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INTERNATIONAL NEWS

Solid 2025 growth in global economy despite trade risks: Goldman Sachs

Goldman Sachs Research has projected another solid year of global economic growth in 2025, with world gross domestic product (GDP) forecast to expand by 2.7 per cent on an annual average basis.

Its economists said the United States will outperform expectations, while the euro area will lag behind amid fresh tariffs anticipated from the next Donald Trump administration. US GDP is projected to increase by 2.5 per cent in 2025, and the euro area economy by 0.8 per cent.

“Global labour markets have rebalanced,” Goldman Sachs Research chief economist Jan Hatzius wrote in the team’s report titled ‘Macro Outlook 2025: Tailwinds (Probably) Trump Tariffs’.

“Inflation has continued to trend down and is now within striking distance of central bank targets. And most central banks are well into the process of cutting interest rates back to more normal levelsm,” he was quoted as saying by a Goldman Sachs release.

The world’s largest economy is expected to grow faster than other developed-market countries for the third year in a row. The re-election of US President Donald Trump is predicted to result in higher tariffs on China and on imported cars, much lower immigration, some fresh tax cuts, and regulatory easing. “The biggest risk is a large across-the-board tariff, which would likely hit growth hard,” Hatzius wrote.

US core personal consumption expenditure (PCE) inflation should slow to 2.4 per cent by late 2025, higher than Goldman Sachs Research’s prior forecast of 2 per cent, but still a benign level. The forecast would rise to around 3 per cent if the United States imposes an across-the-board tariff of 10 per cent.

In the euro area, the company’s economists expect core inflation to slow to 2 per cent by late 2025. The risk of ultra-low inflation in Japan has abated.

Goldman Sachs Research expects the US Federal Reserve to cut its policy rate to 3.25-3.5 per cent (from 4.5 per cent to 4.75 per cent now), with sequential cuts through the first quarter and a slowdown thereafter.

The European Central Bank, meanwhile, is expected to lower its policy rate to a terminal rate of 1.75 per cent. Its economists find that there is also significant room for policy easing in emerging markets. By contrast, the Bank of Japan is projected to lift its policy rate to 0.75 per cent by the end of 2025.

The effects of potential new US trade policies on US GDP are expected to be small and largely offset by other factors, according to Goldman Sachs Research's baseline outlook. Potential tariffs would result in a modest hit to real (inflation adjusted) disposable personal income via higher consumer prices.

"We expect US productivity growth to remain significantly stronger than elsewhere, and this is a key reason why we expect US GDP growth to continue to outperform," Hatzius added.

The economic headwind from US trade policy is expected to be greater outside the US. The economists reduced their growth forecast for the euro area in 2025 following the US election results by 0.5 percentage points and would likely cut it further if the United States imposes an across-the-board tariff.

Goldman Sachs Research expects the impact of potential US trade policy on China to be even more direct. China may face tariff increases of up to 60 percentage points and average 20 percentage points across all exports to the United States. That may subtract almost 0.7 percentage points from growth in China in 2025.

Source: sourcingjournal.com– Nov 18, 2024

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EU-Mercosur FTA gains support from 78 business associations

A coalition of 78 business associations from the EU and Mercosur has urged governments to finalize the EU-Mercosur Free Trade Agreement (FTA) negotiations. The joint statement, addressed to European and Mercosur leadership, highlights the agreement's potential to enhance trade ties, bolster investment, and promote sustainable development.

In 2022, EU-Mercosur trade in goods and services exceeded €159 billion, with mutual investments nearing €380 billion, underpinning millions of jobs across both regions. The coalition emphasized that the FTA would address challenges such as geopolitical instability and supply chain disruptions while fostering economic recovery and growth.

The key benefits of the EU-Mercosur FTA include eliminating trade barriers to facilitate smoother exchanges of goods and services, thereby enhancing market access. It also aims to strengthen trade relationships, ensuring reliable access to critical resources and bolstering supply chain resilience.

Additionally, the agreement seeks to promote sustainability by advancing labor rights, improving environmental standards, and fostering sustainable development through deeper cooperation between the regions.

The associations view the FTA as a strategic opportunity to deepen ties and position both regions for competitiveness in the evolving global landscape. The statement calls for urgent action from policymakers to ratify the agreement, paving the way for a stronger economic partnership.

Signatories include prominent organizations like BusinessEurope, EURATEX, spiritsEurope, and Brazil's CNI, among others. These groups collectively represent a diverse range of industries, including textiles, chemicals, automotive, and agriculture. The coalition stressed that the agreement is essential for shared prosperity, urging swift political resolve to finalize and implement the deal.

Source: fashionatingworld.com– Nov 18, 2024

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Tariffs Are Trending, But Does the Industry Grasp the Implications of Trump 2.0?

“Tariff” has become the hottest word in the American lexicon since Donald Trump secured a decisive victory in the presidential election two weeks ago. But for many consumers and even industry insiders, the implications of the proposed taxes on foreign-made products remain elusive.

“The president-elect did say that ‘tariffs’ is the most beautiful word in English language—but a lot of…people around the world are looking to understand what tariffs are,” American Apparel and Footwear Association (AAFA) president and CEO Steve Lamar said last week at Sourcing Journal’s Fall Summit in New York City.

Throughout his campaign, Trump promised to increase existing Section 301 duties on China-made goods to 60 percent. He also floated a universal baseline tariff of 10 to 20 percent on products from anywhere in the world.

While the former president has likened tariffs to a tax on foreign producers, the reality is much more nuanced.

“The experience of Trump 1.0 is that the President really means what he says when it comes to trade; he feels that he’s a very deep expert in these issues,” he added. “He really likes the power of tariffs. It’s the simplicity of them and their ability to achieve some of the outcomes that he likes.”

Those outcomes include negotiating leverage with other nations, but the unintended—and inevitable—consequences, in Lamar’s estimation, also include higher prices at retail.

“I think there’s a lot of questions about ‘how’ and ‘when’, but I don’t really think there’s so much of a question about ‘if’,” Lamar said, indicating that he believes these proposed policies are more than campaign bluster—and that’s something shoppers should be mindful of moving forward.

Josh Teitelbaum, senior counsel for international trade policy at Washington, D.C. law firm Akin-Gump, said the industry should also be formulating a plan for how to deal with new taxes on goods it’s sourcing from overseas.

He told an audience including brands and retailers that there are advantages and disadvantages to the scenario, given that many now know what to expect from Trump trade policy. Because this isn't anyone's first rodeo with a Trump administration, they should be charting next steps before he takes office.

