



ARGENTINA

Ministry imposes anti-dumping measures on Chinese products

The Argentine Production Ministry announced new anti-dumping measures on tablewares, polyester and textile thread imported from China. The measures came after an anti-dumping investigation conducted by the Ministry into negative effects of low-price Chinese tableware's on Argentine enterprises.

According to the measure, which is applicable for five years, the minimum custom value of the tableware's imported from China is set at US \$4.65.

In addition, the Argentine Production Ministry decided to impose four-month temporary anti-dumping measures on polyester and textile threads imported from Taiwan, India and Indonesia, as well as China.

Against the current backdrop of the global financial crisis, the Argentine government has reinforced restrictions on imported products. In the first eight months this year, Argentina registered a trade surplus of US\$ 12.33 billion, up 45%, while imports decreased by 39%, far bigger than the 24% drop of exports.

The Argentine government has adopted a series of measures to restrict imports since October 2008. Some Argentine entrepreneurs believe the protectionism will harm Argentina's economic development in the long term.



BANGLADESH

Apparel buyers expected more orders

Bangladesh expects a massive brace of international buyers this year as two major trade bodies are preparing to host two important international apparel exhibitions in November 2009, said Refayet Ullah Mirdha. He added in the last fiscal year the country outperformed in garment exports to many destinations as the buyers flocked here to purchase cheap apparel despite recession.

The BATEXPO-09 will be held on November 5-7 under the auspices of President Abdus Salam Murshedy, Bangladesh Garment Manufacturers and Exporters Association (BGMEA). Cheap

basic apparel products will attract new buyers from Japan, South Africa, Mexico and Brazil to the annual exposition this time. Countries like USA, EU, Australia, Canada, China and India are also expected to participate in the show

This year the foreign buyers have already confirmed for 11 stalls to participate in the 20th BATEXPO to be held at the Pan Pacific Sonargaon Hotel.

Similarly, Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) is going to organise its 5th Knitexpo-09 on November 2-4 at Dhaka Sheraton Hotel. This year's Knitexpo will be the biggest event as 80 international buyers have already confirmed their participation. The number of such foreign participants would cross 100.

Bangladesh exported knitwear worth \$6.429 billion in 2008-09 fiscal-years showing a 16.21% growth over the same period a year earlier. During the same time Bangladesh exported woven items worth \$5.918 billion registering a 14.54% growth.

Satisfactory export performance despite recession

Export growth hit a six-year low of 10.31% in the immediate past fiscal year, evidence of an impact of global recession on the country's shipments. In fiscal 2008-09, exports amounted to \$15.8 billion, falling 4.5% short of the \$16.3 billion target, according to Export Promotion Bureau (EPB) data.

Despite a sluggish export performance of several major products in Bangladesh, overall exports were recorded at moderate levels, banking mainly on earnings from the woven and knitwear sectors.

Woven garments, which take up over 80% of the country's export basket, posted 14.5% growth in the last fiscal year, fetching \$5.9 billion. Export figures also exceeded the \$5.7 billion target by 4.13% in fiscal 2008-09. Earnings from the sector were \$ 5.2 billion in fiscal 2007-08.

In fiscal 2008-09, the knitwear sector fetched \$6.4 billion, a 16.21% rate of growth over the previous year's earnings of \$5.5 billion, but the sector's earnings dropped 2.35% short of the \$6.6 billion export target.

In fiscal 2008-09, terry towels, handi-craft, computer services and chemical products achieved export growth, exceeding targets. Meanwhile, footwear, home

textiles, textile fabrics and agricultural products posted growth, but fell short of targets set by the government.

Sajjad Zohir, Executive Director of Economic Research Group, said the export performance of the country was satisfactory, considering the world is gripped by recession.



CHINA

Anti-dumping investigations by European Commission

The European Commission launched anti-dumping investigations on high tenacity polyester yarn made in China and other countries and regions; this is the first trade remedy investigation on Chinese textiles since the end of 2008 when the China-EU textile agreement expired.

The focus of the case is the establishment of industry-standard country. The European Union has chosen the United States as a market economy of the industry-standard in its notice of the file. If the United States would really be chosen as the industry standard, then the possibility of Chinese enterprises being charged by 30% to 50% anti-dumping duty will be greatly increased, said Said Zheng Jun Lin, the Secretary-General of China Chemical Fiber Association. After all, production cost of the United States is much higher than China. This will undoubtedly increase negative factors for Chinese enterprises, but there is still a trace of turning point.

40 Chinese mainland enterprises are involved in the case, which involves more than US\$100 million. European Commission will generally provide a preliminary ruling within 9 months after the establishment of the file.

