BANGLADESH

RMG sector needs to focus on its intrinsic advantages

Bangladesh's competitiveness in global woven garment exports is under threat owing to increased dependence on fabrics import and a lack of proper policy on energy supply. As per the Export Promotion Bureau (EPB), export earnings from woven garments saw a 2.35% decline in the last fiscal to US$ 14.39 billion. Export earnings from woven garment products recorded a 2.35% decline in the last fiscal year to US$ 14.39 billion. On the other hand, it posted 4% growth in the first half of the current fiscal to the US $7.17 billion. During the same period, knitwear products earning increased by 11.47% to the US$ 7.6 billion. Longer lead time, poor backward linkage, the absence of value addition and modern technology and lack of proper policy support on gas and electricity connection are some of the concerns plaguing the industry.

This is because of a strong backward linkage industry. However, woven products manufacturers are highly dependent on import for fabrics, which costs more. As a result, export earnings from woven goods have seen slower growth and it is losing its strength in the global market. On the other hand, value addition of woven products is less than the knit products which led to lower prices. The country doesn't have manmade fibre, polyester and petrochemical strength.

CHINA

Chinese textile giant to open cotton yarn unit in Arkansas

The Shandong Ruyi Technology Group (Ruyi) of China recently announced plans to open its first North American factory in Forrest City, Arkansas. The new unit will create 800 jobs, and Ruyi will invest the US$ 410 million to renovate a former Sanyo manufacturing centre in the city. It plans to spin more than 200,000 tonnes of Arkansas cotton annually into yarn. The textile giant is scheduled to open in mid-2018. Arkansas is the fifth-largest cotton producing US state. Ruyi is likely to absorb almost all the cotton produced by Arkansas annually.

Forrest City's East Arkansas Community College will help train new factory hires. Ruyi will, therefore, have an initial workforce as well as a long-term source of skilled workers. Ruyi is the third company from China's Shandong province after Sun Paper and Pet Won Pet Products to announce plans to locate operations in Arkansas.

GHANA

Country to set up equipment hub for the apparel sector

Ghana's textile industry as part of efforts to seek ways to improve market access for under the US African Growth and Opportunity Act (AGOA), the Ghana Standards Authority (GSA) will establish an equipment hub as the tools needed for accurate measurement are expensive for manufacturers. GSA would also make dressmakers understand the importance of measurement.

This was announced by GSA Director General Alex Dodoo at a recent stakeholders meeting. A lot of Ghana's activities related to AGOA have been more technical, which did not materialise into business.

Since the introduction of AGOA in 2000, Ghana has been unable to make effective utilisation of the benefits from the preferential scheme to expand businesses, create jobs, and promote entrepreneurship. The United States renewed AGOA in 2015 till 2025.

A key factor inhibiting access to AGOA was lack of adherence to standards and GSA, as the national metrology institute, has the ability to support industry to adhere to world class standards.

Another crucial issue discussed at the meeting was of size to meet the demands of international buyers.

INDIA

CITI: India's textile sector on recovery

CITI Chairman Sanjay Jain said the textile sector which saw a major hit due to demonetisation, implementation of Goods and Service Tax (GST), rupee appreciation and high domestic cotton prices, is finally showing some signs of recovery.

The country's textiles and apparel sector are showing signs of recovery owing to rupee depreciation, pick-up in domestic demand and progressive policies of the government, Confederation of Indian Textile Industry (CITI) said.

CITI Chairman Sanjay Jain said the sector which saw a major hit due to demonetisation, implementation of Goods and Service Tax (GST), rupee appreciation and high domestic cotton prices, is finally showing some signs of recovery.

"Recovery is expected owing to the rupee depreciation, picking up of domestic demand and progressive policies of the government," CITI said.

According to Jain, the support extended by the government, including Rs 1,300 crore Samarth scheme for skilling, Rs 6,000 crore package for apparel and made-ups along with various state incentives, is expected to create a strong turnaround in textiles and clothing sector, and put the industry back on growth path.

He further said policy support by the government is urgently needed for stopping excess imports and refund of all duties and taxes on exports across the value chain.

"In the financial year 2018, the imports of textiles and apparel have touched US$ 7 billion, which is 16% higher than the last year value of US$ 6 billion," he said.

