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INTERNATIONAL NEWS

Crunching Numbers: U.S. apparel trade deficit grows wider during trade war with China

Today, one of the biggest challenges for the U.S. fashion industry is to find ways of increasing production and reducing sourcing costs, especially after an additional 15 percent tariff came into effect on September 1, 2019. Even before then, fashion companies eager to find alternatives to China had started to diversify their sourcing.

Nevertheless, the road is bumpy.

"There is not enough capacity outside of China and capacity will start to come at a higher premium in other countries such as Bangladesh and Vietnam," said a respondent in a survey conducted by the United States Fashion Industry Association (USFIA).

It seems that the trade war has indeed accelerated companies' pace of reducing their sourcing from China but has not shaken China's role as a dominant textiles and apparel supplier.

California and New York, two leading importers are changing strategies

Clothing is one of the largest categories among U.S. goods imported from China, accounting for about 40 percent of the U.S. apparel market. In terms of its import value, California and New York occupy first and second place respectively among American states.

Amid the trade friction, differences have emerged between those two states regarding the choice of new suppliers, indicating contrasting strategies for clothing import structure adjustment to avoid heavier tariffs.

Data from the U.S. Census Bureau reveal that during 2017-2019, California upped its apparel imports from Vietnam and India by 16.8 percent and 12.4 percent respectively, while import value from China decreased slightly by 1.5 percent. Notably, Mexico was kind of "the abandoned" with a 42.4 percent drop. It proves that additional tariffs have ushered California to seek new countries with cheaper labor, but not diminished its dependence on Chinese goods significantly.

As for New York, it imported more apparel from Italy, Vietnam and Indonesia, while its import value from China decreased by 17.3 percent, much faster than that of California. But actually, in countries such as Italy, apparel factories run by Chinese people have already occupied increasingly important positions in recent years, which implies that the adverse impact of a trade shift would not be as severe as expected on Chinese merchants.

What is really noteworthy is that the transformation of the import structure in California and New York represents what is happening in the whole country. The China-U.S. trade war apparently accelerated sourcing diversity of U.S. apparel imports, but this may not weaken China's influence in the global clothing industry.

From 'China dominance' to 'China plus many'

Around China, a global center of the apparel industry seems to be shaping up in South and Southeast Asia.

Admittedly, China's competitiveness in the U.S. apparel market is slowly declining as costs rise due to tariffs, and China is no longer regarded as a "cheap place" to make garments. Consequently, the most common sourcing model is shifting from "China dominance" to "China plus many."

In terms of percentage changes, the U.S. total import value from China decreased by 9.6 percent during the 2017-2019 period, while it climbed by 17.0 percent from Vietnam, 17.3 percent from Bangladesh, 10.3 percent from India and as high as 24.6 percent from Cambodia, data published by U.S. Census Bureau showed.

Click here for more details

Source: news.cgtn.com -Mar 09, 2020

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UNCTAD warns of recessionary conditions as global economic growth seen falling below 2.5%

As stock markets collapsed on Monday amid fears of enveloping recessionary conditions due to the novel corona virus or Covid-19, the global economic growth is expected to fall below 2.5 per cent, the United Nations Conference for Trade and Development (UNCTAD) warned in its Trade and Development Report update.

A drop to the tune of 2.5 per cent in global economic growth is reckoned as the recessionary threshold for the world economy, the update has suggested.

In its 12-page update issued by the TDR, it is argued that Covid-19 remains a “public health threat” as well as “an economic threat.” “The resulting hit to global income with what forecasters had been projecting for 2020 will be around the trillion-dollar mark” and it could be even worse.

According to the TDR update, “the duration and depth of the crisis will depend on three variables: how far and fast the virus spreads, how long before a vaccine is found, and how effective policy makers will be in mitigating the damage to our physical and economic health and well-being.”

There is also a fourth variable arising from “the uncertainty surrounding each of these variables” that is adding “to people’s sense of anxiety,” it says, suggesting that “ losses of consumer and investor confidence are the most immediate signs of spreading contagion.”

Worse still, “a combination of asset price deflation, weaker aggregate demand, heightened debt distress and a worsening income distribution could trigger a more vicious downward spiral.”

Consequently, “widespread insolvency and possibly another “Minsky moment”, a sudden, big collapse of asset values which would mark the end of the growth phase of this cycle cannot be ruled out,” the update has warned.

In a succinct analysis of the current economic and financial situation, UNCTAD’s director of Globalisation and Development Strategies, Richard Kozul-Wright,has warned the world is settling for “the new abnormal” of “sluggish growth, extreme inequality and recurrent shocks.”

He says : “a spluttering recovery in the North and a general slowdown in the South have been hanging ominously over the global economy since the 2008-9 financial crisis; combined with heightened market volatility, a fractured multilateral system and diminished room for policy manoeuvre, the past decade has been marked by a growing sense of economic anxiety.

“Behind this lies a more prolonged period of sluggish investment and growth, punctuated by intermittent booms and busts, and underpinned by rapid private debt accumulation, stable prices and low interest rates, which emerged well before the financial crisis in the advanced economies and has characterised much of the rest of the global economy since then,” says Kozul-Wright, a leading economist on globalisation.

More disturbingly, he says, “sluggish growth and a heightened economic anxiety have been closely associated with an unprecedented rise in inequality, across almost all countries, reflecting a combination of wage suppression, corporate rentierism and wealth concentration.”

Little wonder that “financial boom-bust cycles generated by attempts to overcome sluggish growth by monetary easing and financial deregulation has exacerbated the inequality-stagnation nexus by creating waste and distortions on the supply side and reducing potential growth.”

The emergence of the “gig economy” is a result of the manner in which “financial sector tends to crowd out real economic activity,” as “cheap credit misallocates capital, diverting resources to low-productivity sectors such as real estate and personal services in the “gig economy”.

“The resulting misallocation of resources is exposed during crises,” including the current crisis, with “public and private aggregate debt levels in many developing countries already are at elevated, and in several cases acute, distress levels.”

"While the recent explosion of corporate debt, much of it of low credit quality, poses the most immediate danger in advanced economies, developing countries face a range of fast deepening financial and debt vulnerabilities that do not bode well for their ability to withstand another external shock, Kozul-Wright said.

China also has become a crucial source of longer-term borrowing for developing countries and if its lending conditions tighten with the slowdown, those with strongest financial links to China, might be amongst the slowest to recover from the economic impact of the Covid-19 crisis.

