatory environment.

In a nod to India's WTO obligations, the shift from incentives to an enabling regime of duty remission and exemption schemes to facilitate duty-free imports of inputs required for boosting exports has been near complete.

Most of these schemes including the RoDTEP (Remission of Duties and Taxes on Exported Products), RoSCTL (Rebate on State and Central Taxes and Levies), AA (Advance Authorisation) and EPCG (Export Promotion Capital Goods) have been around for a while and the policy has just tweaked some of the terms of implementation to improve adoption.

In the key sector of apparel and clothing, for instance, the facility of self-declaration has now been offered across the board to all exporters.

A one-time amnesty has also been offered, giving exporters more time to avail of both the AA and EPCG schemes. And acknowledging the substantial surge in online trade, the policy devotes a whole chapter to 'Promoting Cross Border Trade in Digital Economy' including moves to facilitate the establishment of dedicated e-commerce export hubs.

Still, with global trade largely becalmed and the services sector facing headwinds of uncertainty in the key western markets, the FTP falls short in offering more substantive and sectorally targeted measures as well as a well-defined road map to meet the 2030 export target.

Source: thehindu.com- Apr 03, 2023

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Shipment from abroad stuck at ports after new payment system glitches

Import consignments are stuck at ports and terminals across the country since April 1 due to glitches in the new payment system.

Brihanmumbai Custom Brokers Association, an industry body representing the western region has asked for government help. In their report, they highlighted the issue of non-payment of customs levies on the newly launched portal. In their letter to the directorate general of systems and data management, customs and central excise, they said that its getting difficult to make the payments as the challans are not visible on ICEGATE.

“All import consignments, including those of food and medicines which have a short shelf-life, are affected, with agents not being able to take delivery. This is creating hardship patients and chaos in general," an industry executive said to TOI.

In a two series tweet, CBIC said "CBIC has noted difficulties being faced by members of the trade in making duty payments over the customs automated system. It maybe noted that an upgraded and modern system of payment is live since 1/4/ 2023. Our technical teams are working overtime to fix some teething issues and the problems being temporarily noticed will be resolved at the earliest.".

CBIC has noted difficulties being faced by members of the trade in making duty payments over the customs automated… https://t.co/nOTUaXuPaV
— CBIC (@cbic_india) 1680537170000

Our technical teams are working overtime to fix some teething issues and the problems being temporarily noticed wi… https://t.co/TzP1Sjni68
— CBIC (@cbic_india) 1680537171000

In the new payment system, it enables users to create a virtual wallet account ICEGATE which acts as a mode of payment for custom duties online apart from internet banking and NEFT/RTGS.

This is not the first time that the ministry has faced such issues. In the past, GST Network was also full of errors and even the new income tax portals have faced several issues prompting the government to approach the Infosys management to fix them.

Source: economictimes.com- Apr 04, 2023

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Government's infrastructure push and its impact on the textile industry

With the Central Government focussing strategically on the Infrastructure sector, the Indian economy is at the cusp of growth. This will have a better impact and will play a significant role in the advancement of the country. India's Union Budget 2023-24, which was announced by respectable Finance Minister Nirmala Sitharaman had a significant focus on improving the overall infrastructure ecosystem, be it the creation of a robust road network, railroads, or airports or by simply creating disruptive projects. The central government has done a commendable job by focusing its synergies on the infrastructure industry. A budget of spending over $1.4 trillion, through the 'National Infrastructure Pipeline' projects, on infrastructure has been planned for the next five years

A well-time-bound development plan can be met by 2025 through India's goal of achieving $5 trillion. The Government of India (GoI) has launched initiatives such as Make in India and Production-Linked Incentives (PLI) schemes to boost the growth of the infrastructure sector.

To begin with, the capex spending on transportation and logistics sectors by the government has increased to Rs 10 lakh crores, which is roughly about 3% of our GDP. This move would have a ripple effect on multiple industries including the textile sector which could benefit from a smooth and sustainable infrastructure model.

The government has also made an extensive capital allocation to modernise the overall transport systems of our country which would go a long way in improving the standards of our supply chain infrastructure. This is critical for the textile industry in terms of empowering SMEs, MSMEs and retail as well.

The textile sector, specifically, is well poised to reap the rewards of the robust growth in infrastructure which would further help to address the challenges of this industry.

Reforming schemes like the PM Mitra Park Scheme would aid the sector in terms of 'ease of doing business' that can help India transform from only a traditional textile industry to an MMF (man-made fibre) hub and technical textile in the world.

Recently, Union Commerce Minister Mr Piyush Goyal announced an investment of Rs 4,455 crores under the PM Mitra scheme which would lead to the creation of seven mega textile parks that would streamline multiple verticals from spinning, weaving and dyeing to printing and garment manufacturing.

The government plans to invest over Rs 70,000 crores to set up these parks, leading to a massive employment generation of over 20 lakh jobs.

Additionally, the PM GatiShakti scheme, which was launched in 2021, is specifically aimed at creating multimodal connectivity to aid the last-mile infrastructure across industrial and economic zones to the remotest parts of the country. This would bring down transportation costs of the textile industry significantly aiding in faster growth and expansion, especially when it comes to garment exports.

