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Currency Watch			
USD	EUR	GBP	JPY
83.36	90.43	105.45	0.55

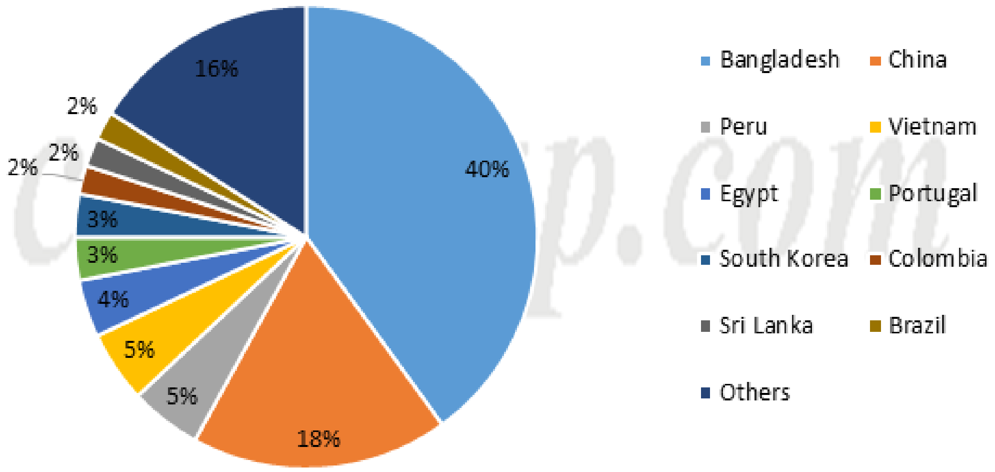
INTERNATIONAL NEWS

INTERNATIONAL NEWS

China's imports of Indian cotton yarn rose significantly in Jan

According to the latest import and export data, the total exports of Indian cotton yarn (HS code 5205) was 82,200tons in Jan 2024, up 29.26% year-on-year and but down 8.46% month-on-month. China remained the second largest export market for Indian cotton yarn. Indian cotton yarn exports to China in Jan were 15,293.08 tons, up 15.09% from a year earlier and 52.69% from a month earlier.

Shares in Indian cotton yarn export market in Jan 2024



Shares in Indian cotton yarn export market in Jan 2024					
Country	Exports(Dec 2023) ton	Proportion	Exports(Jan 2024) ton	Proportion	Change
Bangladesh	41288.33	46%	32607.09	40%	↘
China	10016.08	11%	15293.08	19%	↗
Peru	4975.78	6%	4,358.91	5%	↘
Vietnam	5305.77	6%	4,217.12	5%	↘
Egypt	3520	4%	2984.09	4%	~
Portugal	1808.65	2%	2,628.15	3%	↗
South Korea	2381.66	3%	2,377.78	3%	~
Colombia	2376.64	3%	1773.95	2%	↘
Sri Lanka	1984.57	2%	1,634.40	2%	~
Brazil	1181.04	1%	1362.37	2%	↗

Judging from the proportion of Indian main cotton yarn export market in Jan 2024, China was still the second largest market for Indian cotton yarn, accounting for about 19% of Indian cotton yarn export market, up 8% from Dec 2023.

Bangladesh, with a share of about 40%, still remained the largest market for Indian cotton yarn, down 6% to that in Dec 2023. Vietnam and Peru tied as the third-largest export markets for India in January, each holding a 5% market share. The market share of other countries was below 5%.

Apart from Bangladesh, Peru, Vietnam, and Colombia, the market share of exports to other countries in January increased or remained stable compared to December 2023.

Indian cotton yarn exports in in Jan 2024 (ton)				
Country	Jan-23	Jan-24	y-o-y %	m-o-m %
Total exports	63,590.69	82,198.30	29.26	-8.51
Bangladesh	18621.78	32607.09	75.1	-21.03
China	13288.04	15293.08	15.09	52.69
Peru	3,438.59	4,358.91	26.76	-12.4
Vietnam	2,038.51	4,217.12	106.87	-20.52
Egypt	4909.18	2984.09	-39.21	-15.22
Portugal	2,682.39	2,628.15	-2.02	45.31
South Korea	1,595.15	2,377.78	49.06	-0.16
Colombia	1307.48	1773.95	35.68	-25.36
Sri Lanka	1,654.42	1,634.40	-1.21	-17.64
Brazil	471.41	1362.37	189	-8.51

In Jan 2024, Indian cotton yarn exports to China increased year-on-year and month-on-month. From the year-on-year changes, Brazil saw the largest year-on-year increase, up 189%.

From the month-on-month changes, China showed the highest increase. As the second largest export market for Indian cotton yarn, the exports to China increased by 52.69% month-on-month.

Indian cotton yarn exports to China by variety in Jan (tons)					
Varieties	Jan-23	Jan-24	y-o-y	m-o-m	Proportion
Carded single yarn 8-25s	4,753.38	6,706.69	41.09%	49.68%	43.85%
Combed single yarn 8-25s	2,351.99	2,943.46	25.15%	198.03%	19.25%
Combed single yarn 25-30s	4,345.30	2,645.82	-39.11%	80.02%	17.30%
Combed single yarn 30-47s	1,332.56	1,396.28	4.78%	-3.01%	9.13%
Total	12783.2	13692.3	7.11%	63.44%	89.53%

In Jan 2024, in the four mainstream Indian cotton yarns, except for the combed single yarn 25-30s, exports of the other three cotton yarns to China increased year-on-year. From the month-on-month changes, combed single yarn 8-25s showed the highest increase in volume among the four mainstream Indian cotton yarns to China.

In Jan, the main varieties of Indian cotton yarns exported to China were carded single yarn 8-25s, accounting for 43.85%, and the export volume was 6706.69 tons. The combed single yarn 8-25s and combed single yarn 25-30s accounted for 19.25% and 17.30% respectively. The combed single yarn 30-47s accounted for 9.13% of the export volume, with a total of 1,396.28 tons exported.

In conclusion, Indian cotton yarn exports in Jan 2024 increased year-on-year but decreased month-on-month. Major export markets were Bangladesh, China, Peru, and Vietnam.

The exports to China increased year-on-year and month-on-month. In Jan 2024, the export of the four main Indian yarns exported to China largely increased both year-on-year and month-on-month. Indian carded single yarn 8-25s exports were still the largest among the exports of the four mainstream Indian cotton yarns.

Source: ccfgroup.com– Mar 25, 2024

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Germany's import prices decline 5.9% in January 2024

In January 2024, Germany reported a notable decrease in import prices, marking a 5.9 per cent reduction compared to January 2023, according to the Federal Statistical Office (Destatis). This decrease represents a slight moderation in the pace of decline, following a 7 per cent year-on-year (YoY) drop in December 2023 and a 7.2 per cent fall in November, using 2021 as the reference base year.

Despite these decreases, import prices remained stable from December 2023 to January 2024. A significant factor contributing to this trend is the substantial decrease in energy import prices, which were 27.7 per cent lower than in January 2023 and 1.6 per cent down from December 2023.

