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Message from the Director-General

Dear CACCI members:

It is a pleasure to present to you the “Asian Textiles & Garments Council” newsletter for 2018, volume III. This publication is a compendium of relevant news, reports, and analyses on recent developments in the textile and garments industry in Asia Pacific countries.

The textile industry remains vibrant yet fragmented, thus providing different opportunities in different markets. Innovation in management at the factory level, production, supply chain and marketing is a permanent ingredient everywhere in the Asia Pacific region.

In Bangladesh and Vietnam, where the textile sector is an engine of growth, manufacturers are implementing new management procedures to maintain production while keeping safety standards. Indian producers are streamlining their supply chain to produce cheaper and faster. Chinese garment industry is facing cost pressure and prepares to relocate to reduce fixed cost. Technologies are being integrated in new products, and in advanced economies such as those in Japan and Italy, textile and fashion are carefully cultivated to control cost and quality.

Please read this new issue of the Asian Textiles & Garments newsletter to better understand the trends and conditions of the textile market in the Asia Pacific region. Enjoy your reading!

Ernest Lin
Director-General
CACCI

Uzbekistan & Kazakhstan to expand co-op in textile industry

Azernews, Kamila Aliyeva, 5 March 2018



Uzbekistan and Kazakhstan plan to create a joint cluster for the processing of cotton.

Work on the project has already begun. Uzbekistan and Kazakhstan will take control of the whole process, from processing of “white gold” to receiving finished products.

“The textile industry is one of the important calling cards of the country. A lot of experience has been accumulated in the production of textile products. This is very important - starting with the planting of cotton, ending with its processing, thus bringing it to export potential,”

Yerik Utembayev, Kazakhstan's ambassador to Uzbekistan, said.

Within the framework of the new project, the two sides also plan to build new joint ventures. This will be the basis for the development of the textile industry of Uzbekistan and Kazakhstan.

In addition, work is underway to implement an investment project to increase the volume of exports and imports between the countries. This was facilitated by the agreement signed during the meeting of the leaders of Uzbekistan and Kazakhstan.

“As many as 180 enterprises, thanks to the support of foreign investors, operate in the Andijan region today. Basically, these projects are implemented with the help of investors from China, South Korea, Kazakhstan and Kyrgyzstan. Taking into account the potential of the region, we invite investors. To date, there is an agreement to implement an investment project with Kazakhstan in the amount of \$18 million,” said Abdusattor Ahmadov, head of the investment department of the Andijan region.

Kazakhstan mainly exports transformer equipment and other industrial goods to Uzbekistan. In the future, this list will be replenished by the products of the pharmaceutical and cotton-textile industries.

By 2020, taking into account the potential of the mutual trade, the two sides intend to bring it up to \$5 billion. Over 200 companies with Kazakh capital currently operate in Uzbekistan. As a result of 2017, the trade turnover between Kazakhstan and Uzbekistan has increased by 30 percent and amounted to about \$2 billion.

It should be noted that 2018 is declared as the year of Uzbekistan in Kazakhstan whereas 2019 will be the year of Kazakhstan in Uzbekistan.

https://www.azernews.az/news.php?news_id=128254&cat=region

Azerbaijan & India sign MOUs

Rashid Shirinov, 14 March 2018



BAKU - Azerbaijan and India signed memorandums of understanding on March 13, which took place during the joint business forum in Baku.

The memos were signed by Indian PHD Chamber of Commerce and Industry and the Confederation of Azerbaijani Entrepreneurs, as well as the PHD and the Azerbaijan Export and Investment Promotion Foundation (AZPROMO).

They were inked by Secretary General of the Indian Commerce and Industry Chamber

Saurabh Sanyal, President of the Confederation of Azerbaijani Entrepreneurs Mammad Musayev and AZPROMO head Rufat Mammadov.

The documents are aimed at expanding and strengthening the economic and trade ties, as well as business relations between Azerbaijan and India.

Addressing the business forum, Azerbaijani Deputy Minister of Ecology and Natural Resources Firdovsi Aliyev said that Azerbaijan is interested in expanding cooperation with India in several spheres, and of the priority spheres of cooperation is cargo transportation.

“Indian cargoes are mainly delivered to Europe by sea via the Suez Canal. In this regard, the International North-South Transport Corridor project being implemented by Azerbaijan jointly with neighboring states will allow transporting cargo from India by land, which will significantly shorten the time and cost of the transportation,” Aliyev noted.

He expressed the hope that the implementation of this project will give impetus to the development of relations between the two countries in the field of cargo transportation.

The International North–South Transport Corridor is a 7,200-km-long multi-mode network of ship, rail, and road route for moving freight between India, Russia, Iran, Europe and Central Asia. The corridor is planned to transport 5 million tons of cargo per year at the initial stage and more than 10 million tons of cargo in the future.

Aliyev also noted tourism and pharmaceuticals as promising areas for cooperation.

“We are in talks for the creation of direct regular and charter flights between our countries. I believe that this will make it possible to increase the tourist flow from India to Azerbaijan and vice versa,” he said. “It is also important to develop cooperation between the two countries in the field of pharmaceuticals. Several pharmaceutical plants are being created in Azerbaijan. It will be interesting for India with its rich history of pharmacy to invest in this sphere.”

It is noteworthy that negotiations are already underway in order to establish a joint venture in the field of pharmaceuticals by India's Sun Pharma and Azerbaijan's Gilan Holding in country's Pirallahi Industrial Park, which also accommodates joint Azerbaijani-Russian and Azerbaijani-Iranian plants. Also, Ukraine and Belarus expressed interest in setting up joint pharma ventures.

Rufat Mammadov, addressing the business forum, said that India has invested \$200 million in Azerbaijan so far, while 15 companies with Indian capital work in Azerbaijan today.

"Meanwhile, India is one of the biggest trade partners of Azerbaijan. In recent years, trade turnover with India has grown rapidly and amounted to about \$0.5 billion in late 2017. This is a very important indicator," he noted.

Mammadov also mentioned that India is one of the biggest importers of Azerbaijani products – it accounted for 2.65 percent of Azerbaijani exports in 2017.

Data of Azerbaijani State Customs Committee shows that of \$462.5 million trade turnover last year, export from Azerbaijan to India amounted to \$365.5 million. As for India's exports to Azerbaijan, it rose by more than 60 percent in 2017 compared to 2016. The items of imports from India are mainly clothes and textiles, information technologies, food items and heavy machinery.

https://www.azernews.az/news.php?news_id=128719&cat=business

New textile complex to appear in Turkmenistan

Azernews, Kamila Aliyeva, 21 February 2018



ASHGABAT - Turkish company Cotam Enterprises Ltd. will build a textile complex in Turkmenistan. This follows from the resolution signed by Turkmen President Gurbanguly Berdimuhamedov.

The document authorizes the Ministry of Textile Industry of Turkmenistan to conclude a contract with the company for the construction of a textile complex in the Akhal velayat (region) equipped with modern technologies.

The annual production capacity of the enterprise will be 3,650 tonnes of cotton yarn, 12 million square meters of high-quality fabric for sewing garments, including 10 million square meters of dyed fabric, and 1.2 million pieces of ready-made garments.

The contract also provides for the improvement of the adjacent territory, the training of specialists and the supply of spare parts for technological equipment at the expense of the company within two years after the commissioning of the textile complex.

The document instructed to begin construction work in March 2018. The textile complex is expected to be fully ready for operation in March 2021.

Over 20 textile firms with predominantly Turkish partners currently operate in the country.

Under the State Program for development of the textile industry for 2011-2020, by 2020 the government plans to increase investments in the textile industry to \$2 billion. This will include both upgrading existing facilities and building new ones.

The plan calls for increasing the number of employees in the industry from almost 30,000 in 2013 to 36,000 in 2020. This expansion is expected to allow the processing of nearly 230,000 tons of cotton per year and to expand annual export revenues by \$350 million.

https://www.azernews.az/news.php?news_id=127569&cat=region

Man-made fibres getting popular among ready made garment makers

The Daily Star, 14 February 2018

DHAKA - The import of man-made fibres such as polyester staple, viscose, and tencel is on the rise as a substitute for cotton as their demand is increasing amid changes in global fashion trend.

Bangladesh imported 78,208 tonnes of polyester staple fibre in 2016, up 11.39 percent from 70,209 tonnes in 2015 and 35.72 percent from 51,729 tonnes in 2014, according to data from Bangladesh Textile Mills Association (BTMA).

The import of viscose staple fibre was recorded at 29,146 tonnes in 2016, slightly down from 29,538 tonnes in 2015. From January to June of 2017, the volume was 16,063 tonnes, the data showed. In 2014, Bangladesh imported 18,115 tonnes of viscose staple fibre.

Imports of tencel, a fibre made of trees and leaves, stood at 5,034 tonnes in 2016 and 6,199 tonnes the previous year. "The import of man-made fibre is increasing every year," said Monsoor Ahmed, secretary of the BTMA.

Razeeb Haider, managing director of Outpace Spinning Mills Ltd, said the demand for any kind of yarn and fabrics depends on buyers' choice. Recently, the demand for man-made fibres has increased from the buyers' end. "So, there is a rise in import," he said. According to the spinner, the durability and the longevity of artificial fibres are higher than cotton-made yarn and fabrics. "That's why the demand for man-made items is going up."

If garments made from man-made fibres are not washed for many days their quality will not deteriorate or over-wash will not compromise the quality, Haider said.

Abdullah Al Mahmud Mahin, managing director of Hamid Fabrics Ltd, said with the rise of high-end smart fashion markets worldwide, the demand for man-made fibres is increasing.



The number of factories producing artificial fibres also went up. Alone the polyester fibre production units rose to 52 from 10 to 12 seven years ago. There are 45 viscose staple fibre mills and 10 tencel factories.

Globally, the ratio of man-made fibre has gone up compared to cotton fibre, although the latter is still the main item for spinners, Ahmed of the BTMA said.

The ratio of the cotton-made yarn and the artificial one rose to nearly 80:20, whereas it was 90:10 even five years ago.

The global ratio of cotton and man-made fibre use is 28:72, with the balance heavily tilting towards the artificial fabric, thanks to lower price, improved functionality, and ease of use, according to International Textile Manufacturers Federation.

Mahin said many Chinese and Taiwanese investors are interested to invest in man-made fibre production in Bangladesh. Almost all sportswear items are made from artificial fabrics. In 2016-17, Bangladesh imported about 10 million tonnes of cotton to feed its vast garment sector.

<http://www.thedailystar.net/business/man-made-fibres-getting-popular-among-rmq-makers-1534414>

Bangladesh plans 'textile village' under PPP

The Daily Star, 14 February 2018

DHAKA - The government is going to set up a "textile village" on 28 acres of land belonging to Tangail Cotton Mills under Bangladesh Textile Mills Corporation (BTMC) through a public-private partnership (PPP) initiative.

