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INTERNATIONAL NEWS

What to Expect from the EU's efforts to Revise the Textile Labelling Regulation

Brussels - Selected for their practical qualities and their visual appeal, textiles play a vital role in the daily lives of every citizen. Enhancing the efficiency, comfort, and appeal of various objects, textiles are essential components to various products such as furniture, clothing, or others, such as cars, and protective and medical gear.

However, this widespread use of textiles bears an important toll. Within the EU, it places considerable strain on resources such as land and water by, ultimately, significantly increasing greenhouse gas emissions and raw material consumption. Despite these tremendous obstacles, the textile industry continues to be a pillar of the European economy, employing more than 1.5 million individuals and playing a crucial role in the EU Single Market.

The legislative framework regulating this field is a key factor in driving forward the Union's circular economy efforts. Due to these reasons, the European Commission is contemplating reviewing the current European legislation regarding the textile labelling. Based on the Union's agenda on textiles, all textile products which are placed on the EU market must aim for durability, recyclability, and repairability.

The EU Strategy for Sustainable and Circular Textiles

Considering the significance the textile items have for the population in the Union, the Strategy for Sustainable and Circular textiles was published on 30 March 2022. In addition to the legislation already proposed, this green strategy aspires to secure a green and digital transition by touching also on social challenges.

Adopting legally binding measures would facilitate the reduction of the environmental footprint of textiles throughout their life cycle. Moreover, it would also enhance the sector's competitiveness in the internal and global market by ensuring higher binding standards. A crucial element of this strategy is the revision of existing legislation regulating textile labelling.

Anticipated Changes in the Textile Labelling Regulation

In the EU, textile products are currently regulated by Regulation 1007/2011 on Textile Labelling.3 Each textile product carries a label which clearly identifies the fibre composition, as well as the non-textile elements of animal origin. The current Regulation establishes minimum requirements for the labels, ensuring they meet standards for durability, visibility, and accessibility. The existing legislation is applicable to products containing at least 80 per cent by weight of textile fibres as well as certain textile components incorporated into other products.

In light of the continuous difficulties facing the textile industry and considering that the existing legislation has entered into force more than ten years ago, the European Commission is analysing whether the Regulation needs to be amended. In the textile industry, the Commission has identified (i) the fragmentation of the European Single Market, (ii) the information deficiency to consumers, and (iii) the sustainability of the sector as the three primary concerns.

The limited scope of the existing textile labelling legislation does not encompass information on the size and maintenance of products. The revision of the textile labelling rules is intended not only towards textile products but also other related products, such as leather and fur products of apparel, clothing accessories and interior household products. The revision excludes footwear in its scope of review since the footwear labelling is governed by a separate EU Directive.5 Due to the discrepancies throughout Member States, the Commission aims to provide for harmonised rules to decrease the compliance costs for companies and enhance information exchange to consumers.

Upon assessment, the European Commission may introduce additional compulsory disclosure information under the label regime. With the intention of increasing the circularity in the industry, it wants to create an expanded cradle-to-cradle information infrastructure, which surpasses the existing cradle-to-gate infrastructure. The Commission is exploring possibilities of including information such as sustainability or circularity parameters, the size of products, and where applicable, the country where manufacturing processes take place (“made in”). Further, the addition of allergenic substances present, leather and fur authenticity, and care labelling will be evaluated.

The introduction of digital labels is another obligation that the Commission is considering. Anchoring other EU legal rules such as the Digital Product Passport, the review will evaluate potential opportunities for introducing language-independent symbols or codes and a sustainability and circularity label. As the European Economic and Social Committee also states, digital labels are a vital solution for providing information to consumers in transmitting a clear text in different languages. On the other hand, as this Committee notes, the physical labels should be more difficult to be cut off from the product, this without compromising neither the information durability nor the functionality of the products.

The status of the revision

For the review to proceed, the European Commission will be supported by extensive evaluations and impact assessments. Stakeholders and citizens of the European Union will be actively involved in the public consultation process to address pre-identified issues, compliance costs and advantages.

The Commission opened a public consultation on 19 December 2023 to gather the views of industry and citizens on the need to change the EU Regulation on Textile Labelling. The consultation will end on 15 April 2024. Industry stakeholders are invited to provide their feedback and comments.

Depending on the input it receives from the consultation, the Commission will likely introduce a legislative proposal to amend the existing Regulation. By participating in the consultation, the fashion industry can play a crucial role in influencing the review and ultimately, the scope of the possible future rules.

Source: fashionunited.in– Apr 04, 2024

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Shifting Paradigms in Textile and Apparel Trade: The Asia-Pacific Dominance and Global Trade Dynamics

Global trade dynamics are undergoing profound transformations driven by various factors such as consumer preferences, technological advancements, sustainability concerns, trade agreements, geopolitical tensions, and the impacts of the COVID-19 pandemic. These changes significantly influence apparel sourcing strategies. Consumer preferences continuously evolve, accelerated by e-commerce and digital platforms, necessitating agility from businesses to meet shifting demands. Technological advances like automation and AI have revolutionised manufacturing processes, prompting companies to reassess traditional sourcing strategies.

Sustainability is increasingly central, with demand rising for ethically sourced products. Apparel companies are adjusting their supply chains to incorporate sustainable practices and meet stringent environmental standards. Trade agreements play a crucial role, in impacting the feasibility and efficiency of sourcing strategies. Geopolitical tensions can disrupt trade routes, while the COVID-19 pandemic has forced businesses to prioritise resilience and diversification.

Staying adaptive to evolving global trade dynamics is imperative for textiles and apparel businesses. Those who proactively respond to these changes thrive in the ever-changing marketplace. In this context, textiles and apparel (T & A) sourcing dynamics have been changing significantly. The Asia Pacific region has remained the dominant marketplace for sourcing textiles and apparel for years. The region, comprising countries like China, Bangladesh, Vietnam, India, and others, has emerged as a key hub for apparel production and sourcing for various reasons.

Recent Trends: The Global T&A Trade vs Asia Pacific Trade

The global textile and apparel trade witnessed robust economic activity from January to November 2023, with the cumulative value reaching USD 763.5 billion. An insightful analysis of this trade landscape unveils distinct contributions from various segments. Notably, the apparel segment emerged as the frontrunner, commanding the largest share at 59 per cent. followed closely by raw textiles at 30.5 per cent, and home textiles at 10.5 per cent.

The dominance of the apparel category on the global stage signifies a strong demand for finished clothing products, underscoring the dynamism of the fashion industry in the international market. The significant contribution of raw textiles emphasises a substantial exchange of materials crucial for textile manufacturing, portraying the intricate global supply chain at play. Meanwhile, the home textiles segment, though holding a smaller share, indicates a discernible market for household textile products.