When excluding the energy sector, import prices in January still saw a decline, being 2.5 per cent lower than the same month in the previous year. Among the varying sectors, imported intermediate goods experienced a 7.2 per cent drop compared to January 2023, with a modest 0.5 per cent decrease from December 2023. However, consumer goods bucked the trend, becoming slightly more expensive by 0.3 per cent YoY and seeing a 0.7 per cent increase from the preceding month, as per Destatis.

On the export side, Germany witnessed a 1.3 per cent decrease in export prices in January 2024 compared to the same month last year. This follows a 1.4 per cent YoY decrease in December 2023 and a 1.2 per cent fall in November, with a slight increase of 0.1 per cent in export prices from December 2023 to January 2024. The data indicates a subtle yet ongoing adjustment in the pricing of German exports.

The sector-specific analysis reveals a 22.9 per cent YoY decrease in energy export prices for January, alongside a 4.6 per cent reduction in prices for exported intermediate goods. Conversely, exported consumer goods saw a price increase of 0.6 per cent compared to January 2023.

Source: fibre2fashion .com– Mar 25, 2024

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China to use several channels to speed up accession to CPTPP

China's commerce ministry recently said the government will use a gamut of channels to engage in multilevel exchanges to accelerate accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Ministry spokesman He Yadong said China is fully confident and capable of meeting the high standards set by the CPTPP.

The government has comprehensively evaluated the agreement's content, He was cited as saying by a state-controlled media outlet.

Members of the CPTPP, which took effect in December 2018, are Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.

"We have proactively aligned our policies and legislation with the CPTPP rules in relevant areas and are well-prepared for market access offers in goods trade, trade in services and investment," he said, adding the government has carried out reforms and pilot projects in related areas. The efforts have achieved encouraging results, he noted.

Further efforts will be made to end practices that hinder fair competition and refine the bidding process, ensuring foreign companies can participate in setting standards and join committees under equitable conditions, according to an action plan released recently by the General Office of the State Council.

China had signed 22 free trade agreements with 29 countries and regions as of January this year, covering about a third of its total foreign trade volume.

Source: fibre2fashion .com– Mar 25, 2024

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UK's consumer confidence dips in February 2023: GfK

UK’s consumer sentiment has seen a downturn, dropping two points to a score of minus 21 in February, according to the latest findings from GfK's Consumer Confidence Index. The index highlighted a decline in four out of five measures, with one remaining unchanged.

Notably, perceptions of personal finances over the past year have worsened, falling two points to minus 14. However, this still represents a significant improvement of 12 points compared to February of the previous year. The outlook for personal finances over the coming 12 months holds steady, with the score remaining at 0, marking an optimistic rise of 18 points from last year's figures.

Views on the general economic situation over the past year have also declined, with the measure dropping two points to minus 43. Despite this decrease, the score is 22 points higher than it was in February 2023. Expectations for the country's economic situation in the next 12 months have seen a three-point decrease to minus 24, yet this too is an improvement, standing 19 points higher than the previous year.

The major purchase index, which gauges consumers' willingness to buy big-ticket items, has taken a hit, decreasing by five points to minus 25. This figure is still 12 points more positive than the same period last year. On a brighter note, the savings index, reflecting the inclination to save money, has increased by two points to 29, demonstrating a 10-point uplift from February 2023.

Source: fibre2fashion .com– Mar 25, 2024

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Cotton Prices Holding, But Looking a Bit Weary

Some times are more difficult than others.

That great cotton and pecan grower Jerry Calvani of New Mexico used to suggest I was “struggling” during those times. Nevertheless, the market seems to be struggling, struggling to hold 90-93 cents. A fall below 91 cents opens up a quick drop to 88 cents and adds further pressure to slip back into the mid-80s. Yet, there does appear to be enough business, albeit minimal, to keep market prices in the high 80s and even the low 90s.

As stated last week, the chance for old crop heading back to the high 90s and the magic associated with dollar cotton is gone, but certainly not forgotten. The old crop May and July futures contracts appear tired. Open interest is slowly eroding, and the big record weekly trade volumes have given way to only decent and good trading numbers.

However, the remaining two old crop contract months can still produce the energy and speculative excitement to jump back to the 95-cent mark, but speculators appear to be growing tired and a bit nervous. One seasoned analytical analyst suggested that the average weighted long speculative trade was a few ticks above 94 cents. That being the case, I would look to the market to recoup that level but with only a short-lived chance to trade much higher. Nevertheless, any trading near that level would reward most speculative traders with an excellent return on their risk.

The continued increase in certificated stocks, small as it may be, has tempered the bulls’ enthusiasm for dollar cotton.

However, the increase should add more carry to the market which would probably help the new crop ease marginally higher. We remain convinced that growers should consider pricing a portion of their 2024 crop production at the 85-cent level.

All corners of the cotton world are seeding more acreage than in 2023. This increase in planted acreage is related to the February price rally and not in response to a change in demand.

Demand has not changed. It remains relatively weak, and cotton growers are more than getting bloodied by the declining use of cotton on the textile spinning system. Cotton's share of the spinning system is in a freefall, as there are not any market promotional efforts being conducted by either the U.S. or the world cotton industry.

The struggling is associated with the market's late realization that the U.S. crop was significantly lower than estimated by the NASS division of USDA. Surprisingly, U.S. exports have remained relatively strong given the small U.S. crop, the decline in world demand, and the loss of export market share by the U.S.

Nevertheless, the lower-than-expected crop size surprised the market eight months into the marketing year and created a feeding frenzy by speculators who have historically looked to the cotton market as a place for a friendly risk reward ratio…and did they ever find it this year. In a matter of little more than three weeks, cotton jumped from 83-84 cents to the dollar level. Some suggest that the big speculation came only after market prices topped 90 cents, but open interest was ballooning from 86 cents all the way up to 90 cents. Thus, speculators were trading in volume well before the 90-cent level was hit.

I previously suggested the 90 cent-plus level would exist into the May futures expiry period. I still offer that suggestion, yet not with the gusto I initially held. Speculators, in fact, are growing tired. One must only look at the decline in open interest. Thus, cotton trading is giving the feeling that the market wants to return to the high 80s level it seemingly took a year to break above with any gusto. Thus, that same 88 cent market should provide good support if the 90-cent level fails.

However, the world textile community continues to indicate their cotton needs are only for fill-in needs as yarn inventories are building and that they are unable to pass along the increase in raw cotton prices to apparel mills and retail outlets.

Do not give up on another run to 95 cents, but our price bracket has widened, and the market support price has been lowered a bit. Look for the trading range to fall between 87 and 95 cents.

Source: cottongrower.com– Mar 24, 2024

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Using Data to Drive Sustainability: Insights from the U.S. Cotton Trust Protocol's 2023 Report

As consumers become increasingly conscious about the environmental impact of their purchases and legislation regarding transparency and traceability gains traction in key markets, many fashion brands and manufacturers are responding by sourcing more sustainably grown raw materials—including cotton.

