IBTEX No. 65 of 2018 March 30, 2018

USD 65.04| EUR 80.09 | GBP 91.24 | JPY 0.61

Cotton Market (28-03-2018)

Spot Price (Ex. Gin), 28.50-29 mm

Rs./Bale	Rs./Candy	USD Cent/lb
19194	40150	**78.95**

Domestic Futures Price (Ex. Gin), March

Rs./Bale	Rs./Candy	USD Cent/lb
20210	42275	**83.13**

International Futures Price

NY ICE USD Cents/lb (May 2018)	82.02
ZCE Cotton: Yuan/MT (Jan 2018)	15,010
ZCE Cotton: USD Cents/lb	**92.26**
Cotlook A Index – Physical	**91.05**

Cotton guide: Cotton continues to trade near 82 cents per pound. The May ended on Tuesday at 82.02 while July at 82.44 cents. The spread between the two contracts maintained contango at around 40 points. No major development as such from the global market. The Chinese auctions are no so impressive for the past three weeks and able to achieve less than 60% of the offering. The trading volume in ICE across contracts is also low below 30K contracts on a daily average while open interest holds steady.

Further this week the traditional beginning of the long only spec funds moving positions forward starts today through next week Monday the Gim Roger's position. Also we believe Thursday's USDA Prospective Plantings report and some chances for rain in Texas has kept the new crop bulls on the sidelines. Therefore, price for the past one week has been trading in the range of 81.40 to 82.50 cents narrowed trading band.

From the domestic front, spot price of Shankar-6 continued to trade in the range of Rs. 40300 to Rs. 40800 per candy ex-gin at a parity of 80 cents per pound. No major cues from the spot side of the market and the daily arrivals have declined in last one week from 170K+Bales a day to less than 130K Bales a day.

According to the latest set of data compiled by the Cotton Corporation of India, arrivals from the current crop from the beginning of the season to March 22 amount to the lint equivalent of 25,776,300 bales (of 170 kilos). This is very similar to the total recorded at the same point last year, and suggests that nearly 71 percent of the crop has now reached the marketplace.

On the domestic future front the March is due for expiry today settled Tuesday at Rs. 20210 per bale and the April ended at Rs. 20520. The spread between the two contracts maintained around Rs. 300 and no major change is expected on today's trading session. Coming to April the market has been taking support near Rs. 20380/400 level and likely that it may move in the range of Rs. 20380 to Rs. 20620 per bale. Note, upon break above 20680 the short term scenario may turn positive.

Compiled By Kotak Commodities Research Desk , contact us : mailto:research@kotakcommodities.com, Source: Reuters, MCX, Market source

NEWS CLIPPINGS

INTERNATIONAL NEWS

USA: A More Thoughtful—Realistic—Approach to Made in America

For a few months, Made in America was thrust into the spotlight as then-candidate Donald Trump used it as a key pillar in his America-First rhetoric. And while it's hard to argue that more jobs for Americans would be a good thing, many in the apparel industry especially, were skeptical about the prospect of clothing production moving home. According to the American Apparel and Footwear Association (AAFA), 97 percent of all apparel is currently imported. Turning that tide would take a Herculean effort.

But even against those odds, there's a small faction still keen to reignite apparel production here—though it's a strategic vision with specific goals rather than a wide-spread repatriation effort.

"It's the fashion piece where you need the speed," explained Robert D'Loren, CEO and chairman of Xcel Brands. "We're cutting a lot of units there. They're short runs and that's the challenge coming out of Asia. It's important to have it here so we're reacting in real-time to what we're seeing in trend analytics."

D'Loren's company, which produces the Isaac Mizrahi, H Halston, Isaac Mizrahi and C. Wonder brands, among others, is focused on speed to market. He's gotten the process of sketch to store down to five weeks, which is as fast as he can get it while still producing in Asia. D'Loren estimates that if production were domestic, he could cut that down to one week, two max.

Speaking on a panel at the ShopTalk conference in Las Vegas, he said, "It's the key to how Zara works, where they have nearsourced, and it's a matter of time before we start to see micro factories here in the U.S. to do that."

D'Loren is pushing to spearhead that effort, which he said will become a reality in the next 12 months.

For D'Loren, continuing to cut time out of the process isn't merely a benefit, it's a necessity. "The real challenge is the consumer today controls the margin and trend," he said. "It's the trend piece that makes it very challenging for us, so speed has become the new currency."

From micro factories, to massive facilities, Terry Pearce, co-founder and interim CEO of Purple Innovation mattress company, operates out of a space that equates to 18 football fields. In the mattress industry, made in America is the standard for one simple reason: “They’re difficult to ship, and you don’t get many in a container unless you compress and roll them,” he said. “We could ship it but the economies aren’t there. In mattresses, the labor fraction of cost of goods sold is really quite small.”

Another home-grown industry is jewelry. Kate Richard, senior vice president of brand and creative at Alex and Ani, said Rhode Island, where the company is based, has a rich history in this accessories category. Though most of the skills related to jewelry making have since been repurposed for other products in other industries like musical instruments or even car parts, there’s no shortage of know-how there—or in other areas of the U.S.

That access to craftsmanship is a big plus for the jewelry brand, which relies on people to create its designs. “Allowing us to be nimble and reactive and responsive is the smartest thing we’ve done. We’ve invested in the people who have invested in us, and we’ve grown the small shops and the people who know how to make our product quickly,” she said. “We don’t have the luxury of deciding a year out what we’re going to launch and ignore market trends, so being nimble is more important for us than being automated.”

Alex and Ani leans into the area’s heritage through its marketing, too. And its customers respond. “It’s hard to say that they inherently buy the collection because it’s made in America, but it’s part of the transaction that they’re comfortable making,” Richard said. “It’s worth the price of the margin to do it and stay authentic in that space, and it’s who we are.”

The company’s philosophy runs even deeper than marketing though. In contrast to other companies that have opted for overseas production, Alex and Ani wants to show that producing in the U.S., treating employees well and maintaining quality are all possible. And Richard said the hope is that by being an example, it creates an environment where questionable practices become rooted out.

“It holds the countries that are currently being outsourced to a higher standard. It raises the bar. Our biggest commitment is that we hope whether in our lifetime or our children’s lifetime that we put a little pressure on companies to be smart, better and more connected and understanding and human," she said, adding the company had to learn early on to stay the course when it comes to upholding what the brand stands for, including forging ahead when retail partners have requested changes to boost margins. "We've had to shut it out. The middle man will always pressure you to do what's best for your business, and you'll lose your brand because of it."

For Pearce, the commitment to made in the U.S.A. is much more practical. Unlike Alex and Ani, his customers aren't particularly concerned with where the products are made. "Made in America, for the bulk of my customers, is only a nice to have," he said. "It's not a requirement for sure."

