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Currency Watch			
USD	EUR	GBP	JPY
83.19	88.80	103.19	0.56

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INTERNATIONAL NEWS

FDI into Chinese mainland falls 5.1% YoY to 847.17 bn yuan in Jan-Aug

Foreign direct investment (FDI) inflow into the Chinese mainland in actual use fell by 5.1 per cent year on year (YoY) to 847.17 billion yuan (nearly \$118 billion) in the first eight months this year, according to the commerce ministry.

A ministry official attributed the drop to the slow pace of the global economic recovery and the high base recorded last year.

During the period, 33,154 new foreign-invested firms were set up across the country—up by 33 per cent YoY, the official was quoted as saying by a state-controlled media outlet.

FDI in manufacturing rose by 6.8 per cent YoY.

FDI from the United Kingdom, Canada and France rose by 132.6 per cent, 111.2 per cent and 105.6 per cent respectively during the period.

Source: fibre2fashion.com— Sep 17, 2023

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Italy's exports fall by 7.7% YoY in Jul, imports by 19.4% YoY

Italy's seasonally-adjusted exports and imports decreased by 1.8 per cent and 4.7 per cent month on month (MoM) respectively in July this year, according to official data. Exports decreased by 7.7 per cent and imports by 19.4 per cent year on year (YoY) during the month.

Exports to European Union (EU) countries decreased by 1.5 per cent MoM and 8.7 per cent year on year during the month, while to non-EU countries, it fell by 2.2 per cent MoM and 6.7 per cent YoY.

Imports from EU countries dropped by 6.3 per cent MoM and 5.7 per cent YoY, while from non-EU countries, it fell by 2.5 per cent MoM and 31.8 per cent YoY during the month.

Over three months from May to July this year, seasonally-adjusted data dropped both for exports (minus 2.5 per cent) and for imports (minus 4.1 per cent) compared to the previous three months.

Trade balance registered a surplus of €6.375 million in July—€1,331 million surplus for EU countries and €5,044 million surplus for non-EU countries. Excluding energy, trade balance surplus reached €11,196 million.

Source: fibre2fashion.com— Sep 17, 2023

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Is the U.S. Textile Manufacturing Sector a Winner or Loser of Globalization and International Trade?

Comment #1: While it is true that many Americans lost their jobs due to the increase in trade, there are more benefits to both importing and exporting rather than the mercantilist view of trade. Increasing trade and globalization, especially during the Clinton administration, was an opportunity to develop strong relationships with other nations.

The value of U.S. textile exports since 2000 has risen by 30% for yarn and 15% for fabric, after the establishment of agreements such as NAFTA. Additionally, one of the U.S. apparel manufacturers in the video used machinery for their production from Sweden. Without globalization and trade, they would not be able to use this high-tech equipment. All in all, U.S. textile manufacturing sector benefits from both importing and exporting goods.

Comment #2: Deeper down, the US textile sector seems to be winning in the long run. The squeeze that globalization has placed on them has allowed for innovation within the industry as they fight to stay relevant and compete with overseas goods. Operational slack such as high turnover jobs have been eliminated with automation, and US manufacturers gained a new branding niche that overseas companies do not: a US “personal touch.”

Consumers may now be more willing to pay more for a garment just because it says it is made in the USA. USA-made clothing may now be perceived as higher quality and more scarce. The sentiment towards US-made goods and their quality could enact change to reduce overseas reliance, which is a win for US manufacturing in the long run. Additionally, globalization expands the export market for the US textile manufacturing sector.

Comment #3: As discussed in the video, there is a growing trend of reshoring and regionalization in some manufacturing sectors, including textiles. Some U.S. textile manufacturers have seized this opportunity to bring production back to the United States, capitalizing on the advantages of local supply chains, quality control, and speed to market.

Comment #4: One of the biggest arguments for globalization is the lower prices & affordability for the consumer. From this perspective, it seemed that the United States was a winner of globalization as a whole. However, when beginning to look at the consequences of moving production overseas, we not only see the textile manufacturing sector being affected, but we also see this impact disperse to the communities in America as well. When brands offshore and outsource production overseas for lower prices & labor, our very own US textile manufacturing industry is losing out on this business.

It also forces this industry into a highly competitive environment that does not have equal “playing fields” and does not have insurance/protection in case environmental factors ruin crops. The US has clear labor laws and human rights policies (as well as increasing environmental policies), whereas their cotton-growing competitors, for instance, do not have to follow the same rules. This allows labor exploitation to decrease costs and makes US companies seem unappealing or less competitive.

Comment #5: Over the past few decades, the number of manufacturing jobs in the US textile industry has plummeted after companies began moving production overseas, specifically to countries like China, which have preferential treatment. These foreign facilities can produce things much faster and cheaper because the standards and regulations are completely different than those of the United States.

Free trade does not consider these differences in labor and environmental laws, making it much less “free” than it claims. As countries overseas—specifically China and regions like Xinjiang—continue to not play by the rules, the US is forced to keep up by implementing things like the Toyota System...Americans want to be the best in manufacturing and globalization often gets in the way of this. With near-shoring, the US can reclaim high-quality, American-made garments while helping with job security and sustainability.

Comment #6: Overall, I believe that the U.S. textile manufacturing industry is a loser of globalization and international trade, mostly due to the competition from overseas. This competition includes more manufacturers from other countries, but also the competition of pricing since other overseas manufacturers are able to sell their cotton/textile materials at a lower price.