According to a recent report by market research company SNS Insider, the sustainable apparel market is projected to reach $20.51 billion in 2030 from $10.22 billion in 2022—representing a compound annual growth rate of 9.1 percent from 2023 to 2030. Per the report, this accelerating trend toward sustainable apparel is happening on a wide scale, with North America, Europe and the Asia-Pacific region all experiencing growth.

Brands and retailers are also facing legislation that will require them to be more transparent and prove their environmental footprint and progress. Starting in financial year 2024, the Corporate Sustainability Reporting Directive (CSRD) will mandate that all large and listed companies based in or operating in the EU disclose information regarding risks and opportunities originating from social and environmental issues, as well as the impact of their activities and operations on people and the environment. The recently published European Sustainability Reporting Standards (ESRS) also establish reporting guidelines that will unify the methods by which companies disclose their ESG performance.

To meet both consumer requests and regulatory requirements for more sustainability details, companies need data. The U.S. Cotton Trust Protocol, the voluntary sustainability program for U.S. cotton growers and traceability platform for all U.S. cotton, knows that improving the industry's environmental footprint begins at the field level.

The Trust Protocol is the only sustainable cotton initiative that provides quantifiable, verifiable goals and measurement and drives continuous improvement across six key sustainability metrics: land use, soil carbon, water management, soil loss, greenhouse gas emissions and energy efficiency. It is also the first to offer article-level supply chain transparency to members.

"We want brands and consumers to have a stronger sense of the origins of the cotton they buy – to better know the growers that produce it and the lengths to which they are going to improve their environmental impact," said Daren Abney, executive director of the U.S. Cotton Trust Protocol.

The Trust Protocol features several unique characteristics that can play a fundamental role in helping members comply with the CSRD and ESRS. It constantly monitors, identifies and evaluates where its data proposition aligns with the ESRS. The data and transparency the program provides to members make it well-positioned to help them adhere to several disclosure requirements established in the ESRS, including climate, pollution, water, biodiversity and workers' well-being.

To help improve the environmental footprint of the cotton industry, and, by extension, the apparel and textile industries, the Trust Protocol is dedicated to continuous progress across its key sustainability targets. For the 2022-23 crop year, the Trust Protocol reported improvement across all six of these metrics, compared to a 2015 baseline, including:

• A 79 percent reduction in soil loss with yields 10 percent greater than the national average
• An increase in soil carbon of 83 percent
• Water efficiency enhanced by 14 percent
• GHG (Greenhouse Gas) emissions cut by more than a fifth (21 percent)
• A 27 percent reduction in energy use

Growers achieved these improvements by adopting more sustainable techniques such as regenerative agriculture practices. These include planting cover crops, using minimal or no-tillage methods, promoting biodiversity, practicing rotational farming, utilizing precision agriculture techniques, adopting Integrated Pest Management (IPM) techniques, and using inputs tailored to specific landscape conditions to best suit the needs of their land. Employing these methods helps minimize soil disturbance and loss, maintain living roots year-round, keep the soil covered and maximize crop diversity.

The Trust Protocol's membership across the supply chain continues to grow, with the program reaching a milestone of 1.7 million planted cotton acres enrolled—accounting for nearly a quarter of total planted acres in the U.S. and representing all 17 Cotton Belt states. This not only demonstrates the program's advancement, but also means that an ever-increasing amount of more sustainably grown cotton will be available for brand and retailer members to source.

The program also continues to gain momentum within the supply chain with more than 2,000 supplier members and over 40 global companies and their brands, including icons such as Ralph Lauren, Levi Strauss & Co., Macy's and J.Crew.

"Building transparency into the supply chain is one of the most important challenges that we face in today's global economy," said Wilson Avalos, executive vice president of Ropa Siete Leguas, a Mexico-based denim producer and supplier member. "The Trust Protocol allows us to produce with confidence, responsibly and proudly; from cotton to garments, which is essential for our reputation as a manufacturer."

Source: sourcingjournal.com– Mar 25, 2024

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Mexican Retailers Struggle to Grow Online as Shein Hits Market

\With nearly 50 million people still living in poverty, Mexico has a vast number of lower- and middle-class consumers. That statistic has not been lost on Shein, the inexpensive Chinese online portal that is now attracting Mexicans with fashion selling for as little as 99 pesos, or $6.

The Chinese platform, which has also taken many other global markets by storm, has built a significant business in Mexico by targeting its large numbers of street sellers who make a living by trading merchandise in tianguis, or flea markets.

"Shein is doing multilevel [marketing]," said top retail analyst Jorge Quiroga, who runs consultancy Retail Lab. "You can become partner and then have better prices to resell. Shein now has more than 1 million street sellers who also sell on WhatsApp and deliver their merchandise in popular spots such as subway stations."

Shein's arrival has given Mexico's established retailers a run for their money, knocking El Puerto de Liverpool, once the fifth-biggest online clothing retailer, down to number six.

Indeed, the arrival of the Chinese giant—which has launched discount campaigns targeting Mexico's lucrative plus-size market and deployed ads that involved Mexican designers for the country's big Day of the Dead celebration—has upended the market, according to Quiroga.

"They have really hurt Liverpool," which had been dominating online sales for several years amid big investments to improve customer service and hasten deliveries. With more than 120 stores, Liverpool is bolstering online promotions and providing easier credit through its store card as well as launching new omnichannel strategies to counter Shein. "But they are not as dynamic or fast," Quiroga noted.

Meanwhile, Coppel, which specifically targets Mexico's lower-income consumers, is also responding to Shein aggressively, mainly by introducing new financing options for those consumers who do not have a banking account. Wal-Mart de Mexico y Centroamerica, meanwhile, is deepening discounts through its Cashi shopping app.

Perhaps the only enterprise that can really tackle Shein is Cuidado Con El Perro (or Beware of the Dog), the country's fastest growing fashion chain that also targets budget-conscious consumers, specifically Millennials and Gen Z shoppers.

Cuidadoconelperro.com has a wide selection of unisex merchandise. One of its latest capsule collections was inspired by Pokemon video game characters and offered jogging suits and T-shirts for $10 to $20. The brand's merchandise has become so popular that street sellers have also began reselling it in Mexico's tianguis, taking on Shein.

With more than 200 stores, Ciudado Con El Perro has successfully targeted the U.S. market (where it ships online) and Guatemala. Last December it acquired C&A's ailing Mexican subsidiary for an undisclosed sum.

"Cuidado Con El Perro is basically telling Mexico's apparel market that 'I am going to finish with you.' It's a savage dog. When you go to malls, their stores are always full, much more than others," said industry expert Miguel Angel Andreu.

Asked if anything could dent Shein's rapid growth, he noted the firm has recently suffered from fraud scandals allegedly related to its payments system.
Some Mexicans have also reportedly expressed puzzlement and distrust over Shein's so-called Lucky Flip Game that gives free merchandise credits or vouchers.