Though it has little to no marketing advantage for him, Pearce said making the mattresses as well as other products in his line, like seat cushions, here eases some of the burden associated with the supply chain—and provides a financial benefit, too.

"The supply chain is kind of daunting. It's more difficult when it involves four weeks of shipping," he said. "Every time I can shorten the duration of an order, things get better. We can sew our own covers in an automated machine cheaper than what a stockout cost would be or having someone in the factory in China all the time."

D'Loren agrees fewer headaches is one more reason to champion domestic production. "QC becomes much easier," he said. "That piece will make our business a lot easier going forward."

But, he said, to get there, it's going to take two things: automation and duty-free access to materials.

"We are fairly automated through spreading, printing, sublimating and cutting but it stops at sewing. We're three to five years from being able to automate sewing as it relates to complex garments," D'Loren said. "The next barrier is fabric importing. I'm working with the AAFA leading the charge for the idea of bringing synthetics in duty free. If we can do that and we can automate, it's a chance we can re-shore a portion of the collections we're manufacturing."

Source: sourcingjournalonline.com- Mar 29, 2018

HOME

****

Trump Agrees to Trade Deal With South Korea—Then Decides to Hold It Up

The Trump Administration agreed on a trade deal with South Korea earlier this week, sending signals to some that there's a way forward for trade. On Thursday, however, President Trump said he may hold up the agreement until a deal is reached with North Korea.

As part of his path to revamp America's trade deals, Trump called for a review of the U.S.-Korea Free Trade Agreement (KORUS) last year after adding it to his list of "horrible" deals. Now negotiating parties have reached an agreement in principle on the general terms of the deal.

However, during remarks at an event addressing his infrastructure plan on Thursday, Trump said that he may put the FTA on pause.

"We've redone it, and it's going to level the playing field on steel and cars and trucks coming into this country," CNBC reported Trump as saying. "And I may hold it up until after a deal is made with North Korea. Does everybody understand that? You know why, right? Because it's a very strong card, and I want to make sure everyone is treated fairly."

Trump wants a deal with North Korea that would address the current nuclear crisis, in which the country doesn't want to give up its arsenal, and could now hold up the already agreed on deal with South Korea.

The U.S. trade deficit with South Korea—which was $27.7 billion in 2016, according to the Office of the U.S. Trade Representative—has increased by as much as 70 percent since the agreement took effect in 2012, and elements of the new partnership are expected to chip away at that.

"The improved KORUS agreement reflects the President's leadership in delivering more reciprocal trade outcomes benefiting U.S. workers, exporters, and businesses," U.S. Trade Rep. Robert Lighthizer said in a statement. "The United States and Korea have strengthened an important economic relationship by agreeing to substantial improvements to KORUS that will help rebalance our trade, reduce our trade deficit, and expand U.S. export opportunities."

Key changes to the trade partnership are focused in three parts: KORUS, currency adjustments and an agreement on steel.

The United States' recently ordered tariffs on steel are intended to target an oversupply of the metal, coming largely from China, though neighboring Asian nations have contributed to the glut, too.

"Korea is part of the problem on steel," Lighthizer said on CNBC's Squawk Box. "They import a lot of Chinese steel and export a lot of steel to the United States."

As such, South Korea will be exempt from the 25 percent tariffs the U.S. imposed on foreign steel imports, but will cut its steel shipments by 30 percent as part of a quota agreement.

On currency, negotiations are ongoing for an agreement that would prohibit devaluation for competitive purposes and any exchange rate manipulation.

Expanding on that further, trade law firm Sandler, Travis & Rosenberg said in a statement Thursday, "While USTR states that this agreement will include strong commitments on transparency and accountability, press sources note that it will not be subject to the FTA's dispute settlement provisions."

There have so far been no specific callouts for apparel and textiles in this amended agreement, but South Korea's exports in the category have slid nearly 5 percent year-over-year, with totals in January down to $68.5 million.

The new U.S.-South Korea deal—whenever Trump decides to let it advance—will be an open-ended deal, as the North American Free Trade Agreement has been, though Lighthizer alluded to the sunset clause (which has been a point of contention in the ongoing NAFTA renegotiations) still being on the table. As far as NAFTA, the conversation has been about letting it auto-expire after five years unless the parties agree to continue it.

There is a clause in the KORUS deal that would allow Trump to get out of the agreement with 180 days advance notice if things weren't working, Lighthizer explained.

"We will not do that with NAFTA," he told CNBC. "And I would say it's not part of the problem, but it's part of the beauty of the improvement. We're going to be in a position where we periodically look at if this is in everyone's interest…everything tends to be term limited, sunsetted, and it's something that allows people to evaluate and I think that's a very positive thing."

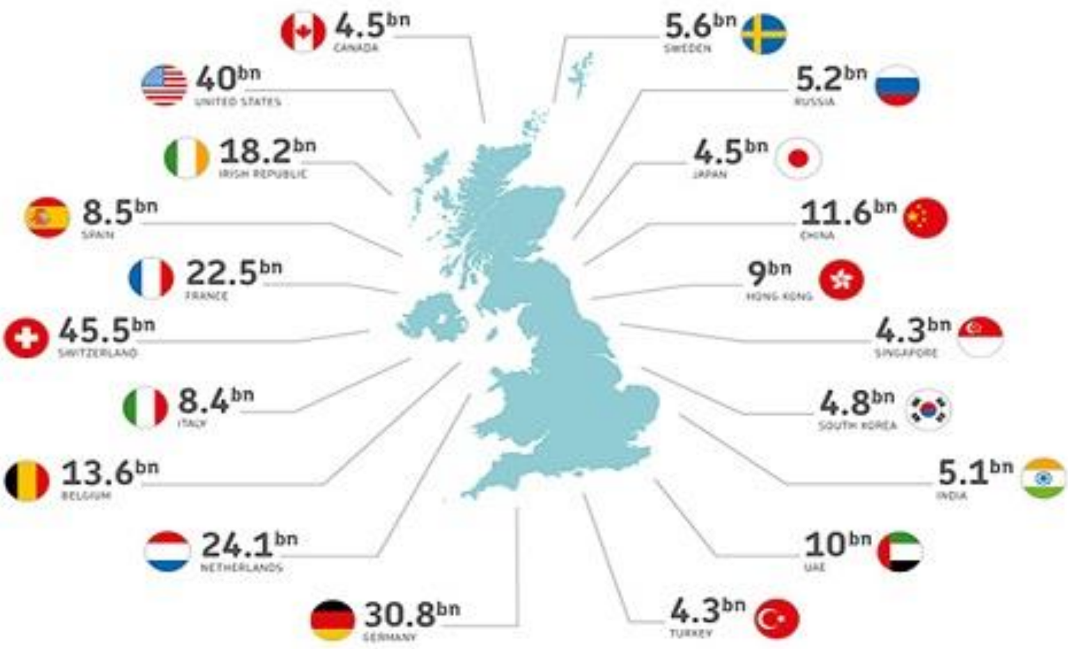
Source: sourcingjournalonline.com- Mar 29, 2018

HOME

****

EU's changing trade landscape, trade within member states rules

As per, in 2017, the United States with €631 billion (16.9 per cent) and China €573 billion (15.3 per cent) continued to be the two main goods trading partners of the European Union (EU), well ahead of Switzerland (€261 billion,), Russia (€231 billion), Turkey (€154 billion) and Japan (€129 billion). These figures reflect an interesting proposition. After recording significant and almost continuous fall until 2011, the share of the United States in EU total trade in goods has increased nearly 18 per cent in 2015 and 2016, before decreasing again slightly in 2017.