Since the U.S. struggles to compete with these lower prices, they are forced to look for another way to have a competitive advantage in the textile manufacturing sector, such as lean manufacturing and technology improvements. At Carolina Cotton Works, Bryan Ashby shares how they have increased efficiency and use high-quality machines (note: imported) for their products. Although this sounds great, this also means that there are fewer workers.

Comment #7: Globalization creates a trade dependence on imports. It's important we don't depend on things for when things happen that we can't predict like the pandemic where we can't import anymore. Since there was a lack of local textile manufacturing and sourcing in the United States compared to what was being imported, there was less of a chance for technological advances and improvement in the United States textile manufacturing sector.

Post Globalization, however, may be the chance for the United States to bring back the textile manufacturing sector momentum. I think this because the United States has seen the result of heavily relying on other countries for their cheap labor/sources, and this could add extra motivation for companies to want to figure out better alternatives in manufacturing in their own country.

Comment #8: I think currently the US is a loser to globalization only because brands want to get the product for cheap. I think brands think that would create more profit that way. However, I do believe we could get to a future where more things would be created in the US and wouldn't have to pay that much in tariffs and other external prices. I think it would help boost people to work more. I think people are worried about making things in our country because of the relations we have with other countries.

Discussion questions:

Do you agree or disagree with any particular argument above? Any follow-up comments on the impact of globalization on the US textile manufacturing sector? What should government do with trade given the debates? Please feel free to share any additional thoughts.

Source: shenglufashion.com– Sep 17, 2023

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Istanbul Fashion Connection Shows Momentum in Turkey

While IFCO Istanbul Fashion Connection is held twice a year, industry trade show that was held just after the February's massive earthquake, was marked by uncertainty amid the deaths, losses and factory damage in the wake of the devastating natural disaster.

The latest rendition last month at the Istanbul Expo Center was noticeably more upbeat.

"It takes about four weeks to really know how the event went, and if orders are coming in," Aysu Nazli Gültepe, owner, Sporttempt, a luxury sportswear brand, told Sourcing Journal, referring to what has fast become an important part of the sourcing landscape for the Republic of Türkiye, what Americans commonly call Turkey.

Her space at the event carried a simple slogan: "Stands out in the crowd." "While a lot of people walked through the stall, and inquired about prices, the real orders have been coming in these weeks after," she said.

Other manufacturers agreed.

Many noted that although they participated in the previous session, the mood then was "too heavy to focus on business." Last month, however, the focus on rebuilding offered a strong sense of unity—rebuilding not just the affected areas, but also the country's businesses.

An IFCO spokesperson told Sourcing Journal that while Europe is the biggest export market for Turkey, new markets appear to be showing interest. "We had 180 visitors from Kazakhstan at IFCO; there were 134 from the United States, 1,021 from Russia, and 313 from middle Europe," he said, adding that the show attracted 133 percent more visitors versus August last year.

"We also had a B2B meeting area where we held a matchmaking event with buyers and the companies. There were buyers from 70 countries for this, up from 30 countries in February," the rep added.

Described as the "biggest ready-to-wear and fashion fair in Europe," the event filled up 375,000 square feet. Mustafa Gültepe, president of the Turkish Exporters Assembly, or TİM, said that plans were "to spur growth

for the industry which saw a spike in revenue over Covid, and then has been facing difficult times.”

“Any step to be taken towards creating high added value and branding will have a positive impact on our exports. We are looking for ways to increase our market diversity. And of course, we need to further strengthen the perception of Made in Türkiye,” Gültepe added.

He emphasized the solidarity felt throughout the industry. “Here in these halls last February we presented the biggest ready-to-wear and fashion fair in Europe. No success is achieved by accident,” Gültepe said. “There is a great vision, sectoral solidarity, consultation and a common mind behind this success. There is an understanding that says ‘we’, not ‘I.’”

Buyers in Istanbul said that they were looking at the event for better sourcing, too. International buyers at IFCO included Inditex (Spain), PDS (UK), Huesken (Germany), Sainbury’s (UK), Walmart (USA), Quicksilver (USA), Teddy Fresh (USA), Wilbo (USA), About You (USA), Fred David (Canada), Cihuah (Mexico), Andiamo (Peru), Pandawa (Columbia), Castro (Israel), Golf&Co (Israel), 6th Street (UAE), Apparel Group (UAE), Safari Group (UAE), Ria Miranda (Indonesia), Hi Style (Malaysia), Zalora (Malaysia), Musinsa (South Korea) and Ackermans (South Africa), among others.

Turkish designers are also gaining visibility, and many of the nation’s top names were at the show including Arzu Kaprol, Ceren Ocak, Çiğdem Akın, Essin Barış, Emre Erdemoğlu, Mehmet Emiroğlu, Meltem Özbek, Mert Erkan, Murat Aytulum, Nejla Güvenç, Özlem Erkan, Selin Küçüksöz, Seydullah Yılmaz, Tuba Ergin and Yakup Biçer.

Due to demand, the stalls were 20 percent more expensive in August than the previous season and are expected to cost about 50 percent more for the next IFCO event to be held Feb. 7-10, 2024.

“It may seem an increase but not a real increase, due to inflation the cost of taking a stall will actually be lower in dollar terms. For what is the biggest such fair in Europe, it may well be the cheapest,” an IFCO representative said.