"People are confused about this game," Andreu claimed. "Psychologically, it makes them unwilling to trust."

Shein apart, Mexican consumers have become increasingly wary of online shopping amid growing credit card fraud and/or identity theft, a problem Quiroga blamed for stalling the market's growth, which he expects will be flat at around 11 percent this year after gaining much more during the pandemic.

Further pressuring e-tailers, most Mexicans still prefer to buy apparel in brick-and-mortar stores.

"Many people say 'I buy online and things don't get to me,'" as some brands are still unable to deliver goods nationwide. And even if they want to buy, they may not have the funds to do so. “Forty million people are still unbanked in this country,” Quiroga noted.

On the logistics front, however, things have improved.

“Retailers are investing lots of money to improve the shopping journey with greater delivery responsiveness,” said a bank retail analyst, requesting anonymity. “In the past, people struggled to find a broad selection of items, sizes and styles. Now they can do so with just three to four clicks.”

Moreover, “brands can now deliver within 24 hours no matter what,” the analyst added. “Their website quality is also much better, regardless of whether you access via a PC or smartphone, and there is a certain level of professionalism that wasn’t there before the pandemic.”

Source: sourcingjournal.com– Mar 25, 2024

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US budget deficit to markedly rise to hit 8.5% of GDP in 2054: CBO

The total US federal budget deficit will significantly rise in relation to gross domestic product (GDP) over the next 30 years, reaching 8.5 per cent of the GDP in 2054, according to projections by the Congressional Budget Office (CBO).

Since the Great Depression, that level has been exceeded only during and shortly after World War II and during the 2007–2009 financial crisis and the coronavirus pandemic. That growth would result from rising interest costs and large and sustained primary deficits, which exclude net outlays for interest CBO said in a release.

Those deficits will average 2.2 per cent of the GDP over the 30-year period; over the past 50 years, they averaged 1.6 per cent of the GDP.

Federal debt held by the public, measured as a percentage of GDP, will rise in every year of the 2024-2054 period. By 2029, that debt will climb to 107 per cent of the GDP, exceeding the historical peak it reached immediately after World War II. In 2054, it will reach 166 per cent of the GDP and will stay on track to increase thereafter.

Such large and growing debt would slow economic growth, push up interest payments to foreign holders of US debt and pose significant risks to the fiscal and economic outlook, CBO noted. It could also cause lawmakers to feel more constrained in their policy choices.

Measured as a percentage of GDP, federal outlays will increase each year beginning in 2028, reaching 27.3 per cent of the GDP in 2054, CBO projected.

Revenues, also measured as a percentage of GDP, will fluctuate over the next decade and will rise thereafter, reaching 18.8 per cent of the GDP in 2054. That later growth in revenues will occur mainly because growth in income boosts receipts from the individual income tax.

Source: fibre2fashion.com– Mar 25, 2024

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Turkiye's export volume index up 7% YoY in Jan 2024: Turkstat

Turkiye's overall export volume index during January this year increased by 7 per cent year on year (YoY), according to the official statistics agency Turkstat. This index increased by 34.2 per cent YoY for fuels and by 3.7 per cent for manufactured goods (except food, beverages and tobacco).

The country's overall export unit value index decreased by 3.3 per cent YoY in January. In the same month, the index decreased by 2.9 per cent YoY for manufactured goods (except food, beverages and tobacco) and decreased by 13.9 per cent YoY for fuels.

The overall import unit value index decreased by 9.3 per cent YoY in January. This index decreased by 31.8 per cent YoY for fuels and decreased by 1.2 per cent for manufactured goods (except food, beverages and tobacco).

The overall import volume index in January decreased by 13.9 per cent YoY. This index increased by 8.9 per cent YoY for fuels and decreased by 5.6 per cent for manufactured goods (except food, beverages and tobacco).

The calendar- and seasonally-adjusted export volume index, which was 161.8 in December 2023, decreased by 5.6 per cent to 152.8 in January this year.

The calendar- and seasonally-adjusted import volume index, which was 120.2 in December 2023, decreased by 4.1 per cent to 115.4 in January.

Source: fibre2fashion.com– Mar 26, 2024

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Vietnam leads Japanese investment picks: Survey

According to a recent survey by the Japan External Trade Organisation (JETRO), Vietnam maintains its allure as a prime market for Japanese enterprises. The data revealed that nearly 57 per cent of surveyed Japanese firms intend to expand their presence in Vietnam within the next 1-2 years, ranking it second only to Laos in growth interest among Southeast Asian nations.

The survey highlighted that the number of Japanese companies operating in Vietnam surged to 2,000 in 2023, surpassing all other ASEAN countries. Approximately 50.4 per cent of Japanese investors anticipate improved business profit expectations for 2024.

JETRO emphasised Japanese firms' ongoing commitment to enhancing local procurement and anticipated further development in the supporting industry.

However, the survey identified challenges encountered by Japanese businesses in Vietnam, with 42.7 per cent reporting a shortage of skilled human resources. This scarcity is particularly acute in the non-manufacturing sector (45.2 per cent) and industries such as retail, information and communications, finance, insurance, education, and healthcare (over 60 per cent).

Japanese companies also highlighted investment-related risks, citing prolonged processing times in administrative procedures. Overall, the survey underscored Vietnam's significance as an investment destination for Japanese enterprises, driven by its growing economy and conducive business environment.

While optimism prevails regarding profit expectations and commitment to local procurement, addressing challenges like human resource shortages and streamlining administrative procedures will be crucial for sustaining and enhancing Japanese investment in Vietnam's dynamic market.

Source: fibre2fashion.com– Mar 26, 2024

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Kenya's second-hand clothes traders lobby against EU export restrictions

LONDON, March 25 (Reuters) - A proposal by France, Denmark and Sweden to restrict used-clothing exports from the European Union could hurt the clothing resale industry in Kenya, which employs 2 million Kenyans, a representative of second-hand clothes sellers said.

The EU exported 1.4 million tonnes of used textiles in 2022, more than twice as much as in 2000 according to U.N. trade data. Exports to developing countries can lead to pollution when clothes that can not be resold end up in dumps, the EU has said.

The three countries are proposing that the EU apply the Basel Convention to used clothes, banning exports of hazardous textile waste and requiring prior informed consent to be obtained before importing textile waste.

"The export of textile waste from the EU to developing countries causes significant environmental, social, and health problems. The EU has to put an end to this practice," Denmark's deputy permanent representative to the EU, Soren Jacobsen, told an Environment Council meeting in Brussels on Monday.

The aim of including used clothes in the Basel Convention would be to reduce or even end exports of used clothes from the EU, and instead to promote the development of textile recycling within the bloc, Cyril Piquemal, France's deputy permanent representative to the EU, said.

But Teresia Wairimu Njenga, chair of the Mitumba Consortium Association of Kenya, which represents sellers of second-hand clothes, told Reuters imports of used clothes supported livelihoods and generated tax revenues for the country.

Njenga denied that the imports contain large amounts of unusable items that end up in landfill.