China’s share almost tripled since 2000, rising from 5.5 per cent to 15.3 per cent in 2017. Russia’s share had been decreasing since 2012 from nearly 10 per cent to around 6 per cent in 2016, and picked up a little in 2017. The share of trade with Japan has fallen more than half since 2000 from 7.5 per cent in 2000 to 3.5 per cent in 2017. As for Switzerland and Turkey, their respective shares in trade remained relatively unchanged over the entire period. In 2017, machinery and transport equipment, other manufactured goods and chemicals represented the main categories of product traded by the EU.

Favoured export destinations

In almost all EU Member States, the main partner for goods exports in 2017 was another EU member, except for Germany, Ireland, and the UK (the United States was the main destination of exports) for Cyprus it was Libya and for Lithuania, Russia. In some member states, over a quarter of exports went to one single partner. This partner was Germany for the Czech Republic (33 per cent of exports of goods), Austria (29 per cent), Hungary (28 per cent), Poland (27 per cent) and Luxembourg (26 per cent).

Around 27 per cent of Ireland’s exports went to the US and 25 per cent from Portugal went to Spain. Overall, Germany was the main destination for goods exports for 17 Member States and among the top three in 22 Member States. For extra-EU trade, that is trade with non-EU countries, the 3 main destinations of EU exports in 2017 were the US (20 per cent of all extra-EU exports), China (11 per cent) and Switzerland (8 per cent).

In 2017, the 28 EU Member States exported a total of € 5,226 billion of goods, of which €3,347 billion (or 64 per cent) were destined for another Member State of the EU (intra-EU trade). With about three-quarters or more of goods exported to other EU Member States, Slovakia (86 per cent intra-EU in total exports), Luxembourg and the Czech Republic (both 84 per cent), Hungary (81 per cent), Poland (80 per cent), Romania and Slovenia (both 76 per cent) and the Netherlands (75 per cent) recorded in 2017 the highest shares of intra-EU exports.

At the opposite end of the scale, Cyprus (37 per cent) and the United Kingdom (48 per cent) were the only Member States that exported more goods to non-EU countries than within the EU in 2017.

Import scenario

The main partner for goods imports in 2017 was another member of the European Union in all Member States except Lithuania, for which Russia was the main country of origin of goods imported, and the Netherlands (China).

In seven Member States, more than 25 per cent of imports were from a single partner country in 2017: Austria (42 per cent of imports of goods originated from Germany), Luxembourg (32 per cent from Belgium), Portugal (32 per cent from Spain), the Czech Republic (30 per cent from Germany), Ireland (29 per cent from the UK), Poland (28 per cent from Germany) and Hungary (26 per cent from Germany).

Overall, Germany was among the top three countries of origin of goods imported in all EU Member States except Ireland and Cyprus. For extra-EU trade, the main country of origin of goods imported into the EU in 2017 remained China (20 per cent of all extra-EU imports), followed by the US (14 per cent) and Russia (8 per cent).

Source: fashionatingworld.com - Mar 29, 2018

HOME

****

Ethiopia harvests 40,000 tons of cotton

Ethiopia has over 2.4 million hectares of land are suitable for cotton production. And this fiscal, over 40,000 tons of cotton were harvested. The aim is to reach 5,02,000 tons in five years and 2,596,000 tons by 2032.

Ethiopia wants to be the top cotton producer in Africa from tenth place as of now. Sustainable production practices will be promoted through awareness raising campaigns about soil erosion, efficient use of irrigation water and inputs and integrated pest management, protection of biodiversity, forests and limitation of waste.

The strategy would help enhance the development of the country’s textile and garment sector.

It is targeted to attain various goals including improving textile and garment products, earning better foreign currency, job creation, utilizing the full potential of industry and increasing the contribution of the industry for GDP. It would also contribute to attracting investments, providing adequate inputs for industries and supplying cotton products for foreign markets.

The strategy would promote integrated value and help bring the cotton sector into the industrialization process and will benefit all stakeholders in general and cotton farmers in particular as it would make them more profitable.

An independent entity will be established with authority to coordinate activities by various stakeholders through improving policy and institutional framework.

Source: fashionatingworld.com - Mar 29, 2018

HOME

****

Trade volume between Pakistan, China's Zhejiang hits 4 bln USD

The bilateral trade volume between Pakistan and the Chinese province of Zhejiang has hit 4 billion U.S. dollars threshold, Li Yang, vice director of the Division of Foreign Trade Development from the Department of Commerce of Zhejiang Province said here on Thursday.

Talking exclusively with Xinhua, Li Yang said that out of the total of 4 billion U.S. dollars, the amount of export from China's Zhejiang province to Pakistan is 3.8 billion U.S. dollars.

Li Yang was speaking on the sidelines of the 19th Textile Asia 2018 International Exhibition, which concluded at the Karachi Expo Center in Pakistan's southeastern port city of Karachi on Thursday.

She stated that the Department of Commerce of Zhejiang held the Zhejiang Export Fair during the 19th Textile and CFT Asia in Karachi, which was a step in the direction to seek the "Made in Zhejiang" breakthrough of foreign trade in the South Asian market.

The event helped the Zhejiang-based enterprises to further expand their access to the international market through Pakistan, she added.

The Zhejiang Export Fair also helped Pakistani entrepreneurs to know more about the textile and apparel industry of the Chinese province, which would help in promoting the bilateral business and investment in coming years.

Li Yang said "At the 19th Textile Fair in Karachi, we installed a total of 150 standard booths for 58 enterprises, whose products contained textile fabrics, home textile, textile machinery, garments, and accessories besides highlighting the Zhejiang province's textile manufacturing level."

She said "We hope to build a business communication platform for companies of both the countries through this exhibition. Also, we would like to help both sides of entrepreneurs to carry out practical and long-lasting cooperation in various levels and domains to share the benefits brought by the respective economic development."