Source: sourcingjournal.com– Sep 17, 2023

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China-ASEAN Expo becomes an important platform for promoting closer bilateral economic ties

The 20th China-ASEAN Expo opens on September 17, 2023. The year 2023 marks the 20th anniversary of the establishment of the strategic partnership between China and ASEAN (Association of Southeast Asian Nations) and the 20th anniversary of the establishment of the China-ASEAN Expo. This gives special significance to this year's China-ASEAN Expo.

Chinese Premier Li Qiang will deliver a keynote speech at the opening ceremony of the 20th China-ASEAN Expo and the China-ASEAN Business and Investment Summit in Nanning, south China's Guangxi Zhuang Autonomous Region, on September 17. Cambodian Prime Minister Hun Manet, Laotian Prime Minister Sonexay Siphandone, Malaysian Prime Minister Anwar Ibrahim, Vietnamese Prime Minister Pham Minh Chinh, Indonesia's Vice President Ma'ruf Amin, Thailand's Deputy Prime Minister and Commerce Minister Phumtham Wechayachai, and ASEAN Secretary-General Kao Kim Hourn will also attend the opening ceremony.

China has maintained its position as ASEAN's largest trading partner for 14 consecutive years, and the two sides have been each other's largest trading countries for three consecutive years since 2020. With the release of the dividends of the Regional Comprehensive Economic Partnership (RCEP) implementation, the construction of the upgraded China-ASEAN Free Trade Area has been further advanced, and the status of China and ASEAN as each other's largest trading partners has been further consolidated. China has become an important foreign investor for the ASEAN countries in recent years.

The China-ASEAN Expo is an important and inclusive cooperation platform for both sides. ASEAN Secretary-General Kao Kim Hourn said that over the past 20 years, the China-ASEAN Expo has been an important platform mechanism to actively promote trade, investment and tourism between ASEAN and China.

Benefiting from the China-ASEAN Expo and the related business summits, the economic cooperation between the ASEAN countries and China has expanded from mechanized trade and investment to international production capacity cooperation, finance, digital economy,

health, tourism, and education among other areas. The bilateral collaboration between the two sides is comprehensive.

The expo has become a booster for the construction of the China-ASEAN free trade area (FTA). In the previously held China-ASEAN Expos, more than 1.1 million merchants participated in the exhibition.

The expo provides opportunities and channels for the ASEAN countries to expand the export of characteristic and advantageous products to China, expand trade and open up new markets. It will be helpful to contribute to the more balanced development of bilateral trade between China and ASEAN.

With the annual China-ASEAN Expo and the implementation of the China-ASEAN FTA upgrade protocol, the volume of bilateral trade in goods between China and ASEAN will further increase in the future. Digital economy, finance, logistics and telecommunication services will become new growth points for boosting bilateral trade in the future.

The pandemic has greatly changed cross-border trade patterns and consumer habits, and online trade and consumption have become more popular, which has also promoted the vigorous development of e-commerce in China and ASEAN countries. After RCEP is officially implemented, it will bring greater convenience and new market opportunities to further promote the growth of cross-border e-commerce. With the economic growth of ASEAN countries, Internet popularity, and the expansion of the middle class, the size of ASEAN's digital economy is expected to exceed \$1 trillion by 2030.

The 20th China-ASEAN Expo is expected to have more than 40 participating countries and nearly 1,700 exhibitors. For ASEAN countries, the expo is an important event for promoting trade, investment, products and tourism, which will help strengthen economic and trade interaction between ASEAN countries and China and other regional countries, and further explore the opportunities brought by the implementation of the China-ASEAN Free Trade Area and the RCEP implementation.

In the 20th China-ASEAN Expo, it is expected to attract about 640 exhibitors from ASEAN countries. These companies will bring ASEAN-made biscuits, coffee, cocoa and chocolate products, fruit juice drinks, condiments and other special foods to the expo. The attendees will also

spot fashion supplies, jewelry, health and beauty, home decoration and other special goods from ASEAN countries.

For example, 120 Vietnamese enterprises will participate in the expo, including agricultural products, aquatic products, processed foods, household utensils, textiles and clothing, wood products and handicrafts. 23 Singaporean enterprises will participate in the exhibition and more than 70 investment and trade promotion activities will be held.

As the sidelines of the expo, the Investment Cooperation Roundtable, ASEAN Industrial Park Investment Conference and Project Matchmaking Conference, a special event on "Invest in China Year – Enter Guangxi" among other events will be held to deepen the economic, trade and investment cooperation between China and the ASEAN countries.

Source: cgtn.com– Sep 16, 2023

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Bangladesh: 'Negotiate with EU to ease GSP Plus conditions'

Bangladesh should negotiate with the European Union (EU) to soften some provisions in the proposed Generalised System of Preferences (GSP) Plus since the country has extra time to do so after the EU extended the tenure of the existing GSP status up to 2027, an economist said yesterday.

The new GSP Plus was supposed to come into effect from January 2024 and last 10 years up to December 2034, but the EU parliament could not reach a consensus on some provisions.

As a result, the current GSP was extended up to 2027.

"So, Bangladesh has got additional time to negotiate with the EU," said Mohammad Abdur Razzaque, chairman of the Research and Policy Integration for Development (RAPID) at a workshop on "exploring export diversification opportunities in the EU" and "Data Journalism" at the Economic Reporters' Forum (ERF). The workshop was jointly organised by the ERF, RAPID and Friedrich Ebert Stiftung (FES).