The complaint was raised by the European Association of man-made fibers on behalf of three European companies, these three companies form more than 60% share of EU total production of high tenacity polyester yarn. Allegations of the complaining party state that export volume of Chinese products to Europe increased from 2800 tons in 2004 to 51,400 tons in 2008, market share of Chinese products in European market promoted from 1.2% to 22.4% in 2008.

According to statistics of the Mainland, product exports from the Mainland China to Europe marked about US \$1.24 billion in 2008, an increase of 33% year on year.



COLOMBIA

Venezuelan import ban

The textile and garment sector in Colombia is very worried over the fact that the neighbouring country of Venezuela, one of its biggest buyers, sector may ban imports of goods from Colombia. Earlier, the Venezuelan government had stopped providing dollars to Venezuelan importers of textile goods from Colombia at the official exchange rate, due to which they have to buy them from the open market at a high rate.

This is the second time in that Venezuela has banned imports of goods from Colombia. Venezuela is the one of the biggest importer of textiles and apparel from Colombia.



GHANA

Local textile firms are encouraged to supply school uniforms

The Vice President Mr. John Mahama has directed the Ministry of Education to procure fabrics intended for the free school uniforms from local textile manufacturers. He has assured that government will be willing to have taxes reduced, so the cost of production will be competitive to enable the local industries to produce. This was followed by the publication of the original report titled "Chinese firms get school uniform contract".

Mr. Mahama gave the directive that the Ministry of Education should abrogate whatever foreign contract for the supply of the school uniform and revert to local industry.

The Minister of Education, Mr. Alex Tettey-Enyo, who recently inaugurated boards of five agencies under the ministry said that the free school uniforms for one million basic school pupils announced in the 2009 budget would be ready for distribution when the 2009-10 academic year begins.



INDIA

Amendment in the Drugs and Cosmetics Act to include medical textiles

The Federation of Indian Chambers of Commerce and Industry (FICCI) had recently demanded from the government an amendment in the Drugs and Cosmetics Act. This is basically to push sales and ensure that quality standards are set for new medical textiles used in products like baby diapers, contact lenses and surgical gloves.

The textile ministry has backed the proposal and has written to the health ministry to make the necessary changes in the Drugs and Cosmetics Act. The ministry wrote to say that "Including such items in the statute will help in setting up of certain level of standards which will benefit hospitals and manufacturers.

The domestic market for medical textiles was projected at Rs 15.1 billion in 2007-08 and is expected to touch Rs 22.6 billion by 2012-13.

Regulatory framework for technical textiles

The government is actively considering to provide a regulatory framework to achieve 25% growth per annum of technical textiles against business-as-usual growth of 11%, said Smt. Rita Menon, Secretary, Ministry of Textile while addressing the workshop on 'Strengthening-Government-Industry-Consumer Partnership in Protective Textiles' organized jointly by Ministry of Textile and FICCI.

Secretary Textiles said that the protective textiles are a growing industry, which is expected to increase from Rs.1,259 crore in 2007-08 to over Rs. 2,000 crore by 2012-13.

Presently, 60%-65% of the domestic consumption of protective textile is met through imports. There is an urgent need to develop standards, procedures and manufacturing capacities of international standards, if India is to compete globally and corner a large share of this emerging segment of textiles. Government is planning road shows in seven European countries to attract foreign investment, informed Secretary (Textiles).

Rita Menon said that the government has set up four centers of Excellence (CoEs) for Meditech, Agrotech, Geotech and Protech group of technical textiles, which will provide one-stop facilities for testing, human resource development and research and development. These Centres of Excellence (CoEs) will be equipped with state-of-the-art laboratories which will be accredited to NABL to meet international standards. The activities of the CoEs will be synergized with the laboratories of Defence Research and Development Organizations (DRDO) and Director General Quality Assurance (DGQA) to set standards for defence procurement and fulfill the Defence and Para Military forces requirement.

Already government has removed fiscal anomalies affecting the development of technical textile and we are providing 10% capital subsidy under technology up gradation fund schemes for machinery used for manufacture of technical textiles.

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Man-made fibers consumption and duty structure are related

Globally, man made fibers account for over 60% of fibre consumption. In India, they account for around 40% of total fibre consumption and the share of man-made fibre based products in textile exports is less than 25%. One of the major reasons for low utilization of man-made fibers in India is uncompetitive cost of fibers and duties play a major role in making man-made fibers expensive.