According to the update, “a preliminary downside scenario sees a $2-trillion shortfall in global income with a $220 billion hit to developing countries (excluding China).

The analysis points out that a persistent belief in the soundness of economic fundamentals and a self-correcting world economy continues to hamper policy thinking in the advanced economies. “This will stymie the bolder policy interventions needed to prevent the threat of a more serious crisis and increases the chances that recurrent shocks will cause serious economic damage in the future,” Kozul-Wright added.

In short, time has come for governments to adopt “appropriate macroeconomic policy response”, particularly “aggressive fiscal spending with significant public investment, including into the care economy, and targeted welfare support for adversely affected workers, businesses and communities, the analysis argues. International coordination of these programmes will be required.”

Ultimately, says Kozul-Wright, “a series of dedicated policy responses and institutional reforms are needed to prevent a localised health scare in a food market in Central China from turning in to a global economic meltdown. “

Source: thehindubusinessline.com- Mar 10, 2020

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Coronavirus, store closures to dampen US home textiles imports in 2019

In 2019, the US imported almost 50.46 per cent of home textiles and made ups from China. On the other hand, India share constituted only 22.45 per cent of made-ups to the US, although US has a share of around 50 per cent of its home textiles exports from India.

In total, the US imported home textiles and made ups worth $14,424.37 million in 2019. This was around 1.52 per cent more than those imported in 2018. In 2018, US imports had increased by 7.31 per cent over 2017. US textile and apparel import growth could remain stagnant in 2020 too due to the varied impact of the Coronavirus (COVID-19) and numerous store closures.

India emerges top supplier of cotton sheets Some of the main items that the US imported included cotton terry towels, other cotton manufactures (which includes among others table and kitchen linens, bedspread, curtains, upholstery, etc), cotton sheets, cotton bedspreads and quilts, MMF floor coverings, other MMF furnishings, wool floor coverings. While India was the top supplier of cotton sheets, terry towels and wool floor coverings, China was lead supplier of other products.

India was the top supplier of cotton sheets to the US followed by China and Pakistan. However, India's exports declined by almost 2 per cent to $691.01 million. The second largest supplier of cotton sheets, China also suffered a setback due to the US-China trade war as its exports of cotton sheets declined by 11.57 per cent to $269.13 million. On the other hand, exports from Pakistan grew by 10.21 per cent.

Cotton bedspreads and quilts import decline

US import of cotton bedspreads and quilts declined 2.89 per cent to $959.26 million. China emerged top supplier exporting goods worth $557.34 million registering a growth of 14.68 per cent. India's exports grew 10.68 per cent $160.05 million in 2019, slightly higher growth than 10.59 per cent registered in 2018. Imports from Pakistan, $152.92 million, fell marginally by 1.62 per cent in 2019. US cotton terry towel imports in 2019 were $1616.345 million, 1.16 per cent lower than in 2018. India exported terry towels worth US$ 636.71 million, a small growth of 0.32 per cent. India accounts for majority share with 39.39 per cent of total US imports of cotton terry towels.

China's exports declined 5.58 per cent to $383.77 million while Pakistan's saw a growth of 2.28 per cent to $340.04 million. US imports from Turkey were up 7.45 per cent, from Colombia 12.36 per cent, from Salvador 17.8 per cent and Jordan 67.91 per cent. Other cotton furnishings and home textiles imports into the US stood at $2892.55 million in 2019, a fall of 3.6 per cent compared to 2018.

Indian emerges top supplier of wool floor coverings

Import of wool floor coverings declined 13.76 per cent in 2019 to $654.32 million. India was the top supplier of wool floor coverings in the US, accounting for 57.86 per cent share in total US imports.

China's exports declined 27.86 per cent to $55.94 million. Pakistan's exports stood at $ 43.38 million, a marginal growth of 0.49 per cent. MMF floor covering imports into the US amounted to $1749 million, a fall of 4.43 per cent compared to 2018. In 2019, Turkey overtook China to become the top supplier in the US market. Imports from Turkey at $648.61 million increased 18.37 per cent in 2019.

China's exports at $ 89.89 were 32.16 per cent lower than in 2018. India maintained its position as the third largest supplier with exports of $187.87 million, 9.75 per cent higher than in 2019. Among emerging sourcing destinations are Mexico, Korea and Vietnam.

Import of MMF home furnishings increase by 12.22 per cent

Other MMF home furnishings is the most important item in the US home textiles import basket, accounting for 35 per cent share of total home textiles and mad-ups. US imports of MMF furnishings increased by 12.22 per cent in 2019 to $5153.20 million. China is the dominant supplier with a share of 83.23 per cent of total US imports.

Source: fashionatingworld.com- Mar 09, 2020

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Sri Lanka: Apparel kicks off COVID-19 impact evaluation process

The apparel industry will kick off a consultation process this week to evaluate the impact of COVID-19 on supply chains and export markets with initial losses expected to be about $ 500 million in raw materials alone, and will present a set of proposals to the Government to tackle the fallout from the global epidemic.

The $ 5 billion industry, which is also Sri Lanka's second largest foreign exchange earner, is particularly vulnerable to the fallout from COVID-19, which has hit its main source destination China, as well as key markets such as Italy.

The availability and cost of freight as well as the continuation of production are among the apparel industry's biggest concerns amidst the COVID-19 outbreak.

Sri Lanka's apparel industry relies on China as its main supplier of raw materials and the shutting down of factories in China has had a huge impact on Sri Lanka. Stakeholders of the apparel industry met last Thursday to discuss the impact of the COVID-19 outbreak, especially in terms of the raw material supply from China.

Discussions with the JAAFSL extended membership as well as domestic market organisations, like the Sri Lanka Apparel Brands Association, are currently underway with the industry expecting to submit a number of proposals to the Government in the coming days.

Apparel industry officials told the Daily FT that Chinese factories have restarted production after the Chinese New Year but production is yet to reach full capacity.

"When supplies come from China, which will likely normalise within a month or so, the demand for fabric will be more and there will definitely be a lot of consignments coming in," said Joint Apparel Association Forum Sri Lanka (JAAFSL) Secretary M.P.T. Cooray.

This will result in an increase in demand for freight and the industry is currently unaware if the reduced freight facilities will be available in time for when supply from China is back at the usual levels. "At the moment, there is a shortage of 1 to 1.5 tonnes a week and there is a reduction which could result in the increase of rates and cost of operations is going to be very high," Cooray said.