Article 29 of the proposed GSP Plus scheme stated safeguard measures for textile, agriculture and fisheries industries if the share for the relevant product exceeded 6 percent of total EU imports and exceeded the product graduation threshold, which is 37 percent for textiles.

Bangladesh's textile threshold has already crossed 55 percent under the GSP scheme.

Given that context, Razzaque said that Bangladesh should negotiate with the EU to ease this article so the country could continue to enjoy duty benefits from the EU even after Least Developed Country (LDC) graduation.

Bangladesh can earn an additional \$23 billion through exports to the EU if products could be diversified, Razzaque added.

Last year, Bangladesh exported goods worth more than \$25 billion to the EU, of which more than 92 percent were garment items.

Vietnam exported 5,140 kinds of products to the EU and Malaysia exported 4,740 varieties of goods compared to Bangladesh's exports of 2,600 varieties of goods.

Of the total imports of cotton-made garment items in the EU in a year, 35 percent is supplied by Bangladesh.

"Bangladesh is the king in supply of cotton-made garment items to the EU. But excessive dependence on cotton-made garment products to the EU could be a cause for concern. It's time to move into non-cotton items," Razzaque added.

On July 4 2023, the European Commission announced through an explanatory memorandum that it was proposing to extend the validity of the current GSP Regulations for an additional four years or until December 31, 2027.

If Bangladesh can enjoy duty-free facilities to the EU for an additional seven years, the country can also grab more market share of non-cotton businesses, he said.

Razzaque also blamed protectionism in the domestic market for the slow diversification of exports, saying manufacturers preferred the local market to the international market.

At the event, State Minister for Planning Shamsul Alam said that people were under pressure due to high inflation.

"High import tariffs are also responsible for high prices of commodities. Inflation also increased in August this year. If the supply of commodities is restored, inflation may decline," he said.

Shadhan Kumar Das, programme advisor to the FES Bangladesh, M Abu Eusuf, executive director of RAPID and ERF President Mohammad Refayet Ullah Mirdha also spoke. Assistant General Secretary to the ERF Mizanur Rahman moderated the event.

Source: thedailystar.net– Sep 18, 2023

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Pakistan: Weekly Cotton Review: Spot rate hiked amid Whitefly challenge

Cotton prices remained stable during the previous week. There was an increase in spot rate by Rs 1,000 per maund. Deadly attack of Whitefly on cotton crop is termed alarming, as the crop is likely to be badly affected. Government officials and agricultural experts are actively working for coping with the attack of whitefly. Helicopters and drones are being used for spray.

There is a decline in textile sector's exports while cotton production is expected to increase by 70%.

In the local cotton market last week there was a decrease in arrival of cotton. The arrival of cotton is also less because the farmers are demanding high prices of Phutti. Yet another major reason the alarming whitefly attack on the cotton crop and relatively reduced picking of Phutti due to high temperatures.

Due to these reasons, the price of cotton remained stable. Textile spinners are cautiously buying cotton because there are reports of increase in petroleum and gas prices. On the other hand the rate of cotton is also continuously decreasing.

According to the information received from the cotton producing areas, the cotton crop is heavily attacked by the whitefly. As a result of which according to experts cotton production will be less than the estimate.

It is being observed for many years that the month of September proves to be fateful for the cotton crop. This year also the month of September is showing its cruelty and affecting the crop badly. Although rains are predicted for next week and if the weather condition improves, the effect of attack of white fly will be partially reduced.

To protect the cotton crop from whitefly, Punjab interim Chief Minister Mohsin Naqvi, interim provincial Minister SM Tanveer, APTMA and other agricultural experts are actively working.

The rate of cotton in Sindh is in between Rs 18,500 to Rs 19,000 per maund. The rate of Phutti is in between Rs 8,000 to Rs 9,000 per 40 kg. The rate of cotton in Punjab is in between Rs 19,000 to Rs 19,500 per

maund while the rate of Phutti is in between Rs 8,500 to Rs 9,300 per 40 kg. The rate of cotton in Balochistan is in between Rs 18,500 to Rs 18,800 per maund and the rate of Phutti is in between Rs 8,500 to Rs 9,300 per 40 kg. A bearish trend prevails in the rate of Khal Banola and oil.

The Spot Rate Committee of the Karachi Cotton Association increased the spot rate by Rs 1,000 per maund and closed it at Rs 19,000 per maund.

Chairman Karachi Cotton Brokers Forum Naseem Usman has said that a mixed trend was witnessed in the rate of cotton in international cotton market. The rate of Future Trading of cotton was around 86.44 American cents per pound.

According to the USDA's weekly export and sales report, sales for the year 2023-24 were 67,400 bales. Vietnam was at the top by buying 25,900 bales. Mexico was second with 25,200 bales. China bought 17,500 bales and came third.

As many as 25,200 bales were sold for the year 2024-25. Turkey was on the top by buying 19,800 bales. Pakistan bought 4,400 bales and came second. Mexico bought 1,100 bales and was on third place.

Textile and clothing exports have shrunk by 9.49 per cent in the first two months of the current fiscal year as compared to the previous year owing to rising cost of production and liquidity constraints, data released by the Pakistan Bureau of Statistics showed on Friday.