Interestingly, mirroring the global pattern, the Asia Pacific region demonstrates a parallel distribution in trade contributions across these categories. In the Asia Pacific trade landscape, apparels stand out as the primary driver, reinforcing the region's pivotal role in manufacturing and exporting finished clothing items globally.

The substantial share of raw textiles in Asia Pacific trade further accentuates the region's influence on the global supply chain for essential textile materials. While the home textiles category contributes proportionally less, it signifies a notable presence of Asia Pacific in the trade of household textile goods.

The consistency in ratios between global and Asia Pacific trade underscores the region's alignment with broader global trends, emphasising its integral role in shaping the international dynamics of the textile and apparel industry. This analysis not only provides a snapshot of the trade distribution within the industry but also offers valuable insights into the regional and global implications, aiding stakeholders in making informed decisions and strategies.

Click here for more details

Source: fibre2fashion.com– Apr 04, 2024

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Brazil's cotton export up despite domestic market liquidity challenges

Amid a sluggish domestic market, Brazilian cotton exports are witnessing a significant uptick, as per the Centre for Advanced Studies on Applied Economics (CEPEA). With domestic liquidity hampered by reduced market participation, exporters are finding solace in the booming international demand.

The initial 11 days of March saw a remarkable leap in cotton exports, hitting 125.03 thousand tonnes—a 65 per cent increase compared to the same period last year, according to data from the Secretariat of Foreign Trade (SECEX). This surge aligns with a substantial uptick in the daily shipment average, now at 11.366 thousand tonnes, dwarfing the March 2023 figure of 3.296 thousand tonnes, CEPEA said in its latest fortnightly report on the Brazilian cotton market.

This export boom contributes to an impressive season tally, with Brazil shipping 1.754 million tonnes from August 2023 up to March 2024, marking a 21.1 per cent rise from the previous season's total.

Despite this international success, the domestic spot market remains tepid, with both buyers and sellers showing reluctance in closing new deals, often clashing over price and quality standards.

Reflecting the domestic market's inertia, the CEPEA/ESALQ cotton index witnessed a 6.3 per cent decline in March, settling at BRL 4.0894 (~$0.81) per pound. This contrast between domestic stagnation and export vigour highlights the shifting dynamics in Brazil's cotton trade, emphasising the growing importance of the international market amidst local uncertainties.

Source: fibre2fashion.com– Apr 04, 2024

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Taiwan Earthquake Ripple Effects 'Might Not Be Known for Months'

A 7.4-magnitude earthquake rattled Taiwan early Wednesday morning, killing at least 10 people and injuring over 1,000 more. According to Taiwan's National Fire Agency (NFA), another 700 remain trapped or stranded in areas impacted by the earthquake throughout the country.

The quake was the strongest to rock the island nation of 23 million people since 1999, causing mass power outages and landslides and damaging dozens of buildings. But the direct impacts on Taiwan itself also could create a ripple effect on supply chains out of the country.

Textiles is one of many sectors that could see a disruption. As of 2022, according to data compiled by the Taiwan Textile Federation (TTF), textile and apparel exports out of the country amounted to $8.8 billion, with the island serving as home to 4,511 manufacturers.

"The textile manufacturing industry in Taiwan operates at every tier of the supply chain," said Peter Guinto, vice president of president, government, defense and aerospace at Resilinc.

"So there are fabric manufacturers—particularly a lot of artificial fibers are manufactured there into textile products that are exported for manufacturers in other places. There are finished textiles that are made there as well, so really every tier of the textile supply chain has potential for impact."

According to Resilinc, a supply chain risk management software provider, 13,000 sites inside Taiwan were impacted by the Wednesday earthquake, as well as 21,000 products and 58,000 affected parts across industries.

"The bottom line is, if you don't know the parts and the sites at each tier, you can't get ahead of these things," Guinto said.

Guinto said businesses that haven't proactively mapped out supply chain dependencies will potentially be impacted months from now, even for a day-only event. This mapping is even more vital for companies that have multiple tiers of their supply chain embedded in Taiwan, whether it be yarn suppliers or other fabric producers.

"If a Tier 5 vendor experiences this issue and the supply chain hasn't been mapped, a Tier 4 vendor might not know it's a problem for a couple of weeks. And they might try to fix this problem for a couple of weeks, and then they'll let the Tier 3 vendor know that they can't fix it and this cycle will repeat itself," Guinto told Sourcing Journal. "By the time the end client that manufactures something and finds out there's an issue, it's too late to fix it with a small amount of capital, so the fix is going to be more expensive and potentially not in time, which will cause delays to deliveries and disruptions to revenue."

In a major positive for Taiwan's response when it comes to national infrastructure, train services through the earthquake's epicenter of Hualien County resumed within 24 hours of the natural disaster.

The quick infrastructure recovery represents a positive for Taiwanese exports at large.

"At a macro level, we don't think the impact is going to be huge," Giunto said. "But on an individual company level, it could be significant. And the impacts might not be known for months."

That's not to say all industries are risk free. Taiwan is the global hotspot for computer chip manufacturing, which could have put a major export of the nation at risk.

Taiwan's largest company, Taiwan Semiconductor Manufacturing Co (TSMC) said it evacuated some fabrication plants at the time of the quake, but safety systems were operating normally throughout.

The chipmaker, which is the chief supplier of semiconductor chips for U.S. tech giants like Nvidia and Apple, also later said its workers were safe and had returned to their workplaces shortly after the earthquake.

Impacted facilities were expected to resume production during the night, TSMC said.

"There's going to be a lot of product that's just going to be thrown out. I think there's probably just going to be a very relatively minor dip in production, but it will ripple out," said Timothy Stone, vice president of supply chain risk management at Exiger. "And so we'll see that we'll see that manifest I think over the coming weeks."

In total, Taiwan's exports are $31.4 billion in February, a 1.3 percent year-over-year increase, according to the country's Ministry of Finance (MOF). This is the second-highest monthly export totals.

Source: sourcingjournal.com– Apr 04, 2024

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Cotton Industry Needs More Demand for a Better Year in 2024

The cotton industry is looking for a better year and a pickup in demand. That was the takeaway message from the 67th annual meeting of Plains Cotton Growers (PCG) in Lubbock on Apr. 2.

PCG President Martin Stoerner opened the meeting, stating that the last two years have been tough for cotton producers but that the industry is resilient and hopes for a better 2024.

The recent USDA Prospective Planting report shows that U.S. producers are expected to plant 10.7 million acres of cotton, which is up from 10.26 million acres planted last year. However, industry leaders expect the final planted acreage this year to be in the range of 11 to 11.5 million acres.

"Demand is weak but improving," stated Jody Campiche, Vice President of Economics and Policy Analysis, National Cotton Council. "The global economy and competition from other fibers play an important part in impacting the demand for cotton. There needs to be a significant improvement in GDP to see a major change in demand."

