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Sommaire / Summary

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Pilot production begins at Algeria-Turkey textile factory

March 20, 2018 at 12:45 pm | Published in: Africa, Algeria, Europe & Russia, News, Turkey

March 20, 2018 at 12:45 pm

The Algerian Ministry of Industry and Mines announced yesterday the beginning of a one month pilot production phase at the country's largest textile factory in a joint venture with Turkey.

The ministry said in a statement that the factory began work on Thursday at a production rate of 20 tonnes per day and will produce textile yarn during this period.

The factory's working system will gradually move to three teams per day (8 hours per team) with a production capacity of 20 tonnes per team or 60 tonnes per day.

The factory will be built over an area of 250 hectares in Sidi Khattab, in the north western province of Relizane, and includes eight units which will produce various types of textiles under the project's first phase.

According to the ministry statement the second phase of the project will include 10 factories that will produce ready-made garments, industrial fibres, denim, and knitted and woven fabrics.

The Algerian joint venture called Tayal owns 51 per cent of the project divided between the Algerian public enterprises Apparel and Clothing, which own 30 per cent of the project, and Texalg, which owns 21 per cent. The remaining 49 per cent is owned by the Turkish company, Intertay, a subsidiary of the Turkish group Taypa.

The Algerian Minister of Industry and Mines, Youcef Yousfi, said earlier in January that 40 per cent of the production would meet domestic market needs and 60 per cent would be exported.

News

Do you know who made it? Young Asians campaign to stop slavery

By **Reuters/Beh Lih Yi** March 28, 2018 | 03:21 pm GMT+7

Vietnamese workers at the Chien Thang (Victory) Garment Company tailor jackets for export to the United States in Hanoi. Photo by Reuters/Kham

A rise in spending power in Asia has driven up the demand for cheap labor making products that range from garments in Bangladesh to shoes in Cambodia and Vietnam.

Young campaigners in Asia are taking to social media to urge their peers to think twice about purchasing products from T-shirts to phones, as part of a campaign to end modern slavery.

About 40 million people are trapped in slavery around the globe, and it is most prevalent in Asia, according to the International Labour Organization (ILO) and the charity Walk Free Foundation.

A rise in spending power in Asia has also driven up the demand for cheap labor in factories making products that range from garments in Bangladesh to shoes in Cambodia and Vietnam.

Young consumers are now being urged to pressure manufacturers to end the exploitation of workers under a campaign called "Do you know who made it?", which was launched on Tuesday in Bangkok by IOM X.

The group is backed by the International Organization for Migration and the United States Agency for International Development.

"We need to ask ourselves: is this product important to us and can we shop better?" said Kamonnart Ongwandee, a 26-year-old Thai designer who promotes ethical fashion on her blog.

"Behind the fashion you see on all the glossy magazine covers, there are stories of someone being exploited."

Surabot Leekpai made a video showing how a T-shirt with the slogan "Happy" was made under sweatshop conditions, which he shared with the nearly 5 million followers of his YouTube channel.

"Before all these products get into our hands, there are so many stories behind them," said the 30-year-old Thai YouTube star, better known as Pleum, at the campaign launch.

Illegal profits from forced labor in Asia, including those from the manufacturing sector, total an estimated $52 billion per year, according to ILO figures.

People employed in manufacturing often work excessive hours, are underpaid, live in substandard housing and have their documents withheld to prevent them from leaving their jobs, according to IOM X.

"It often leaves them not better off than where they started," said IOM X programme leader Tara Dermott.

Bangladesh minimum wage board seeks proposals by Apr 25

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Mar '18

The Minimum Wage Board for the garment industry in Bangladesh has asked the representatives of the workers and factory owners to submit their proposals by April 25. The directive came at the board's first meeting presided over by its chairman Syed Aminul Islam last week. It was formed on January 13 to formulate a minimum wage structure within six months.

Inflation, living standards, risks, cost of production and the capacity of the owners will be taken into account to set the minimum wage, Bangladesh media reports quoted Islam as saying.

The board will send its recommendation to the government as soon as possible, he said.

Several trade unions staged demonstrations in front of the board's office demanding taka 16,000-18,000 as the minimum monthly wage while the meeting was under way.

In 2013, the minimum wage was set at taka 5,300 with a basic starting wage of taka 3,000 for entry-level garment workers with a 5 per cent annual raise. (DS)

2:00 AM, March 22, 2018 / LAST MODIFIED: 11:51 AM, March 22, 2018

Most garment workers have no contract:Survey

Star Business Report

More than 72 percent of the garment workers in Dhaka and Gazipur do not have any appointment letters, according to a survey conducted by Manusher Jonno Foundation, a non-governmental organisation.

The picture is slightly better in Chittagong and Narayanganj: 59.49 percent of the workers do not have contracts in their hands.

“All they can show is their identity cards,” said the report titled 'Garment Workers and Rights'.

MJF surveyed 770 workers in Dhaka, Chittagong, Gazipur and Narayanganj for the study, which was unveiled yesterday at the capital's Spectra Convention Centre.

The sector employs nearly 40 lakh, 80 percent of whom are women.

Having a contract is important for garment workers when it comes to making claims, especially in cases of workplace accidents like the Rana Plaza collapse and Tazreen Fashions fire, said Mahmudul H Sumon, an associate professor at Jahangirnagar University.

Contacted, Siddiqur Rahman, president of the Bangladesh Garment Manufacturers and Exporters Association, however, denied the allegation.

"It is mandatory for all BGMEA and BKMEA factories to provide appointment letters to their workers," he added.

Sumon, a key member of the survey, said the research aimed to raise awareness about worker rights.

According to the report, 82.9 percent of the workers in Chittagong and Narayanganj said they have never encountered any sexual violence in factories.

However, they shared many stories of harassment and violence in the factory floor during open discussion.

They reported about "very bad" behaviour from supervisors, production managers or general managers and the use of expletives for any mistake as "normal" at work.

Female workers are more exposed to such harassment, the report said.

"For delays in completing work or faults, the slurs come out so hard that they are difficult to pronounce."

Generally, workers did not mention such behaviour as harassment.

For them something as intimidating as bodily violation or rape attempt were seen as sexual harassment or violence, the report said.

The survey did not incorporate any quantifiable data on sexual harassment in Gazipur and Dhaka.

MJF Executive Director Shaheen Anam said those who are involved in laborious work like in the garment sector are usually neglected in Bangladesh. Although things are changing due to formulation of the labour law, more needs to be done for the sector to flourish properly, she said.

Accommodation and transportation problems of female garment workers have to be addressed properly, she added.The report says 28.4 percent of the workers in Dhaka and Gazipur and 35 percent in Narayanganj and Chittagong are under the impression that they can be terminated from their jobs without any notice.

Only 35.7 percent of the workers in Dhaka and Gazipur said they have seen government factory inspectors in their premises and 60.3 percent in Narayanganj and Chittagong.

Some 83.9 percent of the survey respondents in Dhaka and Gazipur and 84.1 percent in Narayanganj and Chittagong said they are paid overtime for any extra hours at work.

In Dhaka and Gazipur, 28.7 percent workers said they get maternity leave for four months. In Narayanganj and Chittagong, the figure was 61.8 percent.

Only 15.7 percent of the workers in Dhaka and Gazipur said they are somewhat aware of the labour law; in Narayanganj and Chittagong, the percentage is 24.6 percent.

Only 5.1 percent workers have reported to have participated in some kind of trade union activities in Dhaka and Gazipur.

In Narayanganj and Chittagong, 89.8 percent of the workers said they had no relation with trade unions.

"Workers need to know the existing provisions of the labour law to become aware of their rights," MJF said in the report. By even South Asian standards, the unionisation rate in Bangladesh is very low.

Salary should be provided as per the government's garment sector wage board decisions and a separate monitoring body should also be installed by the labour and employment ministry, it added.

State Minister for Labour and Employment Mujibul Haque Chunnu said the ministry will modernise the labour law by amending the provisions that go against the workers' interests.

The government will be building two specialised hospitals in Gazipur and Narayanganj for low-cost treatment of the workers, he also said.

KHMER TIMES

March 29, 2018

PM predicts at least $250 per month for garment workers in 2023

Mom Kunthear / Khmer Times Share:

Prime Minister Hun Sen meets with garment workers yesterday. KT/Ven Rathavong

Prime Minister Hun Sen announced yesterday that in 2023 garment and footwear industry workers can expect a minimum wage of at least $250 per month.

Speaking to thousands of garment workers in Phnom Penh's Por Senchey district yesterday, Mr Hun Sen said that in 1997, Cambodia had only 64 factories with more than 80,000 workers who earned only $40 per month.

He added that now there were more than 1,100 garment and footwear factories where workers earned $153 per month in 2017 and $170 starting this year, which could add up to more than $200 including other benefits.

"If we compared the wages of workers last year and this year to other countries, we see that Cambodia's wages are higher than some countries such as Bangladesh, Sri Lanka, India, Myanmar, Indonesia, Laos and Pakistan," he said.

"The income of workers seems to increase every year, but we have to think about the risks. If we do not have serious measures, the factory will move to a country with a lower salary than Cambodia and then the government will lose more than $40 million a year, but the wage for workers still must be increased every year."

The premier added that the CPP political platform to be implemented in 2019-2023 outlined approximate figures for the minimum wage of garment workers.

"According to economists' estimates, in 2023 the minimum wage for garment and footwear industry workers will be no less than $250 per month," Mr Hun Sen said.

"I emphasize that in order to assure more and more income, workers have to ensure peace. Our stomach problems are very important," he added, meaning that when workers protest they lose income and have less to spend on food.

Kaing Monika, deputy secretary general for the Garment Manufacturers Association in Cambodia, said yesterday that the wage level would adjust itself to the labour market, which would help ensure survival and competitiveness of the Cambodian private sector in general, not just for the garment and footwear sector.

"Of course, it's a big concern for our labour intensive industry. I think it might be more appropriate and practical to a larger extent to let the market economy decide on the wage level rather than trying to regulate it so much. It's the economy that will pay, not the law," he said.

"I'm afraid we would price ourselves out, unless we could continue to maintain smooth and harmonious industrial relations between the management and the workers together with upgraded skills and competency as well as move up the value chain of our products."

Mr Monika added that all forms of support from the government would be of utmost importance, particularly in terms of a reduction in the cost of doing business.

Far Saly, president of the National Trade Unions Coalition, supported the plan of increasing garment workers' wages and said he thought they should get between $200 and $210 per month in 2020.

“We are in a situation where we compete with other countries, so we cannot demand more than the affordability of providers, but we still demand increased wages for workers,” he said.

He added that workers could live decently with a minimum wage of $200 per month, which would be between $250 and $270 combined with other benefits.

KHMER TIMES

March 19, 2018

Canada praises progress in factory labour conditions

May Kunmakara / Khmer Times Share:

Women working at a garment factory on the outskirts of Phnom Penh. KT/Mai Vireak

Donica Pattie, Canada's Ambassador to Thailand, Cambodia and Laos, on Friday lauded Cambodia's recent advancements in factory labour conditions, which she said might prompt Canada to increase purchases from Cambodian textile manufacturers, according to a high-ranking Cambodian official.

Ms Pattie, who is based in Bangkok, met this week with Ith Samheng, the Cambodian Minister of Labour and Vocational Training, in Phnom Penh.

According to Mr Samheng, the ambassador said the kingdom continues to be one of Canada's biggest suppliers of textiles, and, in light of recent positive developments in factory working conditions, her government plans to strengthen that relation.

“Canada values our efforts in this regard and considers Cambodia a role model when it comes to improving labour conditions,” Mr Samheng said.

“They have discontinued orders from other countries that do not abide by international labour standards, but they will continue their relation with us,” he said, hinting also at the possibility that Canada might increase orders in the near future.

“If we continue on this path, they could even increase the amount of orders they place with Cambodian manufacturers.”

A report released last month by Better Factories Cambodia (BFC), a programme of the International Labour Organisation, found that compliance in the garment industry with working conditions regulations has improved substantially in the last four years.

Kaing Monika, deputy secretary general at the Garment Manufacturers Association in Cambodia, told Khmer Times that with the help of the International Labor Organization and its BFC programme the lives of workers in the garment industry have improved substantially in recent years.

“There’s been a remarkable improvement in working conditions and rights, such as full freedom of association and the right to collective bargaining,” he said.

“Developments in social security and the regular wage adjustment on an annual basis are also positive points for the workers. This would continue to ensure our preferential access to the EU market.”

According to Mr Samheng, to date Canada has purchased more than $90 million in Cambodian textile products.