Moreover, Jain cited that embedded duties, which are in the range of 4 to 6 percent across the value chain are not getting refunded, terming it as is one of the key factors for the decline in exports apart from blockage of funds due to delay in the GST refunds.

He said the biggest game changer that could transform the industry and put it at par with competitors such as Vietnam and Bangladesh is a free trade agreement with EU, Australia, Canada and Britain for made-ups and garments.

IRAN

Textile machinery imports exceed US$ 300 million

Iran imported US$ 347 million worth of textiles and apparel production machinery and equipment during the nine months to December 21, 2017, said Director General of Textile and Clothing Department at the Industries Ministry.

Garment manufacturing facilities in Iran are outdated and need to be upgraded, as a result of years of international sanctions imposed on Iranian industries over Tehran's nuclear program.

According to Amin Moqaddam, a member of the Board of Directors of Iran Textile Exporters and Manufacturers Association, Iranian apparel production meets less than 30% of domestic demand. The value of Iran's apparel market estimated at US$ 11 billion.

Meanwhile, Iran exports apparel worth US$ 10 million every year. The main export destinations were Afghanistan, Iraq, Turkmenistan, Tajikistan, Kyrgyzstan, Pakistan, the UAE, Turkey, Oman, Azerbaijan, Kuwait, Armenia, Georgia, Yemen, Germany, the Netherlands, Canada, the UK, Lebanon, India, Norway, Japan, Spain and Australia. Last year's textile exports stood at US$ 48 million.

KENYA

Kenya looks to boost the local textile industry

Several East African countries have agreed to ban imports of second hand clothes by next year. Rwanda, Tanzania and Uganda have already started taxing them more heavily.

Its part of a move to try and boost local manufacturing, but in Kenya, many people don't want a ban. Across Nairobi, there are many street markets where shoppers rummage through piles of second hand clothes, bargaining for a good deal.

With prices ranging from as little as under a dollar to about US$ 5 an item, business is good. New clothes today are sometimes made from cheap material but we can rely on second hand clothes because of their affordablility and good, said Felista Nthenya, a street vendor.

Government figures show that in 2014, second hand clothing contributed US$ 95 million to the Kenyan economy that grew to US$ 128 million by 2016.

In 2015, East Africa imported more than US$150 million worth of second hand shoes and clothes, mostly from the US and Europe. But cheap imported clothing hasn't made it easy for the local textile market to grow- already struggling with poor facilities and lack of money.

The local textile industry has too few skilled workers and it's also impacted by illegal imports from Asia and the Middle East.

SWITZERLAND

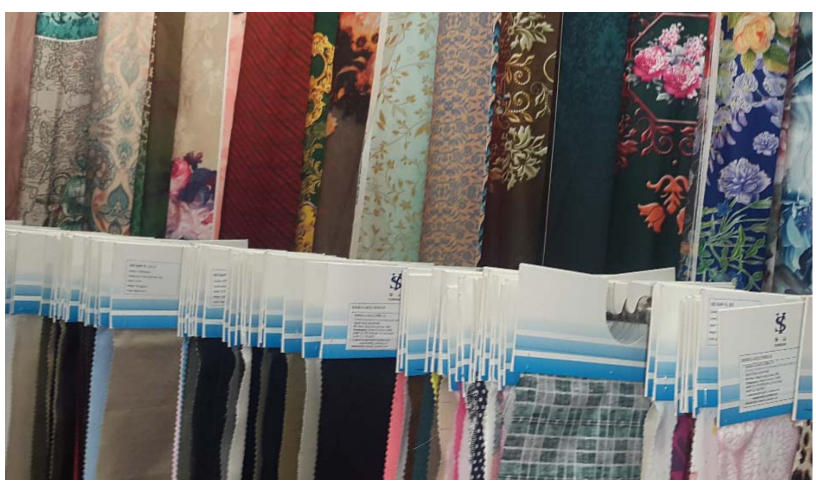
Water conservation techniques, need of the hour for global denim players

Denim mills and chemical manufacturers have been consciously making efforts to find new water-saving dyes, waterless or near-waterless processes or manufacturing facilities equipped with technology to reduce water consumption. Levi Strauss & Co says they are only responsible for about a tenth of the water consumed in the entire lifecycle of a pair of jeans.

