

Textile Briefs

National

- ❖ The National Assembly Standing Committee on Commerce observed that the textile industry was suffering losses due to its inefficiencies and not because of the World Trade Organisation (WTO) regime. The Committee members noted that not enough had been invested in the infrastructure and the development of human resources by the managements of the textile units and expressed dissatisfaction over the performance and preparations of the textile sector to meet WTO challenges.
- ❖ All Pakistan Textile Mills Association Chairman Ejaz Gohar said that investment in the textile industry almost dried up in the past three years. This is an appropriate time to increase spinning capacity to meet expected high demand of Pakistani yarn in the global market.
- ❖ The State Bank of Pakistan (SBP) has expressed inability to convert textile sector loans into long-term financing facility (LTFF) on the basis of an agreement between the GoP and the International Monetary Fund. This was crux of the meeting between State Bank of Pakistan (SBP) Governor Salim Raza and Advisor on Textile, Dr Mirza Ikhtiar Baig.
- ❖ Trade Development Authority of Pakistan (TDAP) has registered the set cotton yarn export quota of 50,000 tonnes a month until April this year. According to TDAP officials, a partial amount of cotton yarn export until June this year has also been registered, showing an immense global demand for the commodity. With the high demand of cotton in the world the authority has registered the 50,000-tonnes yarn quota of each February and March 2010.
- ❖ Seed-cotton arrival figures indicate that finally cotton crop (2009-10 season) may hardly touch the level of 12.8 million running bales and may finish some where between 12.7-12.8 million bales against 11.34 million running bales in 2008-09 season - an increase of about 12.5% over last season.
- ❖ According to the Federal Bureau of Statistics (FBS) data, all textile and made-ups exports have increased to \$5.946 billion in the first seven months (July-January) of current financial year against \$5.814 billion of the same period of previous year, thus showing an increased of 2.27%.
- ❖ Sources of Agriculture Ministry said that cotton growers in Pakistan may get Bt cottonseed indigenously developed for commercial sowing from 2010-11 season. Field results of Bt cotton on experimental or commercial basis have shown very promising results and the growers are increasingly interested in sowing Bt cotton through the country.
- ❖ The dispute between two segments of textile sector, spinners and value-added sector is still going on the issue of cotton yarn availability in the country.
- ❖ Value-added sector associations blamed All Pakistan Textile Mills Association (APTMA) for exporting more than the quota, which has also been endorsed by the figures of government on cotton yarn export.
- ❖ The Ministry of Textile Industry has asked Pakistan customs to allow export of value-added cotton yarn on the basis of Trade Development Authority of Pakistan (TDAP) registration and accredited laboratory report. Earlier, the Ministry of Textile assured that monthly cotton yarn export would be capped on 38 million kilogram per month, but the promised was not fulfilled and Ministry capped the export at 50 million kilogram per month.
- ❖ Due to shortfall of around 3 million cotton bales the textile sector will have to bear an import cost of around Rs 80 billion, said a senior trader at KCA, Shakeel Ahmad. He said buyers remained eager for fine lint even on higher price above Rs 5,300 per maund during the trading session.
- ❖ Pakistan Hosiery Manufacturers Association former Chairman Adil Butt said instead of bickering over high yarn prices the clothing exporters should press foreign buyers to offer better prices. Butt said no reasonable buyer would refuse to adjust prices in accordance with the increase in yarn rates which was a global phenomenon.
- ❖ Chairman of Pakistan Apparel Forum, a representative body of four value-added exporters' associations Jawed Bilwani said that due to scarcity of yarn in the domestic market the export of most of the value-added textile goods declined during the first 7 months of the current fiscal. He further said that according to official figures exports of fabric during July-January declined by 23.5%, readymade garments 11% and hosiery goods by 10% when compared to the same period last year.
- ❖ National Project Manager, Gender Promotion (Gen-Prom), Punjab, Sajeel Butt, said that the UNDP-led training programme for the readymade garments sector has generated fresh jobs for 4,500 workers, women are in majority, by providing them skilled training in the last three years.
- ❖ Rasheed-ud-din Rashid, Senior Vice President of Karachi Chamber of Commerce and Industry (KCCI) has asked Federal Secretary Commerce to recommend Federal Finance Ministry to give some relief to the textile sector in the form of exemptions from heavy burden of taxes.
- ❖ Exporters of value-added textile goods face severe liquidity crunch due to non-fulfilment of assurances of benefits and relief package announced in the textile policy last year, said Shabir Ahmed, chairman Pakistan Bedwear Exporters Association (PBEA). He said exports of most of value-added textile goods are declining and our competitors are capturing our share in the world market but there seems to be no realisation or any sort of concern amongst the policymakers. ◆