1,210 exhibitors participate in Chic Shanghai

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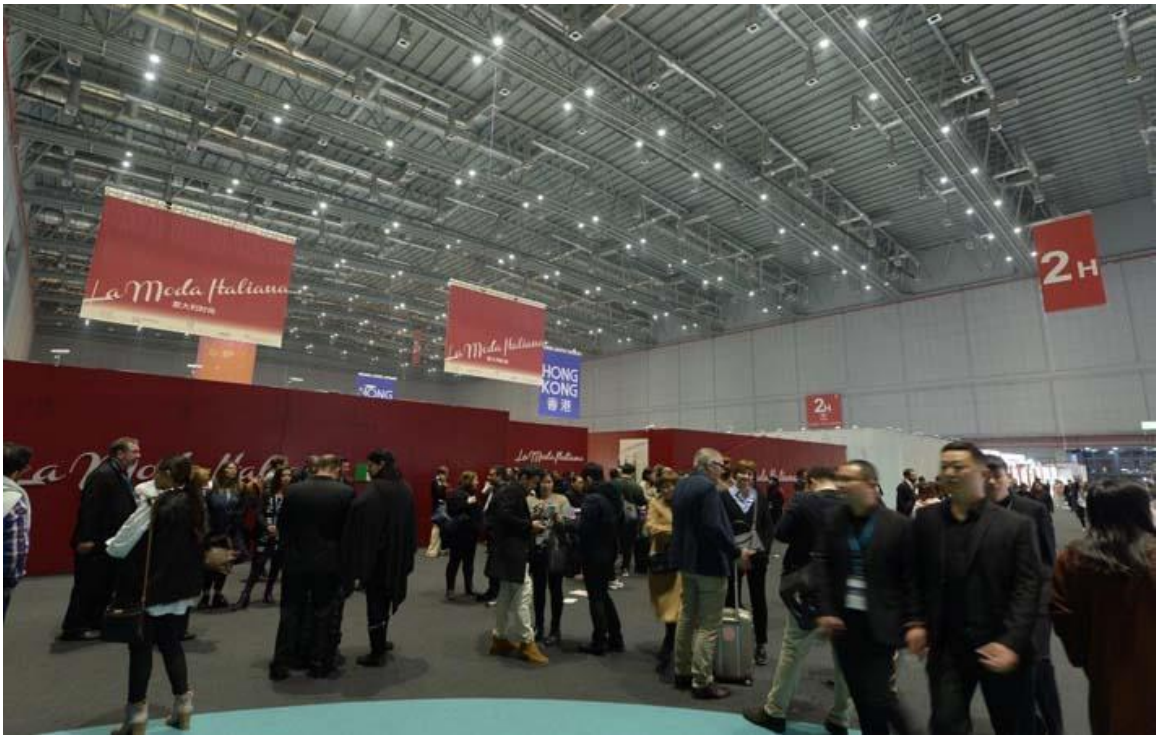
Mar '18



Courtesy: Chic

As many as 1,210 exhibitors from 21 countries and regions participated in the spring edition of Chic Shanghai 2018. More than 112,000 visitors from all business channels including leading department stores, shopping malls, multi-brand stores, agents and distributors among others, attended the three-day international event held in Shanghai.
"The consumers in China develop rapidly, `consumer upgrade´ is the keyword, the Chinese market is consumer oriented, in demand is an individual young style. The offer has to adapt to the needs of this target group, the industry has to become even more innovative and face the technological challenges," Chen Dapeng, president of Chicand executive vice president of China National Garment Association.

The international exhibitors in the Fashion Journey area of the exhibition came from Brazil, Denmark, Germany, France, China Hong Kong, India, Italy - with 40 exhibitors again the biggest European participation - , Japan, Korea, Peru, Poland, Sweden, Spain, China Taiwan, UK. They expressed their satisfaction with their participations and recognize the potential of the Chinese market. The Polish Investment and Trade Agency participated for the first time in Chic with its national export program 'go-to-brand'. Polish kidswear designer brands participated in the programme and exhibited at Chic.

Chic Shanghai is designed as a global platform for the fashion industry and fashion trade and integrates all resources that are relevant to a successful development of the fashion business in China. Showing at the leather and fur area Heritage, the International Fur Federation (IFF) presented itself for the first time with international producers such as the auction houses NAFA and SAGA. Turkey was again represented under the roof of IDMIB / ITKIB by ten companies. Young brands in the Chic Young Blood area like Monkey King with manga style shirts or JPE, a trendy street style brand with a traditional Chinese dragon being its mascot, made more than 300 contacts, Chic press release said.

"We visit Chic Shanghai every time, for us it´s a very important platform for trend information and also to find European brands that we can introduce to the Chinese market," said Wen Liu, CEO Jesery from Wuhan, representative of Canadian designer brand JAC.

"Our company is a family business that is now lead by the 3rd generation. We have participated in Chic very many times, already for 5-6 years. In March we show our winter collection. Orders are usually placed in Paris or our Beijing showroom that we opened last year. But this time at Chic, we received orders in high amounts, too. Parallel we look at Chic out for new clients and we sure met some very interesting new customers so that the fair was good for us. Our new collection was very well received by the visitors," Maxime Zheng, chief representative of Maison Lener,

"Spending on kidswear is high in China, we see great potential for our kidswear brand in this market here. We already have interested parties from China, which we won at the Paris fairs and that sell our collection in multi brand stores in Shanghai. Here, at Chic we hope to find new customers and to expand our distribution in China," Kukukid, Poland, Maja Kubit-Orzegowska, owner.

The autumn edition of Chic is scheduled to be held from September 27-29, 2018. (RR)

March 28, 2018 12:45 pm JST

China's high costs push clothing maker Adastria to Southeast Asia

Manager of Global Work and Lowrys Farm stores wants 30% production in the region

YOSHIHIRO HARA, Nikkei staff writer

A worker sews a garment at a factory in Myanmar. Adastria plans to shift more of its manufacturing and procurement to Southeast Asia.

TOKYO -- With fewer young Chinese available to work in factories and environmental regulations in the country becoming tougher, some manufacturers, like Japanese casual clothing retailer Adastria, are shifting their focus to Southeast Asia, where production costs are significantly lower.

Adastria, which manages stores for brands such as Global Work and Lowrys Farm located mainly in shopping centers, says rising labor costs in China are squeezing profits. By working closely with partner plants in Southeast Asia, the company expects to trim costs by increasing purchases of materials locally while maintaining product quality.

In partnership with others, including a Chinese fabric manufacturer, Adastria has established an integrated production system in Southeast Asia that handles everything from procurement of materials to sewing. Earlier this year it started procuring yarn in Vietnam, Thailand and Indonesia. It plans to sell the first batch of garments produced under the integrated system as soon as the coming autumn and winter season.

The company currently depends on China for about 80% of its production, but aims to double the ratio of Southeast Asia to 30% in two or three years.

Most materials used in the company's Southeast Asia production are now procured from China, with Southeast Asia accounting for only 10%. The company wants to increase this to as much as 20% within two or three years, reducing the time and costs needed for transport.

The company, which ran 1,275 stores across Japan as of the end of February, expects group operating profit of 5 billion yen ($47 million) for the current year through February 2018, down 66% from the previous year. It blames the weak performance on slow sales to young women and rising costs of procurement related to shorter delivery times.

Among other Japanese apparel firms, Matsuoka Corp., which supplies products to Fast Retailing's Uniqlo chain of casual clothing stores, is expanding production capacity in Myanmar. Uniqlo's sister brand, GU, produces clothes primarily in Cambodia, where labor costs are significantly lower than in China.

FASHIONUNITED NEWS JOBS NETWORK EVENTS DATA TRENDS IN

Opportunities & obstacles for fashion companies looking to do business in China

Esmerij van Loon Friday, 23 March 2018

A visit to fashion fair Chic in Shanghai is an overwhelming experience. Everything is big and hard - from the four hundred thousand square metre exhibition floor, to the hermetically closed off pavilions with droves of people waiting in front of them, the huge language barrier, the more than 1200 exhibitors, the staggering amount of a hundred thousand visitors and the pumping music which blares at you at every stall - it is astounding.

Then a conversation, with the help of an interpreter, goes something like this: "When did you start your fashion label?" "In 2015."
"And in how many shops is it now sold?"   "Approximately 9000."

Anyone looking for opportunities in this market must have their feet planted firmly on the ground so that they do not immediately jump on a plane home when they hear such vast numbers. Western clothing brands are still held in high regard in China, says Chen Dapeng, manager of Chic Shanghai and executive vice-president of China National Garment Association. “This is their advantage over local labels.” However, the Chinese often find the western brands from the middle segment far too expensive.

The Chinese consumer has more money to spend than they did five years ago, but he is careful with his spending. Local products are good and often much cheaper than what is imported from far away Europe. In addition, the offer has grown exponentially within a short time. Chinese clothing manufacturers have adapted their business models and have set up their own labels in addition to their production activities. They are able to leverage the knowledge they have gained over the past few decades producing apparel for western companies to create their own in-house brands. New, local brands are no longer seen as inferior to labels from the west in regards to quality, design, and fit. Or as Chen Dapeng puts it: “There is no good brand without good production.”

Take the young Chinese brand Wemely which exhibited this season at Chic Shanghai. Wemely offers a complete apparel collection for ladies and during Chic it presented a line with long, supple, ladies’ coats of high-quality cashmere in beautifully muted colours. At first glance, Wemely could easily be compared to a brand like Max Mara. The difference is that the Italian Max Mara is an iconic name, even in China, with the related heavy price tag. Wemely's coats, on the other hand, are sold online via Tmall for less than 400 euro. Upon request, again with the aid of an interpreter, the representative of Wemely explains that the brand is not just looking for new retail customers at the fair. By presenting its new in-house collection, the manufacturer behind Wemely is also showing its expertise in order to attract new customers for its production capabilities. The production and own label activities of Chinese companies enhance each other.

Own brands and own stores

Western players, in search of wholesale customers come across another new phenomenon in China: multibrand retail, in Europe synonymous with a unique brand mix curated by a well-informed independent entrepreneur, has developed very differently in the country. Here, the Chinese manufacturers have opened 'multibrand' shops where they offer their own brands for sale. With the aid of investors, successful multibrand store concepts are then rolled out on a large scale, resulting in hundreds of similar multibrand stores.

The question remains what do Western fashion companies aim to achieve in China. The number of 9000 stores previously mentioned above initially sounds bizarre and cannot be immediately verified by a foreign journalist, but with a total population of 1.4 billion - the city of Shanghai has a total population of 25 million people alone - it is slightly easier to imagine. The manufacturer in question, Semir Garment Co., now has twelve brands in various segments such as Gson for men and Balabala for children. With regards to size, Semir can be compared to the Spanish Inditex group which, with eight brands, has about 7500 shops worldwide. “However”, says Chen Dapeng, “the collective market value of the hundred largest Chinese clothing companies listed on the stock exchange of Shanghai is only twice as high as that of Inditex.”

Chinese company Ruyi Group showcased all its fashion brands in a large, open stand at Chic Shanghai.

Yet a Western brand does not need to think in terms of such numbers in order to be successful in China. Rose Chen, sales manager of the luxurious Italian shoe brand Spernanzoni, says: “Spernanzoni only has a handful of sales outlets in China, but the brand is for sale in the best shops such as SKP in Peking and Lafayette in Shanghai. We sell considerable volumes there and China, along with Russia, is the most important growth market for the brand.” In homeland Italy and in Europe Spernanzoni is barely growing. The second, lower-priced brand Il Gerco is more successful there.

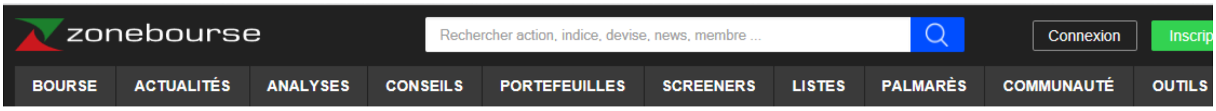
Birgit Rieker, CEO of the well-known German lingerie brand Escora, has a stall with the brand for the first time in Chic Shanghai and is doing this - as she puts it herself - ‘with an open mind’. “Escora is already sold in China, we have retail customers here, but they bought the products at the lingerie fair in Paris.” Rieker has an opt-out: “I have the feeling that China exports more than it imports at present and I can imagine that the Chinese retailer may find our brand to be too expensive."

Chic Shanghai also paid (limited) attention to traditional handicrafts.

“The Western *lifestyle* is still appealing to Chinese consumers”, says Chic Shanghai manager Chen Dapeng. “In the past, European exhibitors sometimes complained to the fair organizers that they did not obtain enough orders at the fair, but I think that companies that want to be successful in the Chinese market must take a more flexible attitude. By not sticking to a minimum number of orders, for instance.” He is also a supporter of collaboration with local companies. However, Chen Dapeng also observes a change in the market. “The interest amongst Chinese consumers for local products is growing and the second generation of manufacturers is starting to realize a radical turnaround. They study in Europe and later return to China in order to further improve the factories of their parents and the resulting collections.” In five years, this market will have changed radically once again”.

FashionUnited was invited by the organisation to visit Chic Shanghai

All the photos: FashionUnited



Coton: Le cours recule, prudence face aux risques de guerre commerciale

23/03/2018 | 19:58

NEW YORK (awp/afp) - Le cours du coton coté à New York a un peu reculé cette semaine, les courtiers restant prudents face à la montée de tensions protectionnistes entre les Etats-Unis et la Chine après l'annonce de sanctions américaines.