"Nobody is giving us trash by force – what we are buying is good quality clothes, and if a supplier wants to sell us trash, we would be happy to refuse their consignment," she said.

Kenya imported 177,386 tonnes of used clothing in 2022, a 76% increase on the amount imported in 2013, according to U.N. trade data. African countries including Ghana, Senegal, and South Africa are also significant importers of used clothing, the data shows.

Source: yahoo.com– Mar 25, 2024

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Bangladesh focuses on transit, PTA with Bhutan, Nepal

Bangladesh has prioritised signing and implementing transit and Preferential Trade Agreements (PTA) with Bhutan and Nepal in upcoming talks.

Media reports claimed this citing concerned officials, adding, while Bangladesh has transit and Preferential Trade Agreement (PTA) deals with Bhutan, efforts are underway to finalise operational modalities in April discussions.

Commerce officials emphasised discussions on eliminating tariff and non-tariff barriers and addressing various bilateral and regional issues in both meetings. The seventh Bangladesh-Nepal commerce secretaries' meeting scheduled for April 18-19 in Kathmandu aims to finalise the PTA product list and potentially sign the agreement.

Regarding Bhutan, an agreement on traffic-in-transit and protocol was inked in March 2023, ratified by Bangladesh's Cabinet Division in June 2023, with Bhutan proposing implementation from March 2024.

However, unresolved transit fee issues posed a challenge. The Ministry of Commerce has urged expediting fee fixation to facilitate deal implementation, alongside advocating for trial runs and defining transit routes. The April 24-25 commerce secretary-level meeting with Bhutan will concentrate on operationalising the transit agreement and reviewing the effectiveness of the Bangladesh-Bhutan PTA, operational since July 2022.

This marks the first bilateral commerce secretary-level meeting since the agreements' signings. Bangladesh's recent offer granting Nepal and Bhutan access to its seaports and airports underscores regional cooperation efforts.

Nepal has already utilised Mongla port for imports, while transit facilities are extended to India as well, boasting rail, road, water connectivity, and air links. All four nations engage in sub-regional cooperation on trade and trans-border vehicle movements.

Source: fibre2fashion.com– Mar 25, 2024

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BGMEA President emphasises shifting towards high-end apparel

As Bangladesh's ready-made garment (RMG) industry strives to achieve the ambitious target of $100 billion from garment exports by 2030, a significant shift towards value-added, high-end apparel items is underway in the sector.

To move up the value chain, apparel exporters in Bangladesh increasingly focus on product diversification, with a particular emphasis on complex and high-end non-cotton garments such as jackets, lingerie, sportswear, suits, uniforms, and technical apparel.

Bangladesh Garment Manufacturers and Exporters Association (BGMEA), the apex trade body representing the apparel sector, spearheads initiatives to facilitate this transition towards high-value items.

BGMEA President Faruque Hassan made the remarks after visiting several garment factories in Adamjee EPZ in Narayanganj to see the production of high-end apparel items, read a press release issued on Monday.

During his visits to Universal Menswear Ltd, Suad Garments Industries Ltd, Yunusco, UHM Ltd, and Remi Holdings Ltd, he talked to factory management and officials to gain insights into the prospects of such garments in global markets.

Faruque Hassan also discussed potential supportive measures to enhance Bangladesh's capabilities in high-end garment manufacturing and exports.

He emphasised the opportunities presented by non-cotton fibre products from a diversification perspective.

He said, "By shifting towards non-cotton and high-end segment, Bangladesh cannot only seize the opportunity, but also position itself as a key player in the global fashion industry."

Faruque Hassan noted, “It’s heartening to see that more and more garment factories are moving towards manufacturing high-end and value-added products and making investments in innovation and technological upgradation.”

He urged more factories to manufacture diversified high-end products to capitalise on the opportunities in the global market.

Source: daily-sun.com– Mar 25, 2024

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NATIONAL NEWS

S&P Global raises India's growth forecast to 6.8% for FY25, lower than current fiscal

With the government showing optimism on the growth scenario, S&P Global on Tuesday upped India's growth forecast by 40 basis points to 6.8 per cent during Fiscal Year 2024-25. However, it is still lower than the 7.6 per cent growth forecast for the current fiscal.

"For Asian emerging market (EM) economies, we generally project robust growth, with India, Indonesia, the Philippines, and Vietnam in the lead," Louis Kuijs, Asia-Pacific chief economist at S&P Global Ratings, said. However, despite the hike, the latest projection is lower than RBI's estimate of 7 per cent. Even the government expects GDP to grow around 7 per cent during the next fiscal year. Other domestic and global agencies expect growth to be in the range of 6.5 to 7 per cent.

Last week, the Monthly Economic Review (MER) by the Economic Affairs Department of Finance Ministry said that strong growth accompanied by stable inflation and external account and a progressive employment outlook helped the Indian economy close the current financial year on a positive note. "There are headwinds like indications of hardening crude oil prices and global supply chain bottlenecks to trade. Nonetheless, India, on the whole, looks forward to a bright outlook for FY25," it said

Meanwhile, giving reasons for year-on-year moderation, Kuijs said, "Restrictive interest rates are likely to weigh on demand next fiscal year while regulatory actions to tame unsecured lending will affect credit growth. A lower fiscal deficit will also dampen growth."

Earlier, the agency had projected FY 25 growth at 6.4 per cent. The agency has not made any change in its forecast for Fiscal Years 2025-26, 2026-27 and 2027-28 and pegged at 6.9 per cent, 7 per cent, 7 per cent, respectively.

Talking about inflation, Kuijs said that while non-food CPI inflation softened about 250 bps, food inflation rose 40 bps in the first ten months of this fiscal year. In all, headline inflation fell to an estimated 5.5 per cent this fiscal from 6.7 per cent in fiscal 2022-2023.

Headline inflation is above the middle of the 4 per cent-6 per cent target band, due to elevated food inflation. There are always upward risks around inflation. But, “barring major global shocks, we generally think those risks are now moderate. The upward price pressure from recent international shipping problems appears insufficient to meaningfully affect overall inflation,” he said while expecting consumer inflation to decline further to 4.5 per cent on average in Fiscal Year 2025-26.

Now, the big question is when the policy interest rate will be lowered. “We forecast rate cuts of up to 75 bps (India, Indonesia, New Zealand, and the Philippines) this year (which for India is the 2024-25), with the median reduction of 50 bps. In India, slowing inflation, a smaller fiscal deficit, and lower U.S. policy rates will lay the ground for the Reserve Bank of India to start cutting rates. But “we believe more clarity on the path of disinflation could push this decision at least to June 2024, if not later,” he said.
China’s Forecast

For China, S&P Global sees its GDP growth slowing to 4.6 per cent in 2024 from 5.2 per cent in 2023. “Our forecast factors in continued property weakness and modest macro policy support. Deflation remains a risk if consumption stays weak and the government responds by further stimulating manufacturing investment,” it said.