Thus availability and cost are two main concerns in this regard and Cooray said the industry was looking at organising freight supplies by themselves if demand continues.

In addition to this, one of the short-term difficulties the industry may face due to the COVID-19 outbreak is the continuation of production and the possibility of shutting down factories for one to one-and-a-half months.

Working on this time frame, the industry has estimated the loss to the industry to be of $ 500 million worth of goods. This is based on 2019 figures, where exports came to $ 1.75 billion in the first four months, Cooray said.

The festival season, with the Sinhala and Tamil New Year in April, is also the most important season to the industry, he said, adding that workers rely on their basic salary, overtime, and various bonuses for a higher pay during this time. While the entirety of the salary and bonus will be paid, Cooray said: "But there will be no overtime to pay so there will be a problem on that count."

Of additional concern was also the demand for apparel products, especially considering that Italy, Sri Lanka's third biggest export country in Europe, reported 366 deaths yesterday due to COVID-19 and is Europe's worst-hit country.

Currently, the industry is not seeing a reduction in orders and is confident the rate of orders will continue without reduction. However, a major concern is the seasonal aspect of the products and Cooray said: "We are the fashion industry, so once we miss the season, we will not be able to sell the same products. We really do not know whether the buyers are going to cut or reduce our orders, but so far, we have not got that feeling."

The apparel industry is, however, positive about increased demand in the next four months in the event there is no reduction in orders from buyers and is expecting the globalisation of input supply as well as the diversion of Chinese production to other countries to boost local apparel manufacturing.

Demand is expected to increase due to the likelihood of Chinese production being diverted into other countries. While there are concerns of meeting the demand within the legal limit of 60 hours of work a week and the possibility of extending this, the shifting of orders is a positive the industry is focusing on, in addition to the globalisation of input supply.

As Cooray explained, currently, it is the final consumer product that is globalised. Countries like Sri Lanka, Bangladesh, Cambodia, Vietnam, and Ethiopia manufacture the final consumer product. For fabric supply, Sri Lanka depends mostly on China, the country's biggest supplier.

However, the industry is seeing a change in this system and Cooray said this was a good opportunity for Sri Lanka to engage in input supply. He said that two Chinese companies have already shown interest in the opportunities in Sri Lanka but that many factors, including infrastructure, are needed to support this.

"We are strongly promoting the establishment of a textile park in Eravur which is in the agenda and has already been accepted by the Government," he said, adding that they are currently in the process of implementing the project.

While concrete dates cannot be given regarding the textile park, environmental studies are currently being conducted to assess the viability of the project. "Once the studies are completed, we can go for the next plan of action where we will be requesting the allocation of land," Cooray said, explaining that they are looking at starting operations by mid-2022.

"If the environmental studies show it cannot be done, then we have to look for alternatives," he added.

Source: ft.lk- Mar 10, 2020

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China Sending Textiles for Cambodian Factories Amid Materials Shortage

Prime Minister Hun Sen on Monday said China was transporting raw textile materials to Cambodia to relieve some garment factories of shortages caused by the Covid-19 outbreak, which a union leader called a welcome but short-term fix.

Five ships transporting raw materials were set to dock at the Preah Sihanouk Autonomous Port and another two ships in Ho Chi Minh City, with the first deliveries arriving in Cambodia on Monday, Hun Sen said during a speech in Pursat province, though he did not specify the amount of textiles to be imported.

"I would like to share the happy news to Cambodian workers that our Chinese friends have organized seven ships to transport raw materials to support our factories," the premier said.

Source: cambodiadaily.com - Mar 09, 2020

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Bangladesh: Yarn prices soar as virus fear triggers panic buying

Prices of yarn marked a sharp rise in the domestic market over the last one month as the coronavirus fear has triggered panic buying, according to industry insiders.

The widely-consumed 30-carded yarn is now selling between $2.95 and $3 per kilogramme -- an 11 per cent increase from a month ago, said Monsoor Ahmed, secretary of the Bangladesh Textile Mills Association.

Yarn prices had been showing an upward trend since last October due to higher demand from garment manufacturers, Ahmed said, adding that the virus outbreak is now fuelling the prices further.

However, the primary textile sector that comprises spinning and weaving is not affected yet as the supply chain remains unscathed.

The garment makers need not worry as the local textile millers and spinners are ensuring uninterrupted supply of yarn and fabrics, Ahmed said.

The prices of yarn increased 15 per cent over the last one month in the coronavirus fallout, according to a letter from Bangladesh Garment Buying House Association (BGBA).

The BGBA leaders submitted the letter to the textiles ministry and met with the commerce minister last week to discuss the situation.

Since cotton prices did not increase in the global markets, there is no reason the yarn prices should go up in the local market, said the letter signed off by BGBA President KI Hossain.

"We will lose our competitiveness in the international markets if the yarn prices go up further as our buyers will not give higher prices for our garment products."

The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) last month sought special financial assistance from the central bank to steer clear of any negative impact of the coronavirus on the garment supply chain.

The supply chain of fabrics and other raw materials has been affected badly due to the outbreak as Bangladeshi apparel makers source 46 per cent of their raw materials from China, the BGMEA said in a letter to the Bangladesh Bank.

In fiscal 2018-19, imports from China amounted to $13.63 billion, $5.02 billion of which were textiles.

"Given the dependence of the garment sector on China for its raw materials and the fact that the epidemic may linger, it could prove fatal for the industry as the supply chain will be paralysed," the letter read.

Overall imports from China plummeted 21 per cent in January from a year earlier, and plunged further to 37 per cent in the first week of February, according to data from the National Board of Revenue and the BGMEA.

Against this backdrop, the BGMEA called for support in the form of disaster assistance fund, credit guarantee scheme and amendment to the back-to-back letter of credit (LCs) rules.

The disaster assistance fund may be extended to factories/exporters to support unforeseen costs such as air freight, sourcing of raw materials and accessories from alternate and more expensive options to complete the orders and cost of financing for the extended period, the BGMEA said.

While exporters will negotiate with buyers, banks should be willing to extend the credit term by 30-60 days due to late arrival of raw materials and increased costs for the extended period.

"Given the scenario that there could be potential delays to recover from this crisis, the central bank may consider a special credit guarantee scheme to encourage commercial banks so that they can continue to support the industry."

Since goods from Chinese suppliers would be delayed, Bangladesh Bank may issue policy directives to the scheduled banks to amend the respective clauses in the back-to-back LCs to make the payments to suppliers conditional and justified, according to the BGMEA letter.