Ramisa Group has proposed to develop the village at Mirzapur in Tangail at an estimated cost of about Tk 1,200 crore.

The cabinet committee on economic affairs recently approved in principle Ramisa's proposal as an unsolicited bidder.

An official of the textiles and jute ministry said the approval does not mean that the company has got the final nod.

Now the ministry will invite competitive bidding and Ramisa will have to participate, said the official, adding that the group would, however, get some bonus points for the approval.

He said the PPP authority scrutinised Ramisa's proposal and it has been sent from the cabinet committee on that basis. The official said the prime minister issued a directive for installing modern machinery at the mills that were closed down.

He said the Tangail mill's land was being grabbed as it had remained closed. The existing land is valued at Tk 219 crore. Those who get the job of setting up the composite mill will have to make an annual payment to the BTMC for the latter being the landowner.

Ramisa, in its proposal, said the village would create employment for about 10,000 people while about \$14 million could be annually earned through exporting knit and woven garments. Of the estimated Tk 1,200 crore cost, Ramisa plans to bring in foreign investors and take bank loans.

Ramisa said it would completely be a green project with most of the unusable construction being dismantled and others being constructed as required while keeping provisions for landscaping and providing other facilities.

It said the project was envisaged to be a composite textile mill having facilities for production of yarn, spinning, dyeing, sizing, weaving, washing, finishing and garments making.

<http://www.thedailystar.net/business/govt-plans-textile-village-under-ppp-1534402>

Bangladesh textile sector surges ahead

Sharif Ahmed, The Independent, 11 February 2018

DHAKA - Termed as a backward-integration of the Readymade Garment (RMG) sector, the textile sector, with export earnings of \$407.73 million in the first six months (July–December) of the current fiscal year (2017–18), rising from \$352.57 million in fiscal year (2016–17), has started playing a significant role in the national economy.

Vice president of the Bangladesh Textile Mills Association (BTMA) Mohammad Ali Khokon told The Independent that investment in Bangladesh's textile sector had climbed to \$6 billion since its inception.

The textile industry has been playing a significant role in building a robust and sustainable backward-linkage industry and the percentage change of export performance from FY (2017–18) to FY (2016-17) was 15.65 within one year, he said.

Approximately, 12 lakh people were employed in the textile sector and there was ample scope to create more employment because the sector was known to be capital-intensive, he said.



According to the BTMA, textile machinery worth Tk 8,322 crore had been imported in FY 2015–2016, while the figure was Tk 7,489 crore for FY 2014 – 2015, recording a growth of 11%.

This year, the RMG and textile sector accounted for 83.38% of the country's entire export earnings. Hence, the contribution of textiles in the GDP was approximately 13%, said Khokon.

Experts say that lower interest rates, the resolution of the compliance issue, policy support, split from the RMG sector, financial incentives, and the creation of a national data base would help this sector double its export earnings by 2021.

Showcasing technology

In February this year, the four-day, 15th Dhaka International Textile and Garment Machinery Exhibition (DTG), jointly organised by the Bangladesh Textile Mills Association (BTMA) and Yorkers Trade and Marketing Service Company Ltd, was held at the Bangabandhu International Conference Center (BICC) in the capital.

BTMA vice president Mohammad Ali Khokon said that DTG was not merely an exhibition for displaying the latest technological advancements in textile and garment machinery and accessories but was a showcase and attractive outlet to demonstrate the progress and achievements in Bangladesh's industrialisation efforts in the textile sector.

"In 2017, we had received \$250 million spot order. We hope to get more spot orders this year," he said.

Khokon added, "The BTMA has been organising this event since 2004 and we have successfully done so for 15 years."

"At this expo, entrepreneurs and businessmen are getting a good glimpse of the progress and advancement made in our textile arena, especially in the primary textile and garment sector," he said.

About the response, he said, "The response that we have got so far has been so enormous that it has become extremely difficult for us to accommodate the request of all the interested parties wanting to set up their stalls at the expo venue."

Expo objective

Explaining the expo's objective, he said that it served as a platform for making contacts and deals among textile machinery manufacturers and the buyers.

About the opportunities, he said, "Our local entrepreneurs are getting an excellent opportunity to see for themselves the range of the latest machinery, technology, and the entire supply chain."

Local investors contemplating new investments are utilising this opportunity to the fullest to choose the most appropriate technology because new technology ensures production efficiency and cost minimization, thus providing a competitive edge, he said.

Bangladesh was gradually becoming an attractive destination for sourcing textiles and apparels by foreign buyers, he felt.

According to BTMA officials, 1,000 textile machinery manufacturers, from 33 countries, have participated in the exhibition spanning 18 halls comprising 1,200 booths.

Austria, Bangladesh, Belgium, China, Denmark, Germany, Hong Kong, India, Indonesia, Ireland and many more countries are participating in this expo.

DTG is the biggest exhibition in the textile and garment sector, and is also known as a mini International Textile Machinery Exhibition (ITME) in South Asia, said officials.

Bangla Cat, a textile machinery and accessories solution provider company, took part in the expo to showcase its products.

Manager of Bangla Cat's product support division, Ezaz Hossain, said the company provided accessories for the textiles industry, including gas generators and forklifts.

Forklifts were generally used for material handling and carrying materials or goods from one place to another inside a factory, Hossain added.

"Bangla Cat first introduced the new H series, fuel-efficient generator called 'G3512H'. This generator has a low running cost and generates power over longer hours with small amounts of fuel.

When asked about the price, he said each machine costs about Tk 5 crore.

"Our sales have risen to 45% over that of last year's," he added.

Suzhou Imagin Machinery Company Ltd produces textile machinery. The firm is showcasing its product, 'Smart Twister', at the expo.

Speaking on the 'Smart Twister', the firm's managing director, Vick Yao, has said the machine was used in the textiles industry. It helped perform both twisting and soft winding of fabric yarn.

The process cost of soft winding fabric yarn was less compared to other kinds of textile machinery, he explained.

Challenges

Highlighting some problems regarding investment, BTMA vice president pointed out three factors: inadequate gas, shortage of electricity, and inadequate availability of land, as hindrance to the textile sector investment.

Talking about the prospects of producing high-end readymade garments (RMG), Khokon said that every other country was producing and going after premium products, but, in Bangladesh, inadequate availability of gas and electricity were hindrances to producing more valuable merchandise.

The government has taken the initiative to import Liquefied Natural Gas (LNG) with a view to ease gas supply to the industry, he said.

“We urge the government to implement the step immediately to overcome the power crisis,” said Khokon.

Centre for Policy Dialogue (CPD) research director Khondaker Golam Moazzem cited some challenges and told The Independent that Bangladesh needed Foreign Direct Investment (FDI) in backward linkage, textile and high-end products, as it needed large amounts of capital and skilled manpower.

The textile industry discharges a wide variety of pollutants at all stages in the processing of fibre and fabrics. Waste minimisation is very important, as it reduces the operating costs, protects health and environment.

<http://www.theindependentbd.com/post/136782>

World’s leading fashion schools open in Asia

The South China Morning Post, Lily Templeton, March 15, 2018

HONG KONG - With few reputable fashion schools in the region, would-be designers from Asia flocked to top institutions in the West to learn their trade; seeing this demand, schools have opened branches in Asian countries including China and India



Asia’s creative power has grown steadily in tandem with its economic might, and with that has come rising demand from Asian students for places at the world’s leading fashion design schools.

China in particular is moving rapidly beyond being a manufacturing powerhouse and maturing into a fully fledged fashion player with its own creative young stars.

Until the early 2000s, study options were few for would-be fashion designers from Asia: move far from home to learn at top educational institutions in the West, or vie for a place at one of only a handful of reputable fashion schools in the region, such as Tokyo’s Bunka Fashion College.

Even if they managed to study fashion design, it was left entirely to them to find fame and fortune in the world’s big four fashion capitals – Paris, Milan, London and New York.

This is no longer the case, however, as the huge potential for growth in the design and fashion sectors has opened up new career paths.



Attitudes towards fashion and creative careers have evolved, and countries around the world with fashion and design schools have experienced an influx of Asian students since the 1990s.

That's a trend which has accelerated even more sharply in the last five years, says Valérie Berdah-Levy, director of the Milan-based fashion and design school Istituto Marangoni's Paris branch. Nearly 70 per cent of her

students are Chinese nationals, and they are closely followed by Koreans, Indonesians and Taiwanese. Other fashion and design schools report a similar mix of students.

The surge in students from overseas at Western fashion and design colleges has spawned a new trend – schools, not students, are moving.

Parsons The New School for Design in New York, the Savannah College of Art and Design (Scad) in the American state of Georgia, the Istituto Marangoni in Milan, The École Supérieure des Arts et Techniques de la Mode (Esmod) in Paris, and other leading private fashion schools are opening branches in foreign countries.

Since opening in September 2010, the Savannah College of Art and Design's Hong Kong campus, in the Sham Shui Po district in Kowloon, has developed 15 undergraduate and graduate learning tracks approved by China's Ministry of Education. Scad Hong Kong offers the double lure of an international education with immediate value on the home market.



China, in particular, is a country experiencing a turning point. Art and fashion are developing rapidly

New York's flagship fashion institution, Parsons The New School for Design, opened a hub in Shanghai, China's biggest city, in 2014, at the Shanghai International Fashion Education Centre.

Supported by its pan-European parent company Galileo Global Education group, Italian educational powerhouse Istituto Marangoni has in recent years opened outposts in several Asian cities – Shanghai (2013), Shenzhen (2016), and Mumbai (2017). Another overseas branch will open in 2018.

These overseas fashion school branches mainly offer specialist training courses that last from eight weeks to two years, aimed at young professionals seeking to enhance their skills rather than at students looking for a foundation degree in fashion.

While their Asian students seek an international education, most intend to work in Asia after graduating.

"In the medium term, ambitions are to become Chinese brands built on an international vision of fashion and luxury," says Patrick Kouzmine-Karavaieff, co-founder of the International Fashion

Academy (IFA) Paris. He says that, while student exchanges are offered under the academy's curriculum, few who begin their studies in Shanghai take advantage of this for now.



IFA Paris is unique in offering two learning tracks since it opened in China in 2002: a fully private one leading to an internationally recognised bachelor's degree, and a 50 per cent public curriculum, in partnership with Shanghai University, whose graduates earn a Chinese diploma.

Established educational brands are not the only

ones entering the highly competitive fashion and design education market. The Condé Nast Centre of Fashion & Design opened the doors to its Shanghai campus in 2015, only two years after offering its first courses in London.

The centre offers everything from one-day seminars to nine-month study programmes, and covers a wide range of subjects, including fashion design, marketing, digital communication and branding, but also fashion illustration, e-commerce and social media.