"We've been through this before, and so how do you prepare? You have to get your operations in order, you have to get your advocacy arguments in order," he said.

When the first Trump administration implemented Section 301 duties of 7.5 percent to 25 percent on products from China, brands learned how to file for exclusions, how to answer questions about whether they'd tried sourcing from alternative markets, and whether certain exclusions on inputs or materials might allow them to bring manufacturing back to the U.S.

There's an upside to understanding that process, he believes. "Those are the kinds of questions that we know they may be asking," Teitelbaum said.

But, "The disadvantage of the second Trump term is that they'll come to you and say, 'It's been six years. What has taken you so long to get out of China?'"

According to Lamar, kicking the China sourcing habit is easier said than done; it may even be impossible. And he questions the validity of seeking to sever ties altogether.

"China continues to be an important sourcing partner, an important market. I don't know that that fundamentally changes," he said. "I do think that we're going to go through a period where, in addition to trading goods and services, we're going to be trading tariffs and insults."

Should president-elect Trump succeed in raising tariffs on China-made products, American industries that sell products and services into the Chinese market should expect to see retaliatory tariffs. "This isn't going to be a one-sided conversation," Lamar added. "I think we're in for a period of escalation."

Teitelbaum demonstrated that there are two sides to the conscious-decoupling-from-China argument.

"There's one school of thought that says, 'If you deeply de risk these two economies, it accelerates China's self-sufficiency,'" he explained. "If the U.S. government says you can't sell certain inputs to China to be incorporated into advanced technology, then yes, that will slow down or even degrade China's capabilities to build an iPhone or some other product with military end use. But at the same time, you are bringing closer—you are accelerating—the day that China is able to make that on their own."

In the textiles and apparel sector, pulling away from China could lead to a situation wherein China works harder to cultivate export relationships in developing markets where the U.S. has "an interest in trying to have a stronger presence from a geopolitical perspective," Teitelbaum said—places like Africa and Latin America. "And that harms U.S. interests," he said.

Lamar lamented the foot-dragging of the current administration when it comes to facilitating stronger trade with other nations—running down the clock on expiring free trade agreements like the Africa Growth and Opportunity Act (AGOA), for example, and failing to establish new trade preference programs or frameworks for bilateral trade.

With new global tariffs possibly on the way, Lamar said he worries that everyone—except possibly China—will lose.

If the U.S. levies duties on the rest of the world, it will make it less advantageous for U.S. companies to leave China, he believes. And those tariffs could convince other nations "that we're not necessarily good trading partners ourselves," he said. "Someone's going to need to step in and fill that void, and voila, here comes China."

"If you look at this holistically, we're starting the conversation about de-risking and diversifying away from China, but we're not finishing that conversation," by taking the actions needed to provide viable alternatives, he added.

Source: sourcingjournal.com– Nov 18, 2024

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Wardrobes bursting, wallets empty, the global crisis of unworn clothes

A new wave of research is exposing a stark reality: our wardrobes are overflowing with unworn clothes, a testament to the rise of fast fashion and a 'buy now, wear once' mentality. This global phenomenon is not only draining our wallets but also contributing significantly to environmental damage.

Cluttered wardrobes and unworn clothes

As per the first national survey of clothing use and disposal habits in Australia conducted by the Royal Melbourne Institute of Technology (RMIT), Australians acquire an average of 27 kg of new clothes annually, discarding around 23 kg. The average Australian owns 118 garments but has 26 per cent of their wardrobe going unworn for at least a year. This pattern of fast fashion consumption is mirrored worldwide, with alarming statistics emerging from various studies. A study by WRAP in the UK found similar results, with the average person keeping 118 items in their wardrobe and a quarter remaining untouched for a year.

Here are some interesting facts. The average garment is worn merely seven times before being discarded reveals Ellen MacArthur Foundation findings. In the UK, wardrobes hold an estimated 1.6 billion items of unworn clothing, reveals a WRAP study. And 30 per cent of donated clothes end up in landfills or incinerated, highlights a study by Hot or Cool Institute. While data varies across countries, the underlying narrative remains consistent: overconsumption and underutilization.

Table: The state of unworn clothes globally

Country	Average items in wardrobe	% clothes unworn for a year	Source
Australia	118	26%	RMIT University
UK	118	26%	WRAP
USA	-	20% (estimated)	ThredUp Resale Report
China	-	10% (estimated)	Greenpeace East Asia

The environmental cost of closet clutter

The implications of this 'wearability crisis' extend far beyond overflowing closets. The fashion industry is a major polluter, accounting for around 10 per cent of global carbon emissions. Producing clothes that are barely worn intensifies the strain on resources and contributes to textile waste.

The RMIT study highlights the need for greater awareness and behavioral change. As Alemayehu, lead researcher emphasizes, "We need to shift our mindset from disposability to longevity. This involves buying less, choosing quality, and caring for our clothes."

Various initiatives are being taken up across the world as a step towards greater sustainability. For example, the growing movement 'One Year, No New Clothes' challenge has participants commit to not buying any new clothing for a year, forcing them to re-evaluate their consumption habits and rediscover the potential of their existing wardrobes.

And initiatives like clothing swaps and rental services promote collaborative consumption and extend the lifespan of garments, offering alternatives to constant purchasing. Meanwhile brands too are focusing on ethical production and durable designs, encouraging consumers to invest in quality over quantity.

Indeed, the wearability crisis is a wake-up call and it's time to rethink our relationship with fashion, embrace sustainable practices, and ensure our wardrobes reflect our values, not just fleeting trends.

Source: fashionatingworld.com– Nov 18, 2024

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Cambodia, UK forge stronger ties at 2024 trade exhibition

Cambodia and the United Kingdom share strong ties across various sectors, and it is essential to continue strengthening this friendship through close cooperation, particularly in the areas of trade and investment, said Cham Nimul, Minister of Commerce.

Presiding over the 2024 Cambodia International Trade Exhibition on Monday at the Diamond Island Convention and Exhibition Center, Nimul said that the goal of this exhibition is to promote the export of textiles, apparel, and footwear to the UK, not only by showcasing these products but also by establishing a business network with potential UK buyers. “The textile, apparel, and footwear industries are priority sectors for Cambodia and have made significant contributions to the country’s economic and social development,” said Nimul.

