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| Currency Watch | | | |
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# INTERNATIONAL NEWS

## China's economy shows resilience & growth in 2024: Xi Jinping

Chinese economy has shown sustained momentum and recovery amidst various challenges, according to Chinese President Xi Jinping. He pointed out that a range of advanced, smart, and green industries are rapidly emerging as new pillars, driving economic growth.

However, the journey has not been without its hurdles. Some enterprises have faced tough times. The businesses, particularly in the transitioning economy, have had to contend with challenges, Jinping said in his 2024 New Year message.

A significant concern raised by Jinping was the issue of employment. He noted that some people in China are struggling with job finding and meeting basic needs, indicating the need for more robust measures to ensure employment.

"New progress has been made in fully revitalizing northeast China. The Xiong'an New Area is growing fast, the Yangtze River Economic Belt is full of vitality, and the Guangdong-Hong Kong-Macao Greater Bay Area is embracing new development opportunities. Having weathered the storm, the Chinese economy is more resilient and dynamic than before," said Jinping.

Source: fibre2fashion.com– Jan 02, 2024

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# ITMF survey: 44% participants expect favourable change in H1 2024

Global textile industry is facing slowdown since second half of 2022. After reeling under the poor performance during last year 2023, the industry is pinning hope on new year 2024. 44 per cent participants in global textile industry survey expected that the first six months' time of new year 2024 will see favourable change in the business situation. Zurich, Switzerland based 119-year-old International Textile Manufacturers Federation (ITMF) had conducted the survey in November 2023 and released its findings recently.

In a press release issued from Coimbatore, India, Dr. KV Srinivasan, the newly elected president of ITMF, which represents the entire textile value chain across the world, stated that around 44 per cent of the respondents have reported some sort of cancellations of orders during the last four months, albeit only 5 per cent reported major cancellations of 30 per cent or more. Furthermore, he stated that the survey also aimed at identifying the possibility of revival of the fortunes of the industry before May 2024. The survey also revealed that 44 per cent of participants said that in six months' time they expect the business situation to be more favourable, while 16 per cent expect it to be less favourable. The balance of +28 percentage points (pp) in November is higher than the +20 pp in September.

The press release said that the textile industry across the globe has been facing an unprecedented and prolonged slowdown from the second half of 2022 after witnessing a pent-up demand immediately after COVID-19 lockdown in almost all the textile manufacturing countries including East Asia, Southeast Asia, South Asia, Africa, Europe, North and Central America and South America.

The retailers located in countries like the US and the EU, major export markets, had built high-cost inventory during 2021-22 and they continue to struggle to clear the stocks due to weakening demand. Of course, inflation caused by disruption of the supply chains following the lockdowns caused by the COVID pandemic as well as geopolitical issues, especially prolonged Ukraine-Russia war, also had a toll on demand. In fact, few retailers/brands still have too much merchandise in their warehouses.

Dr. Srinivasan stated that the global textile industry has been facing unprecedented challenges. He pointed out that ITMF's latest Global Textile Industry Survey conducted in November 2023 revealed that weakening demand, inflation, geopolitical issues, raw material price volatility, steep increase in energy charges, shortage of labour and rising interest rates have been reported as the major root causes for the slowdown of the global textile industry. Weakening demand has been highlighted by 76 per cent of survey respondents as the major cause for the poor performance of the industry.

ITMF president stated that the textiles and clothing industry in India is the worst affected due to the added challenges on the raw material front (both cotton and man-made fibre) and steep increase in power cost in most of the textile manufacturing states.

He stated that urgent policy measure is required to ensure smooth supply of raw material at an internationally competitive rate by removing 11 per cent import duty on cotton, addressing Quality Control Order (QCO) issues and price issues pertaining to PTA, MEG, polyester and viscose and ensure a level playing field. He stated that the Indian government could have commenced the enforcement of QCO on the finished goods as done for technical textiles rather than raw materials that had severe impact on the MMF value chain.

Dr. Srinivasan stated that huge incentives offered for new investments by several State governments in India have eroded the competitiveness of existing capacity, making them unviable. He added that the industry is already struggling with excess capacity due to mismatch in the supply and demand of quality raw materials in required quantum.

He pointed out that despite being the second largest manufacturer of raw material in the world, India could not gain any advantage while countries like Bangladesh and Vietnam that do not have a raw material base have achieved exponential growth rate in exports. Indian textile exports have stagnated at $35 billion for more than a decade.

As a representative of the international body, Dr. Srinivasan suggested the Central and State governments in India to stall the shortsighted policies relating to raw materials, power, labour, and new investments until the industry revives.

According to him, a one-year moratorium for payment of loans, conversion of short-term loans into long-term loans, and extending additional working capital are some of the financial relief measures urgently required to prevent the textile units becoming NPAs (non-performing assets) and avoid closures that may throw several lakhs of people out of jobs. Dr. Srinivasan stated that appropriate policy measures with holistic approach are essential to enhance the global competitiveness of the Indian textile industry and take advantage of ‘China Plus One’ strategy.

Source: fibre2fashion.com– Jan 02, 2024

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# Italian fashion industry to grow by 3.2% in 2023, but sector margins contracting

According to data published by Confindustria Moda, the Italian fashion industry should close 2023 with sales of €111.7 billion, up 3.2%. This growth can be attributed exclusively to an increase in sales in value terms, while for the first time since the pandemic there has been a contraction in volumes.

In addition, 2023, like 2022, saw a sharp reduction in margins, due to higher energy and raw materials costs, which were not offset by higher downstream prices.

"2023 was a special year, as is the current historical moment, characterised by ongoing changes, particularly in terms of geopolitical balances. The Italian textile, fashion and accessories sector, for which exports represent a major strength, is particularly affected by global instability, even when it does not impact on particularly strategic markets," commented Ercole Botto Poala, President of Confindustria Moda.

"Added to this is the fact that rising production costs increase the uncertainty of the context, even though our sector has undoubtedly shown great resilience in recent years. That's also why it's important to collaborate and work as a system, to help industries which, although different, have the same needs. Only in this way can we meet the challenges ahead in the areas of training, sustainability and innovation."

As far as exports are concerned, the first eight months of the year showed an increase of 5.1%, with international sales totalling 54.5 billion euros. Notably, the EU absorbed 47% of exports by value. While China saw an increase of 5% over the period, Confindustria Moda believes that a change of course will occur in the near future due to a greater push for domestic products at the expense of imports.

According to the association, the main challenges facing the sector are market instability and the resulting consumer caution.

Source: fashionnetwork.com– Jan 02, 2024

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# Outlook '24: A Trade Policy Primer

As America heads into an election year and Chinese relations reach an all-time low, trade policy takes on renewed urgency in 2024. The apparel industry has explored new sourcing locales and relationships to mitigate risk and bring production closer to home. This means renewing reinstating free-trade agreements and preference programs will play a critical role in decision-making this year.