Asian fashion schools have also entered the market. The Raffles Design School opened its first college in Singapore in 1990, and now operates at 24 locations in 22 countries, including Australia, Italy and Cambodia. There has been talk that Japan's Bunka Fashion College will open a China outpost. The undergraduate and graduate courses of the China Academy of Art, also known as Guomei, appeared in the closely watched Business of Fashion school rankings in 2017.



For foreign fashion schools, location is as important as it is for real estate developers. "Beijing is the historic heart of China and an undisputed cultural and economic platform, while Guangzhou is the textile heartland," notes Esmod's international director, Christine Walter-Bonini.

Walter-Bonini points out that Esmod's 20 franchised schools share educational programmes but that each campus is inflected with its own cultural influences.

Today's fashion and design students want more than mere marketable technical skills, she says. "China, in particular, is a country experiencing a turning point. Art and fashion are developing rapidly, while its manufacturing is transforming into a fashion industry with designers and creative brands," says Walter-Bonini.

Bachelor and master's degree programmes at such institutions don't come cheap – undergraduate studies at Scad Hong Kong cost more than HK\$285,000 (US\$36,350) per year, and those at Istituto Marangoni in Shanghai over US\$17,000 per year – but they also offer a wealth of more affordable short courses. These teach immediately marketable skills in a matter of weeks or months, rather than years.



There are practical considerations for students too: for many Asian families, the costs of studying abroad – including room and board, as well as visas – are prohibitive. This makes the Asian branches of international fashion schools an appealing option for them. And there is no shortage of would-be students.

“Everywhere in Asia, we see people keen on creation and who just want to learn,” says Istituto Marangoni’s Berdah-Levy.

<http://www.scmp.com/lifestyle/fashion-beauty/article/2137195/worlds-leading-fashion-schools-open-asia-meet-rising-demand>

Smartwear: ‘switched on’ shoes and clothes that talk to us

The South Morning Post, Peta Tomlinson, 26 February 2018

We can all stay connected thanks to running shoes that offer real-time data via mobile apps and underwear with conductive threads that track our vital signs



How smart can a piece of clothing be?

We've got running shoes so switched on that they can communicate with you.

Under Armour's new third-generation, Bluetooth-enabled sneakers, built on its Hovr platform, and the artificially intelligent Vivobarefoot, powered by Sensoria, are coming online this year.

The two brands have distinctly different takes on shock absorbance.

Under Armour employs a propriety foam compound made in partnership with Dow Chemical to help runners absorb the impact on their joints from every stride, while Vivobarefoot – which will reportedly provide real-time monitoring of the wearer's speed, pace, cadence, GPS track, foot landing technique and ground time, via a

mobile app or web dashboard – believes in the foot's natural ability to manage and interpret its contact with the ground.

However, both are promising new shoes with smart technology to translate data on your physical movement to your mobile device in real time.

We've got underwear that tracks our vital signs ... à la Myant SKIIN, which this year will be available with wireless charging. And, there's more. According to Myant founder and CEO Tony Chahine, one's smalls will soon be connecting with one's smart home hub.

"By simply wearing SKIIN garments, your Nest thermostat will adjust to your temperature, your Philips Hue lights will change according to your mood, your smart lock will unlock according to your unique biometric signature, or a calming Spotify playlist will come on when you're stressed," Chahine said.

"These are just a few of the ways that SKIIN can interact with the devices that you already have in your home."

In launching SKIIN, Chahine described textiles as the bidirectional connection between our bodies and the world around us.

"Like a second skin, this new textile computing platform can read, record, analyse and respond to our needs," he said.

Why is it so? You should be able to weave [a] textile which can recognise a variety of simple touch gestures, just like any touchpad on a mobile phone

Dr. Ivan Poupyrev, Director of Engineering at Google

At the Wearable Technology Summit at CES in Las Vegas in January, Dr Ivan Poupyrev, director of engineering at Google, said that the structure of textiles is the same as the structure of touchscreens on mobile devices.

"This means that if you just replace some of the threads in textiles with conductive threads, you should be able to weave [a] textile which can recognise a variety of simple touch gestures, just like any touchpad on a mobile phone," he said.

"So if you can hide or weave interactivity and input devices into materials, that will be the first step into making computers and computing invisibly integrated into objects such as clothing."

The Commuter Trucker Jacket with Jacquard, which Google developed with jeans brand Levi's, is the first example of this type of technology.

Launched online last October, it lets wearers access their music, and navigation, receive texts and make calls via a snap tag attached to the jacket's cuff.

Dr. Ichiro Amimori, CEO and co-founder of, Xenoma, a Japanese start-up, explained his concept for connecting people to the internet via a smart shirt called e-skin.



Xenoma has developed the Printed Circuit Fabric (PCF) technology that makes this possible.

Consumers want real-time information, he said, but conventional wearables can be uncomfortable and cumbersome for the user.

The e-skin connects all devices into one stretchable piece of apparel that is comfortable to wear, washable, and able to withstand the rigours of extreme body motion.

“With e-skin you can improve your form in a variety of sports and activities, control a game character using your whole body, and unobtrusively monitor the safety of infants and the elderly,” he said.

“The time is now when people can interact with each other any time, anywhere, though the internet and their e-skin apparel.”

Also showcased was the Teslasuit, a full-body haptic suit geared to immerse gamers deeper into virtual reality.

We see potential future use [of the Teslasuit] in sectors including manufacturing, automotive, health care and medical fields, in particular for use in rehabilitation

Dimitri Mikhailchuk, Teslasuit Project

The idea is that, through electrostimulation, players will be able to touch the objects they encounter, and feel sensations such as temperature changes in the virtual environment. “We wanted the Teslasuit to erase the difference between the virtual and the real worlds,” said Dimitri Mikhailchuk, CEO of Teslasuit Project.

The gaming and entertainment markets are “the natural application for this technology”, Mikhailchuk said. Yet he foresees that, “as this is smart clothing, it will work well for day-to-day life and well-being, for example, in sports training and fitness.

“But we also see its potential future use in a variety of different sectors including manufacturing, automotive, health care and medical fields, in particular for use in rehabilitation, biometric data set building, collection and data management.”

While such smart garments might not be the prettiest in the wardrobe, fashion brands have started to pick up on the technologies they employ.



Biotechnologies are particularly prime for brands with a sustainability agenda.

Examples include Ferragamo's partnership with a small Italian start-up to recycle waste from the orange juice industry. The result is a beautiful textile made from citrus peel that feels like silk, and was a sell-out for the brand's initial Orange Fiber collection.

Another company, BIONIC, now co-owned by performer Pharrell Williams, transforms recycled ocean plastic into fabric.

It began by selling denim jeans under the G-Star RAW label, and last year, a key piece in H&M's Conscious Exclusive Collection was an evening wear gown of flowing pleats, made from BIONIC.

A fishnet bag made entirely from shoreline waste, as well as elegant earrings made from recycled glass and plastic, also featured in the collection.

"Some amazing technologies not quite to scale yet are happening in early start-ups and laboratories," said Dr Amanda Parkes, chief innovation officer at Future Tech Lab, a hybrid investment fund, agency and experimental lab focused on the future of sustainable and interactive fashion combining smart

textiles, wearable tech and nanotechnology.

"Part of what we need to do to showcase these products is to show the fashion industry – traditionally a bit allergic [to innovation] – what's been going on with tech and wearables."

<http://www.scmp.com/native/lifestyle/topics/premier-living/article/2134055/smartwear-switched-shoes-and-clothes-talk-us>

India's textile value chain needs robust partnership with ASEAN: Textile Minister

United News of India, 23 January 2018

NEW DEHLI - To leverage country's strength in textile value chain, Minister for Textiles Smriti Irani urged ASEAN industry to set up manufacturing bases in India to cater to the domestic market and exports.

"India offers a one-stop textiles sourcing hub for ASEAN countries and they could take advantage of it. Partnership between India and ASEAN was crucial for improving the standard

of textile manufacturing and providing wage opportunities in both regions,” said the Minister while addressing the India-ASEAN: Weaving Textile Relations show, celebrating 25 years of India-ASEAN relations, organised by FICCI in association with the Ministries of Textiles and Commerce and Industry.

The Minister, in the presence of ASEAN Ministers, released a Coffee Table Book titled, 'India ASEAN Textiles: Weaving Relationships'.

Sandip Somany, Senior Vice President, FICCI and Vice Chairman & MD, HSIL Ltd., stated that FICCI in partnership with the Ministry of Commerce and Industry conceived of a project to celebrate India-ASEAN relationship with special focus on the traditional textiles industry, coinciding with the celebration of 25-years of India-ASEAN relationship during the Commemorative Summit. The project is a part of official programme of the Government of India.

The session was also addressed by Dr. Jyotsna Suri, Past President, FICCI and Chairperson & MD, The Lalit Suri Hospitality Group and Ms. Ritu Beri, Founder, The Luxury League.

Anant Kumar Singh, Secretary, Ministry of Textiles, stated that India was strong and competitive across the entire value chain starting from raw materials to finished products. With a strong multi-fibre base with an abundant supply of raw materials like cotton, wool, silk, jute and man-made fibres, India enjoyed a distinct advantage of backward integration which many countries do not possess.

Mr. Singh noted that despite the operation of the FTA in goods with the ASEAN, India's exports of textiles and apparels to ASEAN have virtually been constant in the last few years and have not shown much traction.

"Though India has the unique advantage of having the presence of the entire textile value chain, its most exported items to ASEAN consisting of cotton fibre, cotton yarn and fabrics have not grown to the desired extent. This makes it evident that we have not been able to explore and leverage the strengths of our textiles industry to the fullest," he noted.

Mr. Singh said that ASEAN countries have a unique position in the regional value chains and offer a gateway for market access to China, North East Asia and the EU for India through their various trade agreements. Furthermore, there exists an opportunity for ASEAN textile manufacturers to invest in manufacturing in India to cater to both the domestic market and exports, he said, adding that the scope for investment in India was immense in the entire value chain of synthetics, value added and speciality fabrics, fabric processing and technical textiles.

Dato Ramesh Kodammal, Co-Chair, ASEAN India Business Council & Chairman, Goldtex, Malaysia, said that the strength of textile bonds between ASEAN and India could be gauged from the fact that whatever was used by the people in the ASEAN region had an input from the Indian textile industry. This relationship was not just limited to cloth but extended to yarn, weaving, dyeing, machinery and the people connect.

He urged the textile industry on both sides to work together and cash in on the demand from the huge middle class in the two regions.

<http://ficci.in/ficci-in-news-page.asp?nid=13906>

Indian apparel units urged to focus on supply chain management

The Hindu BusinessLine, Ln Revathy, 28 March 2018



'Tech integration will improve efficiency'

Though much has been said about the need for efficient management of supply chains, the small and medium scale units in the apparel sector fail to give adequate attention to this aspect of business management. As a result, many of the garment manufacturing units, as

industry insiders put it, are in "dire straits."