Donald Trump a déclenché jeudi une nouvelle offensive commerciale contre la Chine en annonçant jusqu'à 60 milliards de dollars de mesures punitives sur les importations venant de son partenaire.

Ces sanctions "marquent le coup d'envoi de ce qui pourrait dégénérer en guerre commerciale et mettre l'économie mondiale sens dessus-dessous", ont observé les analystes de Plexus Cotton.

Le directeur général de l'Organisation mondiale du commerce (OMC) a averti vendredi les Etats que l'imposition de nouvelles barrières douanières mettrait "en péril l'économie mondiale". Car la Chine a aussitôt répliqué aux Etats-Unis en annonçant vendredi des mesures de rétorsion sur 128 produits américains comprenant les fruits, l'éthanol et le porc, puis en affirmant que des mesures pourraient être prises sur ses achats de bons du Trésor américain. Mais rien sur le soja ou le coton pour le moment.

"Les options de la Chine sont limitées pour trouver des alternatives au soja. Mais elles seraient plus simples pour le coton dans la mesure où la Chine a considérablement réduit ses importations ces dernières années et peut également se rabattre sur des stocks nationaux importants", ont affirmé les analystes de Commerzbank.

Les ventes américaines à l'étranger se sont quant à elles montrées stables la semaine dernière selon les chiffres hebdomadaires du département américain de l'Agriculture (USDA). Pour la semaine achevée le 15 mars, ces ventes ont été de 338.400 balles, soit une petite décélération de 3% par rapport à la moyenne des quatre semaines précédentes.

La livre de coton pour livraison en mai, le contrat le plus actif sur l'Intercontinental Exchange (ICE), a fini vendredi à 81,83 cents contre 82,85 cents à la clôture vendredi dernier (-1,23%).

L'indice Cotlook A, moyenne quotidienne des cinq prix du coton les plus faibles sur le marché physique dans les ports d'Orient, s'affichait à 91,95 cents les 100 livres jeudi, contre 92,85 dollars la semaine précédente (0,98%).

egypt today

A laborer works at a textile mill in Mahalla el-Kubra, about 110 km north of Cairo - Reuters/Mohamed Abd El Ghany

Textile exports record $62M in January

By: Hanan Mohamed
Wed, Mar. 28, 2018

CAIRO – 28 March 2018: Exports of the Egyptian textile sector decreased 4 percent during the first month of 2018, recording $62 million, compared to $64 million in January 2017, according to the Egyptian Textile Export Council.

Egypt adopts a strategy to become a center for textile manufacturing during the upcoming years through the issuance of industrial lands to expand the construction of textile and already made clothes' factories.

Ministry of Industry and Foreign Trade constructed two cities for textile in Badr City during 2017, in addition to building the largest textile and clothing city in Egypt, in cooperation with a Chinese company, on a land of 3.1 million square meters located in Sadat City in Menoufia governorate.

The largest city will be completed by 2024. The construction of the first phase has started in March 2018 and will be ended by 2020; the first phase will include 57 factories.

Minister of Industry Tarek Kabil announced earlier that he is working on improving the national components to be able to replace the imported products with Egyptian ones and to raise the quality of textile in the coming years.

Generally, the strategy of regulating the imports and supporting the exports led to an 11 percent increase in the Egyptian exports in 2017, reaching $22.4 billion. It also targets to increase the exports to $25 billion in 2018.

Egypt's non-oil exports rose 10 percent in 2017 to $22.42 billion, up from $20.41 billion in 2016

Here's Where Ethiopia Has Reached in Building up its Apparel Supply Chain

by Tara Donaldson

Posted on March 26, 2018 in Feature, Trade

Photo credit: TRAID

Ethiopia knows its current potential for apparel sourcing, and it's working to build up the more robust supply chain necessary to reach that potential.

Benefitting greatly from the attention major companies like PVH and H&M have brought to the country in their moves to establish supply chains there, Ethiopia has been top of mind when it comes to talk of sourcing in Africa.

But, as some have noted, the country is not quite yet ready to accommodate the demands of the modern-day apparel supply chain, where speed is vital and verticality is necessary to deliver it.

"Right now, we more or less have every supplier in the supply chain, but not with the quality level we need, particularly on the accessories," said Abebe Abebayehu, deputy commissioner for the Ethiopian Investment Commission, during an interview at Sourcing at MAGIC.

As such, the Ethiopian government has placed an emphasis on bringing in more fabric manufacturers, more that make interlinings and more suppliers for things like zippers and labels to complete the sourcing ecosystem.

“I think within 12 months or so we should have a fully integrated supply chain,” Abebayehu said. “We are very proactive in our approach.”

Ethiopia’s ascent as an apparel making nation has been a quick one, fueled in large part by major companies’ commitments to developing manufacturing capabilities there.

For Roy Ashurst, international consultant for textiles and apparel, who led PVH’s mission to establish sourcing in Ethiopia, the country showed potential when he first visited in 2012—thanks to its low-cost labor, some of the cheapest renewable energy in the world and a government on board with expanding on Ethiopia’s manufacturing potential—but there was little there at the time.

“Before I got there, H&M was there, and after six years they were only working with one factory because they couldn’t find the factories that could meet their standards,” Ashurst said.

So PVH, in its desire to reduce dependency on Bangladesh for manufacturing, set out to build a supply chain in Ethiopia.

“We didn’t just want to build factories. What we wanted was to build a sustainable, compliant supply chain,” Ashurst said.

PVH focused on working with three of its supplier mills that were interested in doing something in Ethiopia, and in partnership with the government and other donor groups, broke ground on the Hawassa Industrial Park in 2015, finishing it in 2016. And things have been fruitful since then.

“We’ve taken Ethiopia from less than $100 million in 2016 to potentially $1 billion in 2018, and the objective now is $30 billion by 2025,” Ashurst said.

China, long considered the world’s manufacturer, has been part of fueling that growth, as major manufacturers from the country have been keen to establish operations in Ethiopia. Jiangsu Sunshine Group, one among them, is investing upward of $945 million to set up a wool factory in Ethiopia. China’s Kingdom, one of the world’s largest linen suppliers, has also made its way to Ethiopia. For cotton textiles, China’s Wixu Jinmao is there too.
Why the extra interest from China?

According to Ashurst, “Local demand in China means they don’t have capacity to export anymore. They are not closing down their businesses in China, they are using their mills in China to produce for the local market and they are building new mills to support their exports.”

Wuxi Jinmao is the investing Chinese parent for JP Textiles, a mill that became operational in the Hawassa industrial park last July and became fully operational in January. The facility can now produce 900,000 yards of yarn dye fabric each month. And that number is expected to increase substantially once the company completes phase two of its development in about a year’s time.

“It’s all geared to support the wide range of fabric demand of manufacturers who are in the industrial park as well as in other AGOA countries,” William Narva, director of strategic planning and business development for Wuxi, said. “We could reproduce the same ranges in

Ethiopia that we produce currently in China. This does not replace our China production, this complements it."

For JP Textiles, the biggest opportunity in Ethiopia has been the duty free trade status it enjoys with the U.S. under the African Growth and Opportunity Act (AGOA) and with the European Union as part of its Everything But Arms trade privilege program.

What's more, Narva said, "By investing in fabric production to complement the garment production, it largely offsets concerns that any customer might have about longer lead times in terms of fabric transit from other countries to Ethiopia."

Beyond being able to improve lead times, there was a lot that made Ethiopia a draw for China's Sunshine Group.

"Ethiopia now has a rich labor source and they are duty free to developed countries—to the U.S., EU, Japan—and these are our main markets, so I think this is also the big advantage for Ethiopia," said Sunshine's Henry Jiang, who works in the company's foreign trade department. "Made in China now is not cheap anymore, the cost in China has become higher and higher, so I think this is the main reason we want to invest in Ethiopia to be more competitive."

Sunshine's Ethiopia setup is still under construction and expected to be complete by the end of this year. Once fully operational, the facility will be able to produce 10 million meters of worsted wool fabrics and 1.5 million sets of suits.

"That will mean almost every major fabric manufacturer will have a fabric mill in Ethiopia," Abebayehu said. "We have almost everything that Bangladesh has plus a stable government."

Now, for Ethiopia, it's just about filling in the blanks in its supply chain.

"We're trying to get all the support in place," Ashurst said. "I don't want to have my fabric come from 50 meters away and then have to import labels from China."

If the country's growth in manufacturing thus far is any indication of where it's headed, it may not be long before Ethiopia has everything the industry needs.

"From 2014 to where we are in 2018 in terms of building an industry is no time at all," Ashurst said. "We turned sourcing on its head. It's a brand-drive initiative partnering with the government and that's really what's made the difference. That's why Ethiopia will overtake every other country in terms of exports."

Bonobo fait un pas de plus vers l'écoconception

JEAN-NOËL CAUSSIL. |
BONOBO, GROUPE BEAUMANOIR, MAGASINS & ENSEIGNES
Publié le 26/03/2018

L'enseigne du groupe Beaumanoir propose Jean vert, une gamme de neuf modèles 100 % écoconçus, avec un impact moindre sur l'environnement.

Une campagne de pub 100 % digitale Pour lancer cette gamme, Bonobo dispose depuis le 1er mars d'un film publicitaire d'une minute, réalisé par l'agence Steve. Diffusée avant un contenu vidéo sur les plates-formes YouTube ou Dailymotion, mais aussi avant des programmes télé en différé et, bien sûr, sur Facebook et Twitter, cette campagne met en scène des millennials et leur rapport à la nature.

Les chiffres :

- 372 le nombre de magasins Bonobo accueillant cette gamme Jean vert.
- 2022 Bonobo affiche sa volonté de proposer, d'ici à 2022, 100 % de jeans écoconçus dans ses boutiques.

Source : Bonobo

Bonobo se met au jean « vert ». Quoi ? Un article pour simplement annoncer une nouvelle teinte de couleur chez la marque-enseigne de Beaumanoir ? Évidemment pas. Ce qui est « vert » avec ce jean, c'est son impact environnemental ! 100 % écoconçue, cette gamme nommée Jean vert voit sa fabrication entièrement repensée, depuis la matière première utilisée jusqu'aux méthodes de délavage. L'objectif ? « Moins d'énergie, moins de produits chimiques et moins d'eau », affirme-t-elle.

En tout, neuf modèles sont proposés dans cette collection, cinq pour hommes, quatre pour femmes. « Nous sommes convaincus que les produits iconiques de la marque peuvent être soucieux de l'environnement », commente Xavier Prudhomme, directeur général de Bonobo. Et on est loin d'un simple coup marketing, tant la marque-enseigne du groupe Beaumanoir est active depuis longtemps sur ce créneau : dès 2012, l'enseigne proposait une gamme écoresponsable de jeans, baptisée Instinct, avant, trois ans plus tard, de miser sur Rebirth, une collection faite de jeans fabriqués à partir de polyester recyclé et de fils issus d'anciens jeans. « Toutes ces innovations séparées ont permis d'aboutir à une démarche globale : la création des jeans verts avec une traçabilité complète et responsable », se félicite Bonobo. . . . .
. . . .

Six ans d'innovation

Cette gamme ne vient pas de nulle part. C'est, au contraire, l'aboutissement d'un grand travail de mise à plat accompli depuis six ans maintenant avec le lancement, en 2012, de sa première ligne écoresponsable, nommée Instinct.

Neuf références

La collection compte pour commencer neuf références, cinq pour hommes et quatre pour femmes, pour des prix allant de 45,99 € à 59,99 €.

Étiquette avec code couleur

L'enseigne promet de développer, pour ses collections de jeans, une étiquette avec une note et un code couleur correspondant à l'impact environnemental, développée en partenariat avec Jeanologia, société spécialiste du délavage des jeans au laser.

Denim Fabric Industry to Continue to Witness Overcapacity & Margin Pressures

March 28, 2018

Mumbai: India Ratings and Research (Ind-Ra) expects the domestic denim fabric industry to continue to face margin pressures during FY19 due to oversupply, with 15%-20% of the total capacity remaining underutilised. India is one of the leading denim fabric manufacturers in the world, with a manufacturing capacity of about 1,500 million metres per annum (mmpa). Additionally, competition will intensify as several players have undertaken capacity additions to add another 100-150mmpa by FY19.

Garmenting Capacity to Grow at a Slower Pace than Fabric Capacity: The long-term demand potential for the segment remains intact due to denim's versatile fashion appeal among young populace, rising disposable income and untapped semi-urban pockets of the country. However, Ind-Ra expects denim fabric capacity additions to outpace garmenting capacity additions over the short term, translating into a continued denim fabric surplus in the market. The denim fabric industry is cyclical in nature and is characterised by periods of excess capacity; however, Ind-Ra expects the present downturn to be relatively prolonged, partly on account of the regulatory disruptions that the industry underwent in FY17–FY18.