Generalized System of Preferences (GSP)

Among the oldest and most widely supported trade preference program, the fate of the Generalized System of Preferences (GSP) is still in limbo three years after it lapsed. Its companion, the Miscellaneous Tariff Bill (MTB), also expired in December 2020.

GSP gives 3,500 products including travel goods and handbags from 119 countries duty-free status, helping developing economies including Thailand, Indonesia, Brazil, Cambodia and the Philippines. MTB, by contrast, suspends or cuts tariffs on some products or components made offshore. U.S. importers must file individual MTB petitions for products they believe should be excluded from duties.

While many had hoped to see the programs reinstated in 2023, American Apparel and Footwear Association (AAFA) vice president of trade and customs policy Beth Hughes believes Washington could act in the first quarter. If it doesn't, MTB, GSP and other trade priorities could lose momentum ahead of the presidential election, she said.

"We are very hopeful for GSP, though we definitely expect to see some changes," Hughes said. AAFA has pushed for a raise to the Competitive Need Limitations (CNLs), which limits the quantities of goods that can be imported from GSP-beneficiary countries with duty-free benefits, to promote broader adoption. Lawmaker might also increase the threshold of value content added in the beneficiary country from its current requirement of 35 percent—which Hughes believes requires further study. At September's House Ways and Means Trade Subcommittee hearing on GSP program reform, Chairman Adrian Smith (R-Ne.) said, "There's no question the GSP program has a proven track record." Still, Congress should not "forgo the opportunity to examine ways to improve it," Smith added.

MTB, which is usually attached to GSP, also has broad bipartisan support. According to Footwear and Distributors and Retailers of America (FDRA) vice president of government affairs Thomas Crockett, some House Democrats want finished goods excluded from the program moving forward. Disagreements over product eligibility has likely held up the process, along with changes in Committee leadership, according to Crockett.

“There are so many new members of Congress, and it’s been three years since we had new MTBs being voted on,” he said. “Now, it’s stalled so much, we’re having to go back and re-educate people who have never hear of the MTB and don’t understand its importance.”

Africa Growth and Opportunity Act (AGOA) and Haiti HELP-HOPE Acts
The Africa Growth and Opportunity Act (AGOA) and Haiti HOPE-HELP Acts promote similar investment in local economies, and both expire in September 2025. “Those programs are both vitally important for our members,” Hughes said.

AGOA gives dozens of African nations preferred, duty-free access to the U.S. market on more than 1,800 products. Industry players have called for its immediate long-term renewal to ensure the viability of their manufacturing investments.

USTR Ambassador Katherine Tai attended the AGOA Forum in November, meeting with senior government officials from the U.S. and AGOA-eligible nations as well as representatives from regional economic organizations, the private sector and civil society. Prior to her appearance, President Joe Biden called AGOA “a landmark, bipartisan law that has formed a bedrock for U.S. trade with sub-Saharan Africa for more than two decades,” and encouraged Congress to quickly reauthorize and “modernize this important Act for the economic opportunities of the coming decade.”

“We’re seeing a lot of really great investment in a more vertical industry on the continent, but we’ll start to see that trade slip and slow down as we get closer to September 2025,” Hughes said. To continue the momentum the government should renew AGOA for the next 10 years, she added. As with MTB and GSP, Hughes believes decision-makers could pull the trigger in Q1.

Meanwhile, lapsed trade preference programs could be devastating to violence-plagued Haiti, Hughes said. “Companies are supportive and want to stay in Haiti, but it’s very difficult right now to do business,” she said. “Without having Haiti HELP-HOPE secured again for another long-term renewal, it’s going to be hard for them to justify [remaining in the country].”

In August, Kenyan Foreign Minister Alfred Mutua declared that the African nation would send 1,000 police officers to support Haitian law enforcement. But Kenya’s high court blocked the order even after parliamentary approval, deferring a final ruling until Jan. 26.

“Companies are, if they aren’t already, going to be making sourcing decisions based on a program that expires in a year, and they’ll have to do risk assessments,” Hughes said. “We don’t want companies to have to feel like they have to pull out because of the security concerns.”

Central America-Dominican Republic Free Trade Agreement (CAFTA-DR)

While the nearshoring narrative received considerable attention in 2023, the textile industry “is facing significant economic headwinds right now,” according to Kim Glas, CEO and president of the National Council of Textile Organizations (NCTO).

After the pandemic factories in the Western hemisphere saw “skyrocketing demand from brands and retailers wanting to source closer to home,” she said. This led to $2 billion in U.S. and regional textile supply chain investments. But demand slumped starting 12 months ago, Glas said. “Inventory levels were really high among brands and retailers—we’re still seeing that problem,” she added. “The economy fluctuated with inflation, and now that’s started to recalibrate, but certain products like food remain expensive, so people are spending less at retail.”

Glas said NCTO members remain bullish about the prospects for Central America and Mexico. “Brands and retailers are looking to source more products closer to home,” she added. “They’re looking for diversity in the products they can source, they want quick response times and short runs so they’re not left…stranded with items that they have to mark down at the end of the season.”

In November, Sen. Ron Wyden (D-Ore.) urged the U.S. Customs and Border Protection (CBP) to enforce the "origin and content rules in U.S. trade agreements," including items made and imported under USMCA and CAFTA-DR. Without enforcement trade preference programs "can create a temptation to circumvent rules of origin or otherwise utilize cotton, yarn, or textiles from non-partner countries," he said. "Moreover, insufficient enforcement can create a pathway for banned Xinjiang cotton to infiltrate regional supply chains and undermine efforts to enforce the Uyghur Forced Labor Prevention Act (UFLPA)."

CBP data showed that the agency is conducting fewer on-site factory verifications In 2018, it visited 139 factories and verified just 38 by 2022. This suggests "a decline in audits, laboratory analysis, and special enforcement operations." Glas said NCTO welcomes any actions that encourage compliance, as U.S. companies source in the region because prioritize transparency.

Hughes said AAFA members are interested in nearshoring options, especially around the U.S. market. But unlike Glas, she believes the rules of origin across trade agreements like USMCA) and CAFTA-DR are unnecessarily prohibitive. "We can't accumulate amongst our trade partners in the Western hemisphere, and I think that's a missed opportunity," she said. "If we truly want a vertical industry that includes U.S. cotton and the domestic textile industry, let's create a larger pie for everyone and be able to accumulate amongst the [free trade agreements]."

Research by Dr. Sheng Lu, associate professor and director of graduate studies in the University of Delaware's Department of Fashion and Apparel Studies, showed that U.S. apparel imports from CAFTA-DR countries were nearly 20 percent lower in 2023 than the year prior.

What's more, the trade agreement's utilization rate fell from 70.2 percent in the first six months of 2022 to a new low of 69.2 percent during the same period in 2023.

"Thus, how to leverage CAFTA-DR to meaningfully encourage more US apparel imports from the region, particularly in light of US fashion companies' eagerness to reduce their exposure to China, calls for sustained efforts and probably new strategies," he said.