Two producers account for most of the polyester production in India and in the case of viscose there is only one major producer. This situation allows fibre producers to fix their prices on the basis of import parity. In other words, producers calculate the duty paid landed price of imported fibers and fix their prices at that level, and make imports an unviable option. In the process, Indian spinners are actually paying customs duty even for domestically produced fibers.

Basic Customs Duty applicable to man made fibers is 5% and excise duty has been increased from 4% to 8% in this year's Central Budget. With Additional Customs Duty, Education Cess and Countervailing Duty, the total incidence of duty on imported fibers amounts to 18.62%. On top of this, Anti Dumping or Anti Subsidy Duties are also applied on imports quite often.

The increase of 4% in Excise Duty alone has made these fibers costlier by Rs 2,800 to Rs 4,500 per tonnes, for various man made fibers and their blends.

Fibre is the primary raw material for the textile industry. The increased burden of duty will have to be borne by the textile industry; they will not be able to pass it on to their consumers because of lower demand in the context of economic slow-down.

The only objective of the duty increase seems to be to generate additional income for government. And any move for revenue mobilization through increased duties on primary raw materials of labour intensive industries can only be compared with killing the goose that lays the golden egg.

Indian government looking to invest \$412 million in textile parks

India is considering setting up 15 more textile parks worth Rs.20 billion (\$412 million) over the next three years to boost the industry, said Textiles Minister Dayanidhi Maran.

India's overseas textile sales, about 13% of all exports, have been hit by declining demand from key markets like the U.S. and Europe, as well as a firming rupee. Growth in textile exports was flat in the year to March 2009 from a year ago, when it stood at \$22 billion. Since 2005, India has set up 40 textile parks to provide state-of-the-art infrastructure facilities to the industry.

Textile cos seek easier norms for machine imports

The Indian textile industry has asked the commerce ministry not to exclude textile units that had availed funds for modernizing their units under the Technology Upgradation Fund Scheme (Tufs) from benefiting from the new scheme for importing capital goods duty free. The zero duty EPCG scheme, announced in this year's foreign trade policy, allows exporters in a number of identified sectors including textiles, to import capital goods at zero duty for personal use.

In a report submitted to the commerce ministry, textile exporters' body Confederation of Indian Textile Industry (CITI) pointed out that the exclusion clause in the FTP, barring units availing benefits under Tufs to also avail of the zero-duty EPCG scheme, should be removed.

The industry argument is that since most of the small and medium units, which were suffering most from the on-going global slow down, had availed benefits under TUFs, the exclusion clause will prevent them from taking advantage of the additional benefits offered by the government.

Most of the exporting units in the textile and clothing sector have availed of TUFs and therefore this benefit under the EPCG scheme will be specifically denied to a large number of players in this industry," said R K Dalmia, chairman, CITI.

The report has also opposed exclusion of TUFs beneficiaries from benefiting from the additional duty free scraps (1% of the export value) allowed for status holders (also announced in the FTP). The scripts are certificates which can be used for importing goods duty free and are transferable.

Under Tufs, textile units get a 5% rebate on the interest payable on loans for modernization and technological upgradation. However, the report stated that even after Tufs benefits, interest rates for the textile and clothing industry of India is higher than what is prevailing in most of the competing countries. Customs duty on import of machines or duty free scripts for status

holders have nothing to do with interest rates on capital.

Textile accessory exports to touch Rs 200 billion

The sixty years old Indian Textile Accessories & Machinery Manufacturers' Association (ITAMMA) has set its sights on making India a global hub for manufacturing of textile accessories, considering that US and Europe based companies are shifting their operations to cost competitive countries.

ITAMMA aims to increase turnover from this textile sub-segment from the current Rs 65 billion to Rs 200 billion by the end of the next decade. It is also in the process of transforming itself, from a government liaison body to putting efforts in tying up for technology up-gradation and conducting market research for members.

The trade body also is projecting a increase in exports from Rs 6.5 billion to Rs 10 billion in the next five years, since most of its exporting members have already started focusing on new regions and existing buyer countries like Bangladesh, Vietnam, Indonesia, Pakistan, Uzbekistan and Far-eastern countries.

subsidy released to various states under the Technology Upgradation Fund Scheme

Gujarat's textile industry has been granted a subsidy of Rs 274.73 crore by the Centre. The grant is a part of the Rs 2,546 crore subsidy released to various states under the Technology Upgradation Fund Scheme (TUFs).

The subsidy would be released to 12,514 applicants in 23 states. Gujarat accounted for the highest number of applicants (4,051), but received only the fourth largest share of the subsidy.

The highest amount was granted to Maran's home state, Tamil Nadu (Rs642.90 crore). Maharashtra received Rs637.24 crore, while Punjab got Rs351.98 crore.