Source: thehindubusinessline.com– Mar 26, 2024

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Capping of interest subsidy for exporters to continue in Q1 of new fiscal

Discussions for a free-trade agreement (FTA) between India and the five-member South African Customs Union (SACU) nations may begin after the new government takes over in June, two people aware of the matter said.

The customs union includes South Africa, Namibia, Botswana, Lesotho and Eswatini.

After the Lok Sabha elections, India plans to reach out to SACU nations to launch trade talks, one of the persons cited above said.

Last year, discussions on the terms of reference were initiated, but not much progress was made thereafter.

An FTA with SACU nations will help India get greater access to the African nations. This is even more crucial now since the government has been trying to diversify export of products and venture into new destinations.
India signed trade deals with Southeast Asian nations, South Korea and Japan over a decade ago.

More recently, it signed deals with countries in West Asia and Europe.

Since 2021, India has signed four trade deals, including three major ones with the United Arab Emirates (UAE), Australia, and the four-member European Free Trade Association (EFTA) nations.

Of India's total exports, SACU nations had nearly 2 per cent share at $8.91 billion in FY23. However, the trade was dominated by South Africa.
Of the five nations, as much as 95 per cent of the goods value is exported to South Africa. It is also among India's top automobile export destinations.

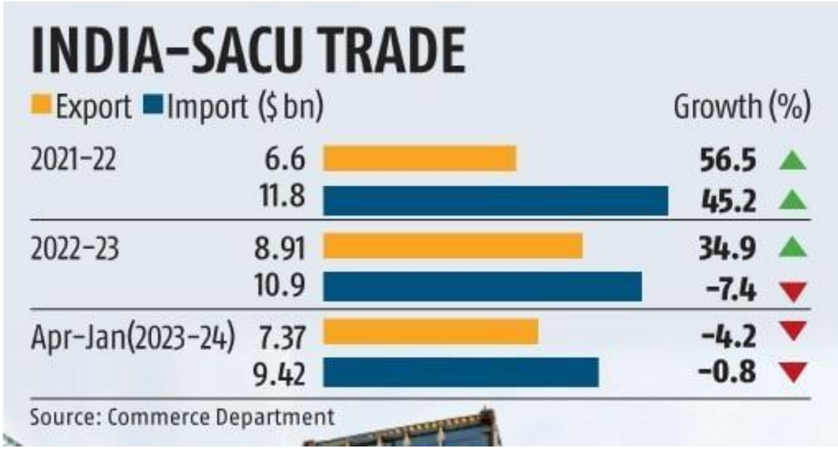
The trade with SACU nations is more or less balanced.

While exports stood at $8.91 billion in FY23, imports were at $10.9 billion. Even in the case of imports, dependency on South Africa is 95 per cent. Key inbound shipments include coal, iron ore and non-industrial diamonds, among others.

Other FTAs in pipeline

A trade agreement with Oman is learnt to have been finalised and now awaits approval from the Union Cabinet.

In the case of the United Kingdom (UK), 99 per cent of the deal has been finalised.



For the Narendra Modi-led National Democratic Alliance (NDA) government, which is eyeing a third term, finalisation of these two trade agreements will be one of the top priorities.

India is also negotiating an FTA with the European Union (EU).

The government is also trying to further economic ties with Latin American nations, such as Peru.

Source: business-standard.com– Mar 24, 2024

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UK, Oman trade agreements may figure in commerce ministry's 100-day agenda for new Govt: official

New Delhi: India's proposed free trade agreements (FTAs) with the UK and Oman are expected to figure in the commerce ministry's 100-day agenda roadmap for the new government, an official said. The ministry will also focus on issues pertaining to the exporting community with a view to promoting the country's outbound shipments.

Further talks between India and Australia to expand the scope of existing economic cooperation and trade agreement (ECTA) for a comprehensive economic cooperation agreement (CECA) are also progressing at a healthy rate.

The exercise assumes significance as while chairing a Cabinet meeting on March 17, Prime Minister Narendra Modi asked the ministers to meet secretaries and other officials of their respective ministries to discuss how the agenda for the first 100 days and the next five years can be better implemented.

The seven-phase Lok Sabha polls, the world's biggest election exercise, will kick off on April 19 with the counting of votes set to take place on June 4.

The official said that these two FTAs are in their final stages as talks on most of the issues have been concluded.

"The majority of difficult matters in India-UK FTA negotiations are moving towards resolution, and both sides are actively engaged for a fair and equitable deal," the official said.

India and the UK launched talks for an FTA in January 2022. There are 26 chapters in the agreement, which include goods, services, investments and intellectual property rights.

The 14th round of negotiations was held in January. Chapter-wise textual negotiations are near close, and the schedule on goods and services is at an advanced state of negotiations. Recently, a team from the UK visited India for negotiations on outstanding issues.

The bilateral trade between India and the UK increased to USD 20.36 billion in 2022-23 from USD 17.5 billion in 2021-22.

According to a report by the think tank GTRI (Global Trade Research Institute), the overall gains for India in the trade deal will be limited because most of the goods from here are already entering the UK at low or zero tariffs (import or customs duties).

In 2022-23, India's merchandise exports to the UK were valued at USD 11.41 billion and out of this, USD 6 billion worth of goods such as petroleum products, medicines, diamonds, machine parts, airplanes, and wooden furniture entered Britain at zero levies, it has said.

However, there will be gains from reducing duties for Indian exports worth USD 5 billion and those items include textiles, apparel (shirts, trousers, women's dresses, bed linen), footwear, carpets, cars, marine products, grapes and mangoes, the report has noted.

On the proposed free trade agreement between India and Oman, the official said that this will be concluded "very" soon.

For India, Oman is the third largest export destination among the Gulf Cooperation Council (GCC) countries. India has already implemented a trade pact with another key GCC member - the UAE.

The bilateral trade between India and Oman stood at USD 12.39 billion in 2022-23 as against USD 10 billion in 2021-22. India's exports have increased to USD 4.48 billion in 2022-23, while imports rose to about USD 8 billion in the last fiscal year.

Another GTRI report has stated that Indian goods worth USD 3.7 billion such as gasoline, iron and steel, electronics, and machinery will get a significant boost in Oman, once both sides reach a comprehensive free trade agreement as these goods at present attract 5 per cent customs duty.

Export sectors which could get a boost in Oman include motor gasoline (exports worth USD 1.7 billion), iron and steel products (exports worth USD 235 million), electronics (USD 135 million), machinery (USD 125 million), textiles (USD 110 million), plastics (USD 64 million), boneless meat (USD 50 million), essential oils (USD 47 million), and motor cars (USD 28 million), will benefit from duty elimination, the report has said.

Key products imported by India to Oman in 2022-23 included petroleum products (USD 4.6 billion), urea (USD 1.2 billion); propylene and ethylene polymers (USD 383 million).

Currently, more than 80 per cent of India's goods enter Oman at an average of 5 per cent import duties, the GTRI report has said.

The current government has so far signed trade deals with Mauritius, Australia, the UAE and four European nations EFTA bloc.