Ind-Ra expects the sector's operating margins to remain in the range of 10%-11% in FY18-FY19. The agency's denim fabric peer set average EBITDA margins deteriorated in 9MFY18 to 10.7% (FY17: 11.6%, FY16: 12.9%).

Softening Cotton Prices May Cushion Margin: For denim manufacturers, cotton forms over 35% of the total raw material requirement. With farmers switching from soybean to cotton, the 2017-2018 season has seen about 19% rise in cotton acreage. However, the overall cotton production is likely to rise by only 10% as bollworm attack has affected production in some regions. The higher production may soften the cotton prices during FY19 and help curtail margin contraction for denim fabric manufacturers. Companies with value-added fabrics and order-backed production are better placed to sustain margins than those in commoditised offerings.

Impact of Regulatory Disruptions to Linger in 1HFY19: During FY18, the textile industry has been reeling under the impacts of two major regulatory disruptions viz demonetisation and GST implementation. The last leg of denim value chain; comprising activities such as stitching, washing, garmenting, sewing etc.; is characterised by high labour intensity. A sizeable chunk of these activities is undertaken by small scale industries which are yet to get fully accustomed to the formal banking system and the GST regime. While there has been a gradual recovery, Ind-Ra expects the impact of these disruptions to linger on during 1HFY19 for these small scale market participants, resulting in demand headwinds for the sector growth.

Exports to Marginally Absorb Surplus: While a part of the denim fabric surplus will get absorbed in the global markets, India's denim manufacturers majorly depend on the domestic market with exports accounting for below 20% of the total production. In FY17, denim fabric exports stood at 142 million metres (FY16: 132 million metres) as against imports of 9 million metres (10 million metres). The exporters will also see some impact on margins because of reduced duty draw back, notwithstanding the increase in the availability of input tax credit. Furthermore, any adverse outcome of the ongoing dispute with the US Trade Representative at the World Trade Organization with regards to India's export promotion schemes such as Merchandise Exports from India Scheme and Export Oriented Units Scheme may have a material impact on exporters' margins.

Rating Outlook: Ind-Ra expects the credit profile of denim fabric manufacturers to moderate over FY19 amid the continuing contraction of operating margin and debt-funded capacity expansions. Aggregate peer set adjusted net leverage (adjusted net debt/EBITDA) is expected to stretch to about 3.75x for FY19 (1HFY18: 3.57x; FY17: 3.40x; FY16: 2.82x). Working capital requirement of most manufacturers has also gone up with inventory build-up, following the drop in demand, longer credits extended to customers as well as pending GST input credits.

Nevertheless, industry players with diversified revenue lines and having a mix of man-made textile products are expected to be more resilient than the pure denim fabric manufacturers. At the same time, investments in backward integration with yarn manufacturing facilities will cushion denim fabric manufacturers against cyclical downturns. Also, companies with strong liquidity, low leverage and short working capital cycle are better equipped to face the challenging times.

Ind-Ra’s rated portfolio includes Sangam (India) Ltd. (‘IND A+’/Negative), Aarvee Denims and Exports Limited, (‘IND tA-‘/Negative) and RSWM Limited (‘IND A+’/Negative). Financials of Nandan Denim Ltd, Jindal Worldwide Limited and KG Denim Ltd have also been considered for this study.

End backdoor entry of Chinese textiles into India: CITI

29
Mar '18

The Indian textiles industry wants tweaking of the South Asian Free Trade Area (SAFTA) rules of origin to make use of yarn and fabrics of Indian origin mandatory for exporting apparel to India, according to Confederation of Indian Textile Industry (CITI) chairman Sanjay K Jain. Bangladesh exporting apparel to India duty free is benefiting China's textile exports, he said.

India allowed duty-free import of readymade garments from Bangladesh under SAFTA in 2006, limiting the number to eight million pieces. However, this restriction was lifted in 2010.

Bangladesh imports Chinese fabrics, manufactures garments and exports those to India without the need for paying any import duties. As import of made-in-China fabrics is meant for export, Bangladesh imposes no import duties on those, and this ends up facilitating backdoor entry of Chinese textiles into India, Jain told a news agency.

Indian garment manufacturers have to pay a 20 per cent import duty if they use the same Chinese fabric, he said.

India's garment imports from Bangladesh increased from $106.72 million during April-December period 2016 to $124.14 million in the corresponding period of 2017, according to CITI statistics.

As India has extended this duty-free quota-free facility to 49 least-developed countries on a non-reciprocal basis and without sourcing restrictions, it is expected that India may face more

Bangladesh-type situations in future, Jain said on the sidelines of a seminar on 'Recent Trends on Eco-Friendly Textiles & Sustainable Fashion' organised by the JD Birla Institute in Kolkata.

Jain cited the example of the United States, which imposes sourcing restrictions under the North American Free Trade Agreement (NAFTA) for accepting duty-free import of garments from Mexico and other NAFTA members. (DS)

India's garment industry put through the wringer

Neil Hodge | March 27, 2018

Over the past decade, there has been a much stronger focus on the actions that third parties and suppliers based in developing countries take on behalf of the multinational companies they are commissioned by.

Very often, these locally based operators are blamed for many of the corrupt, unethical—and frankly unsafe—practices that their western customers are forced to account for from regulators, investors, charities, campaign groups, consumers, and the media.

In the past, multinationals have pleaded ignorance about the activities that these contractors have engaged in. Times have changed, however: As every compliance professional ought to know, it is now their own organisations—rather than the third parties working for them—that will be ultimately held responsible (and potentially legally culpable) for the actions in their own supply chains. And as a result, potentially dangerous or illegal behaviour committed by overseas suppliers cannot be ignored or tolerated.

Failure to monitor, check, inspect, and challenge an organisation's supply chain is no longer an option, as bad practices committed by any supplier or contractor acting on your company's behalf is widely regarded as being as much your fault as theirs. An investigation recently carried out by Netherlands-based campaign group the Changing Markets Foundation highlights the reputational problems that multinational companies and highly respected brands face when contractors in developing countries put lives at risk by the way they operate.

The investigation, a follow-up to a report first published last June and called *Dirty Fashion revisited: spotlight on a polluting viscose giant*, has found that factories in India supplying material for garments sold by major retailers including H&M, Asda, Next, and Tesco are leaking toxic chemicals into rivers and the atmosphere, leading to cases of cancer, tuberculosis, reproductive problems, birth defects, and stomach disorders.

The report lists serious allegations against India's Aditya Birla Group, one of the world's biggest producers of viscose (also known as rayon), a semi-synthetic fibre used widely in the garment industry. The Mumbai-based company is the world's leading producer of viscose, providing about a fifth of the global market, meaning that many clothes purchased online and in the high street in the United Kingdom and throughout Europe are made from its materials.

Changing Markets says that last October two people died and 60 others were left seriously ill following one major pollution incident near one of the group's factories in Nagda, Madhya Pradesh, in India, while another of its viscose factories in Indonesia discharged chemicals into a river in which children bathed. Water around the discharge pipe was found to be "extremely polluted" and not compliant with Indonesian water quality standards, which the report's authors describe as "worst-in-class." The plant was temporarily closed down in January by local authorities after 11 villagers were rushed to the hospital with suspected carbon monoxide poisoning because of the factory's lax standards.

Furthermore, an independent laboratory test of air samples taken outside one of the company's plants found that the level of carbon disulphide—a toxic chemical used in viscose production—was 125 times the World Health Organisation limit.

Failure to monitor, check, inspect, and challenge an organisation's supply chain is no longer an option, as bad practices committed by any supplier or contractor acting on your company's behalf is widely regarded as being as much your fault as theirs.

Workers inside the factory may have been exposed to far higher levels of carbon disulphide, because the chemical is highly volatile, meaning that it quickly breaks down when exposed to air, says Natasha Hurley, campaign manager at Changing Markets.

Aditya Birla Group denies that the problems were linked to its operations, and refutes the report's allegations.

Some of the group's big-name customers, however, have already responded to the report's claims. In an e-mailed statement, Asda said: "We're aware of this report and are reviewing its findings and will take action where appropriate."

One major viscose producer, Austria's Lenzing, has pledged to ensure that it will move to what's known as "closed-loop" production by 2022. This means that the harmful chemicals put into the process to produce the fibre are captured and reused so that they do not leak out and pollute the environment. The company also plans to address its safety, health, and environmental performance by engaging with various parties, such as multi-stakeholder initiatives, NGOs, and an independent auditor. Retailers H&M, Inditex, and Asos, which are also named in the report, have similarly pledged to move toward close-loop production, and have also vowed to improve monitoring. Next has called for an industry-wide approach to ensure that viscose is produced responsibly.

Viscose production is currently highly concentrated—ten companies supply approximately 75 percent of the market—and the fibre is predominantly manufactured in Asia. Demand for viscose is expected to increase by around 5 percent per year to 2021, and by 2030 viscose/cellulosic fibres are projected to account for 8.5 percent of the total fibre market. Changing Markets says that the projected increase in growth "represents a key opportunity for brands to demand better standards for new factories."

To accompany the report, Changing Markets has produced a "roadmap" for the industry that includes a series of steps to ensure that viscose production becomes more sustainable. The guidance, however, is broad enough for companies working outside of the apparel industry to also use or make reference to so that they too can monitor and audit their supply chains more effectively. As a result, compliance professionals working in other industry sectors can also benefit from the publication.

What a "good" responsible sourcing policy should look like

According to Changing Markets, any responsible production policy (not limited to viscose) that aims to protect the environment, as well as workers' and public health, should ensure:

1. Compliance with laws and workplace regulations;
2. Recognition, respect for, and upholding of human rights and the rights of communities;
3. Raw materials sourced from plantations, forests, or farms that are responsibly managed;
4. Consideration for biodiversity;
5. Waste prevented, reused, recycled, recovered, and/or disposed of in an environmentally sustainable way;
6. Greenhouse gas emissions reduced;
7. Air emissions from processing plants reduced, with appropriate air pollution control systems in place;
8. Implementation of precautionary measures to reduce/eliminate release of toxic chemicals, including accident-prevention measures and regular surveillance;
9. Development of a plan for zero discharge of hazardous waste through leaks, spills, regular operations, uncontrolled discharges, etc.;
10. Transparent communication on environmental track record, e.g. making monitoring data available online;
11. Impacts on water mitigated by implementing water management plans and additional measures in water-stressed areas, including:

- Establishment of impact assessments, including water resource assessments;
- Minimisation of water withdrawal from the environment;
- Prevention of water pollution, in particular the cessation of release of any priority hazardous substances (zero liquid discharge);
- Deployment of dedicated wastewater treatment systems appropriate to the volume of wastewater produced, so that chemicals used in the production of viscose are discharged in compliance with best practice.

Source: Changing Markets Foundation

First, the guidance says that brands/companies should establish a responsible production policy, either as part of a general responsible sourcing policy or as a standalone document, which includes specific requirements for suppliers (*see sidebar*). This should include compliance with local laws and regulations, procedures around sourcing materials responsibly and ethically, and the need for regular environmental impact assessments and monitoring.

Organisations should also map their supply chain and provide full transparency on the identity of all the suppliers they are buying from, as well as potential environmental and social issues involved in their operations on the company's behalf, and how these are being addressed. This information should be communicated publicly through the publication of a supplier list, which should be updated periodically. Suppliers should also be transparent and should publicly disclose information about any hazardous chemicals used and discharged in the production process, and about their own commitments to sustainability. As proof of improvement (or otherwise), brands should publish progress reports—including audited performance and testing data showing releases and discharges—on their corporate Website or public database.

The roadmap also says that companies should evaluate and assess factories throughout their supply chain to assess their alignment with criteria for responsible production. This will then enable them to promote best practice; remove the worst practices and the suppliers that refuse to improve; set milestones and timelines for suppliers to comply; and hold companies to account, with actions and outcomes being key to long-term buying partnerships. This can be done, says Changing Markets, via a gap analysis, which would identify incidences of non-compliance. Subsequent corrective action plans should then have clear indicators to address the issues step by step. Starting with the most critical issues first, companies should ensure the implementation of an action plan that is both relevant and adapted to the context, and ask for regular updates and transparency on progress.

Companies should also ensure that there is a process to monitor and verify their suppliers that is independent (such as through third-party monitoring). This monitoring process should also be regular; transparent; participative; and committed to addressing non-compliance, such as contacting the appropriate authorities if laws are broken or ensuring that suppliers take measures to restore good practice.

The guidance also recommends that companies should encourage their suppliers to establish appropriate grievance procedures that allow stakeholders to report concerns without fear of recrimination or dismissal. Such protocols should include redress for workers, impacted individuals or communities. Companies should respond rapidly and effectively to issues raised and address them as transparently as possible, notes the roadmap. Further, if a supplier does cause air or water pollution, it should consult with the affected communities about how it can best remedy the situation: For example, a remediation policy could include corrective actions on pollution prevention/control measures, drinking water, waste removal, and so on, to improve the lives of affected people.

Checking that suppliers have the requisite environmental permits and that they comply with relevant national and local regulations is also important, says Changing Markets. As part of that process, the roadmap says that companies should ask their suppliers to demonstrate that they possess the required environmental permits.