De Minimis

De minimis, which allows foreign shipments into the U.S. to bypass duties if they're worth less than $800, is another hot-button issue for lawmakers. At a Washington, D.C. roundtable hosted by House Ways and Means Trade Subcommittee Ranking Member Earl Blumenauer (D-Ore.) in December, representatives from the American manufacturing sector and law enforcement said the Section 321 trade provision gives offshore companies too much unregulated access to the U.S. market. Blumenauer's Import Security and Fairness Act, introduced in June, would prevent imports from non-market economies, as well as from countries like China that are on the U.S. Trade Representative's priority watch list, from utilizing de minimis. It would also require CBP to gather more information on such shipments.

"There's a lot of talk on both sides of The Hill that de minimis is currently broken and is not being utilized as intended," Glas said. She's optimistic that reform is coming now that lawmakers are scrutinizing China and "e-conglomerates" such as Shein, which are "basically building multi-billion-dollar companies overnight through the de minimis structure."

"This is having implications to the U.S. industry—the regional industry as a whole has lost market share because people are taking advantage of this loophole to get duty-free trade in from anywhere in the world," Glas added.

At last month's roundtable, North Carolina-based textile producer Parkdale Mills CEO Andy Warlick said, "Nearly every textile facility in the country is now running at significantly reduced capacity." With U.S. textile companies closing eight plants and affecting 1,000 workers in Q4, Warlick described these moves as "just the proverbial canary in the coal mine" if lawmakers leave de minimis untouched.

Producers in the Western hemisphere say de minimis law undermines their free trade agreement benefits from USMCA and CAFTA-DR, putting non-market economies on equal footing when it comes to duty-free privileges. As such, decision-makers should prioritize the problem this year. "I don't think this is a can we can afford to kick down the road for the next year," Glas said.

Section 301 Tariffs

Nearly six years after they were implemented, the Section 301 tariffs on China-made goods are still in place.

The punitive duties remain “a part of the U.S.-China bilateral relationship” due to “unfair” conditions within the global economy, Tai said at an event hosted by media outlet Semafor last month. Earlier in December the House bipartisan select committee on China laid out nearly 150 policy recommendations aimed at resetting the relationship with world’s factory. They include raising tariffs again and limiting China’s access to the U.S. market under de minimis law.

On Dec. 26, USTR extended tariff exclusions on 352 products and 77 Covid-related categories—such as face masks and latex gloves—until May 31.

FDRA’s Crockett says the trade group maintains “some optimism” about exclusions that could benefit footwear companies. The industry is forced to source certain materials and components from China, which remains a top shoe manufacturer. Children’s footwear in particular has “an extremely high tariff burden” that hurts U.S. consumers—especially those purchasing lower-priced options, he said. A more “targeted approach” to imposing and excluding goods from tariffs could ease the burden on shoppers, he added.

Tariffs are poised to be a key topic of discussion this election cycle. Former president, and future hopeful, Donald Trump already raised the tariff specter when attempting to launch his latest run last year. Plus, lawmakers have batted around the idea of amending China’s Permanent Normal Trade Relations (PNTR) status and opening the country up to tariff increases.

“An idea that wasn’t being given serious consideration not that long ago is now at the forefront,” Crockett said. “I think that’s another issue to watch.”
Uyghur Forced Labor Prevention Act (UFLPA)

The Uyghur Forced Labor Prevention Act (UFLPA), which bans goods made in China’s Xinjiang province from entering the U.S. under the rebuttable presumption that they were made or mined using forced labor, has seen ups and downs since it was signed into law two years ago.

In effect since June 2022, the UFLPA has posed significant enforcement challenges for CBP, with “opaque” de minimis system taking much of the blame, Glas said.

Congress gave CBP $101 million to aid in UFLPA enforcement last year—a 108-percent increase from the year prior. But many U.S. importers believe cooperation and direction from CBP are lacking, challenging their ability to root out supply chain risks. “More information and more transparency from CBP about detentions is critical,” Hughes said. “It needs to be more of a partnership, because brands don’t want forced labor in their supply chains.”

Hughes said AAFA members have mapped the first three tiers of their supply chains since the law was passed. “It can be an exhausting exercise, but it’s really opened the eyes of the brands to be able to pinpoint that information,” she added. “It also that helps them in their future sourcing strategy to know where the good actors are—where they can utilize a trade preference program or a free trade agreement, and really pull back from China.”

If CBP won’t share information with AAFA members, Hughes believes UFLPA will remain a vehicle for enforcement rather than prevention. “I think we’re also going to continue to see more entities being added to the Entity List—I don’t think that’s going to change,” she said. “More industries are being brought up as having forced labor in their supply chains, so it’s not just apparel with cotton.”

“U.S. apparel, footwear, and travel goods companies continue to seek opportunities to diversify their sourcing from China and other traditional suppliers to de-risk and build resilient supply chains,” AAFA president and CEO Steve Lamar said. The trade group wants lawmakers to renew AGOA and Haiti HELP-HOPE, and encourages greater usage CAFTA-DR. “That said, even though we are experiencing the largest sourcing diversification in a generation, China will remain an important partner and market—not just for the industry but also for our entire country as we look to China to participate on global solutions such as efforts to mitigate climate change,” he added.

Source: sourcingjournal.com– Jan 02, 2024

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# Cambodia's garment, footwear exports to the US decline by 0.89%

Cambodia's exports of garments, footwear and light manufacturing products to the US declined by 0.89 per cent to $8,144 million during the first eleven months of 2023as compared to the same period in 2022, a report from the Ministry of Commerce shows.

The country's shipments to the US accounted for 38.25 per cent of the total export volume of $21,292 million in the January-November period. Cambodia exports products such as garments, footwear and light manufacturing products to the US with tariff under the Most Favored Nation (MFN) treatment.

The main products exported by the country to the US include apparel, clothing accessories, leather, travel goods, handbags, electrical machinery and equipment, and footwear.

The country continues to be the biggest export market for Cambodia, says Hor Sereyvath, Chairman, Innovations and Development Investors Association.

The trade preferences for both GSP and MFN have boosted Cambodia's exports to the US, adds Penn Sovicheat, Secretary of State, Ministry of Commerce.

Source: fashionatingworld.com– Jan 02, 2024

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# Denim jeans market to reach $114.6 million value by 2030-end: Report

Currently worth $70 million, the global denim jeans market is projected to grow to $114.6 million by 2030-end.

As per the 'Denim Jeans-Global Strategic Business Report' by ResearchAndMarkets, growth in the global denim jeans market will be driven by a surge in online sales that are expected to grow by 12 per cent CAGR during the analysis period.

On the other hand, the offline sales of denim jeans are projected to grow att 4.2 per cent CAGR and reach $77 million during the analysis period.