She further said that the Royal Government of Cambodia (RGC) fully recognizes the high competitiveness of this industry and has developed a strategic plan for the garment, footwear, and bag sector from 2022 to 2027. This strategy aims to transform the sector into a sustainable and environmentally resilient industry, focusing on high-value, unique products.

Cambodia’s total exports reached $45.5 billion in the first ten months of 2024. Of this, textile exports were valued at approximately $406 million (an increase of 14.47 percent), apparel exports reached $8 billion (up 23.66 percent), and footwear exports totaled $1.3 billion (up 22.33 percent).

“I would like to highlight that the majority of employees in these sectors —around 80 percent — are women. Therefore, women play a crucial role in the Royal Government’s national economic development program,” Nimul emphasized. Cambodia and the United Kingdom share strong ties across various sectors, and this enduring friendship must be maintained through continued cooperation, particularly in trade and investment, the minister added.

In the first ten months of 2024, the total trade volume between Cambodia and the United Kingdom reached 674 million pounds (approximately $850 million), marking a 16 percent increase compared to the same period in 2023.

The exhibition, which features 75 booths, offer valuable market information and serve as a forum for discussion. On the occasion, Nimul announced that the Ministry of Commerce, in collaboration with development partners, will officially launch the Free Trade Agreement Information Nursery. This initiative will help exporters identify and access the most suitable and beneficial trade preferences for their businesses.

British Ambassador to Cambodia Dominic Williams said that the exhibition and trade mission are also part of the SheTrades program, reflecting the UK's commitment to supporting gender equality.

He said that for the UK government, supporting gender equality is a key priority, and it is something he personally feels very strongly about. "It's fantastic to speak out in support of gender equality, and I encourage everyone to do the same," he added.

"We want Cambodia to diversify its exports to the UK, help Cambodian businesses grow, and contribute to the development of the economy here, while supporting jobs across the country. Our Trade Development Initiative complements the UK's Developing Countries Trading Scheme."

It may be recalled that last week, Ministry of Commerce and the British Embassy in Cambodia hosted the 2nd UK-Cambodia Joint Trade Investment Forum (JTIF) in Phnom Penh, strengthening the bilateral economic relations between the two countries.

The forum succeeded in its aims to assess progress, through measuring advancements in trade policy, investment for development, and business successes between the UK and Cambodia.

The event was organized in partnership with the International Trade Center (ITC) and the Cambodia Women Entrepreneurs Network (CamWEN). Following this exhibition, another series of business-to-business engagements for women entrepreneurs will take place in Jakarta, Indonesia, later this week.

Source: khmertimeskh.com– Nov 19, 2024

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US Upland cotton sales down 33%, Pima 60% last week: USDA

Net sales of Upland cotton in the United States for the 2024-25 season totalled 153,300 running bales (RB), each weighing 226.8 kg (500 pounds). This represents a decline of 33 per cent from the previous week and 18 per cent from the prior four-week average.

According to the USDA's export sales report for the week ending November 7, significant sales increases were primarily noted for Turkiye (41,500 RB), Pakistan (40,000 RB), China (19,000 RB), Vietnam (18,900 RB, including 200 RB switched from Indonesia, with a reduction of 2,600 RB), and South Korea (12,200 RB). Total net sales of 1,000 RB for 2025-26 were recorded for Mexico.

Exports for the week totalled 112,000 RB, down 23 per cent from the previous week but up 3 per cent from the prior four-week average. The primary destinations were Pakistan (51,000 RB), Mexico (14,000 RB), Vietnam (12,900 RB), Bangladesh (8,300 RB), and El Salvador (3,400 RB).

Net sales of Pima cotton for 2024-25 totalled 4,900 RB, a 60 per cent decrease from the previous week and 37 per cent below the prior four-week average.

Increases were primarily recorded for India (2,300 RB), Vietnam (1,700 RB, including 400 RB switched from Hong Kong), Peru (400 RB), Turkiye (400 RB), and Italy (200 RB), but were offset by reductions for Hong Kong (400 RB). Exports of Pima cotton totalled 9,500 RB, up 27 per cent from the previous week and 15 per cent from the prior four-week average. The main destinations were India (6,700 RB), China (1,600 RB), Thailand (400 RB), Pakistan (400 RB), and Vietnam (400 RB).

WASDE November 2024 Report

The global balance sheet for 2024-25 reflects reductions in world production, consumption, beginning and ending stocks, and trade. Production is forecast to decrease by 460,000 bales, with the largest reductions in Pakistan and Turkmenistan.

Consumption is expected to decline by 515,000 bales, primarily due to reduced demand in Turkiye and Pakistan. Ending stocks are projected to fall by 574,000 bales, with significant decreases in India, Turkmenistan, and Pakistan more than offsetting increases in the US and Uzbekistan.

World trade is reduced by 295,000 bales, driven by lower imports by Turkiye, partially balanced by higher imports by Uzbekistan and Egypt. Historical revisions to production for the 2023-24 global balance sheet also lead to lower ending stocks.

The US cotton balance sheet for 2024-25 indicates slightly lower production, reduced exports, and higher ending stocks. NASS revised its estimate for total US cotton production downward by 10,000 bales to just below 14.2 million bales in the November Crop Production report.

While Georgia's crop forecast was raised by about 200,000 bales, this increase was offset by a similar reduction in Texas, along with minor adjustments elsewhere. The national all-cotton yield estimate remains unchanged from the previous month at 789 pounds per harvested acre.

With global consumption and imports declining, US exports are reduced by 200,000 bales to 11.3 million. Ending stocks are raised by 200,000 bales to 4.3 million, resulting in a stocks-to-use ratio of approximately 33 per cent. The 2024-25 season average upland farm price remains unchanged at 66 cents per pound. No revisions were made to the 2023-24 US cotton balance sheet.

Source: fibre2fashion.com– Nov 18, 2024

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Fashion sector gets extra year to prepare for EU deforestation law

This decision comes in response to concerns from EU member states, non-EU nations, traders, and operators about the feasibility of meeting the original compliance deadline of 30 December 2024.

The EU Parliament adopted the proposal through an urgency procedure, with a vote tally of 371 in favour, 240 against, and 30 abstentions.

Under the revised timeline, large operators and traders will now have until 30 December 2025 to meet the new requirements, while micro and small enterprises will have until 30 June 2026.

This extension is intended to give operators worldwide additional time to implement the necessary changes without compromising the regulation's objectives.

Amendment and next steps

The EU Parliament has adopted amendments, including the introduction of a new category of countries classified as posing "no risk" of deforestation. This classification will accompany existing categories of "low," "standard," and "high" risk countries.