In addition to the economy, just-in-time inventory practiced by global mills also impact excessive buying and stockpiling, noted a cotton merchant.

The industry is optimistic and is hoping for improved demand by the end of 2024. With the moisture situation better than what it was last year in the High Plains of Texas, it is hoped that production will improve with less abandonment, increasing the chances for improved supply. This will necessitate demand enhancement to yield better prices for the farmers to help offset the 30% increase in the cost of production in recent years.

With slow demand and the carryover stock from the 2023 crop, the current price levels may be due to speculator activity, which is the sentiment shared by several cotton economists at the meeting. Looking long term, the slow birth rates in developed economies and stagnant population in China – albeit the relaxation in the country's childbirth policy – will likely impact demand for consumer goods like textiles.

The cotton industry continues to face competition from synthetics, which are cheaper than cotton. In addition, there is growing competition for markets among leading exporting nations.

What should the industry plan and do? The work by Cotton Incorporated to tell positive stories about sustainability and traceability, plus continuing to engage with brands and consumers, remains important. Additionally, better advocacy for supportive policies in a collective fashion is much needed.

“Advocacy is a team sport,” stated Kody Bessent, CEO of Plains Cotton Growers.

The industry needs to engage in better outreach efforts, find new and industrial applications for cotton, and invest in research to come out with new chemistries and environmentally friendly post-harvest processing technologies.

Efforts to boost the demand and promote sustainability values of cotton will be the collective task of the entire global cotton industry.

Source: cottongrower.com– Apr 04, 2024

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New Cotton Project: Creating a circular future for fashion

The EU-funded New Cotton Project has successfully concluded its three-and-a-half-year mission of exploring the possibilities of fibre-to-fibre recycling in the textile industry. Here's a breakdown of the project's concept, goals, progress, and potential impact:

Concept and initiative

The project aimed to establish a circular value chain for garment production. Discarded textiles were collected, sorted, and transformed into Infinna fibers, a regenerated cellulose material developed by Infinited Fiber Company. These fibers were then used to create new fabrics for clothing lines.
The project aimed to establish a closed-loop system for garment production. Here's how it worked:

• Collection and sorting: Used clothing was collected and sorted.

• Regeneration: The sorted textiles were transformed into new, high-quality Infinna fibers using Infinited Fiber Company's technology.

• Manufacturing: The regenerated fibers were spun into yarns and woven into fabrics.

• Production and sales: Leading brands like Adidas and H&M used these fabrics to create garments like the adidas by Stella McCartney tracksuit and an H&M printed jacket and jeans.

Scalability and circularity impact

While the project utilized Infinited Fiber Company's technology, the learnings and established collaborations emphasize open knowledge sharing and new forms of partnership across the textile industry. This suggests a future where the core concept of fibre-to-fibre recycling can be adapted with advancements from various players.

The project highlighted challenges in scaling up this process. Here's what's needed:

Collaboration: Different industry players need to work together, with design incorporating end-of-life considerations from the start.

Infrastructure development: Improved systems for used textile collection, sorting, and pre-processing are crucial.

Data availability: Better data collection on textile waste quantities and types is essential for informed decision-making.

The project's success suggests Infinna-like regenerated fibers can significantly reduce the environmental impact compared to traditional materials like cotton and viscose. However, widespread adoption requires ongoing research across the entire textile value chain, particularly in sorting technology. The impact on overall circularity is difficult to quantify at this stage. However, the project has demonstrated the potential of regenerated fibers to significantly reduce the environmental footprint compared to traditional materials.

The consortium emphasizes the importance of clear and unified EU legislation to drive sustainable practices in the textile sector. Aligning Extended Producer Responsibility schemes with Ecodesign regulations will help companies prepare for a more circular future.

Looking ahead

The New Cotton Project serves as a stepping stone for a more circular textile industry. Key takeaways include:

• The importance of collaboration across the value chain.

• The need for innovation in sorting and recycling infrastructure.

• The significance of clear consumer communication regarding circularity.

• The potential of legislation to drive sustainable practices.

The project paves the way for commercially viable circular textile production. However, some aspects need addressing. Chemical recycling optimization, ensuring high chemical recovery rates is necessary to minimize the process' environmental footprint.

Educating consumers about circularity in textiles is crucial for wider acceptance. Supportive policies like ‘Extended Producer Responsibility’ can incentivize sustainable practices.

While challenges remain, the project has shown that regenerated fibers like Infinna can be a game-changer for sustainable fashion. With continued research and development, this technology has the potential to revolutionize the way we produce and consume clothing.

Source: fashionatingworld.com– Apr 04, 2024

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Teejay Lanka targets net zero emissions by 2050: Salman Nishtar, Group COO

Committed to conducting business ethnically and sustainably, Teejay Lanka aims to achieve net zero emissions by 2050, says Salman Nishtar, Group COO - Marketing & Supply Chain. The company's proactive embrace of Environmental, Social, and Governance (ESG) principles is integral to its core business strategy, adds Nishtar. The company has set ambitious targets for 2030 and 2050, boosted by a comprehensive plan guiding its journey towards this overarching objective.

Teejay Lanka has developed a monitoring system to track key metrics such as carbon emissions, water usage, and energy consumption, enhancing resource efficiency. Its commitment to reduce greenhouse gas emissions is validated by the Science Based Targets initiative, ensuring alignment with a 1.5°C trajectory. The company targets a 42 per cent reduction in Scope 1 & 2 emissions and a 25 per cent reduction in Scope 3 emissions from purchased goods and services by 2030.

To support biodiversity, Teejay also pledges to plant one million trees along the Kelani River by 2050. It has already initiated reforestation projects in India and Sri Lanka on a Group level, earning him the top spot in the Higg Index among global players, highlighting its eco-friendly practices. On the social front, Teejay's Corporate Social Responsibility (CSR) initiatives encompass raising awareness about sanitation, constructing washroom facilities in schools, and supplying hygiene products to promote health and hygiene standards.

The company's Akura program, repurposes unused paper into books for schools, promoting sustainability and education concurrently. In terms of Diversity, Equity, and Inclusion (DEI), Teejay's 'SheCan' initiative focuses on increasing women's leadership at the Group level, with the knitting operation in its India plant exclusively staffed by female employees. Teejay's commitment to governance is underscored by its recognition as the No. 1 corporate for transparency in corporate reporting for the second consecutive year by Transparency International Sri Lanka, reflecting its unwavering dedication to transparency and accountability.

Source: fashionatingworld.com– Apr 04, 2024

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Sri Lankan exporters concerned over appreciation of rupee: Reports

Several prominent export associations have jointly issued a pressing appeal regarding the appreciation of the Sri Lankan Rupee and ensuing challenges recently.