These strategic initiatives would lead our country to achieve a faster pace of economic growth which is pegged to be around 7%, which is extremely commendable when you compare it with the current global economic uncertainties.

Post the pandemic, the Indian economy has already risen to become the fifth largest in the world with the average per capita income almost doubling in the same period. Lastly, the Union Budget announced in February 2023 focused on making India an 'Atmanirbhar' economy by empowering lower-income people and raising capital outlay. This would not only help us increase retail consumption levels but would also increase industrial growth as well.

Source: financialexpress.com- Apr 02, 2023

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India-Russia trade hit a record $39.8 billion in 2022–23: SPIEF director

India is emerging as a key supplier of medicines, car and machine parts, textiles and clothing, and food products to Russia, said Alexey Valkov, director of the St. Petersburg International Economic Forum (SPIEF), who organised a mega Indo-Russia business meeting in Delhi.

India-Russia trade hit a record $39.8 billion in 2022–23, Valkov told ET.

The surge in bilateral trade came in the backdrop of India's huge purchase of discounted Russian oil.

"Indian business has the opportunity to fill vacancy in other sectors of the Russian economy after withdrawal of Western firms," Valkov said, pointing to five core areas of potential cooperation – transport infrastructure, agriculture and agro-processing, support for small and medium enterprises (SMEs), digital transformation and cutting-edge technologies, and manufacturing and trading.

Russia became one of India's top five trading partners for the first time, Valkov said as he invited Indian firms to take part in SPIEF. "Visa is easy to obtain and SPIEF participants can not only engage in business but also get taste of Russian hospitality."

He said India is already supplying Russia with medicines, car and machine parts, textiles and clothing, and food products. In the food sector, Russia is importing tea and coffee, rice, fruits, seafood and confectionery from India.

Russia's exports to India include mineral oils and fuels, mineral resources, precious stones and metals, fertilisers, project goods, vegetable oils, rubber and rubber products, paper and cardboard, iron and steel, inorganic chemicals, plastic products and pharmaceuticals.

Besides, 120 Vande Bharat Trains will be made in a joint venture between Russian firm JSC Metrovagonmash-Mytishchi and RVNL coach factory plant in Latur.

On the issue of a newly established rupee-rouble mechanism for trade settlements, the SPIEF director said transactions in national currencies promote sovereignty. “Our continued joint work to support mutual settlements in national currencies will help reduce costs and save time, as well as lower certain risks associated with payments,” he said.

On the upcoming 26th SPIEF in St. Petersburg on June 14-17 where Prime Minister Narendra Modi was the chief guest a few years ago, Valkov said, “Participants have the opportunity to negotiate with representatives of federal ministries as well as companies across numerous sectors.”

The two countries are also exploring digitisation of the INSTC corridor for smooth and faster trade via Iran. India and Russia are also expanding their maritime connectivity via the Vladivostok-Chennai corridor and Arctic region.

Source: economictimes.com- Apr 04, 2023

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FTP update: Govt unlikely to withdraw existing schemes at the moment

The new Foreign Trade Policy (FTP), which does not come with an end date, is to be continuously updated in response to suggestions made by exporters and changes in the external environment, but schemes or benefits extended to exporters are not likely to be withdrawn at the moment, said a senior official.

"The external environment is fragile and exporters need to be supported. The government does not want to rock the boat by withdrawing schemes. Changes to the FTP will mostly add to the benefits," the official told businessline.

FTP 2023 does not come with an end date to ensure predictability and continuity in policy, but updates are to be made whenever required. "If exporters from a particular sector approach the government seeking some additional benefits or changes to the policy, the idea is not to make them wait for five years. Instead, the government will examine the request immediately, and if the claim is legitimate the change would be made," said the official.

While India has withdrawn most of the incentive schemes — such as merchandise exports — which were challenged at the WTO for flouting multilateral norms, it is continuing with others such as the EPCG scheme.

"The EPCG scheme is an important measure to help in production of high-quality goods, as it gives import duty exemption on capital goods subject to certain export obligation. The government does not believe it is an export subsidy, and there is no pressing reason to discontinue it," another source explained.

The most prominent scheme for exporters, the Remission of Duties or Taxes on Export Products (RoDTEP), has been designed with WTO rules in mind, and is therefore expected to stay. It remits all input duties paid by the manufacturer of an exported product and gives no export sops.
"This FTP talks about moving from incentives to remission schemes. So, ones such as RoDTEP and RoSCTL (for textiles) are expected to continue for a long time," said the source.

In case the government considers discontinuation of a particular policy or measure, adequate adjustment time will be given to exporters.

"Exporters have sought a time-frame of about three months for implementation of any changes in the policy when some measure is withdraw. This will give them enough time to execute the orders in hand. The government will soon come up with a suitable time-frame after discussions," said the official.

Goods export

India's exports of goods and services are likely to touch $770 billion in FY23. While export of goods is expected to be only a little over last year's $422 billion, the performance of services exports is better.