'Plug leakages'

"Inefficiency in supply chain can be a killer. The industry needs to look at it more seriously," said Susindaran, Chief Executive Officer of Kay Ventures.

Urging apparel manufacturers to identify inefficiencies in the system, he said, "While FTAs (Free Trade Agreements) and other government-to-government negotiations are beyond the control of the industry, the sector should look at processes that are within its control and plug leakages."

During a panel discussion on the Indian textile industry's competitiveness, Susindaran said, "Wages are going up and we cannot ask the government to reduce wages. Our business model should, therefore, be drawn in such a way that we can accommodate a level of inflation."

"But in costing (of a product), there is some percentage of wastage, which will have to be plugged, and international standard and benchmark set, to remain globally competitive. This will eventually help improve the bottom line by 4-5%."

"Look inward, wipe out inefficiencies and ensure flawless execution. Step up your process, collaborate with customer, become a partner and grow together," Susindaran said.

Use of technology

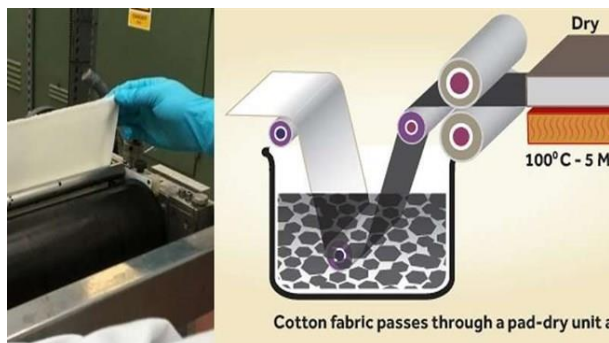
Technology and best business practices can help. Disruptive ideas will emerge, he said citing Uber and Ola and the way they have disrupted the transportation model, aggregated capacities. "Likewise, in the garmenting and weaving sector, the capacities exist, but not utilised fully. Use technology to optimise capacity across the supply chain. Link the supply chain in a way that if there is a lacuna in the production line, the issue could be addressed immediately," he said.

Asked if the linkage would be possible considering that the sector is highly fragmented and technology investments unaffordable for the small and tiny garmenting units, and he added "the units should get connected to Artificial Intelligence, machine learning and all production lines connected to Internet of Things."

<https://www.thehindubusinessline.com/todays-paper/tp-others/tp-states/article23378145.ece>

Graphene-based wearable e-textiles move closer to commercial production

Iran Daily, 20 December 2017



TEHRAN - The market for e-textile clothing is forecasted to reach \$5 billion by 2027, according to the market research firm IDTechEX.

And while graphene is expected to be one of the most prominent materials in wearable e-textiles, currently there is no good way to manufacture graphene-based e-textiles on an industrial scale, phys.org wrote.

Demonstration of laboratory-scale pad-dry unit and illustration of the pad-dry unit process. American Chemical Society

To address this problem, a team of researchers led by Professor Kostya S. Novoselov at The University of Manchester have developed a scalable process to manufacture graphene-based wearable e-textiles on an industrial scale.

As they write in their paper published in a recent issue of ACS Nano, the method could allow graphene e-textiles to be manufactured at commercial production rates of 150 meters per minute.

"To be able to produce graphene-based wearable e-textiles in scalable quantity at very high speed is a significant breakthrough for the rapidly growing wearables market," first author Nazmul Karim at The University of Manchester said.

"Our simple and cost-effective way of producing multifunctional graphene textiles could easily be scaled up for many real-life applications, such as sportswear, military gear, and medical clothing."

In the new method, the team has reversed the previous process of coating textiles with graphene-based materials. Traditionally, the textiles are first coated with graphene oxide, and then the graphene oxide is reduced to its functional form of reduced graphene oxide. Instead, here the researchers first reduced the graphene oxide in solution, and then coated the textiles with the reduced form.

By making coating the final step, it becomes possible to use a coating technique called padding, which is currently the most commonly used method of applying functional finishes to textiles in the textile industry. For example, water-repellent and wrinkle-free clothing are often made by padding.

A commercial pad-dry unit can process approximately 150 meters of fabric in just one minute — a huge leap from laboratory methods for coating textiles with graphene that often involve multiple time-consuming steps.

As the researchers write in their paper, they believe that using padding to manufacture graphene-based e-textiles will be an important step in moving from R&D-based e-textiles to real-world applications.

In their study, the researchers demonstrated that e-textiles made by a laboratory-scale pad-dry unit exhibited excellent electrical and mechanical characteristics.

Tests showed that the reduced graphene oxide forms a uniform coating around the individual cotton fibers, which results in good electric conductivity, tensile strength, breathability, flexibility, and overall comfort of the fabric. The coated fabric also appears to remain electrically conductive after repeated washing cycles.

Graphene-based wearable e-textiles have a variety of potential applications. One possibility, which the researchers demonstrated, is that sensors can be incorporated into the fabric for monitoring physical activity.

A sensor mounted on the wrist, for example, can capture mechanical movements such as bending/unbending, stretching/relaxation, and twisting/untwisting. Another possibility is to incorporate flexible heating elements throughout an item of clothing, along with flexible supercapacitors to power them.

"Our future research plan is to look into other 2D materials and utilize their benefits for wearable e-textiles applications," Karim said. "We are also looking to commercialize these technologies in collaboration with industrial partners."

<http://www.iran-daily.com/News/206548.html>

Iran textile machinery imports exceed US\$300 million

The Financial Tribune, 28 January 2018

Iran imported \$347 million worth of textiles and apparel production machinery and equipment during the nine months to Dec. 21, 2017, the director general of Textile and Clothing Department at the Industries Ministry told.

Afsaneh Mehrabi added that last year's (March 2016-17) imports stood at \$194 million, Mehr News Agency reported.

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

According to Amin Moqaddam, a member of the board of directors of Iran Textile Exporters and Manufacturers Association, Iranian apparel production meets less than 30% of domestic demand.

Moqaddam put the value of Iran's apparel market at \$11 billion.

Meanwhile, Iran exports apparel worth tens of millions of dollars every year. The latest statistics by the Islamic Republic of Iran Customs Administration show about 3,000 tons of apparel worth \$39 million were exported from Iran during the nine months to Dec. 21, 2017.

The main export destinations were Afghanistan, Iraq, Turkmenistan, Tajikistan, Kyrgyzstan, Pakistan, the UAE, Turkey, Oman, Azerbaijan, Kuwait, Armenia, Georgia, Yemen, Germany, the Netherlands, Canada, the UK, Lebanon, India, Norway, Japan, Spain and Australia.

Last year's textile exports stood at \$48 million.

<https://financialtribune.com/articles/economy-domestic-economy/80866/textile-machinery-imports-exceed-300-million>

China moves its factories back to the countryside

Financial Times, 3 April 2018



A typical factory in Henan run by the Jintai Garment Company in Hua county. Clattering machines and smocked workers piecing together clothes for foreign brands such as American Eagle and Uniqlo

Down a long unpaved road past yellowed fields, the factory lies in rural Henan, a province in China's central plains. Once famous for exporting labour, Henan now wants it to return. So authorities are building factories in its villages to counter migration that has thinned its population, leaving crops untended and many children to be brought up by their grandparents. The move reflects a stark shift in government.

After decades of urbanisation and rural neglect, China's Communist party is seeking to revitalise the countryside, where wages and standards of living have stagnated compared with those of big cities.

"In the long term, China's continued economic development will depend on people in fourth-tier cities, county towns and villages joining the consumer class," says Even Pay, an agriculture analyst at the Beijing-based research firm China Policy. "This is the real aim of the rural revitalisation strategy."

The shift is embodied in Henan's Hua county, where the first "satellite factories", garment factories relocated wholesale from wealthier coastal regions, were rebuilt in rural villages with funding from poverty alleviation initiatives. "We draw a circle on a map and, if there are enough villagers to employ here, we build a factory," says Shao Deming, manager of Jintai Garment, based in the affluent coastal province of Zhejiang. Mr Shao began operating small textile factories in Henan's Hua county in 2015, making jackets for Chinese outerwear brand Bosideng.

He now has 17, employing 2,600 workers. “The government built [those] 17 factories in one year.

Normally it would take us two to three years to build one,” he says. Hua county in Henan province, where the first 'satellite factories' were relocated wholesale from wealthier coastal regions. The county pays for the buildings while Jintai pays for the equipment and workers, saving about Rmb1.5m (\$235,000) per factory opening, according to Mr Shao. Such is the county government's zeal to build factories, Mr Shao thinks Jintai could have 80 more opening by the end of the year. President Xi Jinping has made rural revitalisation a priority for his second term, singling it out as a policy challenge at a landmark party meeting last year and indicating he would push ahead despite a lack of success by his predecessors dating back to Hu Jintao.

Every year China's State Council devotes its first official policy document to agriculture. This year's Document No 1, as it is known, laid out a strategy — and expanded party control — over rural economic development. The signalling from the party's upper echelons suggests there will be more programmes such as Henan's satellite factories to lure young workers back home. Numerous counties in the western region of Xinjiang and Shandong province have replicated Henan's model, building small factories making garments that require low-skilled workers and can be easily shipped from anywhere.

The relocations make economic sense. The days of cheap manufacturing on China's eastern coast, where wages have rocketed, are over. In Hua county, workers earn an average Rmb2,000 a month for seven-hour shifts in a five-day week, lower than the average migrant worker salary of Rmb3,410 in Guangdong province, according to China's national statistics bureau.

For villagers in a region where job opportunities are scarce, the work provides a stable, if not luxurious, income source close to home. China still largely depends on small-plot farming because of Communist land policies that hamper large-scale agribusiness.

Garment factories relocating to Hua county take advantage of lower costs than on the eastern coast, where wages have rocketed. But individual plots are often left fallow by people seeking higher wages in cities. That has put China dangerously close to dipping below its self-ascribed “red line”, the minimum level of arable land needed to feed itself. “Given its history, China feels it must hold its rice bowl with its own hands,” says Ether Yin, co-founder of consultancy Trivium China.

As a Communist state, it cannot simply allow farmers to decide how to use arable lands in case it is diverted for commercial purposes while China's big city populations shrink and Hua county is no exception. However, it has remained a big producer of sorghum, used for feeding livestock and as a stabiliser in processed foods. The satellite factories dotting Hua county design their shifts so people still have time to plant crops each day before or after work.

Bringing workers back to villages can mean that labour issues come with them. In the first two months of 2018, Henan experienced the highest number of strikes in mainland China, according to China Labour Bulletin, a Hong Kong-based advocacy group.