In absolute terms, the value of textile and clothing exports fell to \$2.766 billion in July-August from \$3.05bn in the corresponding months last year. The decline indicates no sign of revival in export proceeds in the first half of FY24.

In FY23, the exports of textile and clothing contracted by 14.63pc year-on-year to \$16.50bn. Pakistan's total merchandise exports went dipped by 12.71pc year-on-year to \$27.54bn in FY23 from \$31.78bn in the preceding fiscal year.

Separately, alarmed by reports of the major pest attack, caretaker Chief Minister Mohsin Naqvi has dispatched Agriculture Secretary Iftikhar Sahoo and other top officials to the affected region, while help of army's helicopters and drones has also been sought to spray pesticides.

A press release issued by the CM's office claims that the army's high command has agreed to the request to allocate its helicopters and drones for spraying the pest-affected fields.

Cotton Ginners Forum Chairman Ihsanul Haq said the attack began a couple of weeks ago and it is affecting the growth of plants due to the blackening of the leaves. He feared that the attack will not only affect the overall domestic production of cotton, but the quality of the produce, as well, which may lead to an increase in the import of cotton overburdening the precious foreign exchange reserves.

Haq held the Meteorological Department responsible for weather-related damages the agriculture sector has been suffering from for the last many years, due to a lack of timely and accurate forecasts.

He says that owing to global warming, meteorological departments around the world have been upgraded a lot in the past few years so that timely and accurate weather forecasts of the rapidly changing climate can protect crops and the environment from maximum adverse effects. But in Pakistan, he laments, the department's equipment was not upgraded and instead it was converted into the Ministry of Climate Change, which could not have any positive effects on Pakistan's agriculture.

The federal and provincial governments had declared 2023-24 as the cotton year and due to their efforts a record production of 10 million bales of cotton was expected this year.

According to reports, the weather is becoming milder and rains are falling in many areas. It is expected to become beneficial for controlling the attack of whitefly.

Meanwhile, the cotton production figure till September 15 is expected to be around 3.8 million bales, about 1.6 million bales higher than the production of 2.2 million bales in the same period last year.

Source: breccorder.com– Sep 18, 2023

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Bangladesh: Greener RMG industry

Ever since the start of monitoring the extent of greening compliance by garment manufacturers and exporters in developing countries, the prerequisite has been a subject of unease.

The monitors belong to the club of global bigwigs in the clothing and fashion industry. The countries under watch include Bangladesh.

One of the largest manufacturers and exporters in the world, the country is now in a transition phase of emerging green. As the requirement is tied to the readymade garments (RMG) factories' manufacture of the clothing products and their export, the country attaches great importance to the issue. Trade experts, however, underscore the imperative of some harmonisation standards regarding the green RMG factories.

Many of them have been able to gain preliminary access to industrialisation by utilising the sector. The observations were made by panelists at a working session of the WTO (World Trade Organisation) Public Forum 2023 in Geneva on September 14. It was titled 'Green trade measures and their development implications: a focus on the textiles and clothing global value chain'. Obviously, the focus of the session was on the urgent need for addressing the emerging global climate emergency --- achieving net-zero point on carbon emissions in the RMG sector.

Taking part in the session as a panelist, Dr Fahmida Khatun, executive director of the Centre for Policy Dialogue (CPD), observed that the export-oriented textiles and readymade garment sector was an important driving force for Bangladesh economy as "it is a source of employment generation and foreign exchange earning". Bangladesh has already taken different types of steps for greening the textiles and clothing industry, she told the session about the transition.

There are, however, drawbacks which impede the setting up of green factories, including disparate standards set by global brands that do the marketing.

In course of her deliberations, Dr Fahmida goes to the roots of a feeling of 'discouragement' caused by the leading global brands' adoption of different standards for similar kinds of clothing items.

That the confusing situation prevailing among the cynical quarters in the textiles and clothing item exporting countries will lead to a series of disillusionments is implied. Many even might call the lopsided definition of greening and environment-friendliness an instance of double standard. It doesn't bode well. It might dampen the drive for export of many fast developing RMG manufacturing countries. Bangladesh's share in the global clothing export market stood at 7.90 per cent in the last year compared to 6.40 per cent in 2021, statistics available with the WTO show. Bangladesh retained the second position in the clothing export, preceded by China and followed by Vietnam on the global market in 2022.

A Senior Research Fellow with ODI (Overseas Development Institute) in her presentation at the WTO session touched upon the policies and measures taken by three countries -- Bangladesh, Kenya and Vietnam - to make the textile and clothing industries greener. According to her, as there is no market-led path to environmental and social upgrading, public policy frameworks are the key.

The new green trade initiative is an opportunity to get upgraded environmentally; Bangladesh and Vietnam have already shown some primary advancement in this regard. Textile waste lately emerged as a problem. As an expert in trade strategy has observed, in the name of second-hand market of clothing, there is a trend of dumping textile and clothing waste mostly from developed countries into the developing ones. A green-compliant one, Bangladesh has reasons to feel discriminated against notwithstanding the fact that it boasts the best and highest number of green RMG factories.