The trade fair in Karachi hosted more than 2,000 foreign delegates as well as 65,000 visitors from trade and corporate sector. The focus of the trade fair was value addition in textiles industry to increase the South Asian country's exports of value-added textile and garments products to various parts of the world.

The three-day trade fair is regarded as South Asia's biggest B2B textile, garment, embroidery, digital printing machinery and chemical and allied services fair.

More than 1,000 international brands displayed their products in over 800 booths from 27 countries mainly from Austria, China, the Czech Republic, France, Germany, Italy, South Korea, Japan, Turkey, Britain and the United States.

Source: xinhuanet.com- Mar 30, 2018

HOME

****

U.S. Suspends Duty-Free Benefits for Rwandan Textile Imports

The U.S. said it plans to suspend duty-free access to Rwandan textile imports because of the African nation's refusal to lower trade barriers for American-made clothing and shoes. The suspension applies to all AGOA-eligible apparel products from Rwanda in 60 days, the U.S. Trade Representative's office said in a statement on Thursday.

The USTR last year began an "out-of-cycle" review to determine the eligibility of Rwanda, Tanzania and Uganda to keep their trade benefits under the African Growth and Opportunity Act. AGOA, which was signed into law by President Bill Clinton in 2000, rewards African nations that undertake economic and governance reforms with duty-free U.S. market access.

The USTR's review was in response to a complaint by the U.S. textile industry over a decision by the three East African nations to ban imports of used clothing and shoes they say are decimating local textile and apparel industries.The U.S.-based Secondary Materials and Recycled Textiles Association said the ban would impose "significant economic hardship in the U.S. used-clothing industry," USTR said.

The U.S. exported $330,000 worth of textiles and apparel to Rwanda in 2016 and imported about $460,000. Coffee and tea shipments were Rwanda's top U.S. export worth $18 million.

Business Achiever

Rwanda has been improving its overall business environment, winning praise for rebuilding since a genocide in 1994 that killed as many as 800,000 people. The country ranked second in Africa, behind Mauritius, in the World Bank's 2018 Doing Business report, which said it has carried out the most business-friendly reforms in the region in the past 15 years.

The U.S. won't suspend AGOA benefits for Tanzania and Uganda because "each has taken steps toward eliminating prohibitive tariff rates on imports of used clothing and footwear and committed not to phase in a ban of these products," the statement said.

President Donald Trump's "determinations underscore his commitment to enforcing our trade laws and ensuring fairness in our trade relationships," Deputy U.S. Trade Representative C.J. Mahoney, said in the statement. Trump has repeatedly expressed his push for "reciprocal" relationships with trading partners.

Source: bloomberg.com- Mar 30, 2018

HOME

****

Vietnam records $1.3 billion trade surplus in Q1

The foreign-invested sector and mobile phones were behind strong export growth.

Vietnam's total import-export turnover reached an estimated $107.32 billion in the first quarter, up 17.7 percent against the same period in 2017, according to data from the General Statistics Office (GSO).

Export value in the first three months increased to $54.31 billion, while imports registered $53.01 billion, resulting in a trade surplus of $1.3 billion, statistics show.

Phones and components were the top exports in Q1, accounting for $12.3 billion, up 58.8 percent from last year. Textile and electronics components both brought in $6.3 billion, the GSO reported.

Foreign-invested sector exports (including crude oil) reached $39.34 billion, a 23.2 percent on-year increase. This sector accounted for 72.4 percent of total export value.

Vietnam's export revenue expanded by 21 percent last year against 2016 to $213.7 billion, the highest in the past five years. Following what Prime Minister Nguyen Xuan Phuc called a "year of records", the country is targeting export growth of 7-8 percent this year.

Source: e.vnexpress.net - Mar 29, 2018

HOME

****

Pakistan: Trade for development: essence of competition law

The recent US president Donald Trump's measure of increasing tariffs on aluminium and steel imports is going to have economic repercussions across the globe. This protectionist measure may escalate trade wars amongst the superpowers.

The recent decision of US president reminds us of his election campaign pledge that he would take drastic steps in restoring white collar jobs in the manufacturing sector. At present the imposition of tariff barriers itself is a contradiction of the mantra of liberalisation policy and principle of free flow of goods and services expounded by US since the end of Second World War.

After the end of second world war, US and Soviet union got entangled into a cold war which escalated a war between different ideologies. US and its allies promoted the ideology of market forces, liberalisation and free competition principles under the ideology of capitalism whereas the Soviet union and its allies endorsed planned economic system under the ideology of communism and socialism.

It is an astonishing fact that at present US is adopting protectionist agenda which is likely to be counterproductive as in rebuttal China and EU countries would also be taking similar protectionist measures to protect their domestic industrial sector and labour markets.

As a law student I am always convinced by the fact that the success behind the EU good governance is the implementation of free competition principles which promotes the idea of free flow of goods and services and there would not be any existence of trade barriers. For instance it heavily fined, Microsoft for amount 497 million euros for not disclosing its interoperability information to Sun Microsystems.

This interoperability information was indispensable for sun Microsystems so that its systems get integrated with the Microsoft's.

Microsoft was held liable for abusing its dominant position for not divulging the essential information.

The case is reported as Case T-201/04, Microsoft vs Commission (2007) ECR II-3601. Similarly in another case, T-321/05 Astra Zeneca vs Commission, the Commission considered that the pharmaceutical group Astra Zeneca abused its dominant position by preventing the marketing of generic versions of one of its medicinal products, Losec.

Article 101 to 106 of the Treaty on the functioning of European Union explicitly mentions the principles of competition law in accordance to which European Commission would clamp down upon any anti-competitive activity resulting in creation of any barrier in the free flow of goods and services. The essence of liberalisation and competition principles is the attainment of the objectives of efficiency and economic welfare of the citizens.

After the Second World War, Europe's resurgence was fostered by US aid and trade under the Marshall plan. Countries were asked to adhere to the free trade principles of General Agreement on Tariffs and Trade (GATT). The GATT was unfair at multiple levels.

Agriculture was excluded from free-trade principles. Developed countries like US and European in order to protect their farmers, maintained their agricultural subsidies, while the developing countries were not allowed to do so. Trade on textile goods was restricted by small import and export quotas.

After the Soviet Union had crumbled, GATT was transformed into World Trade Organisation. Besides goods, free trade principles regulated in the services sector as well as in intellectual property rights.

There were there agreements: GATT which related to general agreement of terms of goods; GATTS pertains to general agreement on terms of services and the last agreement was TRIPS which was relating to trade related intellectual property rights.

During the late 1990s a small group of countries led by Pakistan, India, Egypt and Cuba along with other countries showed resistance and protested against the industrialised countries/developed world for harming the interests of poor countries.

On one hand the developed world was supporting its farmers through protectionist measures of subsidies and also protecting its multi-national corporations under the garb of intellectual property rights in the form of patents and copyrights and on the hand it was pressurising developing and poor countries to adopt the liberalisation agenda and open their economies for the import of goods manufactured by western multi-national corporations.