For Mr Shao and his textile company, enlisting governmental help has been a boon, providing more than just buildings to house his operations.

<https://www.ft.com/content/fe86f76c-1215-11e8-8cb6-b9ccc4c4dbbb>

Let's make fashion industry truly sustainable

The Strait Times, Kaya Dorey, 4 April 2018

FASHION is meant to be trendy. It's fast-paced: in one season, out the next. If you want to keep up, you had better update your wardrobe — that top you bought last summer is already outdated. While things may have been built to last a life-time a generation ago, today they don't even last a year.



But, the world is finite, and so are the resources in it. What we wear is every bit as important as what we eat when it comes to environmental sustainability. If we're serious about preserving our world, we're going to have to shift our current linear fast-fashion paradigm to a slower more circular one that doesn't pollute the planet.

When I learnt about fast-fashion and textiles waste, it was the "make, consume, scrap it" attitude that made me think. I realised that most of our clothing is produced in a linear production line where we take from nature, consume and throw away when we are done. But, nothing is ever really "away". Even if it's natural, nothing biodegrades in a landfill. I had to do something.

When I learnt about fast-fashion and textiles waste, it was the "make, consume, scrap

Synthetic clothing is petroleum-based — just like plastic. That means it's part of our global plastic problem, which is clogging our oceans and damaging our ecosystems. More than eight million tonnes of plastic leaks into the ocean each year — equal to dumping a garbage truck of plastic every minute.

But, sustainability as a concept doesn't work when you guilt trip people into it. It also doesn't work when you force it on people. The sustainable choice has to be cool, and undeniably the best option in terms of quality and style — sustainability aside. It also has to be accessible and affordable compared with other options.

As a young person, I thought at first that my voice was a drop in the ocean. How could I possibly make a difference? Yet, the more I studied and the more I learned about the fashion industry, the more I realised: we are the ones who need to change this. Every time we shop, we are making a choice. If we have the right information, we can make more conscious decisions, and bring about real change.

If we work together, we can make a difference. Since I started my sustainable apparel company, I've found people who share my passion, values and vision to make apparel that is truly sustainable in terms of materials, dyes and the people making it. I have sourced organic cotton

and hemp fabrics, inks that do have any PVC or heavy metals in them and all my products are made ethically in my hometown of Vancouver, Canada.

Yet, a major hurdle we keep encountering, is that we need bigger players on board to truly make an impact. Big brands have the buying power and the economies of scale to bring down costs associated with truly sustainable apparel. The global fashion industry can still be trendy — we can still change our wardrobes. But, when we do, we will do it without killing the planet.

A major shift is needed to turn this thing around, starting with embedding sustainability into school curriculums and design programmes. We're looking at the problem of waste from the wrong angle: at the end of the process. We should be looking at it from the very beginning: before the design process even starts.

Designers — not just clothing designers — need to design with the end in mind. We need to start innovating, coming up with new ways to eliminate waste from production and taking full responsibility for the products we're making and what's left over.

Consumers need to ask more questions and learn about where their clothing is from: what it's made of; who's making it? Just as we have started doing with food. If we vote with our dollars, and buy from brands that are more transparent with this kind of information, brands will be forced to improve their supply chains and sustainability practices out of sheer competition to stay in the game.

We also need policy makers to get behind the sustainable agenda. For example, dyeing processes, and fabrics that contribute to climate change and cause a lot of waste could pay higher taxes. We must create solutions, which pave the way for our societies to change.

Some days it's tough. Fighting an environmental cause, especially as a young person and within the fashion industry, means looking for solutions which may not be the most lucrative, or appealing to the mainstream. But, by joining other designers, fabric suppliers, manufacturers and other fashion industry players, we're using our networks, speaking up, and finding solutions.

For our fashion industry to be truly sustainable, we need everyone on board. We need big brands to support sustainable innovation within their companies. We, as consumers, need to seek out more natural and organic fabrics when shopping for new clothing, or buy second hand. And we, as designers, need to design with the end in mind and develop closed-loop and zero waste production lines.

I believe that together we will create change, just like Margaret Mead once said: "Never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it's the only thing that ever has."

If we start small and set big goals, we will make a difference. We can shift this fast-fashion paradigm forever, without sacrificing a trendy wardrobe.

KAYA DOREY is one of six United Nations Environment Young Champions of the Earth

<https://www.nst.com.my/opinion/columnists/2018/04/352750/lets-make-fashion-industry-truly-sustainable>

Textile not a sunset industry, says TAL Apparel CEO

The Sun daily, Edmund Lee, 28 January 2018



GEORGE TOWN - The textile industry which many may have now overlooked due to the emergence of electronics and electrical production should not be defined as a "sunset industry".

In reality, it continues to rapidly grow in this globalised era, as apparel and clothing remain an essential need.

Making a point on this was none other than a Hong Kong-based personality who was instrumental in developing an apparel family

empire in Asia under the brand of Pen Apparel Sdn Bhd, one of the oldest factories operating in the old industrial site of Penang-Sungai Pinang.

He was now expanding the garment business to other Asian nations and to Africa, namely Ethiopia.



In an exclusive interview with The Sun, TAL Apparel chief executive officer Roger Lee revealed that growth continues to be recorded in the industry although the production cycle and market demands have changed somewhat.

Pen Apparel has also received accolades and continued to bring in revenue; supplying to many global apparel brands

"It is booming," he stressed, and instead said the industry was on the right path and the company manufacturing well-known clothes

across the world with production lines in Vietnam, China and Ethiopia.

TAL based in Hong Kong is one of world's largest and admired apparel manufacturers which produces shirts, blouses, knits and pants at factories in Asia.

Among its brands are Brooks Brothers, Under Armour and Bonobos.

Its workforce is more than 25,000 strong globally and it has rapidly grown with a new establishment in Ethiopia.

On whether there was any difficulty encountered when dealing with the labour workforce in Ethiopia, Lee merely said everything taught was the same.

He said they did not face any hardship when dealing with the Ethiopian counterparts and they will continue to expand. The garment industry is not going to be bleak as clothes are a basic industry in which many people could not do without.

"This is because everyone needs to wear clothes," he added. To support this fact, Pen Apparel Sdn Bhd, considered to be the oldest garment factory in Penang, is continuously expanding its wings in the textile industry after its over 30 years of establishment.

Although many may have forgotten about the symbolic presence of its company in Penang, many of its oldest workers, including the senior citizens, have remained loyal to the cause of producing materials for the garment industry. Therefore, it must be noted that garment industry must not be forgotten for its contribution in Penang.

<http://www.thesundaily.my/news/2018/01/28/textile-not-sunset-industry-says-tal-apparel-ceo-updated>

Millennials driving demand for wool

New Zealand Herald, Tina Morrison, 12 March 2018



AUCKLAND - The head of 150-year old Italian textile mill Successori Reda, who has spent time in the merino growing regions of the South Island with his top executives, says wool is having one of its best ever moments, driven by millennial demand for sustainable products.

"This moment for sure is a good moment for the wool growers," said Reda chief executive Ercole Botto Poala.

"Wool is a fibre that is perfect for this moment, for the future consumer. The millennial consumer doesn't just want to buy a product or a brand, they want to buy a story and an experience that respects their environmental philosophy. Honestly, I think today is one of the best moments [for wool]."

Reda chief executive Ercole Botto Poala says millennial consumers want to buy an experience that respects their environmental philosophy. Picture / Getty Images

Merino wool prices have been hitting new highs as consumer demand for sustainable, natural products and recognition of the performance attributes of the fibre have seen its use

spread from high fashion through to activewear and footwear. That has created somewhat of a margin squeeze for Reda, which is having to pay higher prices for the raw fibre that it can't pass on to retailers of the finished product.

"Of course the wool price now gives us some trouble because the retailers don't want to increase the price so the industry, that is in the middle, should absorb the difference," Botto

Poala said. "But in any case it is positive because when the wool price is going up it means that markets are looking for wool."

Reda is based in the Northern Italian town of Biella, nestled at the foot of the Italian Alps and the hub of the Italian wool processing industry for more than 1,000 years.

The Botto Poala family business, established in 1865, is the biggest buyer of quality, sustainable merino wool in the world, handling 2.5 million kilos of fibre a year that it produces into 7.5 million metres of cloth.

Its traditional market of producing fine suiting fabrics for companies including Hugo Boss, Ermenegildo Zegna, Canali, Armani, Ralph Lauren, and Gucci makes up about 85 per cent of its business and is expected to continue to grow slowly over the next five years, while the active wear market is smaller but growing fast and new areas are emerging like woolen shoes made by companies such as Allbirds, he said.



Owning farms enables the Italian mill to control the chain of production and it also has wool contracts with other growers through merino marketing company The New Zealand Merino Company

Demand for wool is expected to continue to grow, although Botto Poala noted that continued price rises could prompt the consumer and the market to find alternatives.

In 1993 Reda bought the first of three farms that it now owns in New Zealand, Otematapaio Station and Rugged Ridges Station in Benmore, Otago, and Glenrock Station in Tekapo, where its sheep are shorn by Peter Lyon Shearing, the country's biggest merino shearing contracting business.

Owning the farms enables the Italian mill to control the chain of production and it also has wool contracts with other growers through merino marketing company The New Zealand Merino Company which gives it not only fibre supply, but access to the wool growing story on the farms which it uses for branding and publicity.

"When we buy we don't buy only wool, we want to buy storytelling," Botto Poala said. "We need more and more interesting storytelling about the wool. Today everything is digital, people want to know everything about everybody and they want information.

"You have the story, you need to tell the story, the true story, it is a great opportunity."

Reda bought some 35 of its top executives on the trip to New Zealand, the first time it has organised an event of this scale, to show them the farms, experience the country and mull the future of their company.

Botto Poala said he left yesterday feeling "very very" optimistic. "I feel that here I can find everything I need to grow in the market," he said.

Reda buys the bulk of its wool from Australia, some 80 per cent, and suppliers in both countries have to meet sustainability and animal welfare requirements. "We buy only from the best," Botto Poala said.

https://www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=12011221

Pakistan's textile exports jump 13%

Dawn, Mubarak Zeb Khan, 22 February 2018



ISLAMABAD - The exports of value-added textile products posted a growth of 12.8 per cent year-on-year to \$4.4 billion in the first seven months of 2017-18, the Pakistan Bureau of Statistics said.

The export proceeds from the value-added sector rebounded after the textile division took some corrective measures for the speedy clearance of due refunds and early payments of cash export subsidies. It also helped fuel the rise in overall imports.

Product-wise details show that exports of ready-made garments in the first seven months edged up nearly 14% in value and 13% in quantity while knitwear exports increased by 13.3% in value,

and 3.3% in quantity during the period under review. Bed-wear exports also rebounded, going up by 5.6% in value and 4% in quantity. The export proceeds of towels also recorded a modest growth of 1.01% in value and 5% in quantity during the duration considered.