Nations with stable or increasing forest areas are deemed "no risk" and will face less stringent requirements, as they pose little to no risk of contributing to global deforestation. The European Commission is tasked with finalising a benchmarking system for these classifications by 30 June 2025.

The revised text will now return to committee for further negotiations before being reviewed and endorsed by both the European Council and EU Parliament. Once approved, it will be published in the EU Official Journal and become law.

Why the deforestation law is necessary

According to estimates from the UN Food and Agriculture Organization (FAO), approximately 420m hectares of forest, an area larger than the EU, were lost due to deforestation between 1990 and 2020.

EU consumption accounts for about 10% of global deforestation.

The deforestation regulation was initially adopted by the EU Parliament on 19 April 2023, aiming to combat climate change and biodiversity loss by curbing deforestation linked to the EU's consumption of various products including coffee, cattle, cocoa, wood, palm oil, soya, rubber, charcoal, and printed paper. Although the regulation has been in force since 29 June 2023, its provisions were set to be implemented by companies starting 30 December 2024.

Reactions to the proposed delay

The proposed delay to the EUDR prompted mixed reactions from the industry, NGOs and markets around the globe.

Human Rights Watch commented that the "delay would enable at least one more year of deforestation and human rights violations" while disregarding "efforts by many companies and EU trading partners who deployed resources to comply with the EUDR on time".

World Wide Fund For Nature European Policy Office forests policy manager Anke Schulmeister-Oldenhove said: "This is a shameful moment for the EPP, and a betrayal of its commitments to European citizens, forward-looking businesses, the world's forests, and our climate. Just last year, the EPP overwhelmingly supported the EUDR - led by a rapporteur from their own ranks. Today, they aligned with extreme right-wing factions, putting political posturing over climate action, opening the gates for deregulation whilst casting aside pleas of European citizens and responsible companies to protect our forests."

Greenpeace EU forest policy director Sébastien Risso said: "More than a million EU citizens demanded a strong law to protect forests, and in 2022 they got it. So it is absolutely shameful that now, almost two years later, the European People's Party has abandoned its previous support for this urgently-needed law in light of the climate emergency, and has teamed up with parties of the populist and extreme right to drastically weaken the EU deforestation regulation."

Source: fibre2fashion.com– Nov 16, 2024

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Confronting Compliance: Traceability, Transshipments and Isotopic Tests

While "location" may be the first three rules of real estate and retail, the same cannot be said for the apparel industry. For brands looking to stay compliant, diversified sourcing maps can create false senses of security—ultimately leading to costly consequences.

The Sourcing Journal Fall Summit panel, "Traceability Under Pressure: Compliance Risks When Transforming Supply Chains," covered the complexities of transshipment as it pertains to traceability in supply chains, emphasizing the risks of diversified sourcing and the challenges of staying compliant.

But what, exactly, is a transshipment?

"We find a lot of brands and retailers sometimes think that simply relocating a lot of their sourcing out of a particular country is going to minimize the risk of prohibited materials being present within their products; simply divesting your supply chain from those areas is not going to minimize that risk," Ben Tomkins, vice president of retail sales at Oritain, explained. "That leads a lot of brands and retailers into quite a bit of exposure from a risk perspective, but it also lures them into a false sense of security."

Take cotton, for example.

Oritain found that a "significant amount" of the fiber is exported as both a yarn and a fabric from prohibited regions to be utilized for final assembly and manufacturing in countries like Cambodia and India, among others. From a detention perspective, Tomkins continued, Oritain saw an increasing rate of detentions within Nicaragua and Mexico. The reason for more holds in these countries pertains to their trade agreements with China.

"Nicaragua entered a free trade agreement with China earlier this year and part of that agreement was raw materials and textiles," Tomkins said. "China used to count for 3 percent of Mexico's imports. It's now at about 34 percent; you can really see the changing trends and how that's rising. That's what we mean when we're talking about transshipments and how it impacts the industry."

However, these detentions do not only come from China.

“Gone are the days where you can produce everything in one country—due to tariff risks, due to forced labor risks—you now have to produce in many countries but, in particular, many companies shifted from China over to Vietnam, Bangladesh and India,” Angela Santos, partner and customs practice leader at ArentFox Schiff, said. “But when that happens, your raw materials may still come from China. They may come from other places that are problematic. And sometimes, you lose that traceability when the raw materials change hands.”

In fact, the law firm recently worked with a company under a customs audit and found that one singular T-shirt offered by said company was made with cotton from 12 different suppliers. Each of those suppliers had to have documentation tracing the movement throughout the supply chain all the way through production—but often, companies “just don’t have that information,” Santos said.

“Even if their supply chain is clean, they don’t have that documentation. It can be a huge risk in that their goods won’t be released,” she continued. “The deeper the supply chain, the more entities in the supply chain, the more entities you have to vet for forced labor risk and the more documents you have to collect.”

While some brands are certainly looking away, most are “trying their best” to understand the potential risks—and how to avoid them.

“Many companies are doing everything on the checklist, right. But there are other brands who wait until there’s a detention—and that’s not because they don’t want to comply, but because there are costs to due diligence,” Santos said. “Sometimes what we see is that companies come to us when it’s too late; there’s already a detention.”

And once there’s one detention, more follow suit. Plus, a proactive approach is cost-conscious. It’s cheaper (in the long run) to train teams on protocol for if and when a detention occurs. While tens of millions of shipments a year, with about 10,000 of them detained, there will be a “massive ramp up” of enforcement with a new administration on the horizon.

“For the first time, we’re getting RASAs, we’re getting audits, we’re getting inquiries from Customs to look at companies’ forced labor procedures before a detention, so we’re expecting that to ramp up,” Santos said. “We’re also expecting detentions to ramp up; [CBP] has invested in various technologies—including Oritain—which means they’re getting better at targeting.”

This also means that certifications and documentation alone are not enough, per Tomkins.

“It’s great to collect a level of subjective information,” he said. “But having the ability to overlay a level of forensic verification as part of that to really ensure the veracity of the subjective information that’s being provided, I think, is absolutely critical.”

For Oritain, this takes the shape of isotopic testing: similar to a fingerprint comparison, but swap fingers for the stable isotopes of chemical elements like carbon, oxygen, nitrogen and hydrogen. The scientifically enabled cotton tracing company has spent “the better part of a decade” mapping over 90 percent of the world’s global cotton production as to obtain and share insights with the industry.