This is as per media reports, which added represented by entities such as the Exporters Association of Sri Lanka, Joint Apparel Association Forum of Sri Lanka, National Chamber of Exporters, Tea Exporters Association, and Sri Lanka Association of Manufacturers and Exporters of Rubber Products, the exporters and industry bodies highlighted numerous difficulties stemming from an overvalued rupee.

In their collective statement, the associations reportedly emphasised their pivotal role in upholding employment and facilitating foreign exchange inflow, contributing significantly to Sri Lanka's GDP even as they called upon authorities to address pressing issues resulting from the rupee's appreciation against the US Dollar, coupled with constraints on foreign currency movement between commercial banks and mandatory export earnings conversion into Sri Lankan rupees.

Source: fibre2fashion.com– Apr 04, 2024

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Pakistan's cotton yarn exports to China rise to over $100 million in Jan-Feb, 2024: Data

Experts predict a significant boost in Pakistan's cotton yarn exports to China this year due to a good yield. In the first two months of 2024, Pakistan's cotton yarn exports to China have surpassed the $100 million mark.

Data from the General Administration of Customs of the People's Republic of China reveals, Pakistan's cotton yarn imports increased by 98 per cent to over $100.98 million during the first two months of 2024, compared to the corresponding period last year.

In January and February of 2024, Pakistan's exports of uncombed single cotton yarn alone surpassed $57.77 million with country emerging as the second-largest exporter in this category after Vietnam for the current year. Exports of uncombed single cotton yarn grew by $41.95 million in the first two months of 2024, compared to $14.54 million during the same period in the previous year.

Sajid Mahmood, Head - Transfer of Technology Department, Central Cotton Research Institute, highlights the Pakistan-China yarn trade as a pivotal opportunity for Pakistan to expand its exports beyond predominantly Siro Yarns.

Mahmood recommends diversifying into other high-quality variants such as cotton, carded, and combed yarns to enhance competitiveness in the Chinese market.

Despite Pakistan's advantage of a free trade agreement with China, the country faces stiff competition from India, particularly in non-Siro yarns, notes Mahmood.

Vietnam too presents a challenge with similar duty-free privileges, indicating the need for Pakistan to navigate through these competitive dynamics effectively, he adds.

Source: fashionatingworld.com– Apr 04, 2024

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Việt Nam boosts trade promotion in Algerian locality

Chairman of the Chamber of Commerce and Industry of Algeria's Béjaia Province, Mamasse Samir, has called on Vietnamese businesses to invest in the Algerian locality and cooperate with local partners for mutual benefit.

At a seminar organised by the chamber and the Vietnam Trade Office in Algeria this week, Samir affirmed that Béjaia always creates favourable conditions for foreign investors with many incentives on taxes and industrial land leasing. He said that with its 100km coastline, the locality has huge potential for tourism development.

Enterprises in Béjaia mainly operate in the areas of the food industry, wood and paper, metallurgy, mechanics, electricity, electronics, construction materials and textiles, he said, adding that several local companies import coffee and spices from Việt Nam.

Trade Counsellor Hoàng Đức Nhuận briefed participants on Việt Nam's economic and foreign trade situation and the trade and investment cooperation relationship between the two countries. The two-way trade between Việt Nam and Algeria reached an estimated US$250 million in 2023, up 68 per cent year-on-year.

Nhuận also provided information to and invited Algerian businesses to attend an exhibition on connecting international supply chains (Vietnam International Sourcing) from June 6-8, 2024 in HCM City. At the event, the office also displayed catalogues and samples of coffee, pepper, cashew nuts, cinnamon, anise, coconut and plywood of Vietnamese businesses.

Businesses in Béjaia expressed their interest in importing raw coffee, cashew nuts, sugar, soybeans, sunflower seeds, bags, packages and materials for cork production; as well as sporting products from Việt Nam; and seeking partners in the fields of textile production and agricultural processing, refrigeration equipment, logistics and tourism. They said they wish to export olive oil, caromic powder, margarine and sauces to Việt Nam.

Source: vietnamnews.vn– Apr 04, 2024

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Clothing-footwear key Turkish group with lowest annual CPI rise in Mar

Turkiye's general consumer price index (CPI) in March this year increased by 3.16 per cent month on month (MoM) and by 68.5 per cent year on year (YoY).

It increased by 15.06 per cent in the month compared to the December 2023 figure and by 57.50 per cent on the twelve-months moving averages basis.

Clothing and footwear, with a 50.10 per cent YoY rise, was the main group that indicated the lowest annual CPI increase, the Turkish Statistical Institute said in a release.

The March CPI excluding unprocessed food, energy, alcoholic beverages, tobacco and gold rose by 3.14 per cent MoM, by 14.86 per cent on the December 2023 figure, by 71.89 per cent YoY and by 62.61 per cent on the twelve-months moving averages basis.

Source: fibre2fashion.com– Apr 05, 2024

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Bangladesh to support cotton growers with incentive

In a pioneering move, the government of Bangladesh is initiating incentives to foster cotton cultivation, aiming to bolster domestic production and reduce reliance on imported fibre crucial for the textiles and export-oriented readymade garment (RMG) industry.

Approximately 12,375 farmers across 26 districts will receive free-of-cost incentives comprising hybrid cotton seeds, urea, Diammonium phosphate (DAP), Muriate of Potash (MoP), and pesticides.

Md Fakhre Alam Ibne Tabib, executive director of the Cotton Development Board (CDB), emphasised the substantial demand for cotton within domestic industries.
The objective is to meet one-fifth of this demand through increased domestic production.

Despite a significant demand for cotton, Bangladesh primarily relies on imports, with domestically grown cotton meeting only two per cent of the requirement in the 2022-23 marketing year, according to the US Department of Agriculture.

The CDB aims to expand cotton cultivation areas by 2 per cent annually, from 45,900 hectares in 2023-24 to 47,000 hectares in the upcoming season.

Additionally, they target a 7.5 per cent increase in production, reaching 2.15 lakh bales.

Tabib outlined the distribution of hybrid seeds from various companies and emphasised the strategic expansion of cotton cultivation in areas with low cropping intensity due to limited available land.

This initiative signifies a significant step towards enhancing domestic cotton production, fostering agricultural self-sufficiency, and reducing dependence on imports, thus fortifying Bangladesh's textile and garment industry.