The association also asked its member factories to raise awareness among workers about the virus and opened a "BGMEA coronavirus control room" at its head office.

Source: thedailystar.net- Mar 10, 2020

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Pakistan: Coronavirus challenge and Pakistan's exports

Year 2020 has brought a major challenge in the form of COVID-19, more commonly referred to as the coronavirus disease, which has sent shockwaves to economies around the world.

The virus has killed more than 3,000 people since its outbreak in Dec 2019 and is rapidly spreading across different regions of the world. China has been the most affected.

The epicentre of the virus is Hubei province. With a GDP of more than $500 billion, Hubei's economy is nearly as large as that of Thailand, Belgium or Sweden.

According to a recent report published by Bloomberg, Hubei contributed 39.4% of the total phosphorus mining in China, 11.9% of cloth produced in China, 11.6% of fertiliser, 8.9% of cars and 4.9% of cement between January and October 2019.

China exported approximately $2.5 trillion worth of goods in 2018. Although China's exports lost steam in 2019 due to US trade sanctions, 2020 can be worse if the impact of coronavirus is felt as expected.

According to the World Economic Forum, China's growth in the first quarter of 2020 is likely to slow down to 4.5%, while global oil demand is also likely to decrease.

Car manufacturers Nissan and Hyundai are facing significant delays in the procurement of parts and accessories. Foxconn, a major manufacturer of Apple products, is also reporting delays in production.

The pharmaceutical industry is likely to suffer a major setback as Hubei has a significant number of contract manufacturers in the pharmaceutical industry, providing raw material and intermediate goods to producers around the world.

According to the International Trade Centre's Trademap.org, the United States imported more than $472 billion worth of goods from China in 2019. Although the value of imports dropped 16.1% since 2018, China remained by far the largest source of imports into the US.

Mexico, Canada and Japan ranked as the next three largest source countries. The value of imports from each of the three countries showed lower variation between 2018 and 2019. In essence, Trump administration's restrictions on imports from China took a significant toll in 2019.

Approximately, 45% of goods imported into the US from China belonged to the broader category of electrical machinery and equipment, machinery, mechanical appliances, nuclear reactors and boilers. More than 36% of the electrical machinery imported into the US is sourced from China.

Furthermore, the US imported more than $35 billion worth of clothing apparels and made-up textile products from China in 2019. A significant proportion of total imports of clothing apparels and made-up textile articles is sourced into the US from China.

Approximately, $506 billion worth of goods were imported from China into the European Union in 2019. About $245 billion of imports was of electrical machinery and equipment, machinery and mechanical appliances.

Approximately $42 billion of imports were of articles of clothing. In essence, China is a large supplier of textile products to both the US and the EU. According to the latest statistics published by Unctad in an article titled "Coronavirus outbreak costs global value chains $50 billion in exports", the slowdown of manufacturing in China can result in a loss of $50 billion worth of exports.

China's Purchasing Managers Index fell 22 points in February 2020, the lowest since 2004.

The United Nations estimates that global trade in precision instruments, machinery, automotive and communication equipment will be the most affected.

Trading partners likely to report the largest impact from a 2% reduction in Chinese exports of intermediate inputs are the EU (estimated at $16 billion), US ($5.8 billion), Japan ($5.2 billion) and South Korea ($3.8 billion).

Opportunities for others

As every global challenge can result in opportunities for other countries, Pakistan can benefit from the slowdown in trade flow between China and the US as well as the EU in textile products as it can capture some of the low hanging fruits in apparels and other made-up textile articles.

Between 2013 and 2018, approximately $1.1 billion was added to the exports of articles of apparel and clothing to the EU. Furthermore, exports of made-up textile articles increased $650 million between 2013 and 2018 due to the GSP Plus preferences.

According to statistics released by Pakistan Bureau of Statistics, exports increased 13.82% year-on-year in February 2020. Amid a global slowdown in trade, exports from Pakistan have increased by 3.65% in the current fiscal year. Imports have continued to decline, registering a decrease in value of 14.06%.

The trade deficit in the first eight months of FY20 was 26.52% lower than the same period of FY19.

Interestingly, although exports increased sharply in February 2020 in terms of year-on-year and month-on-month growth, the decline in imports became much more subdued. Imports decreased 1.71% only over the same period of previous fiscal year.

Therefore, as the value of imports stabilises after reaching its apparent trough, the linkage between exports and imports must be maximised in order to ensure that Pakistan optimises its participation in international trade activities.

In essence, exports from Pakistan have shown a reversing trend as a general declining trend has now turned positive. Exports had declined from $25.1 billion in 2013 to $23.6 billion in 2018.

On the other hand, exports to the EU increased from $6.3 billion in 2013 to $8 billion in 2018.

This suggests that the unilateral trade incentives provided by the EU to Pakistan in the form of GSP Plus status did help boost export sales to the region and limit what otherwise could have been a complete decay of the export sector between 2013 and 2018.

The trade linkages established between Pakistani exporters and their clients can help increase exports and tap newer markets as supply chains are threatened due to the spread of the coronavirus.

Pakistan must continue with its policies to boost total exports. Although the growth in global trade is likely to slow down this year, Pakistan must consider developing its export sector to take advantage of opportunities as a result of challenges reported by the large manufacturing powerhouses.

Source: tribune.com.pk- Mar 09, 2020

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Pakistan: Economic conditions under review

The Monetary and Fiscal Policies Coordination Board (MFPCB) is scheduled to meet on Monday (today) to review the economic conditions, growth strategy as well as policy rate, official sources revealed to Business Recorder.

The MFPCB will meet under the chairmanship of Adviser to Prime Minister on Finance Dr Abdul Hafeez Shaikh to discuss and suggest measures aimed at improving coordination between the monetary and fiscal policies.

Other members of the Board are: Governor State Bank of Pakistan (SBP), Adviser to Prime Minister on Commerce and Industry and Deputy Chairman Planning Commission.

The last meeting of MFPCB was held in August 2019. A meeting was earlier scheduled for last week but postponed due to unavailability of Adviser to PM on Finance.

Sources in the Finance Ministry revealed that the Ministry would inform the Board about the fiscal side, revenue and current account deficit. The Board would deliberate upon the measures to reduce the current account deficit as well as measures to generate revenue and propose measures to meet fiscal requirements.