“Brands can’t take the position of just trying to extinguish risk once it occurs. I think we have to be very proactive in that sense,” Tomkins said. “It is simply empowering brands to communicate to their vendors and suppliers that they have the ability to overlay forensic testing—that is a significant deterrent to noncompliant behavior in the first instance.”

Source: sourcingjournal.com– Nov 18, 2024

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Moody's downgrades Bangladesh's ratings to B2, makes outlook negative

Moody's Ratings recently downgraded Bangladesh's long-term ratings to B2 from B1, saying the outlook has been changed to 'negative' from 'stable'.

"The downgrade reflects heightened political risks and lower growth, which increases government liquidity risks, external vulnerabilities and banking sector risks, following the recent political and social unrest that led to a change in government," said Moody's in a note.

The ongoing political uncertainty and weakening growth leads Bangladesh to rely increasingly on short-term domestic debt to finance its deficit, raising liquidity risks, it noted. "Additionally, higher risks to asset quality amplify structurally weak capital and liquidity in the banking system, increasing contingent liability risks for the sovereign," the rating agency said.

Despite improving remittance flows and loan disbursements from development partners, external vulnerability risk remains weaker due to a sustained decline in the reserve buffer over the past years. "With elevated social risks, the absence of a clear election roadmap, the deterioration of law and order, and the nascent reemergence of community-based tensions also raises political risk," it observed.

It said the negative outlook reflects downside risks to Bangladesh's growth outlook beyond its current expectations, which could further strain the country's already weak fiscal position and exacerbate external vulnerabilities.

"These risks stem from weaker domestic demand and supply disruptions due to recent protests and disruptions to law and order that cloud the export outlook and lower prospects for the ready-made garments sector," it said.

While the interim government remains committed to a broad reform agenda, its capacity to execute remains uncertain, Moody's added.

Source: fibre2fashion.com– Nov 19, 2024

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Pakistan becomes largest importer of US cotton

If data are to believed, the textiles and clothing industry in Pakistan has shown an upward trend with a 10.44 percent increase in exports during the first four months (July-October) of FY25. Exports this year fetched $6.15 billion compared to $5.56 billion last year.

The textile export growth is unbelievable despite challenges such as falling local cotton production and increased reliance on imported cotton. A couple of months ago, textile millers voiced their anger through paid ads in the media about the mass-scale closure of textile mills due to 'unbearable' power costs.

Now, the recovery as well as exceptional export data shows that the sector might have got 'subsidized' relief. While the sector has shown signs of recovery, its long-term competitiveness remains under threat due to structural issues and policy gaps.

The fiscal year has experienced fluctuating progress. Like, the year began with a 3.09 percent contraction in textile exports in July. This sparked concerns about the industry's trajectory.

However, the sector rebounded strongly and recorded over 13 percent growth in August, 17.92 percent in September and 13.11 percent in October and counting.

Key segments, including readymade garments and knitwear, drove this growth, with readymade garments rising 25.40 percent in value and 19.94 percent in quantity, and knitwear growing 18.69 percent in value and 10.03 percent in quantity.

Bed items also showed robust performance, up 13.17 percent in value and 13.60 percent in quantity. Despite this progress, the sector's reliance on imported cotton diminishes the trickle-down effects of the export benefits. Declining local cotton yields have left the industry vulnerable to volatile international markets.

The government's failure to enhance domestic cotton production has forced manufacturers to depend on costly imports. The challenge is compounded by harsh taxation measures introduced in the 2024-25 budget, including higher personal income tax rates for exporters, which are squeezing margins.

Textile is a competitive sector, and the closest regional rival is Bangladesh, which has outpaced Pakistan in global markets. Disruptions in Bangladeshi supply chains due to a recent change of power have temporarily benefited Pakistani exports.

Experts caution that without meaningful policy reforms and investment in local raw material production, the industry risks losing its edge. For a while, let us celebrate the fetch of $6.15 billion through textiles and clothing exports. But comparison pales when we see stagnant textile plants with their $25 billion installed capacity. *

Source: dailytimes.com.pk – Nov 18, 2024

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Pakistan: Cotton initiatives: Primark, APTMA discuss collaboration opportunities

Primark and APTMA have discussed potential collaboration opportunities on sustainable cotton initiatives. While expressing a shared commitment to promoting sustainable growth in Pakistan's cotton industry, both sides have engaged in fruitful discussions on sustainable cotton initiatives, industry challenges, and solutions, as well as evolving buyers' requirements.

This vital understanding was evolved during a visit of delegation from Primark's Headquarters to APTMA Lahore office.

The Primark delegation included Kerry Conway, Primark Cotton Project Lead, UK, Andrew Atherton, Seed and Sustainability Manager, UK, and Rana Muhammad Wajid, Primark Cotton Project Manager, Pakistan, Imran Zaid, Product Sustainability Manager, Pakistan, and Ali Hassan, Ethical Trade Executive, Pakistan.

Chairman APTMA North Asad Shafi, Senior Vice Chairman APTMA North Muhammad Anees Khawaja, Treasurer APTMA North Mohammad Qasim, Tariq Mahmood, Habib Anwar, Haroon Ellahi, Danish Aslam, Faisal Jawed, senior APTMA members and Secretary General Mohammad Raza Baqir welcomed the delegation.

Kerry Conway said that their visit was aimed to discuss the Primark Cotton Project and explore potential collaboration opportunities with APTMA. He said the project, currently implemented in Punjab and Sindh, is in the process of training 30,000 registered farmers on sustainable cotton farming practices through CottonConnect, ensuring traceability of sustainable cotton through the Traceable platform.

Source: brecorder.com– Nov 19, 2024

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NATIONAL NEWS

Union Textiles Minister Giriraj Singh meets Textile Industry of Panipat, urges them to develop new textile products with different blends

The Union Textiles Minister Shri Giriraj Singh met with textile manufacturers and exporters of Panipat, Haryana during his visit to the city today, November 18, 2024.

More than 150 representatives of manufacturers and exporters from the region participated in the meeting. The meeting sought to address key issues impacting the Small and Medium Enterprises (SMEs) and manufacturing industries in the textiles sector, particularly in Panipat, a key hub for textiles and handlooms in India.

Addressing the industry, the Textiles Minister mentioned about the need for developing new products with different blends, such as jute with bamboo, and recycled cotton with synthetic fibres, on floor-covering and carpet products.