Growth in global denim jeans market will be steered by China which will grow at 8.9 per cent CAGR to reach a value of $25.9 million by 2030. Japan and Canada are expected to grow by 3.4 per cent and 5.1 per cent, respectively, over the 2022-2030 period.

Growth in the Europe market will be dominated by Germany which will grow at 3.9 per cent CAGR approximately. Denim players will tap evolving consumer preferences by leveraging digital channels and driving innovation in the segment.

Source: fashionatingworld.com– Jan 02, 2024

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# Uniqlo to open 200 stores in North America

Uniqlo plans to open 200 stores in North America by 2027. The brand currently operates 72 stores across the US and Canada. It plans to open over 20 stores, taking the brand's total store count to 92 by the year-end.

A few of the locations that the brand aims to open stores in 2024 include Providence, RI, in Spring 2024, a new market for the retailer, Tacoma Mall, Tacoma, Wash.; Alderwood Mall, Lynnwood, Wash.; South Shore Plaza, Braintree, Mass., and Staten Island Mall, Staten Island, New York.

Reasons for Uniqlo's growth in the North America market vary from a focus on branding and customer interactions to providing superior products at valuable prices to customers, says Masahiko Nakasuji, Executive Officer, Fast Retailing Group and Head-Marketing, Uniqlo North America.

Since the opening of its first store in 2005, Uniqlo has grown a steady customer base in North America. It has also established its own brand concept, called LifeWear to offer iconic products and enhanced store experience to customers.

In 2022, Uniqlo North America opened an on-site repair service at its New York City flagship in SoHo. Called Re.Uniqlo Repair Studio, the hub can replace shirt buttons, mend seam rips and patch holes, among other services at a cost of $5. A part of the Re.Uniqlo program, the studio promotes a circular apparel system hallmarked by the four Rs: reduce, replace, re-use and recyle.

Source: fashionatingworld.com– Jan 01, 2024

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# EU's new transparency rules to tackle e-com VAT fraud come into effect

Beginning Monday, January 1, 2023, the European Union’s (EU) new transparency rules aimed at curbing value-added tax (VAT) fraud, particularly in the e-commerce sector, have come into force. These rules, designed to assist EU member states in combating VAT evasion, are expected to significantly impact the way online purchases are monitored and taxed.

The crux of these new regulations lies in the involvement of payment service providers (PSPs), including banks, e-money institutions, payment institutions, and post office giro services. These entities are responsible for over 90 per cent of online purchases within the EU. Now PSPs are required to monitor the recipients of cross-border payments. Starting April 1, they must report to the tax administrations of EU member states any entity receiving more than 25 cross-border payments per quarter.

This data will be centralised in the new European database developed by the European Commission, the Central Electronic System of Payment information (CESOP). Here, information will be stored, aggregated, and cross-checked with other data to identify inconsistencies or potential fraud. CESOP's role is vital in the EU's strategy to close loopholes in tax revenues, which are crucial for funding public services, the European Commission said in a press release.

The issue at hand is the ease with which some online sellers, especially those without a physical presence in an EU member state, evade VAT. These sellers either fail to register for VAT in the EU or underdeclare the value of their online sales. The new system aims to strengthen the tools available to member states to detect and shut down such unlawful activities.

Eurofisc, the EU's network of anti-VAT fraud specialists established in 2010, will have access to all information in CESOP. This access will significantly enhance the ability of member states to analyse data and pinpoint online sellers evading VAT obligations, including those businesses not based in the EU.

Moreover, Eurofisc liaison officials are empowered to take national-level actions, such as information requests, audits, or deregistration of VAT numbers. Similar measures have been implemented in some member states and other countries, proving effective in tackling e-commerce fraud.

“These new rules will play a crucial role in the fight against VAT fraud, which costs EU governments billions in lost revenues every year. By harnessing the information collected by payment service providers such as banks and credit card companies, anti-fraud specialists in member states will be able to more easily and accurately pinpoint and crack down on fraudulent behaviour in the e-commerce sector, said Paolo Gentiloni, European commissioner for economy.

Source: fibre2fashion.com– Jan 02, 2024

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## Home Textiles: Threads of Change

The global textiles and clothing market is estimated at around $1.4 trillion, and employs over 300 million people, especially in developing countries like Bangladesh, Brazil, China, India, Pakistan, and Turkey, as per July 2023 Strategic Report on Global Home Textiles Sourcing Markets by Fibre2Fashion. This makes the industry one of the largest employers on the planet, encompassing a wide array of products, including apparel, industrial textiles, and home textiles. However, this vast industry carries substantial environmental and social baggage, which demands attention and reform.

The environmental challenges within the textile industry are multifaceted. The industry is responsible for approximately 10 per cent of global carbon emissions1, making it a substantial contributor to climate change. One of the primary issues is water consumption, with a single T-shirt consuming a staggering 2,700 litres2 of water. In many regions, this high rate of consumption has led to severe water scarcity and pollution problems. Additionally, the use of chemicals, such as dyes and finishes, has adverse ecological effects, contributing to soil and water pollution.

Sustainable Practices in Home Textiles

Addressing the sustainability challenges within the textile industry necessitates a shift towards more responsible practices. For home textiles, this means a focus on sustainable materials, production processes, and packaging.

One crucial aspect of sustainability in home textiles is the materials used. Traditional cotton farming, for example, is water and chemical-intensive. Sustainable alternatives such as organic cotton, bamboo, and recycled fibres are gaining traction as they reduce the industry’s environmental footprint. Organic cotton, in particular, is grown without the use of synthetic pesticides or fertilisers, making it an eco-friendlier choice.

Moreover, sustainable production methods also need to be implemented. Low-impact dyes, for instance, require up to 70 per cent3 less water and energy, and are becoming the norm in sustainable textile production. Eco-friendly processing techniques, like waterless dyeing and energy-efficient manufacturing, also contribute to reducing the environmental impact of home textile production.

In addition to sustainable materials and production methods, eco-friendly packaging and transportation practices are emerging as essential components of sustainability in home textiles. Reducing excess packaging, using recycled and biodegradable materials, and optimising supply chain logistics are all measures taken by companies to lessen their carbon footprint.

Eco-Friendly Home Textile Products

Sustainability in home textiles is not limited to the materials and processes used but extends to the products themselves. A wide range of eco-friendly home textile products is now available to consumers, ranging from bedding and towels to curtains and upholstery.

One example of sustainable home textile products is bamboo-based textiles, such as towels and bathrobes, which have gained popularity in the home textile market. Bamboo is a fast-growing, renewable resource, which grows up to 91 cm (35 inches) per day4 and requires minimal water and pesticides to cultivate. Products made from bamboo are soft, absorbent, and biodegradable, making them a sustainable choice for consumers.

Many companies are embracing the use of 100 per cent bamboo fibres to create environmentally friendly products. Companies like Cariloha and luxury designer Wolf and Badger are at the forefront of this movement, offering a wide range of 100 per cent bamboo towels that not only provide luxurious softness and excellent absorbency, but also contribute to eco-conscious living.

