

# Swissmem organises symposium for Egyptian textile industry



Switzerland's textile machinery suppliers, organised by the national association Swissmem, held a two-day symposium in early April in Cairo. The objective was to strengthen the already well-established industrial ties between Egypt and Switzerland and to initiate a major step towards the revival of the Egyptian textile manufacturing sector. The 13 Swissmem companies taking part in the symposium were: Luwa, Amsler Tex, Heberlein, SSM Schärer Schweiter Mettler, Saurer (Embroidery), Rieter Components (Bräcker, Graf, Novibra and Süssen), Stäubli, Jakob Müller, Retech, Loeffle, Maag, Benninger, and Santex-Rimar Group.

Egyptian cotton is known worldwide for its quality and strength in applications such as shirts and bedsheets, its heritage dating back to the time of the Pharaohs. In the land of the Pyramids, the area around Giza also lends its name to some of the finest cotton varieties which are grown there.

Textile production, using both local and imported cotton, is a vital contributor to Egypt's economy, but the textile sector's performance and potential are being held back by financial constraints, rooted in the serious economic downturn and the accompanying severe devaluation of the Egyptian Pound.

Political instability has thus far hampered much-needed investment in new technology by the textile industry – so that its resurgence is now overdue.

Switzerland's textile machinery suppliers, organised by the national association Swissmem, have now initiated a major step towards the revival of Egyptian textile manufacturing, with a highly successful two-day symposium (April 4-5, 2017) in Cairo. A total of 13 association member companies presented their latest machines and systems to an audience of 400, including industry

representatives from the private and public sectors, and delegates from various universities and research institutes.

The devaluations, while making Egyptian goods theoretically more attractive in export markets, have also seriously impacted on the cost and accessibility to Egypt's textile companies of new production technology from the major producers.

The Swissmem symposium addressed this issue head-on, with direct offers of assistance in the key area of financing capital imports. Ernesto Maurer, Swissmem President, told the symposium: "Switzerland is ready to support Egypt in its striving to re-connect with the worldwide textile community." He was referring to difficulties in accessing foreign exchange funds and the high costs associated with this, which have been a major obstacle to Egyptian companies seeking to renew their equipment and take up new technology.

"Funds need to be created prior to new investments, and here the Swiss textile machinery companies can help," he said. "Sometimes, it is also the case that service and upgrade of existing equipment can be easier to achieve than complete renewal."

Symposium participants heard a detailed explanation of export risk insurance and financing, presented by Fabian Brunschweiler, of SERV (Swiss Export Risk Insurance). His comments were most interesting as Egypt was not yet making full use of the export finance facilities available from Switzerland.

Swiss textile machinery producers enjoying strong export sales to Egypt up to 2013 have seen shipments decline to only 20% of previous levels. Now, as Egyptian textile manufacturers exhibit an eagerness to expand their markets, improve production capability and product quality, Swissmem is optimistic that it can offer both the financial and technological solutions they require.

Said Ernesto Maurer: "We are very confident that Egypt will find a way back to its previous position of strength, and its leading role in the world of high-quality fabrics. The Egyptian cotton brand 'Giza 100' once stood as a synonym for quality in textile raw materials. Now, our Swiss textile machinery industry is an enthusiastic partner in facilitating and stimulating this revival. ♦"