Around the World

AUSTRALIA

Increase wool profits & improve environment with EverGraze

Australian Wool Innovation (AWI) has committed additional funding to ensure more wool growers within the high rainfall zone of southern Australia have access to the tools and resources from EverGraze.

Since inception, EverGraze has seen 3700 producers implementing practice change such as planting lucerne or varying lambing times on their properties.

EverGraze moves to the delivery phase and are assisting producers in making changes to improve production and natural resource outcomes. It will also be targeting leading producers and advisors to develop whole farm implementation plans for pasture, livestock and grazing systems which achieve environmental, risk management and profitability objectives.

EverGraze aims to deliver more profitable livestock systems and improved catchment health from perennial pasture systems within the high rainfall zone of southern Australia. The additional AWI funding of $231,150 will be delivered over the next two years, above the remaining commitment of $1.1 million.

Woolmark Company presents wool innovations

The Woolmark Company, owned by Australian Wool Innovation (AWI) presented new 'Innovation Toolkit' at recent ITMA in Barcelona.

The 30 innovative knitted and woven fabrics samples made from Merino wool were presented to key industry attendees from Technical Directors to Production Managers visitors at ITMA. These visitors are responsible for producing product for the world's leading retailers and designers.

The stand staffed by wool specialists from Australia, Turkey, China, Japan, Italy, Spain and Hong Kong, was able to answer questions about all aspects of Merino wool.

Some of the innovations to be presented this year will include the latest worsted spun techniques such as the sculptured Merino. The sculptured effect can be created by permitting a garment to cockle in the most severe and complete way. A combination of wider than normal range of fibre diameters in the blend, yarn setting, loose knit density and overloaded wet finishing machines create consistent cockling and the result is an interesting and modern effect to update the classic knitted structure.

BANGLADESH

Shifting of apparel orders from China to benefit Bangladesh

Shifting of apparel orders from China will benefit Bangladesh, as Chinese manufacturers are now confronting some major issues such as high wages, increase in the prices of raw material, labour scarcity and high customs duty.

YKK Bangladesh Pte Ltd., Marketing Coordinator for the Asia region, Edmond Fung, while speaking at "YKK Global Marketing Forum 2011" said that over next five years as sourcing from China would reduce by 6% to 11% every year, Bangladesh would gain advantage from the same and sourcing from it is likely to increase by 6% per annum.

Mr. Fung said, China is now advancing towards high-end fashion and is likely to capture 30% of the international apparel sourcing market even after the shifting of orders away from China.The YKK Group, the biggest zipper producing firm across the globe, operates a large facility in Dhaka Export Processing Zone (DEPZ) with an annual production capacity of 350 to 500 million pieces.

Sleeping bags get zero-duty access to US market

Following the US Senate's passing of legislation to renew the Generalised System of Preferences (GSP), sleeping bags from Bangladesh have got zero-duty access to the US market till 31st July 2013. Until mid-September this year, the US Congress had not authorized the renewal of the GSP programme which expired in December last year.

The GSP, introduced in 1976 by the Trade Act of 1974, provides preferential zero-duty entry for nearly 4,800 items from 129 beneficiary nations and regions, including Bangladesh. However, the benefit to Bangladesh from the GSP is limited as garment items do not form a part of the preferential goods. But, sleeping bags were included in the GSP list as they were not categorized as textile items.

In December last year, a petition was filed with the US Trade Representative for banning of duty-free import of sleeping bags from Bangladesh. It was contended that sleeping bags too should be subjected to duty impositions just like other textile items, as it extends a competition to the US sleeping bag makers. Subsequently, there were two hearings before the US International Trade Commission on the issue.

In Bangladesh, sleeping bag production is still in the nascent stage and earnings from their exports were US$ 5.3 million last year. There is a 10% to 40% import tariff on sleeping bags in the US, and as the duty-free facility has been retained, Bangladeshi manufacturers would now be exempt from paying the tariff.

Indian garment exporters invest in Bangladesh

According to Bangladesh's Board of Investment, Indian garment firms have invested about $79 million in 35 factories in the country.