Source: thefinancialexpress.com.bd– Sep 18, 2023

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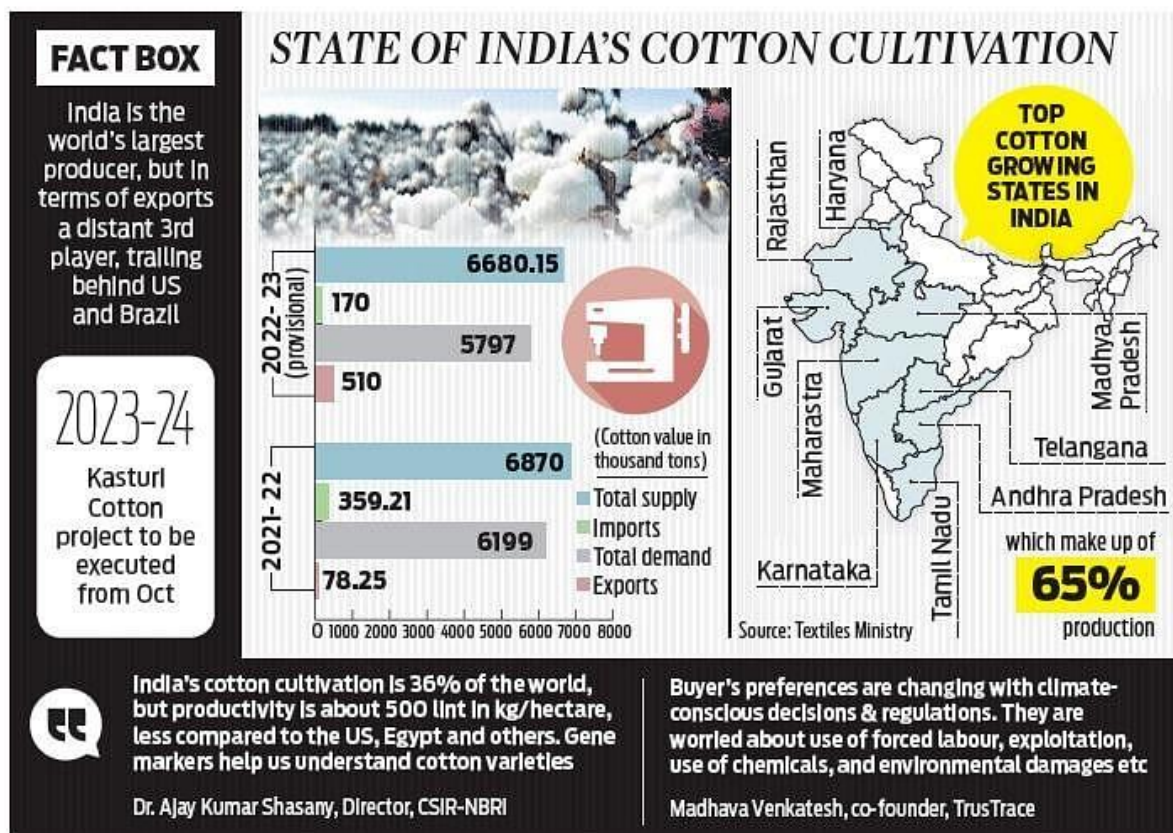
NATIONAL NEWS

‘Kasturi’ branding for cotton

India, the world’s largest cotton producer and second-largest consumer, aims to increase exports of raw cotton and value-added products such as yarn and textiles, and create premium value for domestic cotton with the ‘Kasturi Cotton’ branding effort.

Union Textiles Ministry is taking steps to brand Indian cotton by adopting certain standards and specifications in cotton farming, sourcing, optimising the supply chain, and processing for textiles. It includes traceability, and sustainability measures, reflecting the fashion trend in the developed markets.

This is expected to ensure quality and consistency, and reduce contamination, thereby, improving quality consistency, and increasing exports. The government hopes this will also help better price realisation for cotton farmers. Kasturi cotton is also expected to enhance value perception for Indian textiles abroad.



The Kasturi Cotton India project will be implemented from October -- 2023- 24 cotton season. Preparatory arrangements are in the final stage, according to the Union government. Indian cotton, which is often discounted in international markets by 3 to 4 US Cents/ pound (lb) in comparison to equivalent foreign cotton due to contamination issues, would get its true value in export, Textiles Ministry said in response to the query sent by this newspaper. Good quality cotton and value-added products will improve foreign exchange earnings, the ministry said.

Import substitution is also the stated goal of the program. As per the ministry, this could reduce nearly 5 lakh contaminant-controlled cotton bales, valuing around Rs 1,400 crore with the availability of good, contaminant-controlled cotton within the country. However, the lack of defined goals and clarity in implementation is creating confusion among stakeholders in the cotton value chain.

Dr Venkatachalam, advisor of the Tamil Nadu Spinning Mills Association and a member of the Stakeholders Committee of the Cotton Advisory Board, says there are various parameters in determining the quality of cotton such as length, strength, moisture, and contamination and it differs with each variety of cotton seeds and its place of cultivation. “How can we bring uniformity to more than 40 varieties of cotton, cultivated in different climatic and soil conditions? Without addressing this, Kasturi cotton would just be a label without any value,” he argued.

Textile, industry, ginning and spinning mills, and farmers’ representatives this newspaper spoke to agreed that clarity is not available in this matter. Industry representatives allege that the government didn’t consult with stakeholders, though various meetings were held. “Officials held the meeting with previous set agendas without knowing the ground reality,” the representative said on condition of anonymity. Textiles ministry didn’t respond to our queries on whether a particular seed has been selected for the program or how to ensure quality consistency among different varieties.