Simultaneously after the entry of China in WTO, the trade politics took a tumultuous turn. China due to its efficiency, cheap labour and access to domestic and international capital, took advantage of WTO's free trade regime and eventually emerges as the world's manufacturing hub accumulating huge trade surplus.

The focus of future trade will be on India and China which are emerging as economic power and becoming a crucial factor in the shifting of jobs from developed world to developing countries. The interest of the developing countries would be served better if they act collectively.

The last time developing countries became effective in 2001 in Doha, World Trade Conference. The Doha Round of world trade negotiations — also known as Doha Development Agenda was launched in Doha, Qatar in November 2001.

The talks aimed at further liberalising trade, whilst making it easier for developing countries, particularly Least Developed Countries (LDCs), to integrate into the WTO multilateral system.

The main issues at stake are: Reforming agricultural subsidies; ensuring that new liberalisation in the global economy respects the need for sustainable economic growth in developing countries; improving developing countries' access to global markets for their exports. Despite the EU's efforts, negotiations have stalled largely due to the lack of readiness from certain WTO Members to reform their agricultural policies.

Today the developing countries possess the collective economic and political power to construct a trading system that serves development.

Poor countries need the support of developed and industrialised countries and the support should be in the form of basic necessities of life. Poor countries need cheaper medicines in order to cure diseases like cancer, AIDS etc.

Unfortunately such medicines are available at higher prices due to the monopolistic practices of multi-national corporations which have the sole right to manufacture these basic necessities of life under the garb of Trade related Intellectual property rights (TRIPS Agreement) and bar a manufacturer keen to produce its generic version at a cheaper rate.

Similarly under the patent laws, western multi-national corporations with the use of bio technology manufacture genetically modified seeds to replace the traditional farming practices of developing countries, which can be counterproductive.

These issues need to be addressed at the earliest and developing countries collectively act as a bulwark against the nefarious designs of multi-national corporations which benefit at the altar of a common man.

Nobel prize winning economist Amartya Sen wrote that development is not only about explosive economic growth rates but an ability to exercise freedom and have access to basic amenities/necessities of life including goods, services and last but not least information.

Source: dailytimes.com.pk - Mar 30, 2018

HOME

****

Plastic waste spinned into yarn and fiber in Turkey

Istanbul, which is home to nearly 15 million people, produces an average of 17,000 tons of domestic waste every day, out of which 6,000 tons are processed in IBB's garbage collection and recycling centers.

A recent effort by Istanbul Metropolitan Municipality (IBB) aims to increase the volume of renewable waste collected from Istanbulites through a new system that will refund the value of each recycling deposit to the resident's megacity transport card.

Turkey has pioneered recycling efforts in recent years, both through awareness initiatives to empower individual consumers and also recycling infrastructure to take advantage of the resources discarded in the trash.

The plastic bottles used by the company are collected from several locations, such as schools, hospitals, hotels and various institutions, and then processed in fiber. Having started up as a family firm in 2009, the company now exports its products to 20 countries.

"We didn't really expect this much interest in this product," admitted General Director Erman Ilıman, adding that the company initially faced challenges since the product had never before been marketed in Turkey. He said that" But we have arrived at a point where companies are reaching us without us doing anything. There is a great demand from abroad as well. Currently, because of the limits of our production capacity, we are unable to meet all export demands."

General Director Erman Ilıman told Anadolu Agency on Wednesday that, "As a result of our long-standing research and development project, we have become the first plant in Turkey that produces yarn completely out of recycled plastic bottles.” He also said that useful in numerous sectors, such as industrial weaving and knitting as well as furnishing and curtain production, increasing yarn production contributes to the Turkish economy.

The yarn, which is internationally-accredited and certified, could not be produced using conventional methods, "This is a feat of process engineering; we have used self-developed know-how to transform plastic waste into fiber and yarn."

He further added that, "Our daily production capacity is 5 tons of yarn, and we want to raise it to 20 tons by 2019 and 40 tons by 2020,", adding that they processed around 200 tons of plastic bottles monthly and aimed at increasing this figure to 1,000 tons by 2020.

Every day, thousands of plastic bottles are saved from landfills and spun into 5 tons of yarn that are exported around the world from a textile firm in western Turkey's prominent industrial center Bursa.

Source: yarnsandfibers.com - Mar 29, 2018

HOME

****

Non-tariff barriers holding back Nepal's export trade

Nepal faces a number of non-tariff barriers to its exports despite being a member of the World Trade Organisation (WTO) and the South Asian Free Trade Area (Safta) which promise hassle-free cross-border movement of goods and services.

Apart from sanitary and phytosanitary standards (SPS) and technical barriers to trade (TBT), Nepali exporters encounter several hurdles while exporting goods to India and third countries.

Countervailing duty on garments, separate licence requirements for ginger and agro products, antidumping duty, quarantine issues, documentation process, quota provision and access gateway limits have hit Nepali exports.

Nepal's main exports are iron and steel, knotted carpets, textiles, pashmina, plastics, noodles, handicrafts, jewellery and agro products like beverages, cardamom, ginger and tea. Around 65 percent of the exports are to India. China, Bangladesh, the US, Japan, South Korea, the UK, Vietnam, Canada, Turkey and a number of European countries are the other major export destinations.

Nepali products face various types of non-tariff measures in many of these markets, stifling the country's export trade and and helping to push up the trade deficit.

According to the Trade and Export Promotion Centre (TEPC), Nepal's trade deficit soared 19.1 percent to Rs613.72 billion in the first seven months of the current fiscal year. Imports swelled 18.6 percent to Rs661.22 billion while exports rose a mere 11.9 percent to Rs47.50 billion between mid-July and mid-February.

Nepal has been raising the issue of non-tariff barriers with its largest trading partner India at almost every high level conference including intergovernmental meetings. The Indian government has made repeated promises to address Nepal's pleas, but exporters have experienced no respite so far.

India blocked shipments of Nepali ginger several times last year citing adulteration and chemical residues. Recently, Indian authorities ordered importers to obtain a separate licence to import Nepali ginger.

Narendra Kumar Khadka, president of the Nepal Ginger Producers and Traders Association, said the new rule had increased their cost of trading as almost all Indian importers recover their additional costs from Nepali traders.

“Moreover, Indian authorities only recognize sample tests made at laboratories based in Kolkata, and they allow Nepali ginger to be shipped only through the Kakarbhitta border point,” Khadka said.

At the same time, India levies countervailing duty on Nepali readymade garments and antidumping duty on jute products. Likewise, a two-decade-old quota on Nepali vegetable ghee, acrylic yarn, copper utensils and zinc oxide is still in place which has held back exports to the southern neighbour.