Further analysis shows that in the category of primary commodities, exports of cotton yarn witnessed a year-on-year decline of 1.4% in value but increased 7.2% in terms of quantity.

The exports of cotton cloth also dipped 1.6% in value and 4.5% in terms of quantity between July-January 2018 while carded cotton posted a steep decline of 95.7% in value and 97% in quantity from July-January. On the other hand, exports of non-cotton yarn posted a growth of 29.9% in value and 25.8% in quantity while exports of made-up articles, excluding towels, increased 6.7%.

Art, silk and synthetic textiles grew by 93.5% during this period. However, exports of tents, canvas and tarpaulin dipped over 33.4%. Proceeds from raw cotton also recorded a year-on-year increase of 48.7%.

The total textile sector exports reached \$7.72bn value-wise in July-January 2018 versus \$7.2bn in the corresponding period of last year, reflecting an increase of 7.18%. The share of textile and clothing sector in overall export proceeds stood at 59.6% in the same period. Pakistan's total exports in these seven months reached \$12.95bn, up 11.05% from \$11.66bn in the same period last year.

<https://www.dawn.com/news/1390987>

Keeping Philippine cotton alive

The Business World, Michelle Anne P. Soliman, 2 April 2018



A dress by Narda's

THE WEAVING of indigenous textiles with cotton fiber is an integral part of the country's culture but it has been in trouble for some time. Thus the Philippine Textile Council (HABI), continues its commitment to revive the industry as traditional weavers have turned to the use of synthetic thread due to cotton scarcity over the past few decades.

Cotton production has declined since the early 1990s "when the country had 38,000 hectares planted in the crop," states an article by the Cornell Alliance for Science, citing the Philippine Fiber Industry Development Authority (PhilFIDA). In November 2017, the agency spearheaded the planting of the Bt cotton variety, a genetically engineered crop that resists bollworm, in the provinces of Ilocos Norte, Pangasinan, Tarlac, Nueva Ecija, and areas in Mindanao in an effort to revive the local cotton industry. Its adoption promises lower production costs and consistent supply.

To promote awareness and the preservation of the use of cotton in local products, HABI is collaborating with SM's Kultura for the first time through the Likhang Habi Market Fair on April 13 to 15 at the SM Megamall Fashion Hall D. The fair will showcase more than 50 locally handcrafted products from a variety of Kultura and HABI brands.

“Traditional weaves are depleting and HABI is fighting to keep this tradition current and supported. HABI vendors are mostly members believing in the preservation of our traditional textiles and indigenous culture,” HABI coordinator Kelly Mortensen told BusinessWorld in an e-mail.



Figure 1 Fabrics from Common Definitions

“Kultura carries many brands that HABI supports and some of these brands/designers are HABI members. Yearly, vendors also receive supplies from HABI-supported weaving communities,” Ms. Mortensen added.

Along with the participating brands, cotton growing kits will be sold for the benefit of weaving communities all over the country. A kit contains one packet of Philippine cotton seeds, Durabloom organic fertilizer, a bag of potting mix, and a coconut husk pot — convenient for growing cotton at home.

Lectures on how to cultivate and grow cotton, and a pangalay performance — a traditional dance characterized by hand movements done by the Tausug people — are also in the lineup of activities.

“More than presenting our unique and varied indigenous fabrics, we also aim to educate the public about how important it is to support our traditional textile industry,” HABI president Adelaida Lim was quoted as saying in a the press release.

“The Likhang HABI market experience allows weavers and designers to innovate and to level up to modern trends. Through this, we hope that the Philippine indigenous fabrics industry will get the revival it deserves,” Ms. Lim said.

<http://bworldonline.com/keeping-philippine-cotton-alive/>

PH pineapple fabric takes center stage at exhibit in Madrid

Manila Bulletin, Roy Mabasa, 1 June 2018

An exhibit highlighting the beauty, craftsmanship and the colorful history of the Philippine pineapple fabric known as “piña-seda” is now taking the center stage at the 300-year-old Real Fabrica de Tapices or the Royal Tapestry Factory in Madrid, Spain.

Ambassador Philippe Lhuillier delivers his remarks at the opening of the Hibla ng Lahing Filipino exhibit and related activities at the Real Fabrica de Tapices. (Madrid PE Photo)

The Piña-Seda: Hibla ng Lahing Filipino Traveling Exhibition, Lecture Series, Weaving and Embroidery Demonstrations and Workshops is an exhibit aimed to increase public awareness

and interest in Filipino traditional textiles, according to Philippine Ambassador to Spain Philippe J. Lhuillier.

Lhuillier further said the exhibit seeks to highlight the skills, knowledge and efforts of local weavers in preserving and upholding Filipino traditional weaving heritage.



In his remarks, the Philippine envoy underscored the contribution of the weavers and embroiders in the preservation of the piña-seda and called them “underrated artisans” deserving of further acknowledgment.

Real Fabrica de Tapices director-general Alejandro Klecker de Elizalde, for his part, expressed satisfaction over the exhibit and its programs and noted the forthcoming 500th anniversary of Magellan’s arrival in the Philippines and the long interlinked history of Spain and the Philippines which led to exchanges in culture such as the Philippines’ embroidery tradition.

Sen. Loren Legarda, a strong advocate of indigenous arts and culture, initiated the establishment of the first permanent textile exhibition at the National Museum of the Philippines in 2010.

“Pineapple fiber is considered to be more delicate in texture than any other vegetable fiber. It is extracted from the leaves of the pineapple plant, particularly the Red Spanish variety, which has leaves that yield excellent fibers for handweaving,” Legarda said in a statement promoting the piña-seda.

While the pineapple plant is not indigenous to the Philippines, Legarda noted it is believed that the Spaniards brought the plant to Philippine shores.

Around 100 people from cultural institutions in Spain, including the Director General of Museo Naval, and representatives from other museums, textile researchers, members of the academe and the Filipino community were on hand to witness the launch and participate in the guided tour of the piña-seda exhibit led by officials from the National Museum of the Philippines.

Former President and Pampanga 2nd District Rep. Gloria Macapagal Arroyo also visited the exhibit on the second day of its run and witnessed a weaving and embroidery demonstration.

The exhibit, which runs from May 24 to June 21, also includes the lecture series on Philippine Traditional Textiles and Indigenous Knowledge by Assistant Director Ana Labrador, researchers Anna India Dela Cruz and Lyn Liza Silva, all from the National Museum of the Philippines.

Also part of the exhibition are the weaving demonstrations of Nelia Rogano from Kalibo, Aklan and workshops by Magdalena Rosales and Marilyn Tobias from Lumba, Laguna.

<https://news.mb.com.ph/2018/06/01/ph-pineapple-fabric-takes-center-stage-at-exhibit-in-madrid/>

Russian and Indian SME entrepreneurs look for closer cooperation

CCI of Russia news reports, 21 March 2018



The Chamber of Commerce and Industry of the Russian Federation held a meeting of the Vice-President of the CCI of Russia Elena Dybova with the delegation of the Ministry of Micro, Small & Medium Enterprises of India led by the Deputy Minister Dr. Arun Kumar Panda.

The event was also attended by Alexander Kopkov, the Director of the International cooperation Department and by the representatives of the Enterprise Development Department.

Elena Dybova in her opening speech noted that Moscow hosted the Russian Week of Textile and Light Industry and stressed that Russia and India had historically strong partnerships in this area.

Dr. Arun Kumar Panda spoke about the development of small business in India stating that there were about 60 million small and micro enterprises in his country. The information network small and micro enterprises of India had been set up bringing together about 10 million such companies. Their scope extended from manual production of yarn to complex innovative productions. In addition the Ministry had created industry associations that united manufacturers of footwear, medical products, tools, etc.

Dr. Arun Kumar Panda during the conversation lamented that the Indian small and micro business had little information about the opportunities of Russian entrepreneurs. He considered signing a memorandum of intent with a view to identify areas for mutually beneficial cooperation. The Indian Council on Trade Promotion could also contribute to this process he said.

In her response Elena Dybova briefed the representatives of the Indian delegation on the development of small business in Russia paying special attention to the Fourth Forum on Small Business of the SCO and BRICS regions which will be held in October this year in Ufa. She also stressed that the CCI of Russia was ready to organize information exchange for the development of Russian-Indian mutually beneficial cooperation.

<http://tpprf.ru/en/news/russian-and-indian-small-and-medium-entrepreneurs-are-looking-for-closer-cooperation-i234794/>

Tajikistan selected to be part of ITC global textiles and clothing program

Asia Plus, Press release, 9 April 2018



Tajikistan is one of the five countries, including Kyrgyzstan, Egypt, Morocco, and Tunisia, selected to be part of the new Global Textiles and Clothing program (GTEX), financed by the Government of Switzerland and implemented by International Trade Centre (ITC).

According to press release issued by ITC Tajikistan, introducing the GTEX program, discussing the key components and activities, implementation mechanism and approach with the local counterparts from the public and private sectors, as well as the development

partners will be the main objective of the mission of Mr. Armen Zargaryan, ITC's Program Coordinator for the Office for Eastern Europe and Central Asia to Tajikistan was held on April 9-14, 2018.

The new four-year program (2018-2021) aims to boost textile and clothing exports from Tajikistan to stimulate employment and income generation along the textile and clothing value chain. The program is intended to help the selected countries to build competitive, sustainable businesses and to create long-term employment, especially for women and young people.

Textiles and clothing is considered as one of key and promising export sectors in the economy of Tajikistan. It is the second largest exporting industry in the country. While cotton-rich Tajikistan currently exports around 90% of its annually produced cotton fiber, the country makes strategic steps forward to create a whole chain of processing raw material into a ready product and enter the foreign markets with "Made-in-Tajikistan" clothing products.

Mr. Zavqi Zavqizoda, First Deputy Minister of Economic Development and Trade of Tajikistan, highlighted the importance of the textile and clothing sector in the country's economy: "Tajikistan is a cotton producing country and we are attempting to ensure full processing of cotton within the country to produce final products. By supporting the textile and clothing sector, our partners from the Government of Switzerland and ITC assist us in achieving one of Tajikistan's key strategic priorities shifting from agro-industrial to industrial-agriculture based economy".

Building upon the achievements of previous ITC interventions in the textile and clothing sector in Tajikistan, the new project will continue to support selected textile and clothing companies by connecting them to markets and value chains.

The project will also assist Tajik trade support institutions, such as selected consulting companies, business associations, and academia, to improve and sustain their operational and managerial capacities further to offer a wider range of quality services to the country's textile and clothing sector.