The interaction between the Textiles Minister and the industry was organized by the Handloom Export Promotion Council, an organization under the aegis of the Office of Development Commissioner for Handlooms, Ministry of Textiles, Government of India, in coordination with Panipat Exporters Association. Senior officials of the Ministry of Textiles, including Development Commissioner (Handlooms), Dr. M Beena; and Chairperson, HEPC and President of the Panipat Exporters Association Shri Lalit Kumar Goel were present in the meeting.

The meeting discussed policy matters concerning infrastructure development, export promotion strategies, Free Trade Agreements (FTAs), and policy support for SMEs in improving their growth and international competitiveness.

The meeting underscored the importance of collaboration between the government and industry stakeholders to address these challenges and work towards the long-term growth of India's textiles and export sectors.

During his visit to Panipat, the Textiles Minister visited the factories of some of the leading handloom, home textiles and recycled yarn manufacturing units in the region, such as Mahajan Overseas, Excellent Fabtex, Shree Jee International, ASM Home furnishing and H R Overseas, and held discussions with the management of these units.

During the factory visits, the Textiles Minster emphasized on the need to utilise Green Energy for meeting 100% of the energy requirements of the factories. The Minister also suggested the Panipat carpet and floor-covering industries to collaborate with the jute industry of Kolkata and utilize jute as a raw material.

The Minister urged the industries to gear up to achieve the target of a textile market of size 350 BN USD with exports of 150 BN USD by the year 2030.

In her keynote address at the meeting with industry representatives, the Development Commissioner (Handlooms), Dr. Beena briefed on the export potential for various products of Panipat and urged the exporters to utilise the opportunities accordingly.

Shri Ashok Gupta of M/s. Devgiri Exports, Shri Vinod Dhamija of Hariyana Chamber of Commerce and Shri Kuldeep Wattal. Chairperson, CEPC too spoke on the occasion, expressing the views of the Panipat textile industry.

The Vote of thanks was delivered by Shri N. Sreedhar, ED, HEPC.

Background

Haryana is one of the four major carpet-producing belts of India. Panipat is a major cluster for floor coverings and carpet manufacturers in Haryana, with about 200 units in the MSME sector.

Panipat is called the city of weavers, as it produces textiles and carpets. It is the biggest centre for good-quality blankets and carpets in India and has a well-recognized handloom weaving industry.

Panipat has been recognised as a Town of Export Excellence under Foreign Trade Policy, for export of woollen blankets.

The total export turnover of the industry in Panipat is approximately Rs. 12,000 crores per annum, providing direct and indirect employment to about 8-10 lakh weavers/workers.

The textile products from Panipat are being exported all over the world, mainly to USA, Europe, Japan and Australia and for sale at leading retail stores such as Walmart and IKEA.

The Handloom Export Promotion Council has more than 400 registered member exporters in Panipat.

Source: pib.gov.in– Nov 18, 2024

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UK to relaunch trade talks with India, seeks 'new strategic partnership'

Britain will restart talks with India on a free trade deal in the new year, Prime Minister Keir Starmer's office said on Monday, following a months-long pause in negotiations due to elections in both countries.

London will seek a "new strategic partnership" with India as well as deepening co-operation in areas like security, education, technology, and climate change, Starmer's office said after he met his Indian counterpart, Narendra Modi, at the G20 summit in Brazil.

"A new trade deal with India will support jobs and prosperity in the UK," Starmer, whose Labour Party was elected to power in July, said.

The British leader also met Chinese President Xi Jinping at the summit in Rio de Janeiro, calling on him to establish "consistent, durable" relations between their two nations and saying he would like to engage on areas such as trade, the economy and climate.

Starmer has pledged to secure the fastest sustained economic growth for Britain among the Group of Seven countries. The Organisation of Economic Co-operation and Development has predicted that British growth in 2025 would be the lowest of the G7.

The previous Conservative government held years-long trade talks with New Delhi, but they ended in March without a deal, with a British official saying an agreement could not be finalised ahead of the Indian elections.

Total trade between India and Britain, currently the world's fifth- and sixth-largest economies, was worth 42 billion pounds ($53.2 billion) in the 12 months to June, with British exports to India valued at 16.6 billion pounds.

Before India's April 19-June 1 general election, which handed Modi a rare third term, government sources said that he was likely to prioritise completion of free trade deals with Britain and Oman if he were to be e-elected.

Previous sticking points in the trade talks between the two countries have included a steep import duty on British whiskey for sale in India and India's demand for more visas for Indian students and businesses.

"India is ... a vital trading partner for the UK. We believe there is a good deal to be done here that works for both nations," British Business Minister Jonathan Reynolds said.

Source: economictimes.com– Nov 19, 2024

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UAE assures timely support to Indian Customs to check FTA violation

Responding to concerns raised by India on a surge in imports of silver, platinum and dates from the UAE in a possible flouting of free trade pact rules, the UAE has assured that it will respond timely to the verification requests sent by the Indian Customs department to help it confirm the authenticity of certificates of origin issued under the bilateral Comprehensive Economic Partnership Agreement (CEPA), sources have said.

“Timely verification of the certificates on adherence to rules of origin (ROO), which are important in establishing that value added norms fixed under the CEPA are being strictly followed by partner countries, will help India in ascertaining that the shipped items are indeed originating from the UAE and not another destination. It could help check import surges to some extent,” an official tracking the mater noted.

India-UAE meet

At the recent India-UAE joint commission meeting in Dubai, the UAE also agreed to expedite recognition of meat certification from India and address issues pertaining to fast tracking of pharmaceutical registration and viable reference pricing mechanism for Indian pharma products, the official added.

The India-UAE CEPA, implemented in May 2022, includes commitments by India to bring down import duties on a wide range of goods over a period of time. On silver, duties are to be reduced to zero over ten years.

In FY24, silver imports from the UAE increased 5853 per cent rise to $1.74 billion from only $29 million during FY23, raising concerns on imports coming in from third countries through the UAE by flouting the ROO norms.

Duty advantage

To address the duty advantage that UAE has, India brought down the MFN import duties (applicable on all countries) on gold and silver to 6 per cent from 15 per cent in this year’s budget. “Since the tariffs on silver imports from the UAE and many other goods will gradually be reduced to zero, the concerns on ROO compliance has to be urgently addressed," the official said.

Commerce & Industry Minister Piyush Goyal also discussed this issue with his counterpart and colleague Thani Al Zeyoud from UAE who had assured that the concerns will be duly addressed.