Sources further said that Ministry of Commerce would apprise the Board about the current trade figures, exports and imports and measures to reduce the trade deficit. The Board would be informed about the measures taken to increase exports and the outcome so far as well as future line of action.

Deputy Chairman Planning Commission will apprise the MFPCB on the growth strategy. The measures required for accelerating the growth rate would come under discussion, sources said adding that SBP would inform the Board about the monetary policy and suggest whether to maintain the current rate of 13.25 percent. The Board may come up with suggestions/proposals regarding the policy rate and its impact on inflation.

The State Bank of Pakistan governor, Reza Baqir on Tuesday informed the Public Accounts Committee (PAC) that the Bank may consider cutting the policy rate following a decline in inflation. There are speculations that as headline inflation has come down from 14.6 percent in January to 12.4

percent in February 2020, the Bank may review the policy rate in the next monetary policy committee meeting.

Senior officials revealed that the MFPCB coordinates monetary and fiscal policies as well discusses the implication of the policy rate, but has no mandate to recommend a cut or increase in the rate. The Monetary Policy Committee (MPC) of SBP has the mandate to take any decision in this regard.

The MFPCB was constituted for the purpose of setting up an institutional mechanism to ensure coordination between the fiscal and monetary policies.

Source: brecorder.com - Mar 09, 2020

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Decline in China's exports: Opportunity for Pakistan's textile sector – II

Coronavirus has brought the Chinese economy and polyester and textile industries in the country under pressure. Parallel to the 2003 SARS crisis, polyester demand could decrease as business activities stopped. There are common fears among the business operators of the polyester chain. Central China, where Hubei is the center of the network, is practically at a standstill.

Hubei is a major manufacturing centre for the textile industry, with a large number of apparel, print and dyeing firms. Long-term paralysis of transport will mean that no fibres or fabrics products produced in the main production sites in the coastal regions of China will be sent inland. The shipment to other parts of China and shipments of garments and other finished textile goods could also come to a halt.

While China encourages the reopening of factories, coronavirus consequences have already become inevitable for producers abroad. South-East Asia has faced the major consequences, where raw material industry which rely on China is struggling as its suppliers are drying up.

Buyers from the Western markets are heading to China for the next season to deal with garment exporters. As a result of the spread of coronavirus, most of the trips have been cancelled and the buyers have started to make contacts with other countries.

It is the time now to analyze markets to find gaps that can be filled by Pakistan. China's exports to the US in textile sector were almost USD 46 billion in 2018. The top 3 major export items are Articles of Apparel and Clothing Accessories, Knitted or Crocheted, Articles of Apparel and Clothing Accessories, not knitted or crocheted, and other made up textiles which have exported values of USD 17.6 billion, USD 14.5 billion and USD 8.8 billion.

Interestingly, Pakistan's top 3 major textile exports item to the US are also these three products that have been mentioned earlier and their export values are USD 1 billion, USD 0.6 billion and USD 1.38 billion, respectively. So the data shows a large market size is going to be available for grabs in coming days and we should avail this chance to enhance our exports and capture market.

In the 1990s the global demand for man-made fibre (MMF) was 19,000 KT, which reached 60,762 KT in 2015. In last three decades, the demands for fiber has increased enormously due to increase in population which is nearly equal to 84,870 KT.

This increase in demand is not only associated with the increasing growth of population but also other factors such as rising incomes, change in demand of traditional textile products, affordable fibers; textiles and apparel products have also played an important role in the progression of global textile fibers.

World textile market consists of 26% cotton and 62% Synthetic whereas Pakistan's textile has a ratio of 79% cotton and 19% synthetic. Out of Synthetic global export market of USD 489 billion, Pakistan has secured only 0.8%.

According to the United Nations, the world population is expected to touch 8.1 billion by 2025 and is moving up the food chain, producing over 35 percent of the potential food market, heading to tough competition among other arable land crops. In comparison, this increase in population will decrease the limited availability, by causing a food crisis, of arable and cultivated land and, thus, restrict access to arable land and production of cotton.

As a result of the increased consumption of MMF, the increasing demand for natural and man-made fiber textiles is expected to grow at almost 60%. This is because, in the coming decades, the raw material supply for MMF production is predicted to be nearly limitless and significantly lower than the cost of natural fibres. Therefore, the use of MMF against natural fibre, as well as the unrestricted use of these fibres in research and production, to change properties so that it can be optimized for new applications, is another aspect that guarantees this limitless supply. In the near future as well as in the long term, these factors will be a major driving force in MMF demand.

World textile preferences are enormously changing in favour of synthetic textiles with current ratio of consumption of synthetic fibres against natural fibres at 70:30, with synthetic fibres having the lion's share – a decade ago it was 30:70. Pakistan is fighting for a larger share of a shrinking market by sticking to natural fibres. Our entire value chain needs to be revamped with focus on Man-made fibres growth to capture additional market share.

There is 7% customs duty on the import of polyester staple fiber with total import expenses in the range of 20% including antidumping duty. So even if import duty is finished, protection in excess of 10% will still remain. This is against the principle of cascading.

The irony is that if you import directly MMF yarns you will be subject to a reduced import tariff of 5% (under the South Asian Free Trade Agreement) to 10%, in Chapter 55, for MMF yarn imports, resulting in a synthetic yarn industry unsustainable. In the last year alone, MMF yarn production capacity decreased by 36%.

As a result, imported PSF (Input into our spinning mills) is higher than world prices. The domestic MMF yarn production remains uncompetitive even in the domestic market as a result of the aforementioned regulatory failures.

Historically, the local producers in chemical industries (PTA & PSF) have enjoyed a high level of protection. A 25 percent import tariff was introduced in 1998-99, when MMF-based textiles became a major factor in the textile sector worldwide. Later it was reduced to the current levels of 7% duty plus 11% anti-dumping.

Unlike emerging competitors in Vietnam and Cambodia, RMG manufacturers import more MMF fiber than fabric. In order to be relevant and competitive, Pakistan is required to produce a 50:50 cotton-to-synthetic fibre mix, while it is currently at 80:20.

In the misplaced protection, the government of Pakistan has placed duties on MMF imports to protect PTA and PSF plants in a country working on arguably outdated and inefficient plants. If the government wants to protect these plants, it should not be done at the cost of the entire textile value chain. Policies like in 2003, of deemed duty drawback, can be reintroduced. The entire textile industry should not be forced to cross-subsidise PTA and PSF plants in Pakistan.