A premium cotton textile manufacturer based out of Chennai said the issues of contamination and lack of controlled use of pesticides, fragmented processing and supply chain are bottlenecks to India’s ambitions in quality and quantity. India’s cultivation is 36% of the world’s area with 33.3 million hectares but, in terms of productivity India was 38th in 2022, textile ministry data show. The lack of efficient farming practices and mechanized farming is cited as one of the reasons.

“Unpredictable rainfall patterns, changes in climatic conditions pose a problem, availability of water in irrigated areas, lack of high-yield hybrid seeds, market access are posing problems,” said S Thiyagarajan, a cotton farmer from Renganathapuram in Tamil Nadu. Guidance and support are also needed for farmers to implement quality standards and specifications, he added.

Textiles ministry said it is planning a series of campaigns to create awareness among farmers and other stakeholders. Dr Ajay Kumar Shasany, Director of the National Botanical Research Institute (NBRI) at Lucknow, which is working closely in the Kasturi cotton initiative, said they are working on improving yields and stress tolerance along with traceability efforts.

Source: indianexpress.com– Sep 17, 2023

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Bharat Mandapam and Yashobhoomi will promote trade, industry, export and employment: Shri Goyal

The Prime Minister, Shri Narendra Modi dedicated Phase 1 of India International Convention and Expo Centre - 'Yashobhoomi' to the nation at Dwarka, New Delhi today. He also launched 'PM Vishwakarma Scheme' PM Vishwakarma logo, tagline and portal for traditional artisans and craftspeople on the occasion of Vishwakarma Jayanti.

Addressing the gathering, the Prime Minister acknowledged the contribution of the Shramiks and Vishwakarmas in the construction of the magnificent facility. "Today I dedicate 'Yashobhoomi' to every worker of the country, to every Vishwakarma", he said. He told the Vishwakarmas linked with today's program that 'Yashobhoomi' is going to be a vibrant center connecting their creations with the world and global markets.

"The Viksit Bharat of today is crafting a new identity for itself in every sector", the Prime Minister said referring to the Bharat Mandapam which had become a topic of discussion across the world and stated that Yashobhoomi furthered this tradition with greater magnificence. "The message from Yashobhoomi is loud and clear. Any event that takes place here will attain success and fame", Shri Modi emphasized. He further added that Yashobhoomi will become a medium for showcasing the India of the future.

He said that in order to showcase India's grand economic prowess and commercial muscle, this is a worthy center in the capital of the country. It reflects, he continued, both multimodal connectivity and PM Gatishakti. He illustrated this by talking about the connectivity provided to the center by Metro and inauguration of Metro terminal today. He also highlighted that the ecosystem of Yashobhoomi will take care of the travel, connectivity, accommodation and tourism needs of the users.

The Prime Minister said that Conference tourism will also progress only where there are necessary resources for events, meetings, and exhibitions, hence Bharat Mandapam and Yashobhoomi Center are now going to make Delhi the biggest hub of conference tourism. Lakhs of youth are likely to get employment. In the future, "Yashobhoomi will become a place where people from countries all over the world will come for international conferences, meetings and exhibitions", Shri Modi added.

The Prime Minister invited the stakeholders to Yashobhoomi. He said, “Today I invite people associated with the Exhibition and Event industry from countries around the world to come to Delhi. I will invite the Film Industry and TV Industry of every region of the country, East-West-North-South.

You hold your award ceremonies, film festivals here, hold first film shows here. I invite people associated with International Event Companies, Exhibition Sector to join Bharat Mandapam and Yashobhoomi.”

In his welcome speech, Shri Piyush Goyal, Union Minister of Commerce & Industry, Consumer Affairs, Food & Public Distribution and Textiles, said that the leadership provided by the Prime Minister in difficult times ensured that the G20 summit was taken to every nook and corner of the country and became a people’s presidency.

This event has been so successful that it has been called as “Modi-fied G20” by an expert, he said. New Delhi Leaders Declaration will give the future a new direction and will play a role in changing the direction of world affairs, Commerce and Industry Minister said.

Shri Goyal said that Yashobhoomi is a proof of Prime Minister’s vision of “Skill, speed and scale”. He informed that the project of IICC was completed speedily under Prime Minister’s leadership and is being inaugurated today as Yashobhoomi.

The first phase of this project is complete and the second phase will enlarge it into double its size today, he said. This convention centre at Dwarka is a great example of PM Gatishakti ideal, Shri Goyal said adding that the International Airport can be reached by expressway in 5 minutes, metro connectivity connects it to Connaught place in 20 minutes and there is ample provision of hotels linked to this project.

Shri Goyal said that in the last 9 years, the convention centres that are being set up in the country will become world class exhibition centres. Bharat Mandapam and Yashobhoomi will promote trade, industry, export and employment. Yashobhoomi will promote MSME sector, farmers and artisans and provide new opportunities and markets for them, he said.

Prime Minister has laid the foundation of making India a developed nation in Amrit Kaal by creating a strong economy and infrastructure, uplifting the poor, digitisation and by ensuring a corruption free government,

Commerce Minister noted. Today the entire world is witness to Prime Minister's commitment to inclusive growth, he said. Making laws simpler to make the lives of common man easy, helping the start-ups, increase trade and exports, create new opportunities for employment and creating faith in the hearts of the people will ensure that the country has become unstoppable now, he said.