One way to check compliance in China, for example, is by using the "Blue Map Database," maintained by the country's Institute of Public & Environmental Affairs, which includes viscose factories. Through the database, companies can check in real time whether factories are complying with Chinese regulations, and how often they have breached national pollution standards. The platform also offers an opportunity to request that companies take corrective action, and it also has an option for factories to report on voluntary commitments, such as disclosure of pollutant release and transfer (PRTR) emissions data and Greenpeace Detox commitments. The roadmap suggests that companies should request that suppliers rapidly address all omissions and demand corrective action for any breaches—to the point that companies should clearly indicate that they will stop buying from a particular factory/manufacturer if corrective action is not taken by a specified deadline, or if the supplier does not undertake significant efforts to address and remediate environmental damage.

While it is important for companies to demand more assurance from organisations within their supply chains, however, Changing Markets is quick to point out that ultimate responsibility for verifying their compliance rests with just one organisation: one's own.

“To implement the commitments in this roadmap, brands should integrate them into their responsible procurement policies as they see fit. These should be regularly verified and monitored on the ground, and transparently reported to the public,” it says.

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.

Edited by: India TV News Desk, New Delhi [Updated: March 29, 2018 14:22 IST]

An employee of textile sector Photo:PTI

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.
(With PTI inputs)

THE HINDU BusinessLine

Inefficient supply chain, inconsistent policy take sheen out of cotton textiles

BusinessLine and MCX organised an Agri Conclave in Coimbatore on Monday. The event saw a panel discussion involving (left to right) Susindaran, CEO, Kay Ventures; Deepak Mehta, Head – Agri & Energy, MCX; R Venkatesan, Deputy GM, Karur Vysya Bank; Rajalakshmi Nirmal, Deputy Editor, BusinessLine; Suresh Manoharan, Secretary, Perundurai SIPCOT Textile Processors' Association; Prabhu Damodharan, Convenor, Indian Texpreneurs' Federation; and S Dhananjayan, Senior Auditor and Advisor to the Tirupur Exporters' Association

COIMBATORE, MARCH 26

Despite the Centre's support to the Indian textile industry, the sector, stakeholders say "has been losing its sheen" on various fronts.

From scale of operation to poor expansion or investment in post-spinning operations — be it weaving or processing, rising labour costs, inconsistent fibre policy, lack of level playing field to remain competitive on the export front, inordinate delay in signing of FTAs (Free Trade Agreements) and the inefficient supply chain seems to have pushed the cotton textile industry in the country to a tight spot.

Such issues were discussed at a panel discussion on "Is Indian Cotton textiles losing its competitiveness?"

The event — the second in the Agri Conclave series — was powered by *BusinessLine* in association with Multi Commodity Exchange (MCX).

Garment exports hit

Prabhu Damodharan, Secretary, Indian Texpreneurs Federation (ITF), said the garment sector in the textile value chain is at its lowest ebb, losing out to low cost countries such as Vietnam and Bangladesh, as they enjoyed LDC (Least Developed Countries) status. "The LDC has given these countries an edge over our exports. Exports from these countries are cheaper 10 per cent at the threshold level and there is no social compliance."

Could the scale of operation be our detriment considering that most of the factories in the textile value chain, in the post-spinning area are small and medium units?

“The spinning sector has established a benchmark, but scaling is required in post-spinning operations, particularly in weaving, processing, knitting and garmenting. Though not at the scale of operations in China, there is a need to scale up in garmenting. Lack of access to capital and the size of operation has put them in a disadvantageous position,” observed Susindaran, Chief Executive Officer, Kay Ventures.

Effluent discharge norms

Suresh Manoharan, Secretary, Perundurai SIPCOT Textile Processors’ Association, said in processing, the challenges faced by the industry are innumerable, on account of zero liquid discharge (ZLD). “We are now converting water pollution to air pollution,” he said in a lighter vein, before adding that the ZLD had pushed the cost of production northward by 20-25 per cent.

“This condition (of ZLD) is imposed only in western Tamil Nadu. Further, the processing sector is capital intensive, and the margins – practically nil.” S Dhananjayan, senior auditor and advisor to Tirupur Exporters’ Association, said the knitwear cluster had to conform with various compliances such as ZLD and social compliance, which, in turn, resulted in a 10-15 per cent rise in production cost, making the operations unviable.

“After the roll-out of GST, and with the government extending some cushion by way of ROSL (Rebate of State Levies), we thought the sector would get some breather. But post-GST, the sector has started to choke for want of working capital. This is expected to hit our bottom line by 4-5 per cent. It is a devastating blow.”

Market size, demand

Deepak Mehta, Head – Agri & Energy, MCX, stressed that price risk management is important for the cotton sector. “The market size is huge at ₹65,000 crore and in 2017-18, the risk cover was only to the extent of ₹9,000 crore,” he said, urging the participants to utilise the MCX platform more aggressively.

Earlier, delivering the key-note address, G Chandrasekhar, commodities market specialist, said that rising income and the “natural” fibre status would increase the demand for cotton. “The domestic demand is given, but the challenges in supply could impact. As India integrates with the global market, the stakeholders must take a 360 degree vision, as the cotton prices here will be decided by what is happening globally.”

J Thulasidharan, President, Indian Cotton Federation, said there is no specific quality standard on cotton quality in India, but quality per se of the cotton produced here is good.

Published on March 26, 2018

Must tweak rules to stop entry of Chinese fabrics: Official

IANS | Kolkata Last Updated at March 27, 2018 18:35 IST

Amid a fast increasing import of garments made of Chinese fabrics from Bangladesh, the Indian textiles industry is seeking "tweaking of South Asian Free Trade Area (SAFTA) rules of origin" to make use of yarn and fabrics of Indian origin mandatory for exporting apparel to India, an official said on Tuesday.

According to the official, India allowed duty free import of readymade garments from Bangladesh under SAFTA in 2006 and this facility was limited to eight million pieces. However, in 2010, this quantitative restriction was lifted.

"Bangladesh imports Chinese fabrics and converts them into garments using its cheap labour. It exports these garments to India without the need for paying any import duties.

"Since import of made-in-China fabrics is meant for export, Bangladesh imposes no import duties on them. This is actually facilitating backdoor entry of Chinese textiles into India," Confederation of Indian Textile Industry (CITI India) Chairman Sanjay K. Jain told IANS.

He also said the duty-free facility given to Bangladesh on grounds of it being a Least Developed Countries (LDC) was actually benefiting China's textile exports.

Indian domestic garment manufacturers have to pay a 20 per cent import duty if they use the same Chinese fabric, he added.

According to CITI India, India's garment imports from Bangladesh increased from $106.72 million during April-December period of 2016 to $124.14 million in the corresponding period of 2017.

"We have demanded tweaking of SAFTA rules of origin to make the use of yarn and fabrics of Indian origin mandatory for allowing duty-free quota-free market.

"This is expected to prevent China from taking undue advantage of a facility that is meant for LDCs," Jain said on the sidelines of a seminar on "Recent Trends on Eco-Friendly Textiles & Sustainable Fashion" organised by the J.D. Birla Institute.

This measure is also expected to give a fillip to India's export of yarn and fabrics to Bangladesh and other LDCs which at present are being supplied by China, he said.

"India has now extended this duty-free quota-free facility to all 49 LDCs on a non-reciprocal basis and again without any sourcing restrictions. So, it is expected that in the coming future, we may have more Bangladesh-type situation," Jain said.

Citing the international practices of imposing sourcing restrictions, he said the US imposed sourcing restriction under NAFTA for accepting duty free import of garments from Mexico and other NAFTA members.

"India itself has accepted sourcing restrictions imposed by Japan that hurt its apparel exports to Japan under India-Japan CEPA," he added.

In the Goods and Service Tax (GST) regime, the industry has been under severe stress with increasing imports of garments from Bangladesh and other countries.

"In the pre-GST scenario, import of garments from Bangladesh and other countries were attracting a CVD (Countervailing Duty) of 12.5 per cent and education cess of 3 per cent.

"However, post-GST, the same has been removed, hence there is no cost for import of garments from Bangladesh and for other countries," Jain said.

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L'usine «dernier cri» de Décathlon Maroc

- Economie & Finances

26 mars, 2018 - 9:45

Considéré comme l'un des sites majeurs de l'enseigne sportive française Décathlon, l'usine d'Ain Sebaâ représente l'une des rares «entreprises libérées dans le pays», indique son directeur. Elle a la particularité d'avoir des process et un management innovants.

Située dans un complexe de 6ha, l'usine est spécialisée dans le tricotage, le maillage et le tissage de vêtement sportifs et détient cinq chaines de production modulables.Chaque chaîne est équipée de la technologie RFID qui permet de disposer en temps réel d'indicateurs de production. «Cela nous donne la liberté de faire des erreurs, d'affiner en conséquence… Par la suite, ces process sont dupliqués auprès de nos partenaires, aussi bien au Maroc qu'à l'international», explique Noureddine Azahaf, directeur de production à Décathlon Maroc.

Le but est de tester de nouveaux process, d'éprouver les complexités que peut rencontrer la marque lors d'une production à grande échelle. D'ailleurs, l'usine assure 5% de la production de Décathlon Maroc, tandis que le reste est assuré par des partenaires de l'enseigne.

Le dernier né des process industriels lancé par Décathlon permet de produire des vêtements sportifs sans aucun fil ni couture. Il s'agit plus précisément, d'une ligne de production de shorts de surf. «Elle a été développée en partenariat avec Maroc PME (ex Anpme) et positionne l'usine en tant que leader mondial sur ce segment», ajoute le directeur.

Le groupe compte multiplier la production marocaine dans un délai de 3-4 ans et estime que le pays dispose d'un savoir-faire certain dans le domaine du textile, malgré les quelques points à améliorer comme l'indisponibilité de la matière premières qui, selon le top management, tire le taux d'intégration vers le bas. D'ailleurs, suite à sa signature en juillet 2016 de la convention d'investissement dans le cadre du Plan d'accélération industrielle (PAI) 2014-2020 et du Contrat de performance des écosystèmes textiles 2015-2020, Decathlon s'engage sur le soutien de l'industrie textile par le développement d'une plateforme de sourcing local, ainsi que l'accompagnement de la pratique sportive par le développement d'un large réseau de magasins Decathlon à travers le Royaume.

A termes, 7360 emplois directs et indirects seront créés au sein de «l'entreprise libérée». Decathlon place l'autonomie au cœur du système managérial. En effet, les «Decathloniens» ont la libérté d'organiser leur temps de travail et fixer leurs objectifs personnels eux même.

La marque compte un réseau de 12 magasins qui sera porté à 30 d'ici 2021. Celle-ci a conquis le marché marocain avec 7 millions d'unités vendue en 2017.Rappelons que Decathlon a des références dans pas moins de 70 sports, une boutique électronique, un grand centre logistique pour approvisionner le Maroc et l'Afrique à partir de Tanger.

Soumayya Douieb

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April 2018

Selon le classement annuel de « Brand Finance Apparel 50 », Nike reste la marque d'habillement numéro un en 2018, malgré une chute de 12 % de la valeur de sa marque. Il ne vaut plus que 28 milliards de dollars. Il est suivi de près par H&M, Zara et Adidas. (commentaire de JF Limantour)

Rank					Brand Value (USD $ Millions)		Brand rating	
2018	2017	Logo	Name	Country	2018	2017	2018	2017
1	1		Nike		28,030	31,762	AAA	AAA+
2	2		H&M		18,959	19,177	AAA	AAA
3	3		Zara		17,453	14,399	AAA	AAA-
4	4		adidas		14,295	10,169	AAA-	AA+
5	7		Hermès		11,333	8,342	AAA	AAA-
6	6		Louis Vuitton		10,487	8,941	AAA	AAA
7	10		Cartier		9,805	6,765	AAA-	AA+
8	9		Gucci		8,594	6,883	AAA	AAA-
9	5		UNIQLO		8,099	9,597	AA-	AA
10	8		Rolex		6,360	6,988	AAA	AAA
11	14		COACH		6,189	4,598	AAA-	AAA
12	11		Victoria's Secret		6,163	6,294	AAA-	AAA
13	13		Chow Tai Fook		5,014	5,011	AA	AA
14	15		TIFFANY & CO.		4,687	4,245	AAA-	AAA-
15	16		Burberry		4,587	4,175	AAA-	AAA-
16	26		Christian Dior		4,035	3,050	AAA-	AAA-
17	22		Polo Ralph Lauren		4,000	4,488	AA+	AAA-
18	18		Prada		3,838	3,720	AAA	AAA-
19	12		Under Armour		3,753	5,889	AA+	AA+
20	20		Armani		3,540	3,442	AA+	AA+

.../...