The release of the subsidy represented the first occasion on which such a large grant was being made available in a single tranche. He said the amount would be credited to the bank accounts of beneficiaries in 72 hours, or three working days.

The scheme had stimulated additional investments of Rs1,66,839 crore and benefited 24,685 textiles units.



INDONESIA

Textile producers allocate funds to procure new machinery

183 middle class Indonesian textile and garment producers allocated some 1.78 trillion rupiah (about US \$183.3 million) to procure new machinery this year. The allocation figure came up from Indonesia's Industrial Ministry's first scheme program in providing 10% price discount for the producers intended to procure new production machines this year.

Arryanto Sagala, Senior official at the Ministry, Textile Machine sector said that besides the first scheme discount program used by those 183 textile producers, the Ministry also provides the second scheme for the smaller scale textile producers. He said that as of now 27 textile producers have allocated 46.9 billion rupiah (about US \$4.8 million) to procure production machines with soft loan program that offers 7% interest rate.

The scheme to encourage textile producers in the country to procure new textile pro-

duction machines has been initiated since 2007. Government has allocated 240 billion rupiah (about US \$24.7 million) this year. Of that allocation, government set 190 billion rupiah (about \$19.5 million) for the first scheme and 50 billion rupiah (about \$5.1 million) for the second scheme.



MALAWI

Withdrawal of cotton crop subsidy

With the cotton price stalemate hitting small farmers hard, some cotton farmers in the country are not aware of their exclusion in this year's government subsidy programme implementation.

According to Nationonline, some parts of a cotton growing district of Salima, it was learnt that most cotton farmers are ignorant of the changes and they described the decision by government as "a raw deal."

Hastings Manjomeka Phiri, a cotton grower from Mlungamanja Village said he anticipated to receive free cotton pesticides for his cotton production this year and expressed shock when he was told of their exclusion.

Finance Minister Ken Kandodo announced in his 2009-10 Budget Statement that government will this year be limited to food crops to sustain food security. He said that would mean scaling down total fertilizer subsidy requirements to 160,000 tonnes.

Meanwhile, the Farmers Union of Malawi (FUM) has expressed shock over the cotton farmers' exclusion, accusing government of not intensifying awareness campaign to sensitize the farmers to the immediate withdrawal of commercial crops subsidy.

President for Chikwawa Cotton Growers Association, Davis Rice, also accused government for sidelining commercial farmers in this year's subsidy programme as well as for not informing them on the changes.

Farmers are yet to sell their cotton following a stand-off over prices between buyers, who are offering at least K42 per kg, and government which insists on the K75 per kg minimum prices. Meanwhile, intermediate buyers are taking advantage of farmers' desperation to buy the crop at lower prices under cover of darkness.

Second hand machines

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4120 - 1 rot-stream 140/2 360 kg
4291 - 1 air stream 140/2 360 kg
4253 - 1 eco soft 103/2 US 500 kg
4093 - 1 eco-soft 103/3 750 kg
4230 - 1 eco-soft 140/1 40-80 kg
4246 - 1 eco soft 140/1 30 kg
4004 - 1 eco soft 95/1 1000 kg
4279 - 1 full-rot 140/3 540 kg
4250 - 1 full-rot 140/4 1000 kg
4295 - 1 Luft-rot plus 140/4 1000 kg

4010 - 1 mini-rot 140/1 120 kg
4031 - 1 roto stream 140/1 180 kg
4217 - 1 roto stream 140/1 160 kg
4241 - 1 roto-stream 140/1 PL 200 kg
4242 - 1 roto-stream 140/1 PL 200 kg
4260 - 1 roto stream 140/2 320 kg
4261 - 1 roto stream 140/2 PL 400 kg
4272 - 1 roto-stream 140/3 480 kg
4009 - 1 roto-stream 140/3 480 kg
4008 - 1 roto stream 140/3 PL 600 kg

4007 - 1 soft-TRD 511 140/2 300 kg
4025 - 1 N1 Jigger 2300/1800
4019 - 1 eco bloc X 500 30 kg
4290 - 1 eco-bloc X 1250 250 kg
4115 - 1 pressure dryer Type1400 360 kg
4289 - 1 pressure dryer type1500 450 kg
4299 - 1 complete vertical yarn dyeing and drying plant consisting of
2 eco-bloc X Type 1150, with coupling device
1 pressure dryer type 1150 each 250 kg



NEW ZEALAND

Fragmented wool industry due to lack of planned export policies

Teresa Gattung, the Former Telecom Chief Executive said that the state of the wool industry in New Zealand is a national tragedy. She said New Zealand produces the best quality wool in the world and 30% of the wool used worldwide for carpets is grown in this country. But today's farmers are getting less than half what they were getting for wool 20 years ago.