According to a study conducted by the South Asia Watch on Trade, Economics and Environment (Sawtee) in 2012, para-tariffs such as countervailing duty, special additional duty and their non-transparent applications have been hitting Nepali exports to India hard. The study also identified standard and value addition-related barriers such as quarantine as top bottlenecks among the non-tariff barriers in India.

Sawtee Executive Chairman Posh Raj Pandey said SPS and TBT make up 80-85 percent of the non-tariff barriers to Nepali exports. “The need for excessive documentation, certification from specific labs in India and other standard measures mainly hit exports to the southern neighbour,” Pandey said.

As per stakeholders, exporters need to submit separate radiation free certificates for a number of exports to Bangladesh. Similarly, Bangladesh allows the import of acrylic yarn only by sea.

“Nepali exporters used to dispatch acrylic yarn to Bangladesh via Bangalabandh, but now they have to send their shipments through Chittagong which has raised their trading costs,” said former commerce secretary Purushottam Ojha.

According to Ojha, Indian importers need to obtain separate licences to import vegetables, herbs and aromatic plants from Nepal. “Although the Nepal-India bilateral trade treaty revised in 2009 talks about improving cooperation for trade, it has not happened in practice,” he said.

Nepal exporters of acrylic yarn face anti-dumping duty in Turkey. Similarly, China asks for quarantine certification for Nepali meat products. “However, Chinese authorities allow entry to the same meat items exported through Vietnam,” TEPC Executive Director Sarad Bickram Rana said.

Nepal should identify specific export potential goods instead of investing in a basket of exportable goods if the country is to boost exports, said Pandey.

“After identifying specific exports with specific markets, we have to upgrade the infrastructure accordingly. In addition, Nepal should move to sign bilateral agreements based on mutual recognition to promote the export of specific goods,” Pandey said.

Source: kathmandupost.ekantipur.com- Mar 29, 2018

HOME

****

NATIONAL NEWS

India to negotiate FTA with AfCFTA: Commerce Minister

Complimenting African nations on successfully concluding the African Continental Free Trade Agreement (AfCFTA), Indian minister for commerce and industry Suresh Prabhu said India will negotiate an unique free trade agreement with the AfCFTA that will be beneficial to the continent's needs.

The current India-Africa trade volume is far below potential, he noted.

Efforts are needed to step up the current India-Africa trade volume worth $53-billion and diversify the trade basket, he told the inaugural session of the 13th Confederation of Indian Industry (CII)-Exim Bank Conclave on India-Africa Project Partnership in New Delhi recently.

His ministry is revamping export insurance and the Project Export Promotion Council to provide the much needed boost to India's exports to Africa, a CII press release quoted the minister as saying.

The government is also planning to set up a new India-Africa Development Fund to synergise the lines of credit and other export promotion and development programmes to bring about a more holistic development of the continent, he added.

Source: fibre2fashion.com- Mar 29, 2018

HOME

****

Tamta assures support to textile industry

Union minister of state for textiles Ajay Tamta said the central government was committed in resolving the issues faced by the textile sector with regard to Goods and Service Tax (GST) and that his ministry will support the industry stakeholders in mediating the issues with the finance ministry.

Tamta was in the city to attend a seminar organized by the Southern Gujarat Chamber of Commerce and Industry (SGCCI) and the Global Fabric Resource and Research Centre (GFRRC) on 'future opportunities in textile sector' on Thursday.

Addressing a gathering of industry stakeholders, Tamta said, "Surat is an important centre as far as man-made fibre (MMF) sector is concerned, but the opportunities in natural fibre in the form of silk are huge in the northeastern states.

The focus is on research and development in sericulture in order to reduce dependence of natural silk imports. I am visiting textile clusters across the country to study the market and to encourage research and development in developing new qualities and products to increase our exports."

Tamta said GST is new to this country and thus there would be some difficulties. The textile ministry is always ready to hear the industry stakeholders and discuss simplification of the GST with the finance ministry.

"The government has formed a committee to address issues relating to GST. We are also very keen to resolve technical issues in the GST portal and filing of returns," Tamta added.

Meanwhile, Tamta attended the textile meet-2018 organized by BGA Foundation, a part of Disha Foundation, on Wednesday. Tamta held roundtable meetings with various industry stakeholders from power loom sector, processing sector etc.

Chartered accountant Ramakant Gupta of BGA Foundation said, "Tamtaji organized roundtable meetings with various industry stakeholders and tried to understand their problems. Many suggestions were given and he has promised to take them up with his ministry as well as the finance ministry."

Source: timesofindia.com- Mar 30, 2018

HOME

****

Indian cotton exports up 45 per cent

In February 2018, Indian cotton exports were down 13.3 per cent from January, but up 45.2 per cent year on year. Cotton imports were up 37 per cent year on year and up 8.3 per cent month on month. In the first two months of 2018, exports were up 7.2 per cent year on year.

Bangladesh, Pakistan and Vietnam continued to be the major consumers of Indian cotton in February 2018.

But exports to Bangladesh were down 17 per cent from January, those to Pakistan were down 34.2 per cent and those to Vietnam were flat from January.

From August 2017 to February 2018, imports were down 46.1 per cent year on year and in the first two months of 2018, imports were up 27.1 per cent year on year.

Cotton imports have seen steady growth for four months, which is mainly pushed by the strong demand for quality cotton from Indian spinning mills.

In February 2018, the major cotton suppliers for India were US, Egypt and Mali. US cotton remained the largest volumes, taking a share of 49.14 per cent.

Egyptian cotton continued to the second largest import origins, but its proportion declined to 21.44 per cent.

Cotton imports have seen steady growth for four months, which is mainly pushed by the strong demand for quality cotton from Indian spinning mills.

Source: fashionatingworld.com - Mar 29, 2018

HOME

****

EU, Canada may join India-US WTO talks

Express concern that India's export subsidy programmes could affect their trade, too

India will be under increased pressure at the WTO to do away with its export subsidies, as the EU and Canada have expressed interest in joining the consultations sought by the US on the matter with the country.

"Both the EU and Canada have said that they have substantial trade interest in the matter and want to participate in the discussions, as they export a number of industrial products that are allegedly subsidised by India. They expressed concerns on the possibility of the export sops affecting global prices and trade flow," a government official told BusinessLine.

Earlier this month, the US had complained to the WTO about six "export subsidy" programmes run by the Indian government which "harm American workers by creating an uneven playing field." It argued that as per WTO rules, India no longer qualified to give export sops as its per capita Gross National Income had stayed over $1,000 for three consecutive years.

New Delhi seeks time

New Delhi, however, believes that it needs to be given eight years to phase out the subsidies, as that was the time period given to members at the time of implementation of the Agreement on Subsidies and Countervailing Duties in 1994-95. The argument given by India since 2011 is yet to find favour at the WTO.