Noting the inauguration of historic launch of Vishwakarma Yojana, Shri Goyal said that the Prime Minister has recognised the hard work of our artisans and the scheme will honour and strengthen them.

Source: pib.gov.in– Sep 17, 2023

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Testing times: On shrinking of India's goods exports

India's goods exports shrank for the seventh consecutive time and the ninth time in 11 months this August, while imports surged to hit the highest level since March this year. At \$58.6 billion, inbound shipments were still 5.2% below last August's levels, but exports fell by a relatively steeper 6.9%, leading to a \$24.2 billion trade deficit — the widest since October 2022. Goods exports are now down 11.9% so far this year and imports have dropped 12.1%.

Services exports for last month will be known later, but Commerce Ministry extrapolations suggest that this engine that has been resilient so far through the global economic turmoil, is also beginning to feel the heat. For now, the 0.4% drop expected in services exports in August is minor and with intangible imports also likely dropping at a sharper pace, this will not exacerbate the trade balance yet. However, shrinking services exports imply that their ability to bridge the goods trade deficits that were up sharply last year, will be restricted, thus raising the possibility of wider current account deficits from this quarter.

With global commodity prices rising around 12% from June levels to hit a 15-month high this month, the pressure on the goods trade deficit is likely to escalate, especially as oil and gems and jewellery imports have fallen less than their exports so far in 2023-24.

In the first four months of this fiscal, about half the decline in outgoing shipments has been fuelled by petroleum despite volumes rising 6%, as prices fell 27%. This may change if global oil prices, which crossed \$90 per barrel over the past week for the first time since November 2022, stay elevated.

Export volumes of as many as 13 major items rose between April and July, but their value had declined owing to lower prices. That is a good omen about demand for Indian goods amid the gloom, and the government believes rising commodity prices will help trade tallies.

But they could also be a double-edged sword for India as its strategic gambit to import more Russian oil has turned less lucrative. Moreover, sticky inflation could further dampen demand, especially in key markets such as the European Union, which just hiked interest rates to a record high.

Inflation reheated in the United States last month, but not enough yet to dent festive demand that may lift order books in coming months. That engineering goods, which account for a quarter of India's exports, clocked their first uptick after eight months in August, with half of the 14 key segments of exports growing — the best performance in nine months — is a welcome sign. India needs to do all it can to nurture precious green shoots and support exporters.

Source: thehindu.com– Sep 18, 2023

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Cotton sells above MSP, Punjab farmers upbeat

Cotton farmers are upbeat as private players are purchasing the advanced sown crop at a higher price than the MSP.

The private traders are paying between Rs 7,400 to Rs 7,600 per quintal against the MSP of Rs 6,620.

In southern malwa, Bathinda, Fazilka, Mansa and Muktsar are the major cotton producing districts. However, the area under cotton cultivation has reduced drastically this year to 1.75 lakh hectares as compared to 2.48 lakh hectares last year.

Sanjiv Dutt of Winsome Textile Industries Limited said, “At present, cotton is selling between Rs 7,400 and Rs 7,600 per quintal. Last year, cotton was initially sold for Rs 8,000 per quintal but rates fell down below the MSP after a few days.”

Sachin Garg, who is a commission agent in Bathinda, said, “This year, area under the cotton cultivation has reduced. Thus, produce will be less. As a result, it is selling above the MSP. Moreover, pink bollworm has failed to affect the crop so far. In the coming days, the price can touch Rs 10,000.”

BKU leader Jasvir Singh said, “Private buyers are purchasing above the MSP. It is too early to comment.”

Source: tribuneindia.com– Sep 15, 2023

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Kolkata Port offers 25pc rebate on power to boost cargo exports

Kolkata Port, now known as Syama Prasad Mookerjee Port, has offered a 25 per cent waiver on reefer container electricity charges for perishable exports at Kolkata Dock System to attract exporters of eastern and northeastern region who use other ports to ship their cargo, an official said on Sunday. The discount on power for reefers, short for refrigerated containers, will help Kolkata Port to boost exports of perishables considerably from here, the official said.

These refrigerated containers play a pivotal role in maintaining the freshness and quality of perishable goods during transportation.

"We have the largest infrastructure for reefer container park in the eastern coast and our aim is to take capacity utilisation to 70 per cent in the near term from below 50 per cent now. The rebate benefit will attract more cargo," deputy chairman Samrat Rahi told PTI.

Rahi said the discount, which will be available to exporters for a year from now, will put Khidderpore dock in advantageous position compared to other east coast ports. "Rebate has been introduced after suggestions from exporters including Inland Container Depots in eastern coast which are shipping cargo to West coast," Rahi said.

Considering the average dwell time of reefer containers, around Rs 4,000 per TEU (tonne equivalent units) will be saved for exporters. The discount will cut our margin on power charges but with higher volume, our overall profitability will rise, the Kolkata docks executive said.

The port offers strategic benefit to states of West Bengal, Jharkhand, Chhattisgarh, Bihar, and the Northeast, said Rathendra Raman, chairman of SMP.

Shrimps are key perishables exported from Bengal and Odisha, while huge quantities of meat are exported from the Bihar/Bengal border area of Krishangunj. Bengal alone exports shrimps worth Rs 4,000 crore a year.

Source: economictimes.com– Sep 18, 2023

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