The ITC focused on the textile and clothing sector of Tajikistan since 2009. Mr. Armen Zargaryan, ITC's Program Coordinator for the Office for Eastern Europe and Central Asia, says: "The choice of the sector is driven by the fact that it has a high potential for growth and making a significant contribution to the country's export diversification. The sector also has significant opportunities in terms of employment generation, particularly for women."

The International Trade Centre, supported by the Government of Switzerland, aims to increase the export competitiveness of the Tajik textile and clothing sector by supporting sector companies, and relevant trade support institutions from both public and private sectors.

This year Switzerland celebrates the 20th anniversary of the Swiss Cooperation Office in Dushanbe. Within the framework of a comprehensive cooperation and development program, Switzerland has supported the people and the government of Tajikistan in reforming the health, water and natural resource management sectors, in increasing access to justice and in facilitating the country's transition towards a market economy. Switzerland invests approximately US\$20 million per year in projects implemented in all parts of Tajikistan.

<http://www.asiaplus.tj/en/news/tajikistan/economic/20180409/tajikistan-selected-to-be-part-of-itc-global-textiles-and-clothing-program>

Factory spins tons of plastic bottles into yarn in western Turkey's Bursa

Dailiy Sabah, Anadolu Agency, 28 March 2018



ISTANBUL - Every day, thousands of plastic bottles are saved from landfills and spun into 5 tons of yarn that are exported around the world from a textile firm in western Turkey's prominent industrial center Bursa.

"As a result of our long-standing research and development project, we have become the first plant in Turkey that produces yarn completely out of recycled plastic bottles," General Director Erman Ilıman told Anadolu Agency.

Having started up as a family firm in 2009, the company now exports its products to 20 countries. "We didn't really expect this much interest in this product," admitted Ilıman, adding that the company initially faced challenges since the product had never before been marketed in Turkey.

"But we have arrived at a point where companies are reaching us without us doing anything. There is a great demand from abroad as well. Currently, because of the limits of our production capacity, we are unable to meet all export demands," he said.

The yarn, which is internationally-accredited and certified, could not be produced using conventional methods, Ilıman said. "This is a feat of process engineering; we have used self-developed know-how to transform plastic waste into fiber and yarn."

The plastic bottles used by the company are collected from several locations, such as schools, hospitals, hotels and various institutions, and then processed in fiber.

"Our daily production capacity is 5 tons of yarn, and we want to raise it to 20 tons by 2019 and 40 tons by 2020," said Ilıman, adding that they processed around 200 tons of plastic bottles monthly and aimed at increasing this figure to 1,000 tons by 2020.

Useful in numerous sectors, such as industrial weaving and knitting as well as furnishing and curtain production, increasing yarn production contributes to the Turkish economy, Ilıman said.

Turkey has pioneered recycling efforts in recent years, both through awareness initiatives to empower individual consumers and also recycling infrastructure to take advantage of the resources discarded in the trash.

Istanbul, which is home to nearly 15 million people, produces an average of 17,000 tons of domestic waste every day, out of which 6,000 tons are processed in IBB's garbage collection and recycling centers.

<https://www.dailysabah.com/economy/2018/03/28/factory-spins-tons-of-plastic-bottles-into-yarn-in-western-turkeys-bursa>

Vietnam's garment and textile sector eyes US\$34 billion in 2018

Vietnam Business Forum, Anh Phuong, 8 March 2018

The textile and garment industry is projected to earn an export value of US\$34 billion in 2018, second only to the telephone industry in the country, according to specialists.

More than US\$1 billion exported to China

Mr Vu Duc Giang, Chairman of the Vietnam Textile and Apparel Association (VITAS), said the textile and garment industry is estimated to reach over US\$31 billion in 2017, an increase of more than 10 per cent over 2016. Particularly, apparel and textile exports valued US\$25.9 billion, up 8.7 per cent; yarn exports brought home US\$3.5 billion, up 19.9 per cent, and fabric exports approximated US\$1.1 billion. Excluding imported raw materials for domestic production, the sector enjoyed an all-time trade surplus of US\$15.5 billion.

The United States, though rejecting the Trans-Pacific Partnership (TPP), still signed stateside export orders, contrary to many forecasts of falling export value, he said. Data showed the United States was still the biggest importer of Vietnamese garments and textiles, accounting for 48.3 per cent of the country's shipments or US\$12.53 billion, up 9.4 per cent against 2016.



In addition, apparel exporters actively sought new markets. While making new products for traditional markets such as ASEAN, Eastern Europe, the European Union (EU), Japan and South Korea, the Vietnamese garment and textile industry also marked an impressive milestone when its shipment value to neighbouring China amounted to US\$1 billion. Moreover, according to the tariff reduction scheme of the ASEAN Trade in Goods Agreement (ATIGA) enforced in 2018, up to 99 per cent of tariff lines on imports from ASEAN-6 countries will be set at zero, thus opening up

many opportunities for the Vietnamese textile and garment sector in the broad ASEAN Economic Community (AEC).

Seizing advantages of FTAs

Despite the bright future, according to many experts, the Vietnamese garment and textile industry also needs to be aware of bitter experiences in the past, like dumping accusations and the loss of yarn output in the Chinese market following policy changes there, in order to take solid steps to the future.

Mr Truong Van Cam, Vice Chairman of VITAS, said that current successes of the Vietnamese garment and textile industry come from enterprises' quick grasping of opportunities to diversify markets. The growth driving big companies leads them into new markets. The Vietnamese garment and textile industry have been thus clearly defined on the export map in 2017, with named locations including Japan, South Korea, Russia, Africa and the Middle East.

Furthermore, to ensure sustainable development in the coming time, the textile and garment industry should pay attention to making full use of competitive advantages, mechanisms and policies of bilateral and multilateral trade agreements signed and negotiated by Vietnam. For example, the Vietnam - Eurasian Economic Union (EEU) Free Trade Agreement (including Russia, Armenia, Belarus, Kazakhstan and Kyrgyzstan) has fundamentally changed the perspective of businesses in Vietnam. In particular, playing a pioneering role in penetrating into Russia are Nha Be Garment Corporation and Duc Giang Corporation, among others. The sector has also taken advantage of ASEAN - Japan Comprehensive Economic Partnership Agreement (AJCEP) and Vietnam - Japan Economic Partnership Agreement (VJEPA).

Along with them, the Vietnam - European Union Free Trade Agreement, scheduled to come into effect in mid-2018, is expected to bring more success to the industry, according to experts. Furthermore, Vietnam's garment and textile industry will be positively affected by ongoing FTA negotiations such as the Regional Comprehensive Economic Partnership (RCEP) Agreement between 10 ASEAN countries and six major economies (China, South Korea, Japan, India, Australia and New Zealand) and the new version of Trans-Pacific Partnership (TPP) - Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). These are foundations for policy changes creating driving force to attract foreign investment, offset sectoral shortages and sustain future development.

http://vccinews.com/news_detail.asp?news_id=35599

Garment becomes Vietnam's 2nd largest foreign currency earner

Vietnam net, 11 May 2018

The textiles and garment industry gained the second-largest export value in the first four months of this year, after the export value of phones and their components, according to the Ministry of Industry and Trade.



The export value of textiles and garments in the first four months was estimated at 8.6 billion USD, a year-on-year increase of 15.7 percent

Regarding the export markets, the ministry said in the first three months of the year, the United States ranked first, with the export value of textiles and garments from Vietnam reaching US\$3.04 billion, a year-on-year surge of 11.6 percent. This accounted for 47.3 percent of the total garment export value.

The export value of textiles and garments from Vietnam to Japan reached US\$855.44 million, 19.6 percent higher than the same period last year, accounting for 13.3 percent of the total export value.

The export value of textiles and garments to the Republic of Korea stood at US\$798.6 million

and US\$268.95 million to China, an increase of 14.8 percent and 40.9 percent, respectively, against the same period in 2017.

Meanwhile, the value rose by 11.8 percent to reach US\$806.23 million worth of exports to the European Union and by 26 percent to US\$228.36 million worth of exports to the ASEAN market compared to the same period last year.

To reach the total target of US\$35 billion in export of textiles and garment for this year, the Vietnam Textile and Apparel Association has asked enterprises to fully exploit the working capacity of their workers as well as restructure their management practices to improve labour productivity.

Besides maintaining and developing export markets such as the United States, European Union, Japan and the Republic of Korea, the enterprises should focus on developing other markets such as ASEAN, Eurasian Economic Union, India and Latin American countries, including linkage with the distribution system in the local market.

<http://english.vietnamnet.vn/fms/business/200432/garment-becomes-second-largest-foreign-currency-earner.html>

ADB partners with EBL to support development of Bangladesh's textile & garment sectors

ADB, News from Country Offices, 12 February 2018



Bangladesh is currently the second largest exporter of textiles and garments, accounting for about 15% of the country's gross domestic product and employing over 4 million workers, 85% of whom are women.

DHAKA - The Asian Development Bank (ADB) signed an agreement with Eastern Bank Ltd (EBL) for a \$20 million loan to support the development of Bangladesh's textile and garment sectors—two of the country's most important growth contributors—and help fill the financing gap in the local financial market.

The agreement was signed by Christine Engstrom, Director for ADB's Private Sector Financial Institutions Division, and Ali Reza Iftekhar, Managing Director and CEO of EBL, at a ceremony in Dhaka. Top officials from both institutions were also in attendance including Manmohan Parkash, ADB Country Director for Bangladesh, and Ali Reza Iftekhar Hassan O. Rashid, EBL's Additional Managing Director.

"The textile and garment sectors are essential parts of the Bangladesh economy, raising incomes for large numbers of workers, particularly women," said Ms. Engstrom. "We are confident that our partnership with Eastern Bank, a trusted financial institution in Bangladesh, will contribute to the development of the textile and garment sectors in the country."

Bangladesh is currently the second largest exporter of textiles and garments, accounting for about 15% of the country's gross domestic product and employing over 4 million workers, 85% of whom are women. However, making the industry a safe place to work in is essential in order for it to maintain its position as a main driver of economic growth.

The loan will be used to finance socially and environmentally sustainable projects in Bangladesh's textile and garment sectors. Specifically, the assistance will finance the construction or expansion of textile and garment factories that meet the high structural, fire, and electrical safety standards required. This, in turn, will enhance health and safety standards of the sector.

At the event, Mr. Iftekhar reiterated the decade long relationship of EBL with ADB as development partners and conveyed his gratitude for all the support that ADB is rendering for the development of Bangladesh's financial sector.

Eastern Bank, established in 1992, is a leading private commercial bank in Bangladesh. It is also the first bank in Bangladesh rated by international rating agency, Moody's.