On the domestic front, our policies are distorting both cotton and synthetic fibre market. The share of Pakistan in 2019 for the US overall imports of textiles and apparel was 2.69 percent, as per the Textiles and Apparel Department, the US, and 5.7 percent for cotton-based products.

The gross imports of man-made fiber of the United States in 2019 was of $50 billion in which Pakistan's share was of $221 million. This means that our global market share will continue to decrease if we fail to live up to new world preferences.

Currently, polyester is the most widely consumed man-made fabric. Meanwhile, polyester is in effect heavily taxed at the input level. The National Tariff Commission had, in the second quarter of 2016, imposed anti-dumping duties on PSF from China. PSF imports from China had declined since the imposition of provisional duties in October 2016, resulting in healthy demand from the downstream PTA industry.

Given the importance of taking into account consumer preferences in an industry such as textiles, Lotte's protection needs to be reduced to an appropriate level and duty on MMF yarn must be adjusted in order to encourage the domestic MMF industry to grow and meet the requirements of the industry.

Our policies have been retrograde in the last years that even the “cotton" perceived to be the bedrock of our textile industry is levied 11% import duty given the steady decline over cotton production over the last three years.

During the current crisis, foreign exchange from Indonesia, China, Thailand and India expends between Rs 12 to 16 billion on the import of MMF yarns. In Pakistan, the local production of polyester viscose mixed yarns is approximately 165,000 tons per year. Around fifty thousand tons of PSF yarns are imported annually. This is equivalent in production of 100% polyester, viscose or polyester yarns, polyester viscose mixed, and other synthetic fiber blended yarns of around 15 to 20 domestic mills spun out of a total of 45-50 mills. These mills provide employment to more than 100,000 people.

The cheaper import of PSF yarn has shut down 36 percent of domestic PSF yarn production capacity.

Importers of synthetic mixed yarns not only remove local industries from the market, they also use it to sell the product at a low price equal to India's. The worst damage to the local synthetic fibre industry is the absence of equal opportunity with higher tariff barriers on imports of raw materials and nominal import duties on MMF yarns, which leads to the pervasive dumping of MMF yarns and fabrics in the market. As due to coronavirus MMF imports from China will also decline, which is a golden opportunity for local MMF manufacturers to fill the market gap.

The imposition of an appropriate regulatory duty on imports of $687 million of MMF material can save employment for well over 100,000 people working in our spinning industry; however, this is not the ideal solution as the best solution would be to establish Pakistan as duty free zone for any MMF product to support the local garments.

Moreover, the government would be required to provide rebate on export products where local MMF is used to ensure backward integration. This will encourage establishment of an indigenous MMF value chain. This would ensure that Pakistan can internationally compete in the MMF sector. It is about time the government showed its commitment towards enhancing exports. It can start by rationalizing irrational duty structures imposed on raw materials which are already short in the country.

Source: brecorder.com - Mar 11, 2020

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NATIONAL NEWS

Smriti Zubin Irani stresses on the attention to sustainability in the textile and apparel industry

The Honorable Minister of Textiles and Women and Child Development, Mrs. Smriti Zubin Irani. She stressed the need for sustainability along with cost-effective solutions to be explored in the Textile sector and expanded on the Government's initiatives thus far.

It is a well-known fact that the textile industry has many sustainability-related issues. In recent years, the industry has come under scrutiny, due to the human and environmental impact of its practices. If things do not change, the continued growth will cause untold harm to the planet and the people.

The garment export industry in South Asia is a prominent industry and a major source of revenue for these countries, especially in India, Sri Lanka and Bangladesh. India is the third-largest exporter of textiles in the world and Indian textile and apparel export is expected to cross US$ 82 billion by 2021 and is one of the biggest polluters. It employs a workforce of over 45 million, 60% of whom are estimated to be women. This contributes roughly 15 percent of India's current export earnings.

The conference was organized by Prem Jain Memorial Trust and Michigan State University, the USA in association with School of Planning & Architecture New Delhi, Lady Irwin College-University of Delhi, IDH-the Sustainable Trade Initiative, Indian Green Building Council and Ella Pad Foundation, Bangladesh.

The Mission of Prem Jain Memorial Trust is to create, establish and maintain the sustainability paradigm through education, recognition and nurturing of the present and future generations.

Dr. Prem Jain, the architect of the modern green building movement in India is revered as Father of Green Buildings. He ushered in a paradigm shift in the way buildings are conceived, designed worldwide and facilitated.

Source: mid-day.com- Mar 09, 2020

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Coronavirus: Moody's cuts India growth forecast to 5.3% for 2020 on dampened domestic demand

Moody's Investors Service on Monday cut its growth forecast for India to 5.3 per cent for 2020 from 5.4 per cent estimated earlier, as it expects the coronavirus outbreak to dampen domestic demand globally. In its update on Global Macro Outlook for March, Moody's said the virus outbreak has spread rapidly outside China to a number of major economies. "It now seems certain that even if the virus is steadily contained, the outbreak will dampen global economic activity well into Q2 of this year," it said.

Moody's baseline forecasts assume that the number of cases would keep increasing globally and there would be travel restrictions through the April-June period.

Apart from supply chain disruptions, it also expects consumption and investment to be affected and prices of oil and other commodities to remain around current lows until the end of June.

Accordingly, Moody's has revised growth forecasts for G20 economies to 2.1 per cent, 0.3 percentage point lower than the previous baseline. China's 2020 growth forecast has also been reduced to 4.8 per cent from the previous estimate of 5.2 per cent. For the US, growth of 1.5 per cent is now expected, down from the previous estimate of 1.7 per cent.

For India, Moody's has projected growth at 5.3 per cent for 2020, lower than 5.4 per cent GDP expansion projected in February, taking into account baseline scenario of significant global disruption.

Moody's said baseline forecasts for this year are based on two assumptions– the disruption of economic activity in the first half of this year will be followed by some recovery in global factory production and consumer demand in the second half; and warmer weather in the Northern Hemisphere in the spring and summer will weaken the spread of the virus.

"Since the publication of our last Global Macro Outlook update in mid-February, the coronavirus outbreak has spread rapidly outside China to a number of major economies including Korea, Iran, Italy, Japan, Germany, France and the US.

"Previously, we assessed the effects of the virus mainly on aggregate demand in China, global travel and global factory output resulting from disruptions in supply chains through East Asia," Moody's noted.

It is now clear that the shock will additionally dampen domestic demand globally, which will affect a wide range of non-traded activities across countries and regions simultaneously, it said.