"At the India-UAE joint committee meeting, UAE assured full cooperation in terms of making sure there is no circumvention. We will take up the matter again at the next joint committee meeting in India," the official said.

Significantly, India's imports from UAE in April-October 2024 increased 55.12 per cent to $38.64 billion against $24.91 billion in the same period previous last fiscal. India's exports to the UAE, too, went up in the seven-month period, but at a lower rate of 15.86 per cent to $20.93 billion, compared to $18 billion in April-October 2023-24. Trade deficit during the period increased to $17.71 billion from $6.85 billion in the same period a year ago.

Source: thehindubusinessline.com– Nov 18, 2024

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Indian Government's Focus on Apparel and Textiles Sector Spurs Export Growth

There's palpable optimism in India as exports of apparel and textile have picked up, defying years of stagnant growth or decline.

Following the general election in India, the government laid out a plan for a 100-day period of focus on the industry. That initiative, which began in September, is expected to boost growth to $350 billion.

Recently appointed textiles minister Giriraj Singh spoke to the country's 2030 roadmap for the sector. With a goal of about $250 billion in sales for the domestic market and $100 billion in exports, the textiles and apparel industry is expected to generate millions of jobs, he said. As a part of the government's transformative vision, the Ministry of Textiles had engaged in several initiatives during the first 100 days of the new government, including strengthening infrastructure, focusing on technical textiles, bolstering natural fiber sectors and more.

Between April and September, exports for textile and apparel were up more than 5 percent over the previous year, reaching $17.6 billion. Textile exports grew 2.76 percent to a little over $10 billion while apparel exports grew by 8.5 percent to $7.5 billion, according to figures from the Ministry of Commerce and Trade.

September saw overall growth up by over 12 percent, while apparel exports alone surged by about 17 percent. Textiles and apparel account for around 8 percent of India's total exports.

During the last financial year, textiles and apparel saw a decline of 3.2 percent to $34.4 billion. Apparel exports declined by 10.25 percent to $14.5 billion from $16.1 billion, while textile exports grew a marginal 2.6 percent to $19.8 billion.

"It's too early to celebrate," an apparel manufacturer in New Delhi told Sourcing Journal. "There are too many variables at this time, there is a lot to be addressed to really help and change the way we are looking at the industry. The industry really needs to be given much more focused attention to help it, the way it is done in some neighboring countries. But maybe we can break the time warp we were stuck in, there's a definite shift now."

Mithileshwar Thakur, secretary general Apparel Export Promotion Council (AEPC), told Sourcing Journal that Indian apparel exports were now on a "high growth trajectory."

"We have started harnessing the untapped potential and have been logging double-digit growth in apparel exports in the last few months in spite of geopolitical challenges and consequent supply chain disruptions. India is clearly at the cusp of global attention, and the world has started looking at India as a preferred sourcing destination," he said.

"Among other issues facing particularly the apparel industry in India is the acute shortage of labor during peak seasons, with migrant labor moving to their home states during festive seasons and thereby adversely impacting capacity," he added. "The focus of the government and industry now is to move factories to labor surplus states for ready availability of workforce and consequent improvement in efficiency and productivity. Most of the states are coming out with their own textile policies to create conducive business ecosystem for accelerated growth of textile and apparel industries in India."

Manufacturers in other states, including Tamil Nadu and Telengana, told Sourcing Journal that the immediate concern had shifted to managing plans for capacity building, removing bottlenecks related to raw materials, and requests for more government support for small and medium factories.

The announcement of the 2024 Textile Policy by the state of Gujarat on Oct. 16 is being watched with interest. As Thakur pointed out, one of the big changes that has happened in recent months is the sense of cohesion across the different states of India, spurring on the overall growth. Gujarat's new textile policy addressed capital subsidies, credit-linked interest subsidies, payroll assistance and fiscal subsidy provisions for labor intensive units. Focus areas include a reduction of carbon emissions and renewable energy; a power tariff subsidy was announced at 1 rupee per kilowatt hour.

Meanwhile, comments from the Bangladesh indicate concerns about "another country waiting to snatch up orders."

After prime minister Sheikh Hasina's swift and unexpected departure from the seat of prime minister on Aug. 5, Bangladesh remains in a state of flux. The central body for the apparel industry, the Bangladesh Garment

Manufacturers and Exporters Association (BGMEA), was dissolved on Oct. 20, and a new round of elections is expected. The minimum wage for workers is expected to set off a new, and perhaps contentious, round of negotiations.

Manufacturers argue that they have already agreed to a 56-percent hike in wages and any further increase would be financially impossible. But workers are clear that the increase barely gets them to a living wage, as the value of the Bangladesh taka has fallen and their pay isn't stretching as far as it once did.

How this will affect the pricing structure for global brands is still unclear, though many are still keen to diversify their sourcing portfolios. With Vietnam struggling with labor shortages and with limited capacity in Sri Lanka, the industry in India is looking at ways of scaling up quickly to capture growing demand.

And with Trump's promise of increased tariffs on China-made goods hanging in the air, a vibrant Indian textile and apparel industry could invite considerable interest in 2025.

Source: sourcingjournal.com– Nov 18, 2024

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India is missing out on the 'Bangladesh opportunity'

During his visit to the National Institute of Fashion Technology in Chennai, Union Textile Minister, Giriraj Singh was asked by journalists whether India was gaining market share in the ready-made garments (RMG) space vacated by Bangladesh due to social and political disturbances in the country. Bangladesh is a major exporter of RMG, with exports over $50 billion, thrice as much as India.

The Minister dismissed the question, saying he was not much concerned about Bangladesh, Vietnam, etc, and was interested in working towards raising the Indian textile sector (domestic and exports) from $176 billion today to $350 billion by 2030. He said that while Bangladesh has just 45 lakh workers in the textile industry, India has a significantly larger workforce of 4.6 crore.

The Minister brushing aside the 'Bangladesh opportunity' reflects India's current inability to make use of the opportunity.

"We just don't have the fabric capacity," says Lalit Thukral, President, Noida Apparel Export Cluster. All of India's existing fabric capacity is fully booked and the country is not able to meet the huge demand, both in terms of volume and tight delivery schedules, from buyers who have been traditionally buying from Bangladesh, Thukral told businessline.

"We have been able to take (only) a very small percentage of Bangladesh's export markets," Sanjay K Jain, Chairman of ICC National Expert Committee on Textiles, told

Thukral said Bangladesh has a 12-14 per cent advantage over India due to free trade agreements and concessional import duties. The country could double its garment exports to $50 billion in ten years, whereas India is still "stuck" in the $14-16 billion range.