Indian garment exporters are facing rising costs and declining sales, and therefore are moving factories to Bangladesh. They seek to benefit from low wages, which are one-third of those at home and lower taxes in Western export markets.

Apparel manufacturing costs in Bangladesh are 60% of those in India despite the infrastructural inadequacies, according to the Confederation of Indian Textile Industry. That is significant as the EU and the US, which account for 67% of global garment imports, are forcing the exporters to reduces prices as slowing economies and a rising number of unemployed people depress demand for garments.

Over the past decade, India, Pakistan and now even China have been steadily losing share in this labour-intensive business to Bangladesh, where companies pay just $40, or about Rs. 2,000, a month to a worker to produce cheap garments compared with an average wage of $200 a month in India or $150 in China. Even last year, compensation was as low as $25 a month before labour protests forced Prime Minister Sheikh Hasina's government to raise minimum wages to $40.

In addition to lower labour costs, Bangladesh's clothing exports are tax exempted in at least 37 countries, including EU nations, Canada and Australia, a facility given to the world's poorest countries. Garment sales from India attract import duties of 8-10% in these countries.

Today, with a 4.5% share in world garment exports, Bangladesh has overtaken India, which has a 3.5% share, according to a Crisil report. Garment sales comprise 80% of Bangladesh's exports, catalysed by export-processing zones that enjoy subsidized power and are free from wage-bargaining unions.

Bangladesh seeks German investment in apparel sector

Government of Bangladesh has sought investment from German entrepreneurs in the country's apparel industry. The request was made by Commerce Minister Faruk Khan during a meeting with representatives of AVE, the Foreign Trade Association of the German Retail Trade.

Currently on a visit to the European country, the Minister also asked Germany to import more garments from Bangladesh. Last year, Bangladesh was the third biggest supplier of apparels to Europe. At present, Germany is the second biggest export market for Bangladeshi goods with a trade volume of US$ 4 billion. The Minister urged for further strengthening of the partnership by importing more garments, jute products and high quality leather goods from Bangladesh.

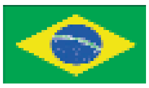
Jute sector criticize 1.50% tax rate deductible at source

Jute spinners in Bangladesh apprehend that the proposal to hike the tax at source on exports from the present 0.40% to 1.5% for the 2011-12 fiscal would severely affect the industry's growth.

The Finance Minister withdrew the tax break facility that was available to the jute, textiles, apparels and other industries. He also proposed a levy of 1.50% tax deductible at source from all export proceeds.

The sector has called upon the Government to modify the new proposal and not to at least impose tax at source on jute spinning, as it accounts for about 65% of the jute sector's overall exports. The sector recommended that the government should take steps to strengthen the private jute mills, as it is necessary for the development of industries in the country.

During the 2009-10 fiscal, the jute sector generated revenues worth Tk 25.48 billion from exports of 380,000 tons of jute yarn, while during the year 2010-11, jute yarn exports has touched Tk 30 billion.



BRAZIL

PPE market to hit $730 million by 2017

Brazil's industrial protective clothing market is expected to reach $730.6 million by 2017. In 2010, Brazil's market for personal protective equipment (PPE) increased by 11% to reach $249 million. This rate of development is double Brazil's estimated gross domestic product (GDP) for the same year (5%-6%), according to the Brazilian Institute of Statistics.

The increased demand for industrial clothing is directly linked to the forecast growth in Brazil's industrial sectors. The energy industry is thought to present strong opportunities. Although always a competitive sector, legislation was passed in the country making it a legal requirement for employees to be provided with appropriate PPE, including protective clothing.

According to the study, price wars are commonplace in the Brazilian PPE market, although analysts believe that to differentiate themselves, suppliers should focus on quality and producing more comfortable garments.

Brazil's protective clothing sector is expected to receive a further boost as industrial expansion and construction continues ahead of the 2016 Olympic Games.

GHANA

AGI supports Anti-Textiles Piracy Taskforce

The Association of Ghana Industries said that it fully supports the operations of the Anti-Textiles Piracy Taskforce, which aims at stopping the importation and selling of faked local branded textiles in Ghana.

Nana Owusu-Afari, President of AGI said that the taskforce was not against the importation of fabrics so far as they are not faked in terms of design, brand name and other characteristics.