Further, Moody's has also analysed the downside scenario of 'extensive and prolonged slump' in case of significant increase in coronavirus cases or increasing public fear that the virus will not be contained and oil price stays around USD 40-50 for 2020.

In such a downside scenario, Moody's expects India's growth to fall to 5 per cent in 2020, China (3.7 per cent) and the US (0.9 per cent).

Stating that global recession risks have risen, it said that the longer the outbreak affects economic activity, the demand shock will dominate and lead to recessionary dynamics.

"In particular, a sustained pullback in consumption, coupled with extended closures of businesses, would hurt earnings, drive layoffs and weigh on sentiment. Such conditions could ultimately feed self-sustaining recessionary dynamics. Heightened asset price volatility would magnify the shock," Moody's added.

Source: financialexpress.com- Mar 09, 2020

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World turns to India as coronavirus scare breaks textile supply chain to China

Partial shutdown in China since outbreak of Coronavirus and uncertainty over work resumption has prompted many global suppliers to shift enquiries to India for textiles and yarn, claimed industry players.

Spinning mills and textile units in the region claimed to have received fresh enquiries from the United States, Europe and Russia amid disruption in supply chain from China.

Manjeet Singh Chawla, president, Madhya Pradesh Cotton Ginners and Traders Association said, "In past few weeks fresh enquiries have started pouring in from global suppliers amid production and supply constraints in China. Global buyers are looking for alternate markets and India is one of them with fresh crop in."

Spinning units of the region that were running at half of their capacities may pick up momentum on fresh demand, said industry players. They said business with alternate markets will help India reduce losses that it is likely to incur due to curtailed export to China that accounts for nearly one-third of India's yarn exports.

Though enough availability and higher prices of cotton may pose a challenge for spinning mills locally as most of the fresh produce is being procured by state-run agency Cotton Corporation of India as spot prices are ruling below government fixed minimum support prices.

There are about 125 ginning units in state of which around half of them are in Malwa-Nimar, the leading cotton growing region of MP.

HS Jha, vice chairman, Madhya Pradesh Textiles Mills Association and an executive at a textile mill said, "China has cancelled most orders. This has led to shift of enquiries to India. We are also getting fresh enquiries for garment from overseas and hope to materialise them."

Some industry players said cost of manufacturing in India could go up in coming months owing to a halt in supply of accessories from China used by textile industry.

Source: timesofindia.com- Mar 09, 2020

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Sportswear, fitness items buck the slowdown trend

While most segments of the retail industry have been reeling under the slowdown, fitness and sportswear brands seem to have managed to hold their own, registering sales growth in 2019. According to retail analysts, while the retail industry registered a nominal growth of 8-9% during the year, sportswear as a category saw growth of 12-14%. The size of the branded sportswear market in India is pegged at Rs 12,000-14,000 crore currently.

Experts cite the growing popularity of athleisure and rising awareness among consumers to be fit as reasons for the growth in the segment.

According to Abhishek Ganguly, managing director at Puma India, the company's revenue grew by 23% in FY19 while its same-store sales grew by 17% during the period. The company claims to have clocked a revenue of Rs 1,413 crore in FY19.

"We have seen the overall trend changing as consumers are getting more active, playing more sports, doing more fitness activities and hence, consumption is growing. We are seeing traction for lifestyle (athleisure) and running products," adds Ganguly.

Athleisure or athletic wear meant for everyday use is what most retailers are optimistic about. "Athleisure is a very powerful trend that is driving global fashion and this is happening in India, too. It has become a daily wear fashion choice," says Ankur Bisen, senior vice president (retail) at consulting firm Technopak Advisors.

While several western wear players are dabbling in athleisure, it is a big source of revenue for sports brands too. FILA India, for example, claims to get 45-50% of sales from lifestyle products.

"The global trend of athleisure is working as a tailwind for us. People have started using more sneakers and joggers as compared to chinos and formal shoes," says Rakesh Singh Kathayat, chief operating officer, Cravatex Brands, which holds exclusive licensing rights for FILA in India.

According to Singh, FILA's sales grew by 70% in India in 2019. The growth was driven by the company's expansion in offline retail as well as increase in consumer demand. FILA India has been expanding its offline presence and is present in 24 exclusive brand outlets (EBOs) and 600 multi-brand outlets (MBOs). It has added 20 EBOs and 300 MBOs in the last one year itself.

Furthermore, the increased demand from towns beyond metros and tier-1 cities aided by online channels is also fuelling growth.

"Initially, people went online for deals but now it has become more about convenience. Our average selling price on online channels has gone up by 20-22% in the last one year while on offline it has risen by 10-15%," says Ganguly of Puma India. Puma gets 28% of its sales from online channels, while FILA India sees 30% of its sales from them.

According to Dev Iyer, vice president, Flipkart Fashion, the company is seeing growth for its sportswear and athleisure products across the country.

The growing consciousness for fitness has led to growth across product categories including wearables and sports goods. Flipkart, for example, launched private label Adrenex last year to tap into this. The wearables market in India saw a growth of 168.3% in 2019, as per a recent IDC report, and a total of 14.9 million units were sold. Ayushman Chiranewala, marketing head, Fastrack, says that wearables was one of its strongest performing segments in 2019.

Source: financialexpress.com- Mar 11, 2020

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Coronavirus Impact: Exports of key intermediate goods to China falter in January

Coronavirus Impact: Exports of key intermediate goods to China falter in January

India's overall merchandise exports to coronavirus-hit China may have risen by almost 24% year-on-year in January, aided by a favourable base, but growth in the outbound shipment of certain key raw materials/intermediate goods and food items, including organic chemicals, plastics and marine products, did falter during the month. This was the time when the world's second-largest economy was struggling to contain the epidemic within its shores and the outside world was largely unfamiliar with its ferocity.

With the epidemic spreading its tentacles far and wide now, both within and outside China, prompting India to curb pharmaceutical exports, growth in its outbound shipments to the giant neighbour is all set to decline from February/March onwards, traders say.

Official data showed exports of organic chemicals to China dropped almost 15% y-o-y in January, dragging down such despatches in the first 10 months of this fiscal by 11.6% to $2.3 billion. Organic chemicals are India's largest export product.

Similarly, Indian exporters blame the fears of the epidemic in China and consequent drop in fish consumption there for lower marine product purchases by the Chinese. So growth in India's marine product exports to China dropped to a mere 3% y-o-y in January. Still, thanks to the rapid growth up to December 2019, such exports recorded a 114% y-o-y jump in the April-January period.