THE MSME DILEMMA

One of the reasons why India found itself without enough physical capacity is because the textile industry is mostly comprised of MSMEs. Thukral observed that the Indian industry is worth ₹160 lakh crore, of which the big companies account for ₹40,000 crore — the rest being MSMEs.

"This is the appropriate time for the government to support this labour-intensive sector through handholding, capacity augmentation, skilling and financial support to MSMEs," says Mithileshwar Thakur, Secretary General, Apparel Export Promotion Council.

In a press release, Thakur said, "This is the time when the supply chain is getting realigned due to the Bangladesh crisis and the global buyers are looking for an alternative to China," noting that the RMG industry "is fast emerging as the preferred sourcing destination for big brands."

The council has requested the government for help in terms of providing 'interest equalisation scheme', at a rate of 5 per cent, "to o" set the high cost of capital."

Still, exporters are hopeful that in the years to come, they would get a share of Bangladesh's market. Thukral observed that "once the trust is broken", it would be di£cult for Bangladesh to take back its entire market. He said if the PM MITRA (Mega Integrated Textile Region and Apparel) Park scheme takes o" , it would be of big help.

Sivaramakrishnan Ganapathi, Vice Chairman and MD of Gokaldas Exports, told businessline that the "unstable environment in Bangladesh", coupled with "concerns about a potential increase in tari" s under the incoming US government, would strengthen the sustained trend in exports.

Source: pressreader.com– Nov 18, 2024

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6.2 lakh applications received for Prime Minister Internship Scheme

The Prime Minister Internship Scheme (PMIS) received a total of 6.2 lakh applications and the window for the registration of young applicants closed on November 15, said official sources. Under PMIS, a landmark initiative aimed at boosting employability among Indian youth, more than 1.25 lakh internship opportunities are available in 25 sectors across 745 districts.

Between November 15 and 25, the offers and the applications will be matched and a shortlist would be prepared, sources said. By December 1, the selected candidate will be given joining orders and they would have to report for internship with their respective organisations by December 2.

PMIS allowed youth to apply for up to 5 internships in their own State or any other State.The response to the Prime Minister Internship Scheme has been overwhelmingly positive, with a diverse range of industries eager to engage young talent and shape the future workforce.

Already 280 companies have onboarded to the dedicated portal—www.pminternship.mca.gov.in— and offered 1.28 lakh internship opportunities under the scheme.

Corporate registration

The window for corporate registration under the scheme closed on October 20. The pilot scheme under PMIS was launched on October 3 for corporates to onboard and register their internship opportunities. The window was opened on October 12 for the registration of youngsters.

The Ministry of Corporate Affairs (MCA) is administering the PMIS, which was announced in this year's union budget. The PMIS was launched to address the growing need for employable skills and industry readiness among India's youth.

The government has set aside ₹800 crore for the pilot scheme, which aims to provide 1.25 lakh internships to youth aged between 21 and 24 in FY25. MCA has set December 2 as target date by which the 1.25 lakh internships would be provided under the pilot project.

Youth aged 21-24 and who have passed 10th, 12th, ITI, Polytechnic, diploma or graduates are eligible to avail the benefits under the scheme. Top 500 corporates by CSR spend (average of last three financial years) have been allowed to participate in the scheme and offer internship opportunities to youth.

PMIS is aimed at providing young Indians with practical industry experience and enhancing their employability. PMIS seeks to bridge the gap between academic learning and industry requirements by offering internship opportunities across diverse sectors such as technology, manufacturing, finance, retail, healthcare, and more.

Some of the top corporates who have offered internship opportunities to youth include Mahindra & Mahindra, Tata Consultancy Services, Larsen & Toubro , Reliance Industries, HDFC Bank, Maruti Suzuki, Tech Mahindra, ONGC, Bajaj Finance, Eicher Motor, Max Life Insurance, Muthoot Finance, Shriram Finance and Jubilant Foodworks.

The sectors where one has seen maximum number of internship opportunities are Oil Gas & Energy, automotive , travel and hospitality, banking and financial services and metals and mining. The other key sectors that saw internship opportunities posted by corporates are manufacturing & industrial, infrastructure and construction, IT and software development, FMCG and telecom.

The PMIS directly aligns with the Prime Minister’s vision of a “Viksit Bharat,” an India that is prosperous, advanced, and equipped to face future challenges.

PMIS Benefits

Under the PMIS, there will be an allowance of ₹5000 per month and ₹ 6000 as a one-time grant. MCA has recently stipulated that internship aspirants looking to avail benefits of PM Internship Scheme need to possess Aadhar number or undergo Aadhaar authentication.

Source: thehindubusinessline.com– Nov 18, 2024

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Union Minister draws CCI's attention to delayed cotton procurement in Andhra Pradesh

Union Minister of State for Rural Development and Communications Pemmasani Chandra Sekhar, in a statement on Monday, November 18, here in Guntur, expressed serious dissatisfaction over the delay in cotton procurement at the Cotton Corporation of India (CCI) centres.

Dr. Chandra Sekhar sought explanations from officials regarding the reasons for the delay and also interacted with affected farmers via phone to understand the challenges they face. He recently visited some of the CCI's procurement centres.

Farmers from the region alleged that P. Amarnath Reddy General Manager (Branch Head), CCI Guntur, was deliberately causing delays and creating hardships for them.

Responding to their grievances, Dr. Chandra Sekhar took the issue to Union Minister of Textile Giriraj Singh and CCI Chairman and Managing Director Lalit Kumar Gupta, lodging an official complaint against Mr. Amarnath Reddy's negligent approach.

The Central government promptly intervened, deploying senior CCI officials to address the matter. Instructions were issued for enhanced oversight and special monitoring to ensure the smooth functioning of cotton procurement processes.

Meanwhile, Mr. Amarnath Reddy maintained that there was no delay in the procurement of the cotton and that the process had already started across the State. He said: "The only hurdle we are facing from the farmers is that they have been bringing cotton with high moisture content. The CCI guidelines suggest that cotton with a moisture content between 8% and 12% should be procured. But, some of the farmers have been bringing cotton with more than 12% moisture. Our only appeal to the farmers is to bring dry cotton with a moisture content not exceeding 12%. High moisture is the only hurdle in cotton procurement for Minimum Support Price operations".

Source: thehindu.com – Nov 18, 2024

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