Source: fibre2fashion.com– Apr 04, 2024

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Cotton vs. Synthetics: Bangladesh garment industry aims for diversification

Bangladesh's garment industry, a major driver of the nation's economy, is looking beyond cotton and embracing a future of diversified fibers. This strategic shift is driven by a comprehensive study titled "Beyond Cotton" commissioned by the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

The study highlighted the need for diversification in the country's garment exports. While cotton remains a major player, the global market is shifting towards non-cotton alternatives. Emphasizing the importance of the study, stating BGMEA President, Faruque Hassan says, "This report provides a roadmap for us to not only adapt to the evolving global market but to thrive in it... This report opens up new horizons for Bangladesh, and we are excited to embrace the opportunities it presents."

Cotton's dominance, diversification's potential

Historically, cotton has been the primary material for Bangladesh's garment exports, accounting for around 70 per cent in 2022-23. According to the Export Promotion Bureau (EPB) it is worth $55.56 billion in total garment exports in fiscal year 2022-23.

However, the global market for non-cotton apparel is larger and is projected to grow faster than cotton. This includes synthetics, regenerated fibers, animal fibers, and other plant-based alternatives. By diversifying its export basket, Bangladesh can tap into this larger market and cater to changing consumer preferences.

Non-cotton apparel accounted for 54 per cent of the $505 billion global apparel market in 2021, according to the Economic Relations Department (ERD) of Bangladesh. The country, currently exports only 29 per cent of its garments in non-cotton materials. The industry is aiming to double this share to $19 billion by 2025. This presents a significant opportunity for growth and diversification.

China is the leading exporter of non-cotton garments, followed by India and Vietnam. Bangladesh, with its strong cotton garment industry, is still relatively new to the non-cotton market, but has the potential to become a major player with strategic development.

Benefits of going beyond cotton

Moving beyond cotton will help Bangladesh meet the evolving demands of global consumers. By offering a wider range of fiber options, Bangladesh can cater to changing consumer preferences and trends. Consumers are increasingly seeking versatile, affordable, and performance-driven clothing, which non-cotton fibers often provide.

Also, expanding into non-cotton segments can strengthen Bangladesh's position in the global apparel market, allowing it to compete more effectively with leading players like China, India, and Taiwan. It will help the country expand its export basket with non-cotton products and will allow Bangladesh to tap into a larger market and cater to a wider range of consumer preferences. Synthetics and other non-cotton fibers can sometimes offer higher profit margins compared to cotton, especially as cotton prices fluctuate. Adding non-cotton products to the export basket broadens the potential customer base, leading to increased market share and revenue.

Roadmap to success

The "Beyond Cotton" study outlines a roadmap for achieving successful diversification:

Developing a complete supply chain for non-cotton products: This involves investing in infrastructure, technology, and expertise to cater to the specific needs of non-cotton manufacturing. Embracing innovation and versatility: Staying at the forefront of technological advancements and adapting to changing trends will be crucial for sustained success.

Collaboration between stakeholders: Industry leaders, policymakers, and manufacturers need to work together to create a supportive ecosystem for non-cotton production and export. With diversification, the Bangladesh garment industry can secure its position in the global market, cater to evolving consumer preferences, and propel further growth. This strategic shift paves the way for a future that is innovative, versatile, and adaptable to the ever-changing demands of the fashion world.

Source: fashionatingworld.com– Apr 03, 2024

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Pakistan: Trade competitiveness and economic growth: Govt focusing on tariff rationalisation, its implications: Jam

Commerce Minister Jam Kamal has said that the government is focusing on tariff rationalization and its implications for trade competitiveness and economic growth.

Addressing a pre-budget seminar he underscored the significance of tariff rationalization in enhancing trade competitiveness and fostering economic growth.

He emphasized the Ministry of Commerce's commitment to simplifying and streamlining tariff structures to reduce costs for domestic industries, boost exports, and attract foreign investment.

Jam Kamal reiterated the government's dedication to supporting the business community and highlighted key priorities including boosting exports, combating smuggling, and curbing tax evasion.

He also praised the growth of Pakistan's textile industry and recognized opportunities in the evolving global landscape, reaffirming the government's commitment to driving Pakistan towards a more dynamic economic future.

The Secretary Commerce, Saleh Ahmad Farooqui, highlighted that the seminar provided a platform for stakeholders to engage in meaningful discourse on tariff rationalization's benefits and implications.

He emphasized the importance of stakeholders gaining insights into tariff rationalization initiatives and providing inputs to aid strategic changes to the existing tariff structure.

All Pakistan Textile Mills Association (APTMA) took centre stage at the Ministry of Commerce Pre-Budget Seminar, addressing the pressing challenges confronting Pakistans textile and apparel industry.

In recent months, the country witnessed an unprecedented decline in exports, plummeting from an all-time high of $19.3 billion in FY22 to a concerning $16.5 billion in FY23. This stark downturn signals an alarming departure from our installed capacity and is a call for introspection and strategy.

APTMA informed that the key reason of to this challenge is the paradigm of our energy tariffs that have become shackles inhibiting our potential. The escalation of grid electricity tariffs to approximately 17.5 cents per kWh, paired with the surging cost of gas, has left us in a predicament where the production cost exceeds the competitive threshold on the global stage.

"It is not merely about numbers; it is about the sustenance of an industry that employs millions and the livelihoods tethered to its success. We have unequivocally identified the hurdles prohibitive energy costs, hindrance in tax refunds, an adverse duty structure for key raw materials, to name a few, " said APTMA representative.

The textile industry said that the way forward is charted with both immediate and long-term solutions that demand which require an actionable roadmap, one that envisions bringing power tariffs for industrial consumers to a regionally competitive level of 9 cents per kWh.

"This is not an arbitrary figure but one that aligns with the successful growth we experienced when our tariffs were competitive. The removal of cross subsidies and stranded costs is a strategic recalibration of our resources that will revitalize our textile and apparel exports, "said APTMA.

The Association also envisions the empowerment of the industry through business-to-business (B2B) power contracts, which would enable our textile mills to secure green energy at competitive rates. By setting an upper cap of 1000MW/annum for these contracts, the country can judiciously manage financial spillovers while fostering an environment conducive to export expansion.

Moreover, increasing the cap on solar net-metering for industrial consumers from 1MW to 5MW would propel our strides towards a net-zero future, essential in an era where international trade is increasingly contingent on sustainable practices.

APTMA has also taken cognizance of the imminent threat posed by the EU's Carbon Border Adjustment Mechanism (C-BAM). To maintain our export competitiveness under C-BAM and similar green regulations, it is crucial to enable a transition to green energy immediately, and the measures we have proposed, including B2B contracts for power wheeling and increasing the cap on solar net-metering will also support this.

Additionally, the rationalization of tax rates, deepening of the stock market, and incentivizing exports, are the catalysts to our financial rejuvenation. As we juxtapose our corporate tax rates with regional economies, the imperative for rationalization becomes ever so clear. With the highest corporate tax rates in the region, we are inadvertently hindering the influx of both domestic and foreign investment.