In its submission, the EU pointed out that it exported on average over the last three years, polyethylene, stainless steel bars/wires, tubes and pipes of cast iron and graphite electrode systems (which together make up only a subset of the allegedly subsidised product sectors) for over €1.1 billion per year.

"The measures referred to in the consultation request may have a substantial impact on the price of industrial goods concerned in the world market and affect trade flows in these products," it said.

Canada, which also gave its submission to the WTO's dispute settlement body, pointed out that India was an important trading partner and goods imports have steadily increased between 2008 and 2017, from $2.24 billion to $4.16 billion.

"The measures at issue in the consultations request cover a wide range of products and could impact the conditions of competition not only in Canada, but for Canadian like products in third-country markets," it said.

The programmes challenged by the US include the popular Merchandise Export from India Scheme, Export Promotion Capital Goods Scheme, the Electronics Hardware Technology Park Scheme and the Special Economic Zones. The value of the schemes has been pegged by the US Trade Representative's office at $7 billion.

Source: thehindubusinessline.com - Mar 30, 2018

HOME

****

Flowing down the waterways

Thoughtful policies and infrastructure development using the PPP model can give a boost to the cheapest transport mode

India has nearly 14,500 km of navigable waterways, yet inland water transport (IWT) accounts for less than 1 per cent of its freight traffic, compared with ~35 per cent in Bangladesh and ~20 per cent in Germany. And that's despite IWT's better cost arithmetic and materially less polluting nature.

The cost of transporting one tonne freight over 1 km by waterway is ₹1.19 compared with ₹2.28 and ₹1.41 by road and rail, respectively. And the cost of developing an inland waterway is barely 10 per cent of a four-lane highway of similar capacity.

Of late, the government has made many moves. The Lok Sabha just passed an amendment to the Central Road Fund Act, 2000, proposing to allocate 2.5 per cent of the funds collected for development of waterways.

This support, amounting to ~₹2,000 crore annually, is significant considering that the cumulative allocation till 2014 was ₹1,500-1,700 crore.

What's more, the budget for next fiscal has allocated ₹228 crore to the sector and allowed the Inland Waterways Authority of India (IWAI) to raise ₹1,000 crore from the capital market.

But all that is chump change given that the sector's investment requirements are ~₹90,000 crore over the next few years to develop navigable routes, connectivity infrastructure to and from hinterland, terminals, vessels and repairing facilities.

So public private partnership is the need of the hour.

But given IWT's nascence, the government and IWAI need to work on two channels — development of physical infrastructure, and policy level interventions — to draw private players in.

Physical infrastructure

The government should focus on developing navigation, channel operation and maintenance, and external connectivity infrastructure. Private players can undertake terminal development, cargo and passenger handling, and building low-draft vessels and related repair facilities.

Navigable route development: Private parties will continue to baulk at investments in terminal development till the government, perhaps in coordination with IWAI, takes 100 per cent responsibility of route navigability (permanent channel of at least 3-metre depth and 45 metre width).

Money for dredging channels can be raised through multilateral finances. IWAI can pursue this by engaging private dredgers through performance-based contracts.

External connectivity infrastructure: For a user, availability of seamless, multimodal last-mile connectivity to and from hinterland reduces trans-shipment cost and makes IWT way cheaper. So the government will need to set up multimodal logistics parks and inland port terminals. For private developers, support infrastructure such as utilities, power, and last-mile connectivity are vital for terminals, and States need to pitch in for this.

Policy interventions

Incentivising cargo transport through inland waterways: To ensure there is enough freight to make physical infrastructure development viable, the following measures can be taken:

(a) Offer incentives, including tax subsidies, for transporting a portion of industry cargo through IWT. This may be devolved based on sliding-scale rules inversely proportional to the size of vessels. Meaning, smaller the vessel, larger the benefit. Specific incentives may also be offered for efficient handling of IW cargo by inland terminals. And as infrastructure develops, the cost advantage of IWT over other modes of transportation will be realised.

(b) The Government can mandate/incentivise industries in the proximity of national waterways to use this mode for a portion of their shipments. Public sector entities such as Food Corporation of India, power plants and refineries can be similarly mandated.

(c) Higher road taxes can be levied on transportation of coal and inflammable material over longer distances because they are harmful to environment or pose a danger to those in proximity.

(d) Many waterways run parallel to transportation corridors and urban centres. For synergy, the government can promote industrial corridors along riverbanks and foster waterways-based industrialisation. This will not only ensure captive IWT cargo, but also tackle erosion of riverbanks as industries will tend to protect the land allotted to them.

(e) Capital dredging, along with different waterways, will also offer opportunities to reclaim land along riverbanks. In West Bengal and Assam, where land for industries is an issue, such reclamation can be an answer.

(f) Promoting passenger transportation and tourism: In many States, there are ferry services on national waterways, but these are mostly unorganised country boats. Terminal facilities are also woefully inadequate. Along with passenger terminal development, the government needs to offer financial support to ferry operators to improve safety, and facilitate insurance coverage. Also, in Kerala and Assam, waterways have huge tourism potential. The Centre and States need to join hands to package and market river tourism in a big way to trigger a virtuous cycle.

(g) Resolving the protocol route issue with Bangladesh: This is critical to the sector's development. Indo-Bangladesh joint dredging projects in Sirajganj-Daikhawa (146 km) on river Yamuna and in the Ashuganj-Zakiganj stretch (309 km) on river Kushiyara in Bangladesh have been long delayed. Completion of these projects will enable movement of larger vessels from Varanasi in Uttar Pradesh to Sadiya in Assam through Bangladesh, and crank up waterways cargo traffic.

Only such a holistic and concerted effort can change India's transportation landscape, de-congest arterial roads, and even improve quality of life across geographies.

Source: thehindubusinessline.com - Mar 30, 2018

HOME

****

Govt sensitises exporters on phasing out of subsidies

India has begun sensitising exporters of the threat arising out of the US challenge to the export promotion schemes at the World Trade Organization. Washington has argued that these schemes are actually export subsidies not allowed under the WTO rules.

In a meeting with industry and academicians on Tuesday, the Directorate General of Foreign Trade reviewed existing export promotion schemes and the likely alternative programmes as the government prepares to address US' concerns through consultation.

"The department has sensitised industry and academics that all schemes will be reviewed and it is looking at alternative schemes as well," said a person who was present in the meeting.

The US has challenged practically almost the entire of India's export programmes at the WTO, claiming they harm American workers.

Pegging the quantum of subsidies at $7 billion, the US has dragged India to WTO for violating commitments under the Agreement on Subsidies and Countervailing Measures (ASCM) in five of its most used export promotion schemes—the export-oriented units scheme and sector-specific schemes including electronics hardware technology parks scheme, merchandise exports from India scheme, export promotion capital goods scheme, special economic zones and duty-free import authorisation scheme.