Plastic exports crashed 43% in January, which exacerbated the fall in such shipments to China to 19% up to January this fiscal. Even iron and steel exports to China plunged by almost 40% in January, dragging down growth in such supplies to 98% up to January this fiscal.

Of course, there were certain other raw materials, such as cotton and iron ores, that defied this trend and witnessed a healthy rise in January, partly due to seasonal factors and favourable base. Having contracted for months, cotton exports rose 13.3% in January. Still, the exports in the first 10 months saw a contraction of 53%. Similarly, ore exports jumped 174% in January, pushing up such supplies by as much as 120% in the April-January period.

Earlier this month, India restricted the exports of 26 drug formulations and active pharma ingredients (APIs) – including paracetamol, tinidazole and metronidazole – to keep domestic supplies steady.

The Indian pharmaceutical industry is both an exporter to as well as importer of bulk drugs (active pharmaceutical ingredients and intermediates that give medicines their therapeutic value) from China. As much as 68% of these raw materials were imported from China last fiscal.

India's exports to China rose to $1.5 billion in January, against $1.2 billion a year before, partly due to a favourable base. In the April-January period, however, the growth was only 4.8% y-o-y to $14.4 billion.

Source: financialexpress.com- Mar 10, 2020

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GSTN glitch: Infy asked to submit resolution plan in 15 days

The Finance Ministry has asked Infosys to provide within 15 days a plan for quick resolution of glitches on the GSTN portal, as it took strong note of the "unresolved" problems and "tardy" progress made over the last two years on multiple issues faced by taxpayers in filing returns.

On Saturday, Revenue Secretary held a meeting with top Infosys officials on the persistent glitches seen on GST network, and decided to ask Infosys Chairman Nandan Nilekani to make an urgent presentation before the GST Council on March 14.

Meanwhile, in a strongly worded letter to Infosys on March 5, the Ministry said some of the problems highlighted as early as 2018 are still unresolved and failures month after month lead to genuine taxpayers "getting frustrated".

"It is requested to go through the pending issues, day-to-day disruptions and the future road map and come up with a plan for quick resolution within 15 days. Infosys has set high international standards and it is expected that the efficiency which your organisation is known for should be visible in GST project also," the Ministry said in the letter to Infosys.

Infosys declined to comment on the matter.

The IT company has developed the software for GST Network (GSTN) — which provides the technology backbone for Goods and Services Tax (GST).

Highlighting the issues faced on the GSTN portal, the Ministry said even though the GST system has been in operation for the last 30 months, there have been instances of taxpayer complaints on facing issues in filing returns in the last two days of filing of returns (for GSTR-1 and GSTR-3B).

"It is noticed that MSP (Master Service Provider) M/s Infosys have been repeatedly asked to take timely action and to identify the root cause of issues after each event and taken corrective action. However, problem still persists," it said.

The ministry said such glitches on the portal leads to an unhealthy tax compliance requirement more so when on account of such disruptions some taxpayers end up becoming liable for payment of late fee, interest.

The ministry has been working to shore up GST revenues. During April-January period this fiscal, GST collection stood at ₹10.19 lakh crore, down from ₹11.7 lakh crore in the year-ago period.

Source: thehindubusinessline.com- Mar 09, 2020

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Powering the economy with women entrepreneurs

For this, providing easy access to finance and rolling out an integrated policy framework with a coordinated plan across public and private stakeholders are a must

Women entrepreneurs are capable of generating 150-170 million jobs in India by 2030, which is more than 25 per cent of the required jobs for the entire working-age. Currently, there are 13.5-15.7 million women-owned enterprises. These are mostly single-person ones that provide direct employment to 22-27 million people.

By the next decade, India will have a working-age population of around one billion, the highest in the world. Enabled by an increasingly educated population, the demographic dividend has the potential to give the economy a boost.

Additional job creation is an area where the government and the private sector could fall short. Women entrepreneurs can play a vital role in providing more jobs and, thereby, drive social and personal transformation of women in society.

Ground reality

The Global Entrepreneurship and Development Institute (2015) has indicated that India's performance is below the 20th percentile in the female entrepreneurship index. This is obviously below those in developed markets like the US and the UK, and also emerging economies like Brazil and Russia.

In reality, many reported businesses are 'technically' owned by women but not run or controlled by them. In the complex fabric of Indian society, women play a mere supporting role for various reasons administrative and financial. In certain cases, women entrepreneurs exist only 'on paper'.

To change this, it is important to unlock their entrepreneurship potential and benchmarking it with those in high-performing countries. As per an estimate, accelerated efforts can result in the creation of 30 million enterprises a year, of which, around 40 per cent can be more than mere self-employment.

Crossing the barrier

One way to address the hurdles women entrepreneurs face is to set realistic goals for the various segments; scaled businesses, small or solo; urban or rural; agri-based or otherwise. A detailed understanding of the intricacies of each of these segments is a must to give a fillip to women entrepreneurship.

While the lack of information and absence of a marketing channel may hinder the solo entrepreneur in urban and rural areas, the dearth of finance for scalability due to the lopsided investor ecosystem remains a stumbling block at all levels and areas. The absence of support networks is an added disadvantage for both urban and rural entrepreneurs.

Overall, the community of women entrepreneurs face daily battles of cultural constraints and gender bias.

Future empowerment

In spite of all the odds, in the last 10 years the share of women-owned enterprises have gone up from 14 per cent to 20 per cent with the support of Central and State governments, investors, financial and educational institutions and, above all, the tenacity of the women workforce.

Single person enterprises form the largest group (rural non-farm, home-based) of women-enterprises at 38 per cent, followed by urban self-employed women who generally work from home, at 31 per cent.

The efforts by the State focussed on enabling to start up and scale by 2030 have the potential to increase direct employment by 50-60 million and indirect and induced employment by another 100-110 million.

To accelerate entrepreneurship amongst women, an integrated policy framework — with a categorical inclusion of semi-urban and rural India — with a coordinated plan across public and private stakeholders is a must. Also, providing access to finance through leading women-focussed funding initiatives is vital.

Enabling access to capability development and mentorship, and integration of formal and informal networks for exchanging ideas, information and capital are also important. . Thus, an ambitious yet realistic push can empower women and India to cross significant milestones.

Source: thehindubusinessline.com- Mar 08, 2020

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