The challenges of supply chain traceability are also not to be underestimated in an era where consumers and international markets demand ethical sourcing and sustainability. The need for a robust National Compliance Centre (NCC) is clear.

Pakistan's import and anti-dumping duties discourage MMF production, keeping us from tapping into this lucrative segment of the global textile market.

"We have pinpointed the need to remove the import duty on raw materials such as Purified Terephthalic Acid (PTA) and Polyester Staple Fiber (PSF), the building blocks of MMF textiles that represent two-thirds of international trade. The current duty on PTA and PSF hampers our competitiveness and stymies growth," APTMA continued.

The 5% import duty on PTA should be reduced to zero, and the PSF import duty should be adjusted to 2%. It is also imperative to reevaluate the anti-dumping duties on PSF to stimulate the production of MMF-based products and diversify our export basket.

In addressing the Duty Structure for Raw Materials, APTMA said that it's also important that we continue the import of duty-free cotton. Local production stands at around 9 million bales, starkly insufficient against a demand exceeding 15 million bales. The bridging of this gap is crucial to the sustenance of our textile sector.

Moving to the Duty Structure for Intermediate Inputs, it's evident that fostering growth in the nascent industry of recycled and regenerated polyester is essential. We propose that differentiating recycled from virgin polyester, and more importantly, remove the import duty on recycled polyester. This measure will signal our commitment to sustainable practices and support industry growth.

Moreover, dyes and chemicals, fundamental to the competitiveness of downstream industries, currently face duties that are antithetical to our goals of export enhancement.

"APTMA was of the view that the government has to take decisive action to zero-rate these crucial inputs, thereby bolstering our textile sector's global position.

"When we consider the Duty Structure for Machinery & Equipment, the inequity in the imposition of customs duty on industrial spare parts and gas generators is clear. Our recommendation is unequivocal: to withdraw customs duty on these items, including spare parts used exclusively with machines and those for power plants. It is equally imperative to zero-rate spare parts for power plants, echoing our commitment to sustainable energy practices and international competitiveness," said textile sector.

Source: brecorder.com – Apr 05, 2024

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Pakistan: Textile sector seeks power tariff cut to boost exports

The textile and apparel industry on Thursday in the pre-budget seminar arranged by the commerce ministry provided an actionable roadmap for doing away with cross subsidies and stranded costs in the existing power tariff for the budget 2024-25. This can help bring down the industrial tariff to 9 cents per unit from the existing 14 cents per unit and put the country's industry on the path to sustainable growth in exports.

The industry also asked for business-to-business (B2B) electric power contracts, which would enable the textile mills to secure green energy at competitive rates. By setting an upper cap of 1,000 MW/annum for these contracts, the industry can judiciously manage financial spillovers while fostering an environment conducive to export expansion.

Moreover, increasing the cap on solar net-metering for industrial consumers from 1 MW to 5 MW would propel our strides towards a net-zero future, essential in an era where international trade is increasingly contingent on sustainable practices.

"In recent months, we have seen an unprecedented decline in our exports, plummeting from an all-time high of $19.3 billion in FY22 to a concerning $16.5 billion in FY23. This stark downturn signals an alarming departure from our installed capacity and is a call for introspection and strategy," revealed the All Pakistan Textile Mills Association (APTMA) in a statement.

Central to this challenge is the paradigm of our energy tariffs that have become shackles inhibiting our potential. The escalation of grid electricity tariffs to approximately 17.5 cents per kWh, paired with the surging cost of gas, has left us in a predicament where the production cost exceeds the competitive threshold on the global stage. It is not merely about numbers; it is about the sustenance of an industry that employs millions and the livelihoods tethered to its success.

"We have unequivocally identified the hurdles: prohibitive energy costs, hindrance in tax refunds, and an adverse duty structure for key raw materials, to name a few."

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Additionally, the rationalization of tax rates, deepening of the stock market, and incentivizing exports are the catalysts to our financial rejuvenation. As we juxtapose our corporate tax rates with regional economies, the imperative for rationalization becomes ever so clear. With the highest corporate tax rates in the region, we are inadvertently hindering the influx of both domestic and foreign investment. The challenges of supply chain traceability are also not to be underestimated in an era where consumers and international markets demand ethical sourcing and sustainability. The need for a robust National Compliance Center (NCC) is clear.

However, concerns about the effectiveness of enforcing sustainability standards after the devolution of NCC functions to the Trade Development Authority of Pakistan (TDAP) require urgent addressing. "We advocate for the establishment of a dedicated entity to ensure that the NCC's mandate remains focused on enhancing Pakistan's export capabilities through sustainable and transparent practices."

Turning to our product diversification, or the lack thereof, it is evident that our focus has remained constricted to cotton, while the global market for MMF (man-made fiber) and other textiles burgeons. Our import and anti-dumping duties discourage MMF production, keeping us from tapping into this lucrative segment of the global textile market. We have pinpointed the need to remove the import duty on raw materials such as Purified Terephthalic Acid (PTA) and Polyester Staple Fiber (PSF), the building blocks of MMF textiles that represent two-thirds of international trade. The current duty on PTA and PSF hampers our competitiveness and stymies growth.

The 5 percent import duty on PTA should be reduced to zero, and the PSF import duty should be adjusted to 2 percent. It is also imperative to reevaluate the anti-dumping duties on PSF to stimulate the production of MMF-based products and diversify our export basket.

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This measure will signal our commitment to sustainable practices and support industry growth." Moreover, dyes and chemicals, fundamental to the competitiveness of downstream industries, currently face duties that are antithetical to our goals of export enhancement. "We must take decisive action to zero-rate these crucial inputs, thereby bolstering our textile sector's global position. When we consider the Duty Structure for Machinery & Equipment, the inequity in the imposition of customs duty on industrial spare parts and gas generators is clear."

"Our recommendation is unequivocal: withdraw customs duty on these items, including spare parts used exclusively with machines and those for power plants. It is equally imperative to zero-rate spare parts for power plants, echoing our commitment to sustainable energy practices and international competitiveness," APTMA says.

Turning our focus to the Export Facilitation Scheme, APTMA asked for the expansion of the scope of the EFS to encompass the entire value-added chain of the textile sector. The current restriction to one stage backward in the value addition chain is a hindrance we can no longer afford. "Additionally, the provisions for recording supplies made by indirect exporters need revision in the Sales Tax Return to ensure they are captured under row 11 of the returns, thus qualifying for FASTER processing."

Source: thenews.com.pk – Apr 05, 2024

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NATIONAL NEWS

Secretaries in a huddle to prepare five-year roadmap of next govt

Top-level meetings of key government departments are in full swing to prepare a five-year road map in line with the Viksit Bharat vision for a developed India by 2047, a person aware of the matter told Business Standard.