Rank					Brand Value (USD $ Millions)		Brand rating	
2018	2017	Logo	Name	Country	2018	2017	2018	2017
21	30		PUMA		3,347	2,270	AAA-	AA+
22	23		Ray-Ban		3,287	3,054	AA+	AA
23	21		Omega		3,197	3,255	AA+	AA+
24	19		The North Face		3,121	3,644	AA+	AA+
25	24		Pandora		3,014	2,903	AA+	AAA-
26	17		Michael Kors		2,770	3,749	AA	AA+
27	25		Tommy Hilfiger		2,669	2,620	AA	AA+
28	33		Anta		2,631	2,037	AA+	AA+
29	28		OLD NAVY		2,300	2,314	AA+	AA+
30	39		Bulgari		2,243	1,656	AA	AA-
31	37		Bershka		2,242	1,761	AAA	AAA-
32	32		Calvin Klein		2,229	2,187	AAA-	AAA-
33	31		Levi's		2,229	2,192	AA+	AA+
34	34		Primark / Penneys		2,149	2,033	AA+	AAA-
35	-		Moncler		2,095	1,477	AAA-	AA+
36	29		Boss		2,016	2,291	AA	AAA-
37	27		GAP		2,003	2,329	AA	AA
38	42		Ferragamo		1,989	1,454	AA+	AA
39	50		Saint Laurent		1,887	1,268	AA+	AA
40	43		Bottega Veneta		1,829	1,448	AAA-	AA+
41	-		Valentino		1,806	851	AAA-	AA-
42	35		Skechers		1,624	1,851	AA	AA
43	38		Swatch		1,609	1,735	AA	AA
44	-		TAG Heuer		1,550	-	AA+	-
45	40		Timberland		1,419	1,544	AA	AA
46	44		Massimo Dutti		1,396	1,445	AA+	AAA
47	-		Reebok		1,336	-	AA+	-
48	-		Woolworths		1,296	-	AA+	-
49	-		Stradivarius		1,287	-	AAA-	-
50	-		Pull and Bear		1,285	-	AA-	-

Le Quotidien
INDÉPENDANT LUXEMBOURGEOIS

Industrie textile : le critère éthique pour marque de fabrique

Dans Politique et société Mis à jour le 28/03/18 14:52 | Publié le 28/03/18 13:26

Objectif de "Rethink your clothes" : que les consommateurs puissent véritablement devenir des «consommacteurs» et influer sur le secteur. (photo François Aussems)

Une campagne «Rethink your clothes» vient d'être lancée au Luxembourg, afin de sensibiliser le grand public aux pratiques de l'industrie textile.

Et si on implantait une filière textile au Luxembourg ? Mais attention, pas avec les conditions de travail que l'on connaît ici, non ! Avec celles qui échoient en Asie. Voilà donc des salariés exposés quotidiennement sans protection aux pesticides et autres substances toxiques, rémunérés 50 euros par mois, harcelés, à la santé ruinée dès 30 ans… Ah, et au passage, la Moselle serait… rouge ou vert pomme.

«On dit que pour connaître la couleur qui sera à la mode l'année prochaine, il faut regarder la couleur des fleuves en Chine», a ironisé Jean-Louis Zeien, président de Fairtrade Lëtzebuerg, qui a choisi cette projection d'une industrie textile délétère dans nos contrées pour pointer les risques de violation des droits de l'homme et de pollution bien réels qui frappent la longue et complexe chaîne d'approvisionnement de cette filière.

Le secteur crée de l'emploi – environ 60 millions de personnes travaillent pour fabriquer nos vêtements, dont 70% en Asie. Mais les conditions de travail sont souvent indignes et l'impact sur l'environnement particulièrement néfaste. Afin d'y sensibiliser l'opinion, le ministère des Affaires étrangères a donc mandaté deux ONG, Fairtrade Lëtzebuerg et Caritas Luxembourg, pour mettre en place la campagne «Rethink your clothes».
Ateliers, conférences, foire aux vêtements seront ainsi organisés tout au long de la campagne, qui s'étendra jusqu'en 2019. La première manifestation se déroulera le 24 avril à partir de 11h30, place d'Armes à Luxembourg, pour commémorer les cinq ans de la catastrophe du Rana Plaza, cet immeuble de Dacca, au Bangladesh, qui abritait des ateliers de confection de vêtements pour des marques internationales et dont l'effondrement a fait plus de 1 100 morts.

Dix mille litres d'eau pour un jean
«Nous souhaitons mener une campagne positive. Il ne s'agit pas de décourager les gens mais de leur expliquer ce qui se passe dans toute la filière pour les rendre attentifs sur les questions sociales et environnementales. Il faut, par exemple, 10 000 litres d'eau pour fabriquer une paire de jeans ! Nous souhaitons aussi développer des crèches dans les entreprises, car les enfants sont livrés à eux-mêmes, dans la rue, dès leur plus jeune âge, avec tous les risques que cela comporte, pendant que les parents s'affairent à l'usine», a précisé Marie-Josée Jacobs, présidente de Caritas Luxembourg.
«L'OMS estime que 22 000 personnes meurent chaque année du fait des pesticides dans les productions de coton, a ajouté Jean-Louis Zeien. Le commerce équitable impose plusieurs critères : interdiction d'utiliser des OGM, garantie d'un prix minimum d'achat, interdiction absolue du travail des enfants, respect des normes internationales de travail… Petit à petit, nous essayons d'imposer également le référentiel GOTS, label bio le plus strict.»
Fairtrade Lëtzebuerg compte en outre établir prochainement une cartographie des acteurs du commerce équitable, afin que les consommateurs puissent véritablement devenir des «consommacteurs» et influer sur le secteur.
Tatiana Salvan

Une tendance à l'évolution des mentalités

Selon une récente étude TNS Ilres, les critères éthiques jouent en effet encore un rôle marginal lors de l'achat d'un vêtement. Seuls 9% des sondés prêtent attention aux conditions de production. Un désintérêt probablement dû en partie à une communication faible et à un manque d'offre.
La plupart des sondés sont en effet conscients d'avoir leur part de responsabilité, au même titre que les institutions publiques et entreprises privées. 55% assurent même qu'ils n'achèteraient plus leur marque préférée s'ils apprenaient qu'elle imposait des conditions de travail inhumaines.

Acheter moins et mieux passe aussi par une utilisation plus longue de ses vêtements. Leur recyclage (tri sélectif, dons, transfert à un tiers) semble en tout cas bien intégré dans les mentalités. Même si jeter ses vêtements à la poubelle demeure une option pour un tiers de la population.

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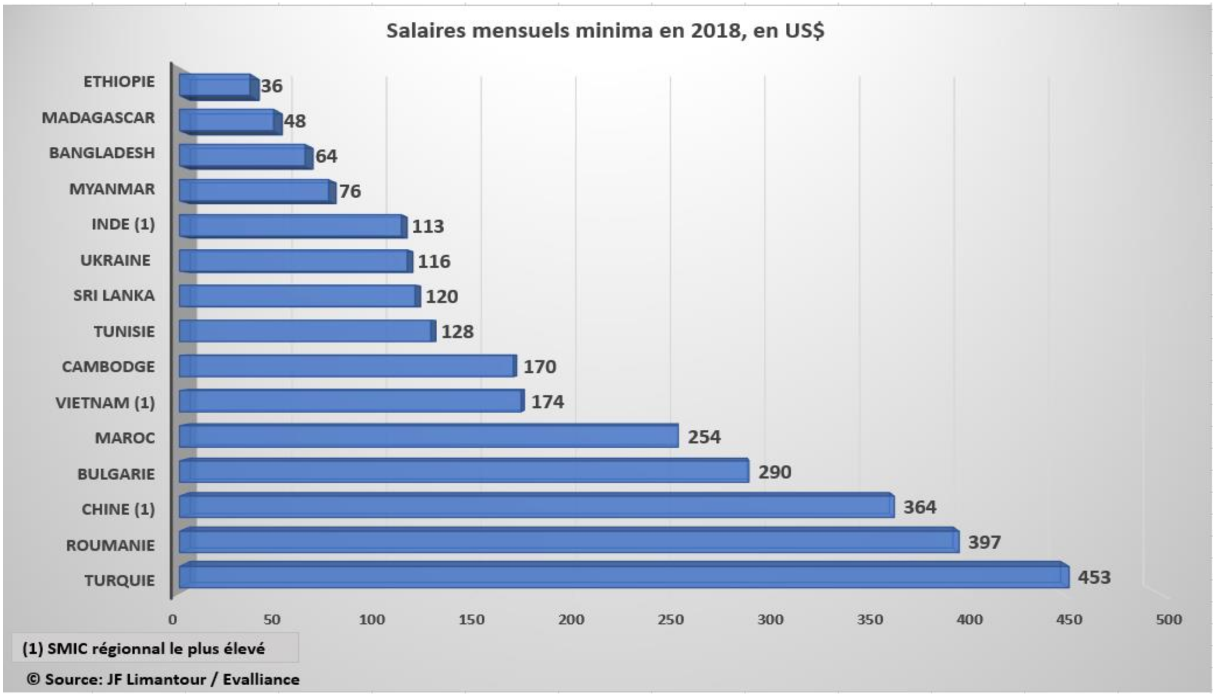
45 3

Un dollar par jour pour une ouvrière éthiopienne ; à peine deux dollars au Bangladesh ! En Asie ou en Afrique, les conditions de travail, d'hygiène et de sécurité sont souvent moyenâgeuses. Peu ou pas de couverture sociale, pas de retraite ! Dans de nombreux pays, on est bien sûr encore très en dessous du seuil de pauvreté, dans tous les sens du terme. C'est dire si un statut « à la SNCF » est un rêve inaccessible, même dans les délires les plus fous.

Ce sont souvent des femmes que l'on voit dans les ateliers de production, courbées sur leur machine, appliquées et silencieuses : parler est interdit, ça ferait tomber la productivité ; ne pas « faire le rendement », et c'est la porte ! Pourtant, dans ces univers à la Zola, personne ne se plaint : avoir un travail est une véritable bénédiction car il permet de survivre.



Fort heureusement, la situation sociale s'améliore dans plusieurs régions du monde : en Chine bien sûr, où les salaires flambent depuis quatre ou cinq ans. Le smic à Shanghai ou Pékin est supérieur de 25 % à celui de la Bulgarie, état-membre de l'Union européenne. Et les autorités chinoises ne badinent pas avec le respect des normes sociales et environnementales.

Au Cambodge, le smic mensuel a grimpé cette année à 170 dollars et le programme « Better Factories Cambodia » du BIT s'applique avec vigueur.

Au Vietnam, le salaire minimum atteint 174 dollars à Ho Chi Minh Ville ou à Hanoï, soit sensiblement plus qu'en Tunisie ou qu'en Ukraine. Et un nombre significatif d'entreprises vietnamiennes ont des crèches, des services médicaux performants, des équipements sportifs.

Pour autant, ce n’est pas encore demain que les coûts de production occidentaux seront compétitifs face à ceux d’Asie ou même du Maghreb et que l’on pourra rapatrier en Europe des industries de main d’œuvre comme celles de l’habillement ou de la chaussure : pour le salaire d’une ouvrière française, on rémunère 12 ouvrières vietnamiennes, 30 ouvrières bangladaises, 60 ouvrières éthiopiennes ! Et ces écarts se creusent encore sensiblement si on tient compte des charges.

Cependant, l’idée de rapatrier ces activités en Europe n’est pas du tout utopique. Dans les toutes prochaines années, nous verrons chez nous l’apparition d’usines hybrides combinant robotisation et intelligence artificielle, transformant radicalement ces industries traditionnelles de main d’œuvre en industries de capitaux. La révolution numérique est en marche rapide. Les projets de distributeurs comme Amazon ou la très forte implication de start-up et de groupes technologiques comme Lectra dans l’industrie 4.0 suggèrent que l’industrie du futur est pour très bientôt ! Chez nous, en Europe ! Et aussi en…Asie.

Pakistan to seek zero-rated duty on exports to China

Parvaiz Ishfaq RanaUpdated March 28, 2018

KARACHI: Federal Secretary Commerce Mohammad Younus Dagha said on Tuesday that Pakistan is going to seek zero-rated duty on exports to China for which second round on Free Trade Agreement (FTA) will be held next month.

He was speaking at the inaugural session of the 19th International Textile Asia Exhibition. Over 450 companies from around the world are showcasing their products at 800 stalls being held from March 27-29 at Karachi Expo Centre.

Around 1,200 foreign delegates representing countries such as China, Korea, France, Germany, Italy, Vietnam, Turkmenistan are presenting their products including hi-tech textile machinery.

However, the biggest delegation has come from China and many have shown interest in relocating their textile units to Pakistan or are interested in entering into joint ventures. The Chinese are keen to bring their machinery for producing quality textile goods in return for local set-up, like factory premises.

The commerce secretary said that massive under invoicing on imports from China would be checked so that Pakistani exporters get equal benefit.

He added that Pakistan needs foreign investment and the government would encourage any sector which helps increase external trade and boost exports.

He admitted that issues like market access, high cost of doing business and exchange rate are retarding the exports growth. However, the government is working on these issues and has already devalued the rupee by up to 10 per cent.