He said the faked textiles had virtually brought the collapse of many companies in the past few years with adverse impact on job creation.

The current situation had been worsened by the influx of pirated local textile designs, with very low prices compared to locally produced wax prints with similar designs, adding that the most disturbing issue was the stamping of the trademarks of the local manufacturers. If they are produced from outside, the manufacturers should use their trademarks instead of local manufacturers trademarks.

Abraham Koomson, General Secretary Textiles, Garments and Leather workers Union and a member of the taskforce said the material evidence clearly showed that the names, logos, seals and brands of local textile manufacturers had been faked.

He said about 2,500 local textile manufacturing workers would hit the streets of Accra on Tuesday, in a demonstration to protest the smuggling of and trading in fake local textiles.

INDIA

Cotton Federation to devise a standard contract

Indian Cotton Federation (ICF), earlier called the South Indian Cotton Association (SICA), is now devising a standard contract for cotton as majority of the issues related with cotton trade are common.

The newly appointed President of the Association J Thulasidharan and Vice President KN Vishwanathan said that the contract, which is to include norms related to local as well as international trade in Indian cotton, would be finalized only after consultations with all leading stakeholders and regional associations.

They said that negotiations are being carried out in majority of default matters, and all adjudication would be governed by the Indian Council of Arbitration and other laws applicable.

The price of cotton surged to historic Rs. 63,000 per candy (1 candy = 356 kg) during February to April 2011 and then, following the international price movement, it plummeted to Rs. 30,000 per candy within just a few weeks' time.

As the prices plunged all of a sudden, several buyers refused to accept delivery of cotton at the contracted price. The default volume in private trade alone was tagged at about 500,000 to 600,000 bales.

Exporters face challenges from other Southeast Asian competitors

Indian textile exports to the US is now lagging behind Bangladesh, China and Vietnam, as revealed from US Department of Commerce, Office of Textiles and Apparel (OTEXA). In fact, the country has lost a bigger share of the textile exports to Vietnam over the past three years.

Indian textile exporters are increasingly finding it difficult to match lower prices offered by Southeast Asian companies because of relatively higher labour and operating costs. The competition is more intense in the garment segment, which accounts for three-fourth of the total textile exports to the US.

According to the data, players in the other regions charge 11%-22% lesser per square meter equivalent (SME) of apparels to US buyers when compared with Indian billing rates. For instance, in the first eight months of this year, India earned $3.6 per SME from garment exports to the US. This compares with $2.8 per SME for Bangladesh, $3 per SME for China, and $3.2 for Vietnam.

Bangladesh exports garments to the US at the lowest rates among the four competing nations, and its share increase in dollar terms varies by 220 basis points (bps) to 6.4% between 2007 and 2011.

Vietnam increased its share by 270 bps to 8.7% and China by a whopping 640 bps to 50.6%. In comparison, India's share improved by a meager 145 bps to 8.4%.

In the first eight months of 2011, sales volumes dwindled for China and India, while Bangladesh continued to report a healthy 10% growth in apparel exports to the US. For Vietnam, exports grew at a robust 12.4% during the review period from the year-ago level. This makes it difficult to ascertain the impact of a possible fall in the US consumption due to the current economic uncertainties. What is also intriguing is that per unit rates have increased handsomely for all the four players during the eight months. Except for Vietnam, which saw a single digit growth in garment realisation, other countries reported a double digit jump.

Cotton buyers in China, BD and Pakistan will benefit

India cotton contributes 22% of global output and is expected to have a bumper harvest of 6 million tonnes, besides a surplus of 1.2 million tonnes, ensuring it will have to compete with suppliers from Latin America, Australia and Africa, and put further pressure on world prices, said Arun Shekhsaria, Managing Director of Exporter DD Cotton.

Until 2009, India was the world's second biggest supplier of cotton, having emerged as a key exporter since 2005-06, but high cotton prices prompted the government to ban exports in April 2010 to hold down domestic prices. The ban was lifted the next month, following protests by international buyers, and replaced with a limit of 935,000 tonnes on exports until November 1.