A review meeting, where secretaries of all important ministries and departments are expected to be present, has been scheduled for May 1. The first draft of the five-year plan could possibly come up for discussion at the meeting. Agriculture, education, skilled employment, infrastructure, trade, tourism, green economy and startups are among the areas on the agenda, the source said. The first meeting of secretaries, led by Cabinet Secretary Rajiv Gauba, began sometime in March on this.

The full-year Union Budget for FY25, expected to be presented by the next government in June-July, is likely to see a paradigm shift and initiate the initial steps for achieving the Viksit Bharat vision, the person quoted above said.

Apart from the Union Budget, if the Bharatiya Janata Party, which is running the government, wins the Lok Sabha elections for the third consecutive time, the first 100 days' plan will be based on the five-year plan, the person said.

"Government departments have been tasked with identifying major goals, which will include annual targets from the financial year 2024-25 to 2028-29. Ministries and government departments have also been consulting industry as well," the person added.

Various departments are devising action plans to ensure meeting the targets that will be set. The targets are in sync with the government's think tank NITI Aayog's 'Viksit Bharat @2047' vision document, a long-term strategy aiming to make India a developed economy of $30 trillion in 23 years from now.

The vision hinges on the expectation that India will be able to deal with most of its post-independence problems over the next two years. As a result, there is a need to transcend a different set of challenges.

To achieve this, the government has 27 themes, including macroeconomic strategy, quality and affordable health and wellness for all, education and skilling for the future, women-led development, industries of the future, trade integrating with the world, balanced regional development, a startup ecosystem for the world, critical resources such as energy, minerals and water, agriculture and rural economy, etc.

Source: business-standard.com– Apr 04, 2024

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Govt's 100-day plan: GTRI suggests simpler e-commerce norms

The Global Trade Research Initiative (GTRI) stated on Wednesday that the new government's 100-day plan should include the simplification of e-commerce regulations, disbursement of duty refund scheme in cash and the publication of a report on the effectiveness of India's trade agreements.

GTRI also suggested that the blockchain technology should be used for tracing mechanisms for fruit and vegetable products, allowing special economic zones (SEZ) to sell goods in the domestic market on duty forgone basis and reducing reliance on China for crucial imports including Active Pharmaceutical Ingredients, solar cells, EV batteries and mobile phone components.

Further, it recommended the preparation of an action plan for countering the adverse effects of European climate change regulation, building alliances, strengthening partnerships for better results at the WTO (World Trade Organisation); highlighting how several WTO laws are discriminatory and need change; and standardising incentives in manufacturing schemes.

In addition to centralising the submission of all necessary documents and information online, it was stated that a National Trade Network (NTN) would help enable all export-import related compliance online, removing the need for separate interactions with customs, the Directorate General of Foreign Trade (DGFT), shipping companies, ports and banks. "It would intelligently distribute information to the relevant agencies, bound by a service agreement to ensure responses within 2-5 hours, allowing online permissions," GTRI added.

Ajay Srivastava, founder, GTRI, said, "The first 100 days represent a critical window (for a new government) to set the tone for governance and policy direction." Advocating for the NTN, Srivastava said that the current systems, focused on specific departments, are slow to evolve and cannot handle comprehensive processes efficiently.

It further stated that India has six smaller trade agreements in addition to 14 larger Free Trade Agreements (FTAs), and the incoming government ought to make public the performance of these accords over time. Additionally, it stated that the incentives for the Remission of Duties and

Taxes on Exported Products (RoDTEP) scheme are given out as an e-scrip that can be utilised for imports. To raise money, small businesses must sell items at a discount. “This analysis could offer insights into the FTAs roles in boosting exports and inform ongoing trade negotiations,” GTRI said.

RoDTEP scheme is the refund of un-refunded taxes much like the Drawback scheme and hence like drawback, the incentive must be paid in cash and not scrip, it suggested. “This will improve the liquidity of small firms without any additional revenue outgo to the government. For best results, RoDTEP may be merged with the Drawback scheme and credit the money in

On e-commerce, it said that India has more than 20 lakh firms that produce good quality products and services but less than a lakh of these exports. “Simplifying RBI, banking, Customs, GST and DGFT rules related to e-commerce export will help them to start exporting handicrafts, jewellery, ethnic wear, decorative paintings, ayurveda, and many more products,” it said.

On China, Srivastava said that if left unchecked, in the next few years, every third electric vehicle and many passenger and commercial vehicles on Indian roads could be those made by Chinese firms in India alone or through Joint Venture with Indian firms.

Further it said that the EU’s Deforestation Regulation, Carbon Border Adjustment Measures, Foreign Subsidies Regulation, and German Supply Chain Due Diligence Act will hurt India’s exports and add uncertainty to exports. “India must draw an aggressive action plan to counter these and prepare to hit the imports from EU in equal measures,” it said.

Source: financialexpress.com– Apr 03, 2024

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India gives over $1 bn incentives to private firms under its manufacturing scheme, official says

NEW DELHI- India has paid $1.02 billion as incentives to boost local manufacturing, following over $13 billion in investments from private firms under a scheme introduced in 2020, a top government official said on Wednesday.

The 1.97-trillion-rupee ($24 billion) production-linked incentive scheme (PLI) is India's key industrial policy and covers 14 sectors ranging from electronic products to drones.

Critical to Prime Minister Narendra Modi's plans to promote India as a global manufacturing hub, the scheme has drawn participation from large global and Indian firms including Apple , Foxconn, Samsung Electronics, Hindustan Unilever Ltd and Reliance Industries .

It has also helped push mobile phone exports to a record $15 billion in the fiscal year that ended March 31, according to industry estimates.

"The scheme has had a good impact and incentive disbursements have also picked up," Rajesh Kumar Singh, top bureaucrat at India's Department for Promotion of Industry and Internal Trade, told Reuters.
India has exported goods worth 3 trillion rupees - 3.5 trillion rupees under the PLI scheme, the official said.

Production in sectors such as mobile phones, electronics and food processing has "moved faster", while that in white goods and drones has also picked up, he said.

Still, textile and specialty steel sectors are seeing some lag and the incentives for those may require tweaks, Singh, whose department oversees the scheme's implementation, said.

India regularly reviews the scheme's uptake.

There are no "immediate plans" to expand the incentives to other sectors, the official said.

Source: economictimes.com– Apr 04, 2024

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Exporters unable to leverage rupee depreciation to boost export order value: Industry

The rupee may stay under pressure in the near term.

Despite the rupee hovering around 83.40 to the dollar, exporters are not able to leverage the price competitiveness to boost exports due to a paucity of foreign exchange with India's major export destinations, stakeholders said.