The agreement envisages the eventual phasing out of export subsidies and provides eight years for graduating countries (least developed and developing), which cross the $1,000 mark at 1990 exchange rate to phase out export subsidies. India had crossed this threshold in 2015 and it became known when the WTO Secretariat produced its calculations in 2017.

Government data shows that in 2016-17, Merchandise Exports from India Scheme (MEIS) had the highest number of scrips issued among the other export promotion schemes, which is 66.5%, followed by EPCG with 9.6% and Advance Authorisation Scheme with 9.5%. Scrips are incentives that can be used to pay duties.

"The agreement was discussed and a clear agenda will be made," said another person who attended the meeting. Among the alternatives, production subsidies could be a way out.

Though export subsidies are prohibited in the WTO, production subsidies that do not depend on exports but on the number of units that are produced are permitted. However, such production subsidies require far larger budgetary commitments.

Source: economictimes.com- Mar 29, 2018

HOME

****

Govt to bring employees of apparel, garment and textile sectors under EPFO scheme by bearing 12% of employers' contribution

The central government has now decided to bring them under the pension scheme by bearing the entire 12 per cent of the basic salary that employers are mandated to make towards pension for the first three years for new employees.

There is some good news for employees working in apparel, garment and textile sectors who were hitherto not covered under pension scheme of EPFO (Employees' Provident Fund Organisation).

The central government has now decided to bring them under the pension scheme by bearing the entire 12 per cent of the basic salary that employers are mandated to make towards pension for the first three years for new employees.

The Cabinet Committee on Economic Affairs, chaired by Prime Minister Narendra Modi, took the decision in this regard on Wednesday.

The government hopes to create 1 crore new jobs through this initiative.

"Our government is committed to creating jobs. The scheme which was implemented in 2016 had a provision for the government to pay for 8.33 per cent of the pension contribution by employers.

"We have further expanded the scope of the scheme. It has been decided that for apparel, garment and textile segments, the full 12 per cent of the employers' pension contribution will also be borne by government," Labour Minister Santosh Kumar Gangwar said after meeting of the Cabinet Committee on Economic Affairs (CCEA).

Since the launch of scheme in August 2016, Pradhan Mantri Rojgar Protsahan Yojana (PMRPY), as many as 30 lakh workers have already benefited, he said.

"We feel that the government's decision will help create 1 crore new jobs, and we will increase budget provisioning by about Rs 6,500-Rs 10,000 crore under this scheme," he said.

Employees, who are already reaping the benefit of the 8.33 per cent pension contribution, will be updated to the 12 per cent bracket for the remaining period of their first three years, Gangwar said.

The government bears 8.33 per cent employers' contribution to the Employees' Pension Scheme (EPS) for new workers under PMRPY.

Employees who have joined on or after 1st April 2016, having a new Universal Account Number (UAN) with salary up to Rs 15,000 per month, are covered under this scheme.

Source: indiatvnews.com- Mar 29, 2018

HOME

****

The future of denims is sustainable

Arvind, one of India's largest denim producers, plans to reduce its water footprint to make jeans from denim fabric by over 95%

Arvind Ltd, previously known as Arvind Mills Ltd, a 150-year-old apparel manufacturing company and one of India's largest denim producer, plans to reduce its water footprint to make jeans from denim fabric by over 95%.

"On an average it takes about 70 litres of water to make a pair of jeans from the denim fabric and we can now make a pair with just one glass of water," said Aamir Akhtar, chief executive officer, lifestyle fabrics - denim, Arvind Ltd, in an interview with Mint.

According to Akhtar, the global benchmark for water consumption is 70 litres for making a pair of jeans from denim fabric for the top four denim manufacturers—Vicunha Textile, Brazil; ISKO Turkey; Tavex Corp., Spain and Arvind.

The highly polluting nature of the wardrobe stable has been under the spotlight with documentaries like River Blue released in 2016, which pointed out that chemical waste from the manufacturing of indigo blue jeans has turned the rivers to an unnatural shade of blue in countries like China and India.

Moreover the water footprint of a pair of jeans weighing one kilogram is even higher when you look at its journey from cultivating cotton to fibre to product at 11,000 litres, according to a 2009 study by Arjen Y. Hoekstra, professor in Water Management, University of Twente, the Netherlands, and scientific director, Water Footprint Network.

Given the growing concerns around sustainability, Arvind has been working on addressing its environmental impact for the last few years. A year ago, it had moved to zero discharge of hazardous chemicals from its units. For reducing its water footprint, the company has worked with technology providers in the US and imported machines from Europe that now allow it to replace the water used in washing of denim to manufacturing instead with machines to give the same washed look. Akhtar did not disclose the names of the companies due to a non-disclosure agreement or the investments.

“Such technologies are initially expensive as we are setting it up,” said Akhtar. However as there is a huge movement globally towards sustainability it will be cost neutral once its rolled out, he said, without specifying any time frame.

Arvind denims is a supplier to brands like Tommy Hilfiger, Calvin Klien, Gap, Levi’s, VF Corp brands Lee and Wrangler, H&M and Hugo boss. It also has its own in-house brands like Flying Machine. The company produces over 100 million metres of fabrics and six million pairs of jeans, according to the company’s website.

Denim constitutes approximately 30% of Arvind’s fabric and garment business, said Akhtar, adding that currently about 6-7% of denims fabric is converted into jeans. The company is targeting 40-50% of denim fabric to get vertically converted into jeans over the next 3-4 years, said Akhtar. The new technology will also be on offer as a solution to its clients to make sustainable jeans in India, he said.

Brands like Levi’s, Polo Jeans, Hilfiger Denim and Abercrombie & Fitch and H&M have tied up with Spanish company Jeanologia, which emphasizes on reducing water and chemical consumption in manufacturing of denims. About 35% of the 5 billion jeans produced each year in the world are made with Jeanologia technologies. The company believes that by 2025 all the jeans in the world could be manufactured 100% water-free.

The global jeans market is valued at $92.9 billion and is expected to grow by 4.2% for men and 3.7% for women, according to Euromonitor.

Even in India, it is one of the fastest growing segments. Jeans is the most preferred outfit to work, at least in the non-government sectors, in India, according to a March 2017 study conducted by Westside, a retail chain. Close to 650-700 million pairs of jeans are sold annually in India, Akhtar had told Mint in an interview in April 2017.

Interestingly, the usage of jeans is higher outside of the top five metros in tier II and tier III towns like Guhawati, Ranchi and Jharkhand. Hazaribagh, a small town with a population of less than 2 lakh people, has the highest sales density in the country, according to Pepe Jeans India's managing director Kavindra Mishra.

Source: livemint.com- Mar 29, 2018

HOME

****