In June this year, the government allowed an additional 170,000 tonnes to be shipped this season, before relenting and scrapping the curbs last month, following pleas from traders and farmers who saw supply outstripping demand and prices falling. But by then, Brazil's bumper cotton harvest had cut global prices by half from a record March price of $2.27 a pound. Drought in China and floods in Australia and Pakistan had carried Indian prices to an all-time high of Rs173 ($3.85) per kg.

Global production of cotton in 2010-11 stood at 24.94 million tonnes, with India contributing 5.5 million. According to USDA data, China remains the biggest producer and consumer of the fibre, accounting for some 40% of global demand.

The inconsistent policies of India has put additional pressure on Asian textile makers who depend on Indian supplies. Jahangir Alamin, president of a mill industry group in Bangladesh says, we get about 25 to 30% of our annual cotton imports, that is about 1 million tonnes from India.

China, the largest importer of Indian cotton, fills most of its needs with imports from the United States and through domestic production.

Decision to continue the 30% duty on Chinese silk imports

Former Karnataka Chief Minister M Veerappa Moily has written to the Union Finance Minister Pranab Mukherjee and the Minister for Commerce, Industry and Textiles, Anand Sharma, asking them to reconsider the decision to reduce the duty on import of Chinese silk from 30% to 10%.

Mr. Moily, who is also the Union Corporate Affairs Minister, said the sericulture farmers of the four southern States of Andhra Pradesh, Karnataka, Kerala, and Tamil Nadu are unhappy with the Centre's move, as they feel it will drastically reduce the price of raw silk and cocoons.

He said that silk growers and reelers feel that heavy imports of Chinese silk at reduced import duty would pose a tough competition to local silk industry, leading to its collapse, as sericulture would no longer remain remunerative.

He further said that the sericulture farmers have been able to survive so far in spite of price volatility and other issues. However, the domestic silk industry may not be able to withstand the competition from low-priced Chinese silk. Hence, he stated that the duty of 30% on imported Chinese silk should continue. Nearly 70% of the silk produced in India is from Karnataka, and 60% of this is produced in Chickaballapur.

Manmade fibre industry

The manmade fibre textile industry in India has never received due recognition in the vast Indian textiles market. As per statistical data, in the $70 billion Indian textiles industry, consumption of cotton and manmade fibres is in the ratio of 60:40 against a global consumption ratio of 40:60.

The consumption of textiles in India too is heavily skewed in favour of cotton textiles, contrary to the trends prevailing in global markets, where manmade textiles have a bigger pie of the overall textiles market.

The Ministry of Textiles created a strong case for equality in duties and levies between textiles produced from cotton and man-made fibre. In the draft national fibre policy, the Textile Ministry had displayed concerns about the exorbitant disparity in taxes between manmade fibres (MMF) and cotton.

The draft also mentioned that, if the excise duties on manmade fibres and manmade fibres textiles are cut down, then they will have a positive impact on the growth of MMF usage.

Government extends TUFS to 12th Plan period

The Technology Up gradation Funds Scheme (TUFS) that provides support for textiles through interest reimbursement and capital subsidy, will be extended during the 12th Plan period as well, said Union Commerce Minister Anand Sharma.

Inaugurating the 1st international exhibition and conference on technical textiles Technotex 2011 in Mumbai, Sharma said the textile sector remains core to the Indian economy and the government is committed to its all-round development.

Jointly organised by Ministry of Textiles, Department of Chemicals and Petrochemicals and Federation of Indian Chambers of Commerce & Industry (FICCI), the Indian Technical Textiles Association and various other industry associations are supporting the event. Maharashtra, Gujarat and Karnataka are the partner states.

Technical textiles include textiles for automotive applications, medical textiles, geo-textiles, agro-textiles used for crop protection and protective clothing for fire fighters, bullet-proof jackets and space suits.

Four more Centres of Excellence for non-woven textiles will be set up, in addition to the existing four, to give a boost to production of technical textiles. One of them relating to sports textiles will be based in Mumbai.

These centres would be equipped with internationally accredited testing labs, training facilities for trainers and technicians from the industry, IT-enabled information centre and other requisite support to the technical textile entrepreneurs.