Nuria Estape, Head, marketing and promotion of textile specialties at Swiss chemical company Archroma, points out water scarcity is unfortunately already a harsh reality in some parts of the world. The most responsible brands and players in the textile industry fully acknowledge this reality and, under their leadership, impetus and initiatives, the entire industry is slowly but surely turning to more sustainable practices.

Levi's created Water Less, a set of standards and tools that removed up to 96% of the resource from the denim finishing process. For instance, instead of using a lot of water and detergent to achieve a stonewashed look, Levi's discovered how to get the same result using ozone gas. Patagonia reduced its reliance on the resource by 84% after swapping out synthetic indigo dye for low-impact alternatives that adhere more easily to cotton. Similarly, Eileen Fisher worked with its Los Angeles jeans factory to develop two new washes, Utility Blue and Indigo, that both use 62% less water than the brands most intensive wash.

Meanwhile mills and suppliers are also taking initiatives. In line with this, Mexico-based mill Global Denim recently launched a zero-discharge dyeing process called Ecolojean that uses less water and energy than conventional methods required to dye one pair of jeans.



TURKEY

Global apparel giants to raise orders from Turkey

Many global apparel buyers, including Hermes Otto, New look, Colveta, Near East Manufacturing and Varnern have announced that they would increase their orders from Turkey by almost 20%.

Apparel exports of US$ 17 billion would increase to US$ 18 billion this year and would reach around US$ 25 billion in five years, said TGSD Chairman, HadiKarasu in a statement.

According to a report, Karasu and top domestic textile sector players stressed the importance of environment-friendly and quality products to make the rise in demand sustainable.

Country Manager Hayrettin Uysal of Colveta, which every year purchases US$ 46 million worth products from Turkey, said the company plans to raise that figure to US$ 75 million within five years. He said, Turkey's current share of their total purchases is 30%, stressing that they plan to increase this to 50%.

Hermes Otto aimed to increase purchases from Turkey to over US$ 115 million in 2018, a 7% growth. It was reported that Verner, one of the major buyers, would increase its apparel order from Turkey, currently US$ 63 million, by 5% to 10% this year. Near East Manufacturing, on the other hand, is ready to increase its US$ 100 million order by 10%.

UZBEKISTAN

Chinese investment into Uzbekistan's textile

Textile industry has registered a rise and has exceeded US$ 200 million, according to the country's Association of Textile and Clothing and Textile Industries Enterprises, or Uztekstilprom, whose top executives recently met Chinese Ambassador to Uzbekistan Jiang Yan.

Uztekstilprom offered the Chinese side information on completed and running projects in which Chinese companies like Jinsheng group.

Nanyang Mulanhua, Marjan Investment Group, have participated the two sides also discussed bilateral cooperation in the textile sector, expansion of Chinese investment in Uzbekistan and increase in trade turnover between the two countries.

The Chinese side invited representatives of the Uzbek textile sector to participate in the 'Expo China 2018' scheduled in November and the Uzbek side invited the Chinese to take part in 'UzTextile Expo 2018' and 'Uzbekistan Textile Conference' in Tashkent in September, 2018.

VIETNAM

Country earned US$ 31 billion from textile and garment exports in 2017

Despite facing many challenges in the first two quarters of this year, with orders from importers falling sharply and the US being Vietnam's biggest export market for textile and garment is withdrawing from the Trans Pacific Partnership (TPP).

The Vietnam has earned US$ 31 billion from textile and garment exports in 2017, a year-on-year increase of 10.2%, and posting a trade surplus of US$ 15.5 billion for the first time ever.

Chairman of the Vietnam Textile and Apparel Association (Vitas) Vu Duc Giang said VIR that the year of 2017 was a tough year, but Vietnamese textile and garment sector made a breakthrough, turning over last year's falling US$ 2 billion short of meeting the annual export target of US$ 30 billion.

With the impressive result, Vietnam ranks as the world's 26th textile and garment exporter (in terms of turnover) as well as made huge contributions to Vietnam's export picture.

In 2017 Vietnam's export turnover reached US$ 213.77 billion, up 21.1% compared to the previous year, the highest-ever increase. In this, the domestic sector contributed US$ 58.53 billion, an increase of 16.2%, while foreign-invested enterprises posted an import-export turnover of US$ 155.24 billion, up 23% year-on-year.◆