In the world of curtains and drapes, eco-friendly options like those made from recycled fabrics or sustainable fibres are increasingly sought after. These products not only reduce waste but also provide an aesthetic appeal, incorporating sustainable materials without compromising on style. These examples demonstrate how sustainability is not a sacrifice but rather a means to enhance the quality and appeal of home textile products.

One company which is committed to sustainability and offering products made from eco-friendly materials is the UK-based Stitched. The company launched its Revive collection (EU eco label certified) that includes blinds and drapes made from 100 per cent recycled plastic bottles. The colours in the collection are inspired by the natural pigments found in traditional vegetable dyes.

These examples of using eco-friendly fibres and materials for home textile products demonstrate how sustainability is not a sacrifice, but rather a means to enhance the quality and appeal of home textile products.

Sustainability Certifications and Standards

Ensuring the sustainability of home textiles relies heavily on certifications and standards that regulate and verify responsible practices. Two prominent certifications that have made a significant impact in the textile industry are the Global Organic Textile Standard (GOTS) and the OEKO-TEX Standard 100.

GOTS is an internationally recognised certification that sets stringent criteria for organic textiles. It encompasses the entire production process, from harvesting the raw materials to the final product. To achieve GOTS certification, a product must meet strict environmental and social standards. This certification assures consumers that the textile product is made with organic materials and produced using eco-friendly methods.

On the other hand, the OEKO-TEX Standard 100 focuses on ensuring that textiles are free from harmful substances. It rigorously tests textiles for various chemicals, including carcinogens and allergens. Textiles that receive this certification are considered safe for human health and reduce the risk of allergic reactions or skin irritations.

These certifications serve as powerful tools to guide consumers in making sustainable choices and hold manufacturers accountable for their practices. They also reinforce the importance of transparency in the textile industry.

Sustainable Textile Companies

Sustainability in home textiles also extends to the practices of the companies that produce these textiles. Several leading companies in the home textile industry have taken proactive measures to embrace sustainability and exemplify responsible practices.

One notable example is Patagonia, a company renowned for its commitment to environmental and social responsibility. While primarily known for outdoor apparel, Patagonia also produces sustainable home textiles, including blankets and towels. The company’s dedication to using recycled materials, fair labour practices, and transparency in its supply chain sets a high standard for sustainability in the textile industry.

IKEA, the global home furnishing giant, is another notable player. The company has made substantial efforts to incorporate sustainability into its home textile products. IKEA uses eco-friendly materials and has initiatives to reduce waste, conserve water, and decrease emissions. Moreover, its commitment to making sustainable home textiles accessible and affordable demonstrates the potential for large-scale adoption of responsible practices.

Challenges and Obstacles

Despite the progress made in promoting sustainability in home textiles, the industry faces a series of challenges and obstacles on the path to a greener future. One of the main challenges is the economic cost of implementing sustainable practices. Transitioning to sustainable materials and production processes can be initially more expensive, requiring significant investments from textile companies. Additionally, consumers may be unwilling to pay higher prices for sustainable products, which can impact companies' profitability.

Logistical challenges also play a significant role. Supply chain adjustments, sourcing sustainable materials, and ensuring product quality can be complex and time-consuming. This is particularly challenging for small and medium-sized businesses that may lack the resources and expertise to navigate these changes.

Regulatory hurdles can pose obstacles; while certifications and standards are essential for ensuring sustainable practices, adhering to them can be demanding. Compliance with various international and local regulations can create complexity and increase costs for companies, especially those operating in multiple markets.

Consumer Awareness and Education

Consumers are key drivers of change in the home textile industry's sustainability efforts. Educated and informed consumers make choices that encourage companies to adopt eco-friendly practices. Hence, increasing consumer awareness and education about sustainable home textiles is pivotal.

Education campaigns, both by governments and NGOs, as well as industry-specific publications, have been instrumental in raising awareness. These efforts inform consumers about the environmental and social consequences of their textile choices and guide them towards sustainable options.

Companies can play a crucial role in consumer education by providing clear information about their products' sustainability, including materials used, production processes, and relevant certifications. Transparency empowers consumers to make informed choices and encourages companies to adopt more sustainable practices to meet consumer demand.

Furthermore, as consumers become more conscious of the environmental and social impacts of their purchases, they are more likely to support companies that align with their values. This shift in consumer preferences can drive businesses to prioritise sustainability in their operations.

Environmental and Social Benefits

The adoption of sustainability in home textiles brings about a range of environmental and social benefits, reinforcing the importance of this paradigm shift. Environmentally, sustainable practices in home textiles help conserve natural resources, reduce pollution, and mitigate climate change. For instance, the use of organic cotton minimises the use of synthetic chemicals and pesticides, reducing soil and water pollution. Similarly, the use of eco-friendly dyes and finishes decrease the environmental impact of textile production. These measures contribute to a cleaner and more sustainable planet.

On the social front, sustainability in home textiles promotes fair labour practices and community support. Companies that prioritise social responsibility often provide safer working conditions and fair wages for their employees.

Additionally, they may engage in community development projects, such as building schools or supporting local initiatives. These efforts improve the lives of textile workers and their communities, highlighting the social impact of sustainability in the industry.

Economic Viability

A common misconception is that sustainability comes at a premium. However, as the textile industry increasingly embraces eco-friendly practices, the economic viability of sustainability becomes more evident. Companies that adopt sustainable practices reduce their costs in the long term. For example, reduced water and energy consumption can lead to lower operational expenses. Additionally, the use of sustainable materials can lead to improved product quality and reduced waste, ultimately resulting in cost efficiencies.

Consumers are also willing to pay a premium for sustainable home textiles, recognising the value of responsible products -- a survey from Blue Yonder (2023) reported that 69 per cent of survey respondents said that they were willing to pay more for sustainable products and 74 per cent said that they shopped at a retailer promoting their products as sustainable5. As demand for sustainable products grows, companies that prioritise sustainability can capture a larger market share, leading to increased revenues.

Additionally, sustainability efforts can enhance a company's reputation and brand loyalty, which can contribute to long-term economic viability. Businesses that are seen as responsible and environmentally conscious often enjoy greater customer loyalty and trust.

Future Trends and Innovations

The home textiles sector is continually evolving. As sustainability gains prominence, several future trends and innovations are expected to shape the industry's trajectory, including the growth of circular practices. These practices focus on reducing waste and maximising resource utilisation. In the context of home textiles, this means designing products that are easier to recycle, repurpose, or return to the manufacturer for refurbishment. The concept of circularity aligns with sustainability, as it minimises the environmental impact of textiles by extending their lifespan and reducing disposal.

Emerging technologies and materials also hold promise. For instance, 3D printing of home textile products offers a sustainable alternative to traditional manufacturing. This technology allows for more efficient use of materials, reducing waste. Additionally, the development of innovative fibres and textiles made from agricultural waste products, such as pineapple or mushroom-based textiles, represents a significant leap forward in sustainable materials.