In order to promote technical textiles in the country and to address the growth bottlenecks the, Ministry of Textiles has launched the Technology Mission on Technical Textiles (TMTT).

The Ministry of Textiles, expects the technical textiles sector in India to grow by 11% every year to attain a market size of $14.8 billion by 2012-13 from the current size of $9.9 billion.

Ministry encourages speciality fibres

Union Textile Ministry would encourage manufacturing units to produce some speciality fibres required for technical textiles not available in India, either indigenously or through joint venture in the 12th Five Year Plan, said Sujit Gulati, Joint Secretary, Ministry of Textiles

He said the market size of technical textiles in India was estimated at Rs 63,000 crore during 2010-11 and a subgroup on technical textiles for the 12th Five Year plan had projected it to swell to Rs 1.60 lakh crore for 2016-17.

The present Rs 2,300-crore market size of medical textile was projected to touch Rs 6,000 crore by 2016-17, at a growth rate of 20% year-on-year. Similarly, the market size for Geotech is likely to be Rs 454 crore in 2012-13.

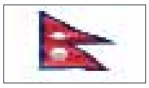
Gulati said the Ministry was in touch with all the user ministries, especially health and family welfare, road transport and highways for inter-ministerial coordination for discussing regulatory measures for use of technical textile, which would help a "great deal" in enhancing the usage of medical textiles and geotextiles in the country.

Technical textiles industry projected to grow to Rs.1.4 trillion by 2017

The Indian technical textiles industry is projected to grow to Rs.1.4 trillion ($31.4 billion) by 2016-17, with healthcare and infrastructure sectors accounting for a major chunk of the consumption, according to a research paper.

Currently, the technical textiles industry market was estimated at Rs 570 billion ($12.67 billion) in 2010-11, said the FICCI-Wazir Advisors-Ernst & Young Knowledge joint paper. Technical textiles are specialised textile products having varied industrial applications.

With an improving economy and social scenario in India, a number of enabling factors are expected to positively impact the market for technical textiles. The growth drivers are emerging at both the supply and demand sides and include government support, increased investor interest because of the large untapped market.



NEPAL

Garment body asks government to push for duty-free access to US

Garment Association - Nepal (GAN), the main body representing Nepali apparel manufacturers and exporters, has asked the government to push for duty-free access of garments to the US, during the Trade Investment and Framework Agreement (TIFA) talks scheduled to be held in December 2011.

GAN has submitted an eight-point suggestion to the Ministry of Commerce and Supplies, asking the government to utilize the bilateral TIFA forum to get Nepali products included in the list of the US Generalized System of Preferences (GSP) and to boost the US investment in Nepal.

It has also asked the government to lobby during the Secretary-level talks for getting Most Favoured Nation (MFN) status to enhance Nepali exports to the US.

Nepal's exports to the US have been decreasing since 2004, when the US ended duty-free and quota-free facilities to Nepali garments. Hence, GAN has put forward some suggestions to enable the government to take some action to increase export of Nepali goods, especially garments, to the US.

The first suggestion is to promote exports from Nepal to the US and in turn promote investment from US to Nepal, said Mr. Uday Raj Pandey, President of Garment Association – Nepal.

He informed that GAN had filed an application to the US about a year ago to include 11 Nepali items in the GSP and we have asked the government to follow-up on the application which was directly sent to the Senate.

Garments are one of the major export items of Nepal and their exports have been declining for the last few years. So, in the event of either a duty-free access or GSP facility to garments and Pashmina, Nepal can earn more foreign exchange, and it will result in generation of employment and also save the country's ailing garment industry. Carpets and handicrafts, the other major export items of Nepal, already enjoy a duty-free access to the US markets.

NICARAGUA

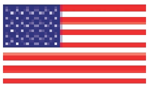
US Apparel firm to set up three new facilities

During the first semester of 2011, Nicaragua was the Central American country with the highest growth in apparel exports (in terms of volume) to the United States, when compared to the same period last year.

According to information from the Office of Textiles & Apparel (OTEXA) of the U.S. Department of Commerce, during the first half of 2011 Nicaraguan apparel exports to the U.S. grew by 22% in terms of volume, reaching 202 million square meter equivalents (SME), and jumped 27% in terms of value, up to US$586 million.