She said Country Life the world wants more products which are sustainable and is prepared to pay for those products. The wool industry in New Zealand is fragmented and there are too many steps to exporting it.

She said there is no link between the end user customer and the New Zealand farmer. Wool Partners International owns the largest wool handling facility in New Zealand and owns Wools of New Zealand, which has offices in New Zealand, UK, USA, China and Europe.



SOUTH AFRICA

China plans no renewal of South Africa textile restrictions

China does not plan to renew a voluntary two-year restriction on textile exports to South Africa imposed after unions complained that cheap imports were hurting local manufacturers, said Zhong Jianhua Ambassador. He said the quotas that ended at the start of this year had failed to bring about any improvement in the competitiveness of the country's textile sector, and so it would be pointless to drag them out further.

There's no reason to extend that limitation on our own exports to South Africa because these two years did not bring about any benefit to both sides. The truth is that the Chinese manufacturers would not be happy to see that and last year was pretty bad for Chinese exports.

Quotas on Chinese textile and clothing imports to South Africa came into effect in January 2007 in response to union complaints about external competition. At the time, retailers complained about the higher prices that would result from blocking Chinese textiles, and the Central bank said they could add to inflationary pressures in the economy.



USA

Cotton Orientation Tour to the US cotton belt to showcase the benefits of US cotton to overseas spinners

To get familiar with US cotton and to know how the fibre is produced, processed and marketed, textile executives from 12 Asian, Latin American and European countries are traversing the US Cotton Belt since September 28.

There are about 28 participants representing 23 companies from countries such as Bangladesh, China, Colombia, Indonesia, Japan, Korea, Mexico, Peru, Taiwan, Thailand, Turkey and Vietnam.

It has been expected that these 12 countries will consume about 64 million bales of cotton, in the year 2009-10, which accounts for about 57% of the total world cotton consumption. The annual import of cotton bales of these 12 countries is 22 million bales including 12 million US bales, which is approximately 70 percent of total global sales of US cotton.

Demand for US cotton begins by educating worldwide textile industry on advantages of purchasing US cotton, said Mr. Clyde Sharp, President of Cotton Council

International (CCI) that sponsors COTTON USA Orientation Tour.

This tour of 23 companies, from 12 countries, to the US is an opportunity to showcase the benefits of US cotton to overseas spinners of its fiber, and also a prospect to reinforce ties between the US cotton industry and its overseas customers.

The 2009 participant countries will visit a farm and gin in the Mid-South, observe cotton research in North Carolina, Mississippi and Texas, and tour the USDA cotton classing office in Bartlett, Tennessee as well as meet exporters in the four major cotton belt regions.

To increase the awareness about the types and qualities of US cotton among its consumers and make them understand about the US marketing practices as well as to improve their bonding with US exporters are the objectives of the tour, which enables US cotton to acquire additional market share in the foreign countries. ♦



TURKEY

Additional import tariffs on Indonesian textiles

The Turkish government has been imposing additional import tariffs on Indonesian textiles since August 1 2009.

Indonesian Textile Association (API) Deputy Chairman Ade Sudrajat said the Turkish government had imposed between 2% and 3% additional import duties on 12 Indonesian textile manufacturers that had been "cooperative" during the dumping investigation.

However, the Turkish government imposed an extra 8% levy on companies that were not so cooperative filling in the questionnaires.

The dumping allegation goes back to 2007, when 22 Turkish firms petitioned seven textile makers from three countries; China, India and Indonesia for allegedly dumping sewing thread of man-made staple fibers; yarn (other than sewing thread) of synthetic staple fibers; yarn (other than sewing thread) of artificial staple fibers; and yarn (other than sewing thread) of man-made staple fibers in the Turkish market.



TAIWAN

World's first textile-based flexible super capacitor

Taiwan's textile industry has made remarkable advances in developing green energy, the latest example of which is a portable energy source for 3C electronic product under six volts that has been successfully developed locally.

The portable power bank developed jointly by Taiwan Textile Research Institute and Taiwan Technical Textile Association combines the power generating capability of the flexible solar battery, the conversion ability of the flexible super capacitor, the storage and supply mechanism of the power bank and the system integration technology of the textile product.

The new flexible solar battery can convert sunlight to electricity even when the sunlight is weak and can generate more power for a longer length of time using breakthrough carbon fiber technology.

The product is the world's first textile-based flexible super capacitor that can be commercially produced. ♦