

Textile Briefs

National

- ❖ Pakistan Textile Mills Association (APTMA) has strongly criticized the decision of major foreign shipping lines to impose \$100 surcharge on all import cargo from 1st February 2008 and demand the Government to urge shipping companies to withdraw the decision of imposing surcharge.
- ❖ The Trade Development Authority of Pakistan (TDAP) will assist textile exporters to participate in the US 'Material World' trade show. An official announcement said the show to be held in Miami, Florida, on April 8, 2008 is the largest textile trade fair held in the United States.
- ❖ The Finance Ministry has withheld release of funds allocated for four textile projects. The projects include Up-gradation of EDF (Export Development Fund) Institutes, Clean Cotton Program, Projects' Implementation Cell and the organization of seminars and workshops in order to train and educate the unskilled labor.
- ❖ Cotton Crop Assessment Committee (CCAP) announced that the estimated crop of cotton achieved by the country is 11.6 million bales while the revised target for 2007-08 was 12.8 million bales. So, the country has a shortfall of 1.2 million bales.
- ❖ Textile ancillary industry has urged the Government to impose ban on export of cotton to ease the rapidly rising yarn prices as it is causing damage to the viability of value-added textile goods on the world markets.
- ❖ Pakistan should allow export incentives to textile industry on the lines allowed by India under its Technology Up-gradation Fund Scheme (TUFS). This has been suggested by Muzzammil Husain, Chairman of Towel Manufacturers' Association of Pakistan (TMAP) in the working paper prepared by him on "Export Oriented Units (EOUs) and SME Draft Rules" and forwarded to Trade Development Authority of Pakistan (TDAP) for consideration.
- ❖ President Federation of Pakistan Chambers of Commerce and Industry (FPCCI), Tanvir Sheikh has claimed that if the textile mills were to close, GDP would drop by 11% while stock market capitalization will decline by 18%. The balance of payments will be badly affected and exports of about US\$10.8 billion will also show decline.
- ❖ A genetically modified cottonseed, with inbuilt resistance against pests that is significantly expected to increase production of the cotton crop will be introduced in 2009, said Deputy Director of National Biosafety Centre (NBC), Afzaal Ahmed.
- ❖ Pakistani exhibitors negotiated export orders worth over \$500 million in the Heimtextil, Frankfurt. Around 170 exhibitors from Pakistan participated in the world's largest fair of home textiles and displayed their top-line home furnishings and textile made-ups.
- ❖ Pakistan should diversify its exports from heavy dependence on textiles and undertake structural reforms to boost productivity, said World Trade organization (WTO). The WTO noted in a trade policy review that textiles and clothing accounted for two thirds of exports, but the sector was facing stronger competition in major markets.
- ❖ Pakistani businessmen should explore the vast potential of Bangladesh in various economic areas, especially rice and jute and enter into joint ventures with their Bangladeshi counterparts, said High Commissioner of Bangladesh Ms Yasmeen Murshad, while speaking at the Lahore Chamber of Commerce & Industry.
- ❖ The Ministry of Textile will spend Rs 35 million to upgrade 13 training institutes for improving the skills of manpower in the face of tough global and regional competition.
- ❖ World economic crisis may affect the cotton market as prices showed falling trend despite the news of shortfall in the production, dealers said. The Karachi Cotton Association (KCA) official spot rate was unchanged at Rs 3,200. In the ready trade, most of the businesses reported between Rs 3165-Rs 3,350.
- ❖ Pakistan imports pesticides worth of millions of US dollars annually and according to some reports about 75% of it is used on cotton crop. By going to Bt cottonseed sowing, the country can reduce imports of pesticides by more than 60%.
- ❖ The Government of Pakistan, Karachi Cotton Association, Karachi, Pakistan Cotton Ginners' Association and Farmers' bodies and other allied organizations are urged to hold seminars and discussions to highlight the importance of adopting GM technology and making a definite programme to embark upon it immediately so as to benefit our economy and the country as well.
- ❖ The problems of exporters to the Gulf region a group of shipping lines increased their charges by \$50 to \$100 for a 20 feet container. Shipping lines operating in the Middle East have formed a cartel under the umbrella of India Middle East Rate Agreement (IMRA), which is enjoying unchecked powers to revise freight rates on this route. Under various headings, the grouping has already imposed several types of charges on the exporters.
- ❖ A senior trader, Ghulam Rabbani said there was no scientific mechanism to make a correct assessment of the cotton crop size as wrong assessment had an adverse impact on the interests of the stakeholders particularly ginners and growers. He said around 45% of the total cultivation in the country was Bt type cotton, nearly 90% of this type was cultivated in Sindh and about 30% was cultivated in Punjab.
- ❖ The ruling high lint cotton prices of Rs 3,200 - 3,300 per maund are incompatible with ruling prices of yarn and textile goods. General estimates of lint cotton production are now placed between 11.5 and 12.0 million local weight bales against Government's official estimate of 12.8 million bales reduced from initial estimate of 14.14 million bales. ◆