Conclusion

In conclusion, the home textile industry stands at a pivotal crossroads, where the imperative of sustainability cannot be ignored any longer. With environmental concerns intensifying and consumer demand for eco-conscious choices growing stronger by the day, the industry is faced with a pressing need to adapt.

Whether it is the adoption of sustainable materials like organic cotton and bamboo, or the revamping of production processes to minimise environmental impact, change is not just an option; it is a necessity. The textile industry, with its vast global footprint, has a crucial role to play in shaping a more sustainable future.

As the world continues to grapple with ecological challenges, the home textile industry's embrace of sustainable practices is not merely an ethical choice but a strategic imperative. The path ahead requires a commitment to innovative, eco-friendly solutions that resonate with both the planet and the ever-conscious consumer. It is a journey that transcends mere industry trends; it is a journey towards a greener, more sustainable tomorrow.

Source: fibre2fashion.com– Jan 02, 2024

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# Vietnam's manufacturing sector faces decline in December 2023

The Vietnamese manufacturing sector ended 2023 in contraction mode, with the S&P Global manufacturing purchasing managers' index (PMI) recording a figure of 48.9 in December. The sector's PMI continued to stay below the no-change threshold of 50 and indicated a fourth straight month of declining business conditions.

However, there was a slight improvement, as the index increased from 47.3 in November, suggesting a milder rate of deterioration. Throughout most of 2023, the health of the sector experienced a downturn, with only February and August showing signs of improvement. The average PMI for the year was the lowest since the outbreak of the COVID-19 pandemic in 2020.

The latest decline in operating conditions again reflected a subdued demand environment, with total new orders down for the second month running in December. The pace of reduction eased from that seen in November, however, as new export orders neared stabilisation, as per S&P Global.

Anecdotal evidence suggested that recent price rises had deterred customers and contributed to the latest reduction in new orders. Responding to these signs, manufacturers limited the extent to which they raised their selling prices at the end of the year, hiking charges only fractionally and to the least extent in the current five-month sequence of inflation.

The marginal nature of the rise in selling prices contrasted with that seen for input costs, which continued to increase markedly and at a pace that was little changed from the nine-month high seen in November.

With new orders decreasing in a challenging demand environment, manufacturers cut their production volumes again in December, extending the current sequence of decline to four months.

Firms predicted that output will expand over the course of 2024, thanks to hopes for a recovery in demand both domestically and in export markets, plus business expansion plans. Sentiment hit a three-month high but was still below the series average.

Hopes for growth of output in 2024 meant that firms kept their employment and purchasing activity broadly stable in December despite falls in new orders. In both cases, the broad stability at the end of the year represented an improvement from modest reductions in November. Stocks of inputs were scaled back for the fourth month running, however.

A lack of demand for inputs and competition among suppliers meant that lead times on the delivery of purchased items continued to shorten. That said, the latest improvement was only marginal.

Stocks of finished goods were unchanged in December, after having fallen in three consecutive months to November. Some firms saw stocks of unsold products increase due to falling new orders, but others scaled back production accordingly to prevent a build-up of inventories. Meanwhile, backlogs of work increased for the first time in a year, and to the greatest extent since May 2022.

Source: fibre2fashion.com– Jan 02, 2024

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# Bangladesh spinners push for mandatory 70 per cent cotton yarn procurement from local mills by garment manufacturers

Local spinners are urging the Government to amend yarn import regulations, proposing a mandatory provision for export-oriented readymade garment factories to acquire 70 per cent of their total cotton yarn needs from domestic spinning mills through back-to-back letters of credit.

This initiative aims to alleviate the existing dollar crisis.

The Bangladesh Textile Mills Association (BTMA) conveyed this request to the National Board of Revenue chairman, Abu Hena Md Rahmatul Muneem recently.

The BTMA argued that using local yarns in apparel production would result in a 65 per cent value addition, compared to 30 per cent when using imported yarns.

Despite the BTMA's assertion of the local spinners' capability to meet 85 per cent of the export-oriented apparel industry's demands with high-quality carded and combed yarns, apparel exporters reportedly dismissed the demand as unacceptable.

They contend that local yarns are not price-competitive.

In response, apparel makers suggest that instead of enforcing mandatory procurement, local spinners should focus on enhancing quality and competitiveness to naturally increase their market share.

Source: apparelresources.com– Jan 02, 2024

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# Pakistan: Exports jump 22pc in December

Merchandise exports grew for the fourth consecutive month in December, reaching an 18-month high, indicating a recovery of export-led industrial growth.

In absolute terms, the export proceeds were recorded at $2.82 billion in December against $2.30bn over the corresponding month last year, indicating a growth of 22.21pc, data released by the Pakistan Bureau of Statistics showed on Tuesday.

On a month-on-month basis, the export proceeds increased 9.29pc.

The export of goods in the first half of FY24 increased by 5.17pc to $14.98bn against $14.24bn in the corresponding period last year.

The continued rise in export proceeds in December suggests that the textile and clothing sectors are beginning to secure orders from global clients following a year of downturn.

Trade gap narrows to $11.14bn in first half

Caretaker Commerce Minister Gohar Ejaz stated that exports reached $2.8bn in December 2023 compared to the potential of $3bn per month.

“We will soon achieve our capacity and then proceed to the next step,” he said, adding that the commerce ministry’s goal is to increase export-led development to $8bn per month through a new policy under the Special Investment Facilitation Council (SIFC) framework.

Mr Gohar further said in a statement that the commerce ministry remains committed to strengthening Pakistan’s export potential and creating a conducive environment for sustainable economic growth.

According to a preliminary report, the increase in overall export value was mostly driven by semi-finished goods in the textile sector, while value-added garment exports remained negative. Furthermore, in the non-textile sector, the export earnings of food goods, particularly rice and beef, have posted unprecedented increases in recent months.

The commerce ministry has yet to announce the strategic framework to provide regional competitive energy pricing, working capital support, speedy refund payments, enhanced market access, and diversification of products.

However, the imports declined by 12.25pc to $4.52bn in December from $5.14bn in the same month last year. The negative growth in imports also continued for the last few months.

On a month-on-month basis, the imports declined by 0.55pc. The import bill fell 16.28pc to $26.13bn in July-December FY24 from $31.21bn over the corresponding months last year.

The imports fell 31pc to $55.29bn in FY23 from $80.13bn in FY22. The government has projected an import target of $58.69bn for FY24 against $55.29bn in FY23, an increase of $3.4bn or 8.14pc.

The trade deficit narrowed 34.29pc to $11.14bn in July-December FY24 from $19.96bn over the corresponding months of last year. The trade deficit contracted 40.13pc to $1.70n in December from $2.84bn over the corresponding month last year.