FTP 2023 endorses an export target of $2 trillion to be achieved by 2030 comprising exports of $1trillion each of goods and services.

Source: thehindubusinessline.com- Apr 04, 2023

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Relief for Surat traders, Centre extends BIS code deadline for yarns by 3 months

Partially relenting to demands from the textile industry, the Centre has extended the implementation of the Bureau of Indian Standards (BIS) code on yarn by three months to July 3 from April 3.

"We are satisfied with the decision of extension given for three months. During this time, we will create awareness among the yarn stockists and manufacturers in the city and will get them the BIS certificate for their products. Currently, only 10 to 15 per cent (manufacturers) have obtained the certificates. We will try to get such certificates for the maximum number of industry players. This will also help to produce quality products," Southern Gujarat Chamber of Commerce and Industry (SGCCI) president Himanshu Bodawala told The Sunday Express.

On March 13, SGCCI and the Federation of Gujarat Weavers Association (FOGWA) had called on Union Minister of Chemical and Fertilisers Mansukh Mandaviya and Union Minister of State for Textiles and Railways Darshana Jardosh in Delhi requesting to extend the date of implementation of Quality Control Orders (QCO) on various polyester yarns by nine months.

The stakeholders had pointed out that there was a lack of clarity in the QCO orders for providing an exemption from the requirement of BIS for polyester yarn to produce such products. This, they said, would lead to the closure of all units engaged in the production of textile fabrics.
In their memorandum handed over to the Union ministers, the delegates had noted that the share of man-made fibres in textiles was seeing a rise not only in domestic consumption, but internationally as well.

"The industry appreciates the intent of the government to have quality material to be used to produce goods not just for export markets, but for the domestic consumers also. However, at the same time, we strongly believe that the decision should not be made applicable in haste, thereby causing panic amongst the user industry," the memorandum had stated.

Source: indianexpress.com- Apr 01, 2023

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Cotton yarn prices steady in north India; comber & recycled PSF up

Cotton yarn prices in North India remained stable today due to sluggish demand from the downstream industry. Unseasonal rains in Punjab on the first trading day of the new fiscal limited trading activities. The Delhi market also saw stability in cotton yarn prices. However, in Panipat, cotton comber and recycled polyester yarn prices rose due to strong fundamentals from the supply side. Recycled yarn of various varieties and counts remained stable while demand was soft.

Cotton yarn prices were stable in the Ludhiana market because trading activities slowed down due to rain. According to a trader from the Ludhiana market who spoke to Fibre2Fashion, "There was not much trade in Ludhiana because of the rain. Buyers were not seen in the market. The market may take direction very soon."

In Ludhiana, 30-count cotton combed yarn was sold at ₹276-286 per kg (GST inclusive), while 20 and 25-count combed yarns were traded at ₹266-276 per kg and ₹270-280 per kg, respectively. Carded yarn of 30-count was noted at ₹255-265 per kg, according to Fibre2Fashion's market insight tool TexPro.

In Delhi, cotton yarn prices remained at previous levels due to discouraging demand. According to a trader from the Delhi market who spoke to F2F, "Cotton yarn may continue to see sluggish demand from the downstream industry. Price disparity remains a sticky issue for the entire value chain. Demand will also remain weak due to seasonal impact." In this market, 30-count combed yarn was traded at ₹280-285 per kg (GST extra), 40-count combed yarn at ₹305-310 per kg, 30-count carded yarn at ₹255-260 per kg, and 40-count carded yarn at ₹285-290 per kg, according to TexPro.

Cotton comber prices in Panipat rose by ₹3-4 per kg due to slower supply, while the recycled yarn market saw a steady trend in prices amid weaker demand. Recycled polyester fibre also saw a price rise of ₹3 per kg. According to trade sources, the value chain of Panipat's home furnishing industry was active in building up stocks of cotton comber, but the arrival of cotton waste remained tight, which supported comber.

In Panipat, 10s recycled PC yarn (grey) was traded at ₹88-92 per kg (GST extra), 10s recycled PC yarn (black) at ₹60-65 per kg, 20s recycled PC yarn (grey) at ₹100-105 per kg, and 30s recycled PC yarn (grey) at ₹150-155 per kg. Comber prices were noted at ₹144-146 per kg. Recycled polyester fibre (PET bottle fibre) was noted at ₹76-78 per kg.

Cotton prices in North India remained steady amid slower demand. According to traders, cotton demand and arrival were lower due to the rains in Punjab and other adjoining areas, which discouraged buyers from making new deals for cotton purchases. However, cotton was traded higher last Saturday. Today, cotton prices were ruling at ₹6,160-6,270 per maund of 37.2 kg in Punjab, ₹6,150-6,260 per maund in Haryana, and ₹6,380-6,480 per maund in upper Rajasthan. Cotton was sold at ₹59,000-61,000 per candy of 356 kg in lower Rajasthan. The arrival was reduced to 7,000 bales of 170 kg in north India.

Source: fibre2fashion.com- Apr 03, 2023

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