Exports could not increase if they are costlier than imports and therefore balance has to be maintained in the exchange rate of currencies, he added.

Nevertheless, he said that the package given to exports under the PM package in the shape of Duty Drawback on Taxes (DDT) has helped growth of textile exports between January and February.

Similarly, he said the extension given by the European Union (EU) over GSP+ has helped increase exports of value-added textile goods by up to 90pc. As a result, total exports grew by 13pc during July-Feb period of the current fiscal.

Responding to a question, he said, that export target of $23.1bn for current fiscal will be achieved and the government is working on the five-year Strategic Trade Framework, under which themes like branding, gender equality and promotion of small and medium enterprises (SMEs) will be pursued.

Published in Dawn, March 28th, 2018

LBO
lanka business online

Brandix and VTA signs MoU for skills development in apparel industry

Author LBO
Posted on March 20, 2018 | Apparel, Industry

Mar 20, 2018 (LBO) – Brandix Group and the Vocational Training Authority of Sri Lanka (VTA) recently signed two Memoranda of Understanding (MoU) denoting a collaboration to break new ground in skills development for the apparel sector.

The first of these agreements facilitates the creation of an NVQ Level 5 equivalent qualification for Garment Technicians – the first of that level in the Apparel industry – with Brandix assisting the VTA to develop the curriculum and providing training at the Brandix Academy.

The Brandix Academy is a new initiative to unleash the technical and leadership potential of individuals through an unconventional and rigorous learning and development process to improve business outcomes with individual growth. This will be further cemented with technical support and guidance from the VTA. Additionally, holders of the nationally-accepted NVQ Level 5 qualifications may apply for a degree at theUNIVOTEC (University of Vocational Technology).

The second Memorandum of Understanding enables Brandix to identify and employ school leavers who have receiveda three-month training as Industrial Sewing Machine Operators at the VTA's island-wide network of vocational training centres. Selected trainees will undergo a further three months of training at Brandix business units, after which they will be offered a certificate equivalent to NVQ Level 3 upon completion.

"Elevating the standards of training and technical competency development is essential for our Apparel industry toprogress and advance up the value chain," said Mr Ishan Dantanarayana, Chief People Officer ofthe Brandix Group and one of the signatories to the two agreements. "As the country's top-ranked exporter and largest employer, we are delighted to partner with the Vocational Training Authority of Sri Lanka tosteer this process that would provide much value to the Sri Lankan youth and our country as a whole."

Eng. Dr Lionel Pinto, Chairman and Chief Executive Officer of the Vocational Training Authority of Sri Lanka, who signed the agreements on behalf of the authority said: "This is a unique endeavour that fosters the public private partnership thrust between VTA and Brandix which is one of the most renowned and leading companies in the Apparel sector in the country.This joint venture promotes new openings to the youth to embark on their careers in the Apparel industry by way of skills training and guaranteed employment together. I am also glad to highlight that this initiative has been facilitated by the Policy Development Office of the Hon Prime Minister."

According to the VTA, NVQ Level 5 status, which is equivalent to a Diploma, has not been defined and made available for any of the job roles in the Apparel industry in Sri Lanka. As a result, the VTA will initially develop the curriculum for Garment Technician positions to be on par with NVQ Level 5 as a national level initiative in line with the signed agreement. For its part, Brandix will support the Authority with technical expertise and provide any other assistance required by the process.

Once the curriculum development is completed at the national level, the VTA will provide necessary technical support and guidance to deliver the training programmes via the Brandix Academy.The Authority will also ensure conformity with the academic standards and quality assurance requirements set out in the skills standard of the NVQ framework, conduct the examination process and issue certificates on par with the standards stipulated under the Tertiary and Vocational Education Commission (TVEC).

H&M sits on billions of unsold clothes as profits plummet

The retail behemoth has posted its lowest numbers in over a decade. The news comes amidst an increase in online shopping, as well as a series of human rights scandals.

Swedish fast fashion giant H&M is not having a great 2018 — first-quarter operating profit tumbled by 62 percent to its lowest level in over a decade - and on Wednesday it emerged that it was sitting on $4.3 billion (€3.5 billion) worth of unsold garments.

"The start of the year has been tough," said CEO Karl-Johan Persson, grandson of the company's founder.

But the retailer's problem may be just as vast as its network of 4,700 shops, with many of its customers eschewing what they say are overcrowded, messy and understaffed stores for online shopping portals.

H&M has also been rocked in recent years by a series of scandals over its environmental footprint and its use of child sweatshop labor in Myanmar, Bangladesh and Cambodia.

In 2016, Swedish investigative journalists revealed that workers as young as 14 were toiling in the company's Burmese production plants for more than 12 hours a day. They found that the children were being paid as little as 15 cents an hour, which is less than half the minimum wage.
The clothing company is also the biggest buyer of textiles from Bangladesh, and contracts some 200 factories in that country to make its clothes. After 1,129 workers died in the Rana Plaza building collapse in 2013, H&M signed on to the "Bangladesh Accord on Fire and Building Safety" — an agreement that observers say has failed to be implemented.

'The second largest polluter in the world'

Fast fashion has also come under fire for its enormous environmental impact. Accepting an award in 2015, designer Eileen Fisher remarked that "the clothing industry is the second largest polluter in the world...second only to oil."

While Fisher's remark is debatable, the amount of clothing that is sent to landfills isn't — 10.5 million tons (9.5 million metric tons) a year in the US alone. And health effects of the toxic chemicals used in the farming and dyeing processes on garment workers and cotton farmers all over the world is well-documented, on top of the disastrous environmental impact when the chemicals get dispersed into the ground water.
This is on top of the fashion industry's carbon emissions, which are higher than some major airlines, and the massive amounts of water needed to produce cotton.
Despite creating a campaign in 2016 to promote shoppers returning their used items to H&M stores for recycling, the company's own development sustainability manager admitted that only 0.1 percent of returned clothing was reused for new textiles.
There is at least one place in Sweden that may be grateful for H&M's mountains of excess clothing, however. A power and heating station in the town of Vasteras, northwest of Stockholm, reportedly burns defective H&M garments donated by the company instead of coal in an effort to reduce fossil fuels.

Tue, Mar 27, 2018

Taiwan may reel from US-China trade war: experts

HIGH TARIFFS:Local companies should consider moving manufacturing to the US or other countries if the US and China fail to resolve their differences, experts said

By Crystal Hsu / Staff reporter

Taiwan may take a hard hit from a possible trade war between the US and China as its exports might lose competitiveness and firms might relocate to cut production costs, experts said.

US President Donald Trump's plan to raise tariffs on imports from China would severely hurt Taiwan, because shipments destined for the US, including those via China, account for 30 percent of overall exports, Chinese National Association of Industry and Commerce (工商協進會) chairman Lin Por-fong (林伯豐) said.

Local firms could consider moving manufacturing to the US to avoid heavy tariffs if the world's two largest economies fail to iron out their differences.

The US and China have started behind-the-scenes negotiations to improve US access to Chinese markets. US Secretary of the Treasury Steve Mnuchin said over the weekend he had productive conversations with Chinese officials on the issue, although Trump was not ready to back down.

The TAIEX edged up 0.15 percent to 10,840.05 yesterday, after tumbling 1.66 percent on Friday, as reconciliation reports helped ease anxiety over a full-blown trade war, analysts said.

The US is the main end-market of the world's consumer technology devices, while China is the largest destination of Taiwan-made electronic parts.

Protectionist measures might also affect local textile and machinery tool makers, Lin said.

"Against this backdrop, Taiwanese makers might have to move to the US or elsewhere, or seek new business opportunities to survive," he said, adding that the scenario is unfavorable to the nation's economy.

The Taiwan Institute of Economic Research (TIER, 台灣經濟研究院) shared the worry, saying local firms should brace for the potential fallout.

Local technology plays would lose their appeal among foreign investors as unfavorable trade terms are bound to dampen global demand for technology devices, TIER economist Gordon Sun (孫明德) said.

Taiwanese firms based in China would also take a blow from a trade war, and market pundits and policymakers in Taiwan should pay close attention to how they respond, Sun said.

If a trade war breaks out, global funds would take shelter in the US currency, creating wild volatility across global markets, the economist said.

The local bourse, small and open, is susceptible to external shocks, he said.

The confidence gauge slipped among firms in all sectors last month, TIER's monthly report showed.

Sun attributed the sentiment retreat to holiday disruptions that would subside this month in the absence of major black-swan events.

A trade war would upset the landscape, he said.

Tunisie-Textile : Une assistance, pour passer à la sous à la Co-traitance

par African Manager - 27/03/2018 16:34

Environ 50 entreprises tunisiennes du secteur de l'habillement, souhaitant opérer un passage de la sous-traitance/co-traitance vers le produit fini/développement de collections, bénéficieront d'une assistance, dans le cadre du projet GTEX-Tunisie (programme global sur les textiles et l'habillement).

Ces entreprises actives dans les filières du Denim, Lingerie, maillot de bain, Vêtements de travail peuvent déposer leur candidature avant le 15 avril 2018, pour bénéficier de ce projet d'assistance technique, financé par le gouvernement suisse et mis en œuvre par le Centre du commerce international (ITC), indique l'Agence de Promotion de l'Industrie et de l'Innovation (APII). Le dépôt des candidatures se fait au travers du formulaire d'inscription électronique ci-après : https://fr.surveymonkey.com/r/gtex-tunisie .

GTEX-Tunisie sera mis en œuvre sur une période de 4 ans (2018-2021) et se focalisera sur deux principaux volets, à savoir l'amélioration de la performance de l'écosystème et des structures d'appui pour qu'elles puissent fournir de meilleurs services aux entreprises et le renforcement de la compétitivité des PME bénéficiaires, en particulier leur intégration dans les chaînes de valeur régionales, en profitant des accords commerciaux préférentiels et l'identification d'opportunités d'affaires sur de nouveaux marchés.

Le projet GTEX-Tunisie propose d’assister les entreprises sélectionnées via des formations et assistance en lean management (amélioration continue de l’organisation), réduction des coûts, responsabilité sociétale des entreprise (RSE), marketing, vente…

L’objectif de ce projet qui s’inscrit dans la continuité du projet d’appui à la Compétitivité de la chaîne de valeur du secteur textile et habillement (COM-TEXHA), est de développer et de redynamiser le secteur du textile-habillement en Tunisie, un secteur clé pour l’économie tunisienne en termes d’exportations et d’emploi.

GTEX-Tunisie s’intéresse également, aux problématiques liées à la diversification des sources d’approvisionnement, l’adéquation entre les programmes de formation des jeunes et les besoins des entreprises et les défis spécifiques des entreprises du secteur du textile et de l’habillement situées dans les régions intérieures.

Le projet GTEX-Tunisie propose d’assister les entreprises sélectionnées via des formations et assistance en lean management, réduction des coût, responsabilité sociétale des entreprise (RSE), marketing, vente, e-Commerce, etc.

Il s’agit également, de formations et d’assistance dans la mise à niveau et la certification à des standards nationaux et internationaux et des rencontres avec des acheteurs et des fournisseurs en Tunisie ou à l’étranger.

Les solutions proposées permettront une meilleure intégration de la chaîne de valeur au niveau national et une augmentation de la valeur ajoutée par la création d’emplois pour les jeunes.

Ce projet couvre 5 pays (Maroc, Egypte, Tadjikistan, Kirghizstan,Tunisie) et mettra un accent particulier sur l’assistance des entreprises implantées dans les régions intérieures.

Turkey to support textile, garment investments

Turkish economy minister says decree will be announced soon

home > economy 23.03.2018 Ankara

ISTANBUL

Turkey's Economy Minister Nihat Zeybekci said on Friday that the country will support investment incentives for textile and garment industries.

Zeybekci's remarks came at an award ceremony of Istanbul Textile and Raw Materials Exporters Association for the top exporters in 2017.

"From now on, investment incentives for textile and garment [industries] will be supported," Zeybekci said, adding that a decree would be announced soon.

UK assures tariff-free access for Bangla goods post Brexit

23 Mar '18

Labour rights in the garment industry, tariff-free access to Bangladeshi goods, education and the Rohingya crisis were the key issues discussed in the second Bangladesh-UK Strategic Dialogue held in London last week. The United Kingdom assured tariff-free market access for Bangladeshi goods entering the UK market after the latter leaves the European Union.

The United Kingdom encouraged Bangladesh to continue addressing human and labour rights issues in the garment industries.

Led by the permanent under-secretary at the UK's Foreign and Commonwealth Office Simon McDonald and his Bangladeshi counterpart foreign secretary Mohammad Shahidul Haque, the dialogue involved an exchange of views on political and bilateral issues, economic and development cooperation, security and defence cooperation and current global issues, according to Bangladesh media reports.

"The status quo is changing for both parties in different ways," said Md Khorshed. "We are trying to map our priorities and go for a more engaging and win-win kind of partnership."

