

Textile Briefs National

1 The exports of home textiles to European Union (EU) surged 60% in 2016 as compared to 2013, said Minister for Commerce and Textile Pervaiz Malik. He said that exports of cotton and other raw materials for the value-added textile sector to EU grew around 9% in 2016 as compared to 2013.

2 Cotton cultivation during the current sowing season has increased by 18% across the crop growing areas of Pakistan as compared to the sowing during the corresponding period last year. The government has fixed a target to cultivate cotton over 3.11 million hectares during the crop season 2017-18.

3 The Standing Committee on textile industry has asked the Federal Board of Revenue for release of sales tax refund at the earliest. Pakistan textile industry is facing financial crisis due to delay in release of tax refund of around Rs 300 billion.

4 The State Bank of Pakistan (SBP) reported a decline in exports from \$21.9 billion in fiscal year 2015-16 (FY16) to \$21.6 billion in FY17. Raw cotton, cotton yarn and cotton cloth registered a decline in exports, there was an increase in shipments of knitwear, bed wear and readymade garments.

5 Islamabad Chamber of Small Traders (IST) lauded the decision of the government to provide Rs15 billion to the textile sector under the PM's package. Textile sector is the mainstay of the economy which must be supported and the decision will infuse confidence in this sector which continues to lose the competitive edge in the international market.

6 The share of Pakistan's textile industry in domestic commerce has surpassed the sector's export figures, according to data compiled by the All Pakistan Textile Mills Association (Aptma). Textile sales in the local market

currently stand at \$13.7 billion out of the combined local and foreign sales of \$26 billion. Textile exports for the year 2016-17 stood at \$12.3 billion.

7 The State Bank of Pakistan (SBP) reported a decline in exports from \$21.9 billion in fiscal year 2015-16 (FY16) to \$21.6 billion in FY17. Raw cotton, cotton yarn and cotton cloth registered a decline in exports. An increase in shipments of knitwear, bed wear and readymade garments is also reported.

8 The value-added textile sectors have urged the government to withdraw the 4% duty drawback on taxes given on yarn exports. This incentive directly benefits our competitors in the world market, for example, China and Bangladesh are getting Pakistani yarn at much better cost than Pakistani exporters. ♦

Textile Briefs International



1 Bangladesh's export earnings from the apparel industry the lifeline of foreign currency earnings have seen only a 0.20% rise to \$28.15 billion, which is the lowest on record in the last one and a half decades, in the just-concluded fiscal year, said Commerce Minister Tofail Ahmed. He said Bangladesh's overall export earnings stood at \$34.83 billion in FY'17, which is 1.68% higher than the \$34.25 billion a year ago. It is also the lowest in the last 15 years.

2 Ethiopia, one of the largest recipients of FDI in textiles globally, today invited textile companies from India to invest in African country saying it offered cheap power and lower labour costs. The country had seen investments from Indian firms in the past and was currently focussing on bringing more companies, said Ethiopian State Minister of Industry Bogale Feleke.

3 Egypt's textile industry is currently struggling with a plethora of problems like absence of a clear policy for cultivating cotton and low liquidity

of factories. The country is also facing issues with customs smuggling. The government is hoping to improve the industry and lower its rate of losses. The Egyptian government is currently holding meetings with consultants who are specialized in the textile industry to develop an investment plan timetable.

4 Indian Uttar Pradesh government is working on offering a slew of incentives to investors in the textile sector, said Chief Minister Yogi Adityanath. The government will facilitate private or government land to investors for setting up their units. It will also give assistance in setting up textile complexes, clusters for units of small and medium sizes, as well as textile parks.

5 After the two years considered the high point of FDI in the Vietnam textile industry (2014-2015), since the start of 2016, the number of FDI projects in this industry has decreased considerably. In early 2017, Chinese investors invested \$220 million in the Vietnam polyester synthetic fibre plant in the southern province of Tay Ninh. Aside from this, however, capital flows

consist mostly of capital expansion investments in existing projects.

6 Indian Readymade Garments (RMG) contributes to a lion's share of global trade with a chunk of 55% in the total exports. India is ranked sixth with exports to the tune of \$16 billion, which is around 40% of the country's textiles exports. According to the Confederation of Indian Textile Industry, India contributes about 11% to industrial production, 17% to the manufacturing sector and, 2% to the GDP, and is the second largest employment provider after agriculture.

7 Bangladesh, Sri Lanka to seal FTA by 2017 end Bangladesh and Sri Lanka have agreed to seal a Free Trade Agreement (FTA) by the end of 2017. The decision was taken during Sri Lankan president Maithripala Sirisena's visit to Bangladesh recently. In order to boost the bilateral cooperation, a memorandum of understanding on economic partnership and 14 other agreements were signed between the two countries. ♦