Cupid Nicaragua, a U.S. apparel manufacturing company specialized women's underwear and sportswear in general, is currently investing up to US$24 million in the expansion of its operations in Nicaragua through the construction of three new industrial facilities. Located in Industrial Park Las Palmeras, the new facilities will have a total area of 30,000m^2 and employ approximately 2,700 people, announced David Welsh, owner of the company, during the inauguration of the second facility.

Nicaragua is considered as single most competitive option for sourcing numerous apparel products, not just in this hemisphere, but in some cases also compared to China, Vietnam and Bangladesh. Some of the factors contributing to the country's competitiveness include its low costs, educated labour pool, improving labour productivity, consistent quality, and excellent free trade zone system and speed-to-market performance. Some of the company's most important brands include Naomi & Nicole, Miraclesuit, Cupid and Under Armour. Additionally, the company's products are sold at renowned retail stores such as Sears, Wal-Mart, JC Penney, Dillard's, Nordstrom and Macy's.



USA

Cotton industry urges prompt approval of US-Colombia FTA

The National Cotton Council welcomes the news that the enabling legislation necessary for Congress to approve the U.S.-Colombia Free Trade Agreement (FTA) has been formally transmitted to Congress. The U.S. cotton industry urges immediate approval of the legislation by the House and Senate.

National Cotton Council members consistently have expressed support for Congressional approval of the Free Trade Agreement with the Republic of Colombia, which was signed in November 2006. The U.S. cotton industry has increased exports of cotton and cotton products under the provisions of the Andean Trade Preference and Drug Eradication Act (ATPDEA). However, approval of the FTA will enhance U.S. competitiveness and benefit farmers and manufacturers by removing the tariffs which are currently applied to U.S. products entering Colombia.

Colombia is an important export market for U.S. raw cotton. In 2010, the United States exported more than 230,000 bales of raw cotton to Colombia with an estimated value of $100 million. With an 80% market share, the United States is the primary supplier of imported cotton to the Colombian market. With the FTA in place, the United States is well positioned to capture a significant portion of growth in Colombia's demand for cotton fiber.

In addition, both Colombia and the United States benefit from significant two-way trade in cotton textile products. In 2010, textile exports in predominantly-cotton products from the United States to Colombia totalled $56 million. During that same year, the United States imported $165 million in predominantly-cotton textile products from Colombia. Under the provisions of the ATPDEA, Colombian apparel products, containing U.S. components, enter the United States duty-free.

However, the failure to approve the FTA in a timely manner and the uncertainty associated with the need to extend the ATPDEA while the Administration and Congress consider the FTA, has disrupted trade and caused U.S. exporters of cotton yarn and fabric to lose business to Asian sources.

U.S. cotton growers produce a crop with an annual farm-gate value in excess of $5 billion. The industry and its suppliers, together with the cotton product/manufacturers, account for approximately 200,000 jobs and generate total annual economic activity in access of $100 billion.

USA

Cotton price volatility lower in 2011-12

Volatility in cotton prices was the highest in decades during 2010-11, and cotton was the single most volatile commodity out of 53 tracked by the International Monetary Fund (IMF) during 2010.

During the current season, world cotton production will exceed consumption and ending stocks will rise both in absolute terms and as a share of use. Economic uncertainty continues, but market participants now have an additional year of experience on which to draw in managing such uncertainty. And governments are unwinding the special interventions implemented last season, thus allowing market forces to determine trade patterns.

During 2011-12, world cotton production is projected at 26.6 million tonnes, consumption at 24.7 million tonnes, and trade at 8.1 million tonnes. The Secretariat estimate of mill use during 2011-12 of 24.7 million tonnes is based on latest monthly data on mill use or imports, combined with IMF forecasts of world economic growth.

Ending stocks are forecast at 10.9 million tonnes, an increase of nearly two million tons from the previous season; the ratio of world ending stocks outside China to world use outside China (the traditional indicator of direction of change in world prices) will climb from 46 to 52.

According to USDA reports the Secretariat estimate of U.S. production during 2011-12 is 3.4 million tonnes, 540,000 tons less than in 2010-12, and 200,000 tonnes less than the September 2011 USDA estimates.