India has so far signed as many as 14 FTAs and six preferential pacts with its trading partners to promote exports and ensure greater market access for domestic goods and services.

Source: economictimes.com– Mar 24, 2024

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EAM's Singapore visit boosted efforts to deepen strategic partnership: MEA

External Affairs Minister S Jaishankar's visit to Singapore and his meetings with the country's top leadership presented an opportunity to take stock of the progress in several areas of cooperation and further deepen the bilateral Strategic Partnership, an official statement said.

Jaishankar was in Singapore from March 23 to 25 during which he called on Singapore Prime Minister Lee Hsien Loong, Deputy Prime Minister and Finance Minister Lawrence Wong.

They exchanged views on deepening engagement in the identified pillars of bilateral cooperation, including fintech, digitalisation, green economy, skills development and food security, India's Ministry of External Affairs said in a statement on Monday.

Jaishankar also held discussions with his counterpart Foreign Minister Vivian Balakrishnan, on bilateral, regional and global issues of mutual interest.

He had several bilateral engagements with the leadership and senior ministers of the Cabinet and discussed ways to further the strategic bilateral ties and the situation in the Indo-Pacific and West Asia regions. "The visit presented an opportunity to further deepen the Strategic Partnership between India and Singapore and to take stock of progress in several areas of cooperation," the MEA said.

Jaishankar held separate meetings with Minister of Trade and Industry Gan Kim Yong, focusing on bilateral cooperation in trade and investment, green energy and food security.

He also met Finance Minister Lawrence Wong, Minister of Home Affairs & Law K Shanmugam and Coordinating Minister for National Security Teo Chee Hean.

During his visit to the city-state, Jaishankar paid homage to Netaji Subhas Chandra Bose at the Indian National Army soldiers at a war memorial.

He interacted with the Indian community in Singapore and attended an event organised by the Institute of South Asian Studies, where he interacted with think tanks and policy-makers.

Singapore is the current country coordinator for India at ASEAN and was invited as a Guest Country during India's Presidency of the G20 last year.

Source: business-standard.com– Mar 26, 2024

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Textile exports contract 4.2% on year in 11 months of FY24

New Delhi: India's textile exports shrank 4.2% year-on-year (yoy) in the first 11 months of the current financial year, hurt by adverse economic conditions in major destinations such as the European Union (EU), the US, and West Asian nations, according to the commerce ministry data analyzed by Mint.

India exported textiles worth $30.96 billion during April 2023-February 2024, down from $32.33 billion in the corresponding period of the previous fiscal year.

"The possibility of a course-correction in the upcoming months is bleak, and the downward trend is expected to continue in March as well. Adverse economic conditions, coupled with the Red Sea crisis, are impacting the export of textile products, including ready-made garments, to foreign destinations," a senior government official, who requested not to be identified, said.

During the 11 months till February, the export of ready-made garments fell to $13.05 billion from $14.73 billion in the corresponding months of the previous fiscal year. Similarly, the export of jute declined to $310 million from $400 million, while yarn exports fell from $4.47 billion to $4.23 billion.

The export performance of different categories in the textile sector varied during the current fiscal year. The export of ready-made garments contracted by 11.4%, while jute exports saw a more significant contraction of 22.5%. Yarn exports also experienced a contraction, albeit at a lower rate of 5.3%.

However, industry experts are hopeful that exports will improve in the upcoming months, especially with the US market showing signs of revival. According to Crisil, India’s textile industry is expected to grow in calendar year 2024, driven by a consistent improvement in domestic demand, gradual recovery in exports, and lower cotton prices.

“Adverse economic conditions in Western markets have indeed had a negative impact on textile and apparel exports. Some of these challenges can be overcome by exploring markets in the east such as Japan and Korea along with a focus on natural fibres and cotton which will continue to see growth in demand," said Anand Ramanathan, partner, consumer industry leader, consulting, Deloitte India.

"Also, the luxury sector is relatively immune to economic cycles and can be an opportunity for India's rich tradition in weaving and embroidery," Ramanathan added.

The main buyers of Indian ready-made garments (RMG) are European nations led by Germany, the Netherlands, Italy, Poland and Denmark.

Queries sent to the textiles ministry remained unanswered till press time. As Yemen's Houthi militants continue to target ships in the Red Sea, Indian exports are facing higher shipping costs due to rerouting from Africa. Around 95% of vessels have rerouted around the Cape of Good Hope, adding 4,000-6,000 nautical miles and 14-20 days to journeys, the commerce ministry had stated in a report last month, a copy of which has been seen by Mint.

India is the world's sixth-largest exporter of textiles and apparel, with the domestic apparel and textile industry contributing about 2.3% to the country's GDP, 13% to industrial production, and 12% to exports.

India's textile and apparel market size is growing at a CAGR of 14.59% from $172.3 billion in 2022 and is expected to reach $387.3 billion by 2028, according to Indian Brand Equity Foundation (IBEF), a body established by the ministry of commerce and industry.

The textile industry is also the second-largest employer after agriculture, providing direct employment to 45 million people and 100 million people in the allied sector.

Source: livemint.com– Mar 24, 2024

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Export Hurdles: Assessing the limitations of duty drawbacks

Exports and economic growth go hand in hand. India's most recognised period of economic growth after the 1991 reforms saw exports rise from just 7% of GDP to 25% over 20 years. Poverty fell from 50% to 20%. The rapid growth phases of every country in the recent past have shared this feature.

Being competitive in the global market requires sellers to keep costs as low as possible, especially for inputs and raw material, as these often make up a substantial proportion of the cost. Since many inputs may need to be imported, the cost must stay low even if the source is a different country. China, a country hailed as an export powerhouse with over $3 trillion in exports, also imports about $2.5 trillion worth of goods.

Economists have thus long pointed out the detrimental effect of import tariffs on a country's exports as they make local exporters less competitive. Instead of cutting tariffs, policymakers have offered duty drawbacks as a "trusted and time-tested scheme...to promote exports." But what are duty drawbacks and are they a solution for exporters?

A mobile phone maker who imports key components and assembles them in India for export would get a percentage of the export value as the duty drawback. There are three key issues with duty drawbacks that prevents them from working as intended: the amount recovered, the time taken and the opaque nature of the process.

The first issue with duty drawbacks is the limited amount of duty recovered. The exporter can opt for an All Industry Rate which is calculated every few years based on a weighted average of the duty paid on the material that makes up the exported good. For example, the drawback rate for mobile phones is 4%, along with a cap of INR 350 per unit.

On a phone with an export value of Rs 30,000 this cap results in an actual drawback rate of just over 1%. Given that import duties on mobile phone components are often in the range of 15-20%, the rate is insufficient to recover the duty paid.

For exporters not satisfied with this rate, there is an option of the "Brand Rate", which is a special exporter specific rate that can be applied based on certain conditions and should be fixed within a month. A CAG report from 2011 noted a delay in 96% of Brand Rate cases in Mangaluru with the average time taken to fix a Brand Rate being a year. In fast moving industries with complex global supply chains, such delays make India a very uncompetitive place to do business in.