Source: dawn.com– Jan 03, 2024

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# NATIONAL NEWS

## India makes logistics & maritime headway in 2023

In a significant development for India's logistics and maritime sectors, 2023 has been a year marked by notable advancements and ambitious initiatives. According to the World Bank's Logistics Performance Index (LPI) Report released in April 2023, India achieved a commendable 22nd rank in the International Shipment category, a substantial leap from the 44th rank in 2014. This improvement is further underscored by the reduction in the average container dwell time to just three days, surpassing the performance of countries like the UAE, South Africa, the US, and Germany.

Indian ports have shown efficiency with their ‘turn around time’ reaching a mere 0.9 days, outperforming several global counterparts including the US, Australia, and Singapore.

Parallelly, India's maritime sector is poised for a transformative journey with the launch of the Maritime Amrit Kaal Vision 2047 during the Global Maritime India Summit. This comprehensive roadmap, formulated by the ministry of ports, shipping, and waterways (MoPSW), involves an investment of ₹80,000 lakh crore. It aims to develop world-class ports and promote inland water transport, coastal shipping, and a sustainable maritime sector. The vision, which builds on the Maritime India Vision 2030, encompasses over 300 actionable initiatives for enhancing ports, shipping, and waterways by 2047, and was shaped through extensive consultations and international benchmark analyses, MoPSW said in its year-end review.

The Global Maritime India Summit (GMIS) 2023, organised in Mumbai, was a landmark event, inaugurated by Prime Minister Narendra Modi. This largest-ever summit saw participation from ministers of 10 foreign countries, delegations, business delegates, and exhibitors from 42 countries.

The event was a catalyst for significant agreements, with the signing of 360 memorandums of understanding (MoUs) worth ₹8.35 lakh crore and additional investible projects of ₹1.68 lakh crore. The summit also laid the foundation for eleven projects totalling ₹14,440 crore, with eleven more projects valued at ₹8,924 crore dedicated to the nation.

In January 2023, the National Logistics Portal (Marine) was inaugurated, offering a one-stop platform for all stakeholders in the logistics community, integrating various modes of transport and aiming to enhance efficiency and transparency.

Another noteworthy development was the launch of 'Sagar Manthan', a comprehensive monitoring dashboard for the MoPSW. This digital platform, launched in March 2023, enables real-time monitoring of projects, KPIs, and financial and operational parameters.

The 19th Maritime State Development Council meeting, held in August 2023 in Gujarat, further emphasised India's commitment to achieving a 10,000 MTPA port capacity by 2047, establishing a Bureau of Port Security, and creating hydrogen hubs at Major Ports.

In terms of operational performance, India's major ports have shown significant improvement in the current financial year, handling 500.82 million tons of cargo, a 5.42 per cent increase from the previous year. Other operational parameters such as output per ship per day, vessel turnaround time, and pre-berthing detention of vessels have also registered remarkable improvements.

Complementing these developments, the inauguration of the National Centre of Excellence in Green Port and Shipping in March 2023 marked a stride towards steering the shipping industry and ports towards carbon neutrality and circular economy, in collaboration with MoPSW and The Energy and Resources Institute (TERI).

Source: fibre2fashion.com – Jan 02, 2024

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# India-Bangladesh trade down in pre-election season

The India-Bangladesh bilateral trade, already strained by economic headwinds during the year, has dampened in some land ports due to the upcoming general elections in the neighbouring country, exporters said on Tuesday. Bangladesh is set to hold its 12th general election on January 7 and the pre-election atmosphere has cast a shadow on the cross-border trade.

Indian exports to Bangladesh between April and October 2023 declined by 13.32 per cent, while imports saw a marginally smaller 2.3 per cent dip, according to data from the Department of Commerce.

"Trade activity has been affected for some time now due to Bangladesh's forex shortages and liquidity crunch. The election-related slowdown is expected to be temporary, but stricter rules like the 110 per cent margin on letters of credit compared to the earlier 10 per cent have been a major concern for traders," a commodity exporter told PTI on condition of anonymity.

Stakeholders point to the general slowdown in trade activity during elections as a natural phenomenon due to factors like tighter border controls, heightened risk aversion among businesses, and the potential for disruptions like protests and shortage of labourers who go back to their hometowns for voting.

The impact is particularly acute in West Bengal's border town of Bangaon near the Petrapol border, where local markets heavily rely on Bangladeshi tourists, they said.

"Export activity, especially of construction materials like stone chips, has slowed down due to the elections," said Prasonjit Ghosh of Malda's Malhadipur Exporters' Association.

Fly ash exports via the Indo-Bangladesh protocol route through Kolkata port have also witnessed a 15-25 per cent drop during the peak construction season, highlighting the broader impact on construction material trade.

"There's been a temporary slowdown due to the election mode, but we expect trade to bounce back to normal after the polls," said Sajedur Rahman of the Benapole C&F Agents Association.

Although Petrapole cargo truck movement data shows no major trade disruptions, the number of trucks moving between December 21 and 31 had been quite erratic due to holidays. However, passenger movement, particularly inbound traffic, had reduced significantly.

The inflow to India through Petrapole reduced to 2141 passengers on December 31 from 2894 on December 21, Petrapole Land Port Manager Kamlesh Saini said.

Binay Sinha, secretary of the Bangoan Chamber of Commerce, pinpointed the stark impact of the Bangladeshi elections on Bangoan's three local markets: Taw Market, Motilal Market, and New Market.

"Visa issuance restrictions imposed by Bangladesh except for medical treatment on its citizens during the election period drastically reduced tourist flow," Sinha elaborated.

"These markets heavily rely on Bangladeshi tourists who purchase goods in India before returning home but these local markets are not closed," he said.

Adding to the woes, "informal trade channels have also come to a standstill during the elections, further squeezing these markets", a local trader said.

Source: economictimes.com– Jan 02, 2024

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# Everyone wants to do an FTA with India: GTRI report

Countries ranging from large economies like Europe, and the UK to smaller ones, including Oman and Peru, want to have a free trade agreement with India due to the country's large and rapidly growing market, a report by economic think tank GTRI said.

The Global Trade Research Initiative (GTRI) said that by implementing a trade deal (FTA) with India, countries can access the Indian market with less or no import duties on substantial trade.

This gives their companies an advantage over others in selling to the Indian market.

Additionally, since India currently does most of its importing (over 75 per cent) from countries it does not have FTAs with, these agreements are particularly appealing as they offer a significant new market opportunity in India.

"Everyone wants to do an FTA with India. Countries ranging from large economies like the US, Europe, Japan, and the UK to smaller ones like Oman, Peru, and Mauritius either already have or actively seeking an FTA with India. The main reason is India's high import duties, which make it difficult for these countries to access India's large and rapidly growing market," it said.

However, it said that India may not see a big increase in exports from FTAs under negotiations.

The countries with which India is negotiating trade agreements already have low import duties.

"For example, the UK's duties are 4.1 per cent, Canada's 3.3 per cent, and the USA's 2.3 per cent. In contrast, India's import duties are higher at 12.6 per cent," GTRI Co-Founder Ajay Srivastava said.