"There is a forex crisis in Bangladesh, the biggest trading partner with India for engineering goods. There is a tremendous dollar shortage in that country. Exports are not growing to Bangladesh, on the contrary its gone down. We are exporting to Latin America, African countries, they all have a problem of foreign exchange. It affects our exports, we are not able to grow exports substantially," Arun Kumar Garodia, chairman, Engineering Exports Promotion Council of India (EEPC India), told Moneycontrol.
India's engineering exports in the five months to February rose by only 2 percent, he said.

"Countries like Zambia, Kenya, Tanzania, Mozambique, Nigeria, Angola and Latin America are facing dollar unavailability. Exporters are facing huge cash flow challenges, the major issue being the availability of foreign currency in these countries," Sandeep Modi, joint secretary, Federation of Pharmaceutical and Allied Products Merchant Exporters (FPME), told Moneycontrol.

The cause of the dollar shortage in these countries can be traced back to their balance of payments deteriorating.

Rupee trade

The rupee trade—where payments are made by buyers in the domestic currency via a vostro account —allowed by the Reserve Bank of India (RBI) to override such challenges was a welcome step but it is not yet applicable to these countries.

"Rupee trade in these countries is not fully operational. The ministry of external affairs and the RBI should form a joint task force and take this ahead," FPME's Modi said.

Rupee trade is currently functional with Russia, the United Arab Emirates and Sri Lanka. In July 2022, the RBI allowed the settlement of India's international trade in rupees for which authorised Indian banks open vostro accounts. When an Indian exporter has to be paid for goods and services in rupees, this vostro account held in the trading country will be deducted and the amount credited to the exporter's regular account. “Although the RBI has allowed rupee trade, it's not happening with many destinations, including Bangladesh, Africa and Latin America. There has to be repeat export and imports in rupees through the vostro accounts so that the currency accumulated can be adjusted. As an example, in the case of Kenya, if the exports are done in rupee, Kenya needs to export to India in rupees but Indian importers are not keen on rupee trades. Bangladesh is reluctant for rupee trades as they do not do major exports to India, so how will they stock rupees?” EEPC India's Garodia said.

Rupee stability

Given the ongoing strength in the dollar and elevated crude oil prices, the rupee may stay under pressure in the near term. The rupee has been hovering around record lows for the past few months. Remarks from the US Federal Reserve hinted that it may lower the interest rates this year. Robust demand for dollars from importers and a widening trade deficit have kept the rupee in a limited range of 83.00-83.45.

“If the rupee remains stable over a long term, it helps exporters as negotiations are made accordingly. Volatility is never good, short-term rupee fall doesn't help. However, 50 paiea-plus or minus doesn’t make much of a difference. Also, when the rupee depreciates, buyers seek discounts,” said Anas Mullaveetil, an exporter of perishables to the UK, Middle East, etc. He and others like him face price competition from countries like other Asian countries dealing in the same produce.

“When the rupee depreciates, my exports should be seen more. Unfortunately, the bargaining power has increased for buyers. They seek discounts. So is the case with exports of processed food items where countries like Sri Lanka, Philippines and Thailand are our competitors,” Munshid Ali, secretary, Kerala Exporters’ forum, told Moneycontrol.

Source: moneycontrol.com– Apr 04, 2024

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Experts Call for Continued Biotech Interventions to Harness Full Potential of GM Cotton in India

The country is poised to make India a global hub for the textile industry. Several states including Maharashtra, Telangana and Tamil Nadu have undertaken a slew of initiatives to establish exclusive textile parks. In this context, Cotton experts and scientists on April 04, 2024 said that a concerted push for Genetically Modified (GM) cotton will be vital to ensure a robust textile value chain and achieving the aspirations of the States. GM Cotton with new traits will remain pivotal to this ambition.

At a brainstorming workshop on 'Biotech Interventions in Cotton Improvement: Opportunities and Challenges', organized by the ICAR-Central Institute for Cotton Research (CICR), Nagpur in association with Biotech Consortium India Limited (BCIL), with support from the Federation of Seed Industry of India (FSII) on April 04, 2024, at ICAR-CICR campus in Nagpur, experts said the future of GM cotton in India will be determined by a complex interplay of technological, regulatory, socio-economic, and environmental factors. Cotton researchers and agricultural experts emphasized the necessity of continued innovation, responsible stewardship, and stakeholder collaboration for harnessing the full potential of modern biotechnologies-genetic engineering and gene editing.

Bt-cotton brought a revolution in the country's cotton production and transformed a cotton-importing country into a leading cotton producer. However, the momentum broke with the decline in production in FY2015. Since then, affected by pest infestation, specifically, pink bollworm, cotton production in the country is registering a constant stagnation. Addressing challenges and ensuring responsible stewardship of the technology will be essential for sustaining its benefits and promoting the long-term viability of cotton farming in India. To counter these challenges, the need for biotechnological interventions in cotton improvement is the most pressing issue in India.

Dr Y. G. Prasad, Director, ICAR-Central Institute for Cotton Research, Nagpur said, "Adopted in India more than two decades ago, Bt-cotton varieties are genetically engineered to produce insecticidal proteins that are toxic to certain pests, such as bollworms and pink bollworms, significantly reducing the need for chemical insecticides and improving yield and quality."

Dr C D Mayee, Former Chairman, ASRB and Former Director, ICAR-CICR, Nagpur noted cotton experts expressed that biotechnology has enabled the development of herbicide-tolerant cotton varieties that allow for more effective weed control, reducing the need for manual labour for weed management, and can improve overall crop yields.

Speaking on the current challenges and need for genetic interventions in cotton, Dr Paresh Verma, Head AAI, Executive Director-Bioseeds Division, DCM Shriram Limited, Hyderabad, said, "Collaborative efforts involving policymakers, researchers, farmers, and other stakeholders are needed to navigate regulatory complexities, promote technology access and equity, and ensure that biotech interventions contribute to sustainable and inclusive cotton farming systems." He added that, "The development and adoption of GM cotton varieties with broad-spectrum insect resistance represent a significant advancement in cotton production technology, offering farmers effective pest management solutions and contributing to more sustainable and profitable cotton farming systems."

Field testing of GM cotton is a crucial step in the development and evaluation of new varieties before their commercial release and needs to be expedited. Experts also highlighted that the focus on cotton needs to be sharpened in the wake of employing over 45 million skilled workers, according to industry estimates, India's textile industry is poised to achieve a milestone of US$250 billion in textile production by 2030.

Maharashtra, in particular, has set an ambitious target of reaching US$100 billion in textile production. The escalating requirements of the textile industry highlight the need to revitalize the cotton sector, experts assert. The current production levels present a significant bottleneck in the growth trajectory of the textile industry. To address this, there is an urgent need to fortify the cotton value chain and bolster cotton production.

Source: krishijagran.com– Apr 04, 2024

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