The third such strategic dialogue, launched in 2017, will be held in Dhaka in 2019. (DS)

THE HILL

News Policy Opinion Video Podcasts Events

March 28, 2018

China tariffs hit Americans where it hurts: right in the sneakers

After giving us generous tax cuts, one would think that the White House would back off and not ask hard-working Americans to add more revenue to the federal coffers. However, realizing that their tax plan was flawed, Trump officials probably conspired to have us pay more for clothes and footwear from China just to help adjust the bill.

Since 41 percent of our apparel and 74 percent of our footwear come from China, any tariff on these items is a tax on Americans. Retail prices will be forced to go up and sales will come down. Jobs will be cut.

The potential of this proposed new 25-percent tariff on apparel, footwear and accessories (under Section 301 of the Trade Act of 1974) is a travesty waiting to happen. While the Trump administration has its sights set on Chinese theft of intellectual property, instead, it will be the American consumer that will get wacked.
It's hard to fault President Trump for wanting to add tariffs. Every person who voted for him knew that was exactly what he planned to do. The problem is, like most things related to Trump, nobody thought he would actually do it, simply because it makes little sense to most people.

One could try to argue that targeting China for their $375-billion trade surplus by using an obscure trade law is an awkward way to resolve a thorny issue. Simply put, it won't work, and it will likely cause more harm than good. However, the president got everyone's attention and, perhaps, that's what the he wanted to do.

Our apparel and footwear industries are already some of the most overtaxed, over-regulated and over-burdened groups that exist in America. Attempts to hold on to our manufacturing base have been in decline since the Smoot-Hawley era of 1930.

Our domestic garment and footwear assembly business was protected by a quota system and by a tariff system, both of which failed over time, and the proof of that shows today as we are 98 percent imported.

Most Americans just don't realize that they already pay a tariff on our products. In fact, our industry pays 51 percent of all tariffs collected by the U.S. government while representing only 6 percent of all goods that are imported.

We pay a 20 or 25 percent duty for a shirt or a pair of pants, and that is already factored into your retail price. The idea of adding on more duty to this is beyond absurd.

In February of 2017, Sen. Tom Cotton (R-Ark.) asked a rhetorical question on behalf of his constituents about the potential of raising prices due to a government intervention: "Why would we make the goods they buy at Walmart more expensive?"

Sen. Cotton's question rings true across America, but the query goes even deeper than that. We know that there are issues with theft of intellectual property from China, and we know that China could do more to prevent this.

However, being upset with China for one infraction doesn't translate into taking it out on another. Trying to punish China with tariffs (that will ultimately be paid by American citizens) is just not practical. It's like telling your son he did something wrong and then punishing your daughter.

Rick Helfenbein is president and CEO of the American Apparel & Footwear Association, an American industry trade group representing hundreds of clothing, footwear and sewn products companies and their suppliers. Follow him on Twitter @rhelfen.

Votre seul journal en langue française du Vietnam. Éditeur : Agence Vietnamienne d'Information
LE COURRIER DU VIETNAM
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Chaussures et textile-habillement : les exportations nationales ont le vent en poupe

21/03/2018 22:13

Les exportations nationales de chaussures et de textile-habillement ont été bien animées pendant les premiers mois de l'année grâce à la forte croissance de la valeur d'exportation sur de nombreux marchés.

Dans une usine de textile-habillement à Huê.

Photo: Quôc Viêt/VNA/CVN

Les États-Unis, le Japon, la République de Corée, la Chine et l'UE sont demeurés les principaux consommateurs. Les exportations nationales de ces produits ont aussi connu une croissance considérable sur d'autres marchés comme le Myanmar, l'Égypte, la Turquie, l'Ukraine ou la Hongrie.

"Par rapport à la même période de l'année 2017, les exportations de ce secteur en janvier ont été meilleures. Plusieurs entreprises ont des commandes jusqu'en septembre. Les opportunités d'augmentation de la valeur à l'exportation et d'élargissement des débouchés seront plus ouvertes lorsque l'accord de libre-échange Vietnam - UE sera effectif, en cours d'année", a estimé Mme Nguyên Thi Tuyêt Mai, secrétaire générale de l'Association du textile-habillement du Vietnam.

Évaluant les perspectives d'exportation de ce secteur en 2018, un représentant de l'Association du cuir et des chaussures du Vietnam a estimé que l'accord de libre-échange Vietnam - UE (EVFTA) permettra aux chaussures de sport du Vietnam - qui représentent deux tiers du total des chaussures *made in Vietnam* de toutes catégories exportées dans l'UE - de bénéficier tout de suite d'une exemption de taxe douanière. Situation identique pour les sacs en cuir.

En outre, les États-Unis sont en train d'impulser le processus d'adoption d'un nouveau projet de loi sur la taxe douanière, selon lequel de nombreuses lignes de marchandises bénéficieraient d'une réduction de taxe douanière. Il est possible que des dizaines de types de chaussures et de produits en cuir en provenance du Vietnam en bénéficient.

Pour 2018, ce secteur ambitionne un chiffre d'affaires à l'export de 20 milliards de dollars, +10% par rapport à 2017.

Le textile, la chaussure et le cuir se préparent à l’entrée en vigueur du CPTPP

lundi 26 mars 2018 -

Hanoi (VNA) – Le 8 mars dernier, l’Australie, le Brunei, le Canada, le Chili, le Japon, la Malaisie, le Mexique, la Nouvelle-Zélande, le Pérou, Singapour et le Vietnam ont signé, au Chili, l’accord de partenariat transpacifique global et progressiste (CPTPP).

Le secteur du textile-habillement a fixé l’objectif de 34 milliards de dollars d'exportations en 2018. Photo: VNA

Ce traité de libre-échange réduit drastiquement les tarifs et instaure de nouvelles règles commerciales radicales sur les marchés qui rassemblent près de 500 millions d’habitants et représentent un PIB d’environ 10.000 milliards de dollars, soit 13,5% du PIB mondial.

Il devra supprimer 95 à 98% des lignes tarifaires dès son entrée en vigueur prévue en 2019, et les restes dans les cinq à sept ans qui suivent, ce qui représentera une dynamique pour de nombreuses filières dans lesquelles le pays dispose d’un avantage concurrentiel, dont le textile et l’habillement, la chaussure et le cuir.

La signature du CPTPP contribuera à promouvoir la croissance des entreprises de confection, a déclaré le président de l’Association du textile, de l’habillement, de la broderie et du tricot de Hô Chi Minh-Ville, Pham Xuân Hông.

Cet accord ouvrira l'accès à de nouveaux marchés et incitera les investisseurs vietnamiens et étrangers à investir dans la filière des matières premières et les industries auxiliaires, établissant ainsi une connexion de la chaîne de production du textile et de l'habillement nécessaire à son développement durable, a-t-il estimé.

Des signataires du pacte, qui avaient choisi d'importer des produits textiles et d'habillement d'autres pays, prioriseront le made-in-Vietnam. Les entreprises vietnamiennes s'intéresseront elles à ces nouveaux marchés quand elles pourront bénéficier des droits de douane ramenés à zéro contre une moyenne actuelle de plus de 10%.

Premier secteur d'exportation du pays, l'industrie textile, qui a réalisé en 2017, un chiffre d'affaires de 31 milliards de dollars, soit plus de 10% de plus qu'en 2016 devrait aussi profiter du CPTPP sous certaines conditions.

Conformément au dispositif signé, les exportateurs vietnamiens seront exonérés de toute taxe sous réserve d'utiliser des matières premières provenant exclusivement de l'un des pays signataires.

Or, la filière importe jusqu'à 65% de ses matières premières. Pour bénéficier de cette fiscalité avantageuse, les exportateurs vietnamiens doivent au plus vite modifier leur stratégie d'achat et de production, explique le vice-président du Groupe du textile et de l'habillement du Vietnam (Vinatex), Nguyên Tiên Truong.

Pour justifier de l'origine de nos matières premières et bénéficier des avantages fiscaux du CPTPP, nous essayons aujourd'hui de produire au Vietnam. Nous avons également pris des mesures visant à augmenter la valeur ajoutée de nos produits pour devancer nos concurrents, a-t-il fait savoir.

La chaîne de confection et de fabrication des chaussures de la compagnie Liên Phat, implantée dans la province de Binh Duong (Sud). Photo: VNA

De la réforme institutionnelle à l’amélioration de l’efficacité de l’utilisation des fonds, le CPTPP comme d’autres accords de libre-échange profiteront grandement à l’économie vietnamienne en général, à l’industrie du cuir et de la chaussure en particulier, selon les experts.

Pour le vice-président de l’Association du cuir et des chaussures du Vietnam (Lefaso), Diêp Thành Kiêt, le CPTPP aura un impact positif mais ne créera pas de grands changements en termes de croissance de l’industrie de la chaussure.

Sur les 10 membres restants du CPTPP, le Vietnam a conclu des accords de libre-échange avec sept pays. Ainsi, un tel accord avec trois autres pays que sont le Canada, le Mexique et le Pérou n’entraînera pas une augmentation soudaine de la taille du marché ou du chiffre d’affaires à l’exportation de la chaussure et du cuir du Vietnam.

Force est de constater que le Mexique est un marché relativement grand, le Canada, un marché à la demande importante de produits haut de gamme aux prix élevés, autant d’opportunités non négligeables pour les entreprises vietnamiennes.

Si le CPTPP ouvre de nouvelles opportunités aux entreprises vietnamiennes, il les oblige aussi à relever de nombreux défis et en premier lieu celui d’adapter leur stratégie de commercialisation en fonction des pays ciblés.

De l’avis des économistes, le Vietnam a besoin de renforcer la connexion et la coopération entre les entreprises impliquées dans la filière des matières premières avec celles de textile et d’habillement pour l’exportation pour augmenter le taux d’approvisionnement en matières premières locales.

Les entreprises devraient aussi se renseigner au plus vite sur les clauses du CPTPP, élaborer et compléter les règlements techniques sur la qualité, la sécurité et le travail de l’industrie du textile et de l’habillement, conformément aux normes du marché international. – VNA

Last update 17:30 | 28/03/2018

Vietnamese labourers facing with challenge of Industry 4.0

Industry 4.0 poses a challenge to the Vietnamese labour force so significant that the only way to meet it is to impose reforms across the board, starting with education and training programmes, experts agreed at a seminar yesterday in Hanoi.

According to the International Labor Organization (ILO), for example, 86 per cent of workers in Vietnam's textile and footwear industries are at great risk of losing their jobs under the influence of technological breakthroughs caused by Industry 4.0.

Titled The 4th Industrial Revolution and the impact on the labor market in Vietnam, the seminar drew economists and other experts, all of whom agreed that the country will struggle to adapt to Industry 4.0—the wave of rapid technological development transforming workforces and economies across the world.

According to the International Labor Organization (ILO), for example, 86 per cent of workers in Vietnam's textile and footwear industries are at great risk of losing their jobs under the influence of technological breakthroughs caused by Industry 4.0.

"Industry 4.0 will leave no place for farming workers. The youth unemployment rate will be higher. The shortage of skilled workers as Industry 4.0 comes will also be very high," Pham Quang Ngoc, an economist and labour market expert, said at the seminar.

"If we don't have creativity, technological application will be very low. The weak competition will lead to no growth," said Ngoc.

According to the World Economic Forum (WEF)'s Readiness for the Future of Production Report 2018, among the 100 countries assessed, Vietnam was ranked among those that aren’t ready for Industry 4.0.

Solutions

Dr. Lê Anh Vinh from the Vietnam Institute of Educational Sciences at the Ministry of Education and Training said the young generation needed to be prepared for major changes to the country’s workforce.

More than half of Vietnam’s workforce is under the age of 40, with the proportion of workers aged 15-29 at 25 per cent.

Not only lacking in professional knowledge, Vietnamese workers are weak in problem solving, leadership and communication skills. The advantage of low labour costs in Vietnam is gradually losing attractiveness in the eyes of foreign investors.

Enterprises surveyed by domestic and foreign organizations for a number of research projects said they were dissatisfied with the quality of education and skills of staff, especially engineers and technicians.

At the seminar, experts mapped out solutions.

Training institutions need to adopt learner-centered training methods and the application of information technology in lecture design and delivery.

Innovation of form and method of examination are needed to develop work capability and creativity among learners.

Institutions should pay more attention to the development of the automation industry, as well as invest in in-depth research teams in the fields of information technology, energy and new materials and biotechnology.

The State focuses on forecasting human resource needs according to the structure of the industry and training level. On that basis, the State has made timely adjustments in terms of training, meeting the requirements of socio-economic development in each period and intensifying multilateral and bilateral cooperation in the field of education and training.

The State shall train and foster teachers and school administrators and create favourable legal and social conditions for foreign investors to open high-quality educational institutions in Vietnam.

Enterprises need to deploy robots to automate and apply technology solutions to improve productivity.

The seminar was jointly organized by Vietnam Omega Books Joint Stock Co, Vietnam Chamber of Commerce and Industry’s Office of Employers and the Centre for International Studies at University of Social Sciences and Humanities under Vietnam National University HCM City. - *VNS*