Another significant issue is the delay in settling a drawback claim. While all drawbacks must be paid within one month in theory, the same CAG report found significant delays. In Andhra Pradesh, half of the 10,000 cases were processed in more than three months, with one-fifth of these claims taking longer than a year. Such delays in settling duty drawback claims tie up crucial working capital for exporters.

The final issue with the scheme is the overall difficulty in finding information related to it. Various government and private sources have separate lists of documents needed to apply for the scheme, with some listing 17 different documents. Moreover, there is little clarity on when the AIR is revised and often the latest revisions are difficult to find. Given the issues surrounding duty drawbacks, they are not the best solution for exporters.

How to promote exports, then? The solution is hiding in plain sight. Reduce tariffs on imports of equipment and parts and help build an eco-system that increases the competitiveness of Indian exports.

Increasing exports will scale-up domestic ecosystems, just as they did in Vietnam. From 2001 to 2010, their tariff rate on manufactured imports more than halved from 16.6% to 6.6%. From 2010 to 2020, their high-tech exports as a share of total manufactured exports went from 13% to a staggering 42%. There is no reason why India cannot emulate this.

Source: newindianexpress.com– Mar 26, 2024

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Cotton position comfortable, says SIMA

The Committee on Cotton Production and Consumption (COCPC), at a recent meeting, estimated cotton production this season, ending September, at 323 lakh bales and exports 27 lakh bales.

The Cotton Association of India (CAI), however, said production will be 309 lakh bales mainly because it expects production in Telangana to be 34 lakh bales against 48 lakh bales estimated by the COCPC. “We get the cotton-pressing data from the Telangana ginners association. Telangana production this year is higher than last season. But, it is not high as estimated by COCPC,” CAI president Atul Ganatra said.

Indian cotton prices were lower in December and January compared with the international prices and so almost 15 lakh bales were shipped till the end of last month. The Indian cotton prices have increased and only the contracts entered earlier will be shipped this month. So, exports will be 20-22 lakh bales this season, he said.

S. K. Sundararaman, chairman of the Southern India Mills Association (SIMA), advised the textile mills to avoid panic buying based on various estimates. Cotton price increased from ₹55,300 a candy to ₹61,500 per candy of 355 kg last month though the supply position is comfortable.

The Cotton Corporation of India is prioritising supply to textile mills, especially the smaller units. It has high quality cotton with it and so there is no need for panic in the market, he said.

Source: thehindu.com – Mar 22, 2024

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Weaving a circular economy of textile

While growing up in Chennai, I saw the neighbourhood abuzz with a special kind of activity at least three or four times a year. The women of the household would exchange used clothing for brand new, shiny stainless steel utensils after some hard bargaining and intense analysis. At the end of the transaction, all concerned parties would beam with satisfaction.

This vibrant circular economy that functioned at our doorsteps has receded with the advent of greater urbanisation and high-rise residential complexes. However, most of us have retained the sense of value of used household goods. We respond with enthusiasm to donation drives and acknowledge the benefits of upcycling and recycling. Nevertheless, there is a need for a systematic approach to harness the full potential of this resource.

India produces almost 1 million tonnes of textile waste. A significant proportion of this is waste generated from households. A large quantity of textile waste material finds its way to landfills or incinerators. This contributes to environmental degradation and pollution. Considering the global repercussions of growing consumerism, the United Nations Environment Programme in 2019 introduced a Textile Flagship Initiative to bring about systemic changes towards sustainability and circularity in the textile sector. The focus is on improving consumption patterns, encouraging reuse with an eye on potential environmental impact.

The existing trend of fast fashion is to a large extent fuelled by ease of purchase, mega online sales and marketing blitz by both producers and retailers. The adverse impact on the environment, pollution of both land and water sources is more due to the use of synthetic fabrics, as also fabrics that lack of durability. On a positive note, sustainable fashion or eco fashion which promotes reuse of garments and sourcing them from natural, eco-friendly material is also gaining popularity.

Recycling of textile waste is an option which is finding growing support from governments, producers and consumers. The concept of wealth from waste can be nothing but appealing. Recycling involves different processes with a variety of end results. Textile waste recycling yields only a small quality of usable fabric. The end products of recycling may find use in chemical and even construction industry when synthetic fabrics are involved. However, recycling comes with an environmental cost when it involves mechanical and chemical processes.

I recently had the opportunity to interact with a non-profit organisation in a village in northern Tamil Nadu which upcycles clothes. Technology is leveraged to match the availability of donors and the requirements of the recipients. Used garments, mostly saris, are collected from various donors across the country and sorted according to their condition. Damaged or faded pieces are converted into bags, cushion covers and other miscellaneous items. The better-quality garments are washed or dry-cleaned, mended and presented to rural women in a unique way.

They are displayed in an outlet where the villagers walk in and pick up a couple of pieces free of cost. This gives them the option to choose, as they would from a shop. Saris are one of the most versatile garments and pre-loved saris are welcomed gladly. Very often, when used clothes are donated, they are bundled in a heap. Picking out a usable one could be quite a task. When upcycling adds value to the used garments, which includes an attendant retail experience, there are many happy faces.

Upcycling of expensive garments is also picking up as a business model, where designer brands are made available at competitive prices. If this were to catch on, it would limit the stress on raw material resources and reduce the impact on environment. Similarly, many clothing brand outlets allow their customers to bring in used clothes and award discounts in return.

At this juncture, it is important to raise awareness among those who donate clothes that some attention is to be paid to quality if it were to be of any use to those in need. Donations must be made at a stage well before the fabric deteriorates. As someone very aptly said, clothes mean something only when someone lives in them.

Hoarding unused clothes in a closet, allowing access to termites but not to those who may need them, is highly irresponsible. Degraded clothes do not serve any purpose. The well-documented stories of ‘dead white man’s clothes’—that started their journey as charity in the West and ended up in landfills in African countries—only shows how onerous thoughtless giving can be. The outcome of this was merely the shifting of an environmental burden to the Global South, already grappling with issues of exploitation.

The textile industry is a complex business involving long and diverse supply chains of production and distribution. It leaves behind considerable carbon footprints. The disposal of fabrics, especially synthetic fabrics, involving landfills or incineration is also a huge load on the environment. The present pattern of over-consumption is at the root of the problem. Therefore, what's reusable needs to be retrieved.

In this context, policy initiatives to support organisations working towards sustainability would make a difference. A suggestion that cropped up from a person working in this field is granting of carbon credits to those who promote best practices in sustainability. This would serve as a well-deserved incentive, boost the conscious clothing movement and promote a circular economy. However, it is important to realise that sustainability cannot be an afterthought. It must be integrated at the stage of production itself. Perhaps, the time is ripe to wear our hearts on our sleeves and let the world know that we are deeply concerned about the well-being of the planet we live in.

Source: newindianexpress.com – Mar 24, 2024

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