VIETNAM

Fluctuating EU and US markets cause decline in exports

The textile and garment industry in Vietnam had targeted its export earnings at US$13.5 – $14 billion this year, however, the economic downturn in the US and EU countries may drop the figure to $13.1 billion.

During the first eight months of the year, Vietnamese textiles and garments made a breakthrough in their export turnover, crossing $1.4 billion a month. With this in mind, the Vietnam Textile and Apparel Association (Vitas) set its annual target at $13.5 – 14 billion. Unexpectedly, the situation worsened in September and export orders were reduced substantially. EU and the US, the two main markets have reduced their orders by 20% in spite of an agreement early this year. Exports to Japan have improved as Japanese importers have taken advantage of tax incentives in the trade agreement between the two countries, with Japan now diverting more orders from China to Vietnam. With the unexpected changes in the EU and the US markets, Vitas says that this sector can only reach a target of $13.1 billion in 2011. Meanwhile, even though enterprises face difficulties, they still have to pay for production costs, health and social insurance for labourers as well as workers basic salary, which will increase from VND 1.35 million to VND 2 million per month ($95). In fact, companies have raised the basic salary to attract more labourers. The increased expense will be an added burden on these companies who employ thousands of workers.

Project to help textiles industry achieve sustainability

Assist Asia, a non-profit organisation based in Philippines has launched a project under the Public-Private Partnership (PPP) mode for helping textiles, garment and leather (TGL) industries in Vietnam achieve sustainability.

The project will assist the textile, garment and leather factories to curtail their emissions of greenhouse gases and ensure availability of natural resources while moderating the risks from effluents and pollution. In developing nations like Vietnam, there is a significant potential to minimize energy usage and pollution per unit of industrial output. It would also lead to a reduction in the ecological footprint as a whole while enhancing production efficiency and competitiveness.

According to Assist Asia, as Vietnam intensifies its efforts to draw foreign direct investments, it would become vital for the country to develop links between growth and environmental sustenance. A rise of 14% per annum is being noted in industrial activities in Vietnam, with some of the industries registering a growth of as high as 100% over the past few years.

Textiles, garment and leather are the key industry sectors that major attribute to ecological filth and greenhouse gas emissions in Vietnam. These industries have significant ability to preserve resources like energy and water by adhering to resource-efficiency exercises, and achieving global standards like ISO 50000 and others laid down by organizations like UNDP and UNIDO. ◆

The market for cosmetotextiles is set to grow rapidly

The market for cosmetotextiles often referred to as "wearable skincare"is set to grow rapidly, according to a report in the latest issue of Performance Apparel Markets from the business information company Textiles Intelligence. Although still in its infancy, the market has exciting potential, and the textile industry is optimistic that further technical developments will open up new markets and create growing business opportunities. Some have estimated that the market for cosmetotextiles will be worth Euro500 million (US$717 million) in 2013.

For the textile industry, cosmetotextiles provide a way of increasing added value while satisfying consumers' growing demand for beauty and anti-ageing products. Demand is being fuelled in particular by the desire of consumers to combine well-being, or "wellness", with clothing attributes which are now taken for granted, such as breathability, comfort and aesthetics. The market for cosmetotextiles has greatly expanded in recent years to encompass a wide range of garments which are designed to appeal to health conscious consumers. Manufacturers claim that their products can reduce cellulite, moisturise the skin, cool the body or even deliver vitamins. Also, while manufacturers faced a number of technological challenges in the early years, these have been largely overcome thanks to advances in microencapsulation. Such advances have opened up new opportunities for enhancing the performance of cosmetotextiles. In turn, performance enhancements have enabled manufacturers to offer clothing items which are perceived by consumers to have higher added value, and therefore such items often command premium prices. On the other hand, plug-in air fresheners and aromatherapy products are growing in popularity, and sales of cosmetotextiles stand to benefit from this trend.

Furthermore, belief in the concept of cosmetotextiles is likely to be strengthened by the progressive involvement of high profile companies in the cosmetics industry as well as those in apparel -- including major sportswear suppliers such as Nike and Adidas.◆