Also, a substantial share of imports from these nations are already happening at zero MFN (most favoured nation) duties, he said.

Canada's 70.8 per cent of imports are already happening at zero MFN duty. The same is the case with Switzerland (61 per cent), the US (58.7 per cent), the UK (52 per cent), EU (51.8 per cent).

"In contrast, in India only 6.1 per cent of global imports are undertaken at zero MFN duty. Given this, India might not see a big increase in exports after these FTAs because these countries already have low or no import duties," Srivastava added.

On the other hand, countries like the UK and Canada could benefit more from the FTAs, as they will be able to sell their products in India without the high duties that India usually imposes.

The report suggested the government six steps while negotiating these deals and that includes creation of common exclusion list for merchandise trade negotiations; and focusing on obtaining real market access on the ground.

The other suggestions include doing sectoral agreements with poor and developing countries instead of trade deals involving goods, services, and investments; and negotiate new subject areas such as environment, labor, data governance, digital trade, gender, small and medium enterprises, anti-corruption, and sustainable food systems, carefully.

Source: economictimes.com– Jan 02, 2024

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## Maharashtra govt to set up new corporation to boost textile industry

In order to give the state's textile industry a boost, the Maharashtra government has decided to set up a new corporation for the textile industry on the lines of Maharashtra Industrial Development corporation (MIDC).

The corporation will be called Maharashtra State Textile Development Corporation (MSTDC) which will be set up after the merger of three existing textile corporations of the state – Maharashtra State Handloom Corporation, Maharashtra State Powerloom Corporation Ltd and Maharashtra State Textile Corporation – into the MSTDC.

The government has formed a committee to prepare a draft for the law to set up MSTDC, which is aimed at developing a sustainable and fertile environment for the textile industry's growth.

Principal secretaries of the textiles, finance, planning, industries and law & judiciary departments and other officials are part of the committee that will prepare a draft to enact the law.

According to the officials, the MSTDC will be setup under the state's new Integrated and Sustainable Textile Industry Policy 2023-28, which was approved by the state cabinet in May last year. The new textile policy is aimed to attract investment of Rs 25,000 crore in the sector in the near future and boost investment in the state's cotton production industry.

As per the new policy, the Textile Commissionerate and the Silk Directorate will be merged to form the Textile and Silk Commissionerate, and the office at the regional level will be known as the Regional Deputy Commissioner – Textile and Silk.

The government also aims to establish six technical textile parks across the state under the new policy and Maharashtra Technical Textiles Mission will also be undertaken to ensure "aggressive growth" of the sector.

"The MSTDC will be statutorily setup on the lines of MIDC as announced in the Integrated and Sustainable Textile Policy 2023-28. All the corporations under the department of textiles will be merged into the

MSTDC and all the assets of the existing corporations will be transferred to the MSTDC and all payments will be restructured as per the government directives.

MIDC has been established under the Maharashtra State Industrial Development Act, 1961. On a similar line, the Maharashtra State Textile Development Act will be setup by law," the official said.

Source: indianexpress.com– Jan 03, 2024

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# India-centric Shift In Global Textile Dynamics

*Dipali Goenka, CEO & MD, Welspun Living on the outlook for the Indian textile industry, the technological innovations shaping the industry's narrative and growing demand for sustainable products*

In 2023, India's textile industry saw some significant moments of learning and a number of victories worth celebrating. Despite challenges, the sector showcased incredible resilience and growth. The industry's penchant for innovation and its single-minded pursuit of world-class quality played a crucial role in its success, as it continued to meet the increasing demand for technical textiles.

The government's support through favourable policies and investments in research and development contributed immensely to the sector's growth in the past year. With the launch of the PM Mega Integrated Textile Regions and Apparel (PM MITRA) textile parks, the textile industry is expected to witness a boost in foreign direct investment (FDI)/ green field investments by Indian players as well as job opportunities for the youth. Initiatives such as the Scheme for Capacity Building in the Textile Sector (SAMARTH) are playing a major role in creating a skilled, future-ready workforce for the textile sector.

Outlook 2024

The Indian textile industry is on an upward trajectory of impressive growth, which is projected at 10 per cent CAGR from 2019-20 and set to soar to USD 190 billion by 2025-26. With a 4.6 per cent slice of the global textile trade, India is sure to make a substantial impact on the world stage.

Strategies like 'China + 1' as well as India's growing prominence as a manufacturing leader on the international stage are leading to an India-centric shift in global textile manufacturing dynamics. Looking ahead, we can anticipate some industry-wide trends that will significantly shape the narrative of 2024.

Technological innovations – including the integration of AI, automation, and robotics – will continue to drive efficiency and redefine industry standards. Owing to these emerging technologies, global supply chains stand on the cusp of digital transformation, with a promise of promoting transparency and traceability across the industry.

The spotlight on sustainable development is set to intensify as consumers become increasingly aware of the environmental and social impact of their purchasing decisions. It goes without saying that we can expect demand for sustainable products to rise in the near future.

As we strive for increased demand and a more stable market, I am confident that the lessons from 2023 have fortified us to meet the challenges and seize the opportunities that lie in the future.

Welspun As Sustainability Leader

In the coming year, Welspun Living will continue down its path as a sustainability leader, setting benchmarks for environmentally friendly practices in the textile sector. We aim to remain at the forefront of the textile industry's journey towards sustainability, weaving this commitment into the very fabric of our operations.

Towards achieving our Science-Based Targets initiative (SBTi) target of net zero emissions by 2030; we have surpassed our goals for the previous year. We shall continue exceeding expectations next year as well. Along with this, we will remain steadfast in adopting sustainable production and consumption practices, with a commitment to rely on 100 per cent renewable energy and source 100 per cent sustainable cotton by 2030.

Source: businessworld.in– Jan 02, 2024

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# Erode's textile market sees spike in sales ahead of Pongal

With Pongal soon to be celebrated on January 15 and 16, retail and wholesale sales at the textile markets in the city have improved, as traders from other districts and States have come in for purchases.

Over 3,100 shops selling textile materials function at the E.K.M. Abdul Gani Textile Market (Gani Market) in Panneerselvam Park, Ashokapuram and near Central Theatre in the city. Likewise, weekly shops at the Gani Market function from Monday afternoon to Tuesday night, where people and traders purchase materials, both in retail and in bulk quantities.

K. Selvaraj, president of the Erode Gani Market Weekly All Textile Merchants' Association, told The Hindu that the demand for synthetic dress materials for Pongal, particularly for children, was high and sale volumes were good.

"The volume of both retail and wholesale sales is about 40% each," he said and added that traders from Vellore, Tiruvannamalai and Kallakurichi, had come in large numbers and bought material. Also, traders from Andhra Pradesh have made bulk purchases. "Sales will go on improving until Pongal," he added.

Source: thehindu.com– Jan 02, 2024

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