Interview: Businesses should put down roots, garment maker says

Taipei Times, 9 April 2018



Photo: Kuo Chia-erh, Taipei Times

A well-established industry cluster of Taiwanese-founded textile and garment suppliers has existed in Bandung, Indonesia, for more than three decades. PT Sinar Majalaya Lestari president Ko Pai-kuan, the second-generation leader of the family company, discussed his experience of reshaping the traditional business and exploring new opportunities in the Indonesian market in an interview with 'Taipei Times' staff reporter Kuo Chia-erh.

PT Sinar Majalaya Lestari president Ko Pai-kuan poses for a photograph at a coffee farm owned by his family in Bandung, Indonesia, on March 28.

Taipei Times (TT): How did your family start PT Sinar Majalaya Lestari (興南印染)?

Ko Pai-kuan (柯百觀): My father came to Indonesia in 1982 and built his first knit fabric plant in 1992. I joined his management team two years later, serving as a factory director. As more than 90 percent of the products made at our plant were sold to global customers, we had to overcome many challenges

during the 1990s, especially the 1997 Asian financial crisis and the May 1998 riots in Indonesia.

In 2007, I founded my own garment brand, Top In Style (蒂斯成衣), and began to outsource manufacturing through partnerships with local suppliers. I established another plant for dyeing and printing fabrics in the following year.

TT: What is the difference between your generation and your parents' generation's business model?

Ko: When Taiwanese textile makers began to pour investments into Indonesia decades ago, they were aided by technologies and orders from global brands, as well as significantly lower labor costs in the country. However, after the quota system for the global textile and clothing industry was abolished in 2005, new Taiwanese businesspeople sought opportunities in Indonesia, eyeing the country's huge Muslim population.

About 85 percent of the country's 260 million residents are Muslims. Previously merely a production base, Indonesia now attracts people from neighboring Southeast Asian nations and the Middle East who come to purchase Islamic clothing.

My company has been busy shifting its focus to Indonesia's domestic market since 2010. In the past, 40 to 50 percent of our products were made for global brands, such as Nike Inc. and Adidas AG. Now, nearly 85 percent of our goods are sold to Indonesian customers through diverse channels. Islamic clothing contributes 50 percent of those domestic sales.

TT: Why did you choose to expand sales channels in the Indonesian market instead of continuing supplying products to global clients? Is there another reason besides a broad customer base?

Ko: We took into account the operational efficiency of our plants when we decided to reduce reliance on brand customers. As a supplier in global garment supply chains, you usually do not have many options.

For example, your production lines might need to make very similar types of fabrics or clothing. You also have to meet strict quality standards set by brand clients, ensure product stability and push down costs. That is the reason why some Taiwanese companies continue to seek new overseas production bases.

By contrast, we could choose what to produce if we made the Indonesian domestic market our target customer. That gives us a more diversified product portfolio and a more flexibility in manufacturing. We can supply various kinds of textiles and garments for different groups in the country.

However, there are some disadvantages to us directly selling products in Indonesia. Without stable orders from global brands, we have not only had to expand distribution channels all by ourselves, but we also face higher default risk.

TT: Some Taiwanese garment makers, such as Makalot Industrial Co (聚陽實業), have also set up production in Indonesia in light of cheaper labor costs, but their materials might come from outside of Indonesia. How do you manage your material sourcing?

Ko: My company covers the downstream part of a typical garment supply chain, with services ranging from knitting, dyeing and printing to garment making and distribution.

Unlike other Taiwanese textile makers, which are deeply reliant on global customers, we basically purchase yarns from local suppliers in Indonesia, with the aim of ensuring a quick inventory turnover. We might hoard too much yarn if we were to rely on material imports.

TT: What is your strategy for expanding your business in Indonesia?

Ko: Machines are becoming "smart," but for textile and apparel makers, it is less likely that they will introduce completely automated manufacturing systems, as the industry is labor-intensive.

Thus, the core of our business strategy is to improve management. The technological threshold to enter textile manufacturing is not very high, which means that everyone can tap into the market. To compete with our rivals, we aim to build trust with customers by ensuring product quality and avoiding shipping delays.

Our strategy also has a focus on localization. Usually, Taiwanese-funded textile makers will hire foreign or Taiwanese experts to supervise local workers, but at my plant, we work with all-Indonesian technicians, except for me. Businesspeople should put down roots in their target markets, instead of cutting corners.

TT: Can you share your outlook for the industry?

Ko: I expect Indonesia's textile industry boom to continue over the next one or two decades. After all, clothing is a basic necessity. The Indonesian market is large and not yet saturated.

We are not very worried about external factors, as there has been an upward trend in consumer purchasing power in Indonesia. In addition, the depreciation of the Indonesian rupiah should offset the impact of rising labor costs in the country.

The Indonesian government is trying to fight bribery and corruption. Its environmental standards for manufacturing industries are also getting stricter. Companies have to comply with rules regarding air pollution and waste management. The local market might experience growing pains because of recent reforms, but in my opinion, you will not fear challenges if you are strong enough.

TT: What are your expansion plans?

Ko: We have 560 employees and a nearly 3 hectare plant in Bandung, with a maximum output capacity of 5 million yards of fabrics per month. We are planning to add an additional 2 hectares of land to the existing plant. The first phase of construction is to be completed by the end of this year. After the expansion, our capacity is expected to increase by more than 50 percent over the coming two years.

<http://www.taipeitimes.com/News/biz/archives/2018/04/09/2003690946/1>

Women lead the push for rights in Bangladesh fashion factories

Taipei Times, Anuradha Nagaraj, Thomson Reuters Foundation, 6 April 2018

DHAKA - Five years after the Rana Plaza complex collapsed and killed 1,100 people, one of the region's strongest movements to protect workers has emerged, but the task ahead is not an easy one.

When Ayesha Akhter walks into the factory where she works, the supervisor greets her with a smile and wishes her a pleasant day — a major change after years of physical and verbal abuse from managers in Bangladesh's US\$28 billion garment industry.

The seamstress said it is her biggest victory since in October being elected president of the workers' union at Jeans Factory Limited in Dhaka, amid a push to improve conditions across the global fashion supply chain.

“In all these years, I have heard supervisors yell, verbally abuse, call us prostitutes and slap us behind our heads to work faster,” said Akhter, who spends eight hours a day stitching pockets on jeans and shorts.

“Then I became the union president and everything changed. Overnight, I became important,” she said. Akhter, 28, is among scores of women in Bangladesh standing up to head unions and negotiate with male-dominated management for more pay, safer workplaces and respect on the job.

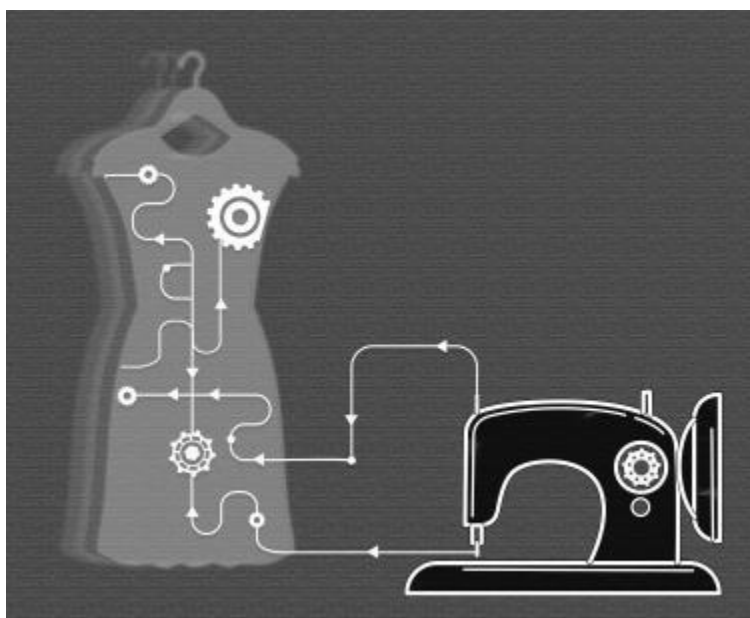


Illustration: June Hsu

Bangladesh is the world’s second-largest garment exporter with about 4 million people working in its more than 4,000 factories, nearly 80 percent of them women, campaigners say.

Poor working conditions and low wages have long been a concern in the sector, which suffered a terrible industrial accident in 2013, when more than 1,100 people were killed in the collapse of the Rana Plaza complex.

Garment factory workers attempting to set up unions have encountered resistance across the region, with many losing their jobs or being suspended by managements that fear the power of unions, leaders said.

“Freedom of association and collective bargaining are the biggest challenges the industry faces today,” said Nazma Akter, a former child worker and founder of Awaj Foundation, which campaigns for labor rights. “Without that power, workers are just surviving, not leading normal lives, and it’s almost a crime,” Akter said.

Five years after the Rana Plaza collapse, one of the region’s strongest movements to organize workers and help them exercise collective bargaining has emerged — led by Bengali women.

The number of registered unions in Bangladesh has increased about fivefold to nearly 500 since 2013, said Jennifer Kuhlman of US-based workers’ rights charity Solidarity Center. “Many of them are being headed by young, dynamic women who are choosing to lead from the front to bring about change,” said Kuhlman, who heads its Bangladesh programs.

Campaigners estimate that women make up about half of the new factory union leaders.

Although women said their newfound union power had opened their eyes to their rights — from social security benefits to overtime — they fear losing their jobs. Akhter remembers the “big fight” she had with her husband when she said she was considering standing for president.

“He was mad and upset and clearly told me not to,” said the mother of two. “He was scared and worried about my safety. He relented, but we always worry because of what we see and hear.”

It was easy to unionize immediately after the Rana Plaza disaster, but activists are now being harassed, workers fired and union meetings disrupted, said Babul Akhter, president of the Bangladesh Garment and Industrial Workers Federation, which supports workers across 52 unionized factories.

“It is difficult and workers are facing a tough time,” he said. The government cracked down on unions after garment workers in Ashulia, a suburb outside Dhaka, protested the death of a coworker and demanded more wages in December 2016, campaigners said.

In the following four months, nearly 40 union leaders were arrested and many union offices were shut down by the government, the Solidarity Centre said.

Many leaders were given bail, but some cases are ongoing and workers fear the repercussions of formally joining unions, activists said. Bangladesh labor officials were not immediately available to comment, although the department’s Web site lists some of the disputes between unions and factories that it has mediated.

The second floor of a nondescript building in Dhaka houses the office of the Sommito Garments Sramik Federation, which supports unions and organizes and educates workers across the city, about 80,000 of whom attend its meetings.

Nahidul Hasan Nayan, its general secretary, is buried in paperwork — helping workers submit applications to form unions. “It is not easy. Sometimes all it takes for the registration of a union to be rejected is one mismatched signature,” Nayan said, adding that 30 percent of workers in a factory must apply for the government to register a union, which takes months.

In another room, women quietly walk in and sit around a table for an evening meeting, after their shifts. Among them is Shampa Begum, 30, who became president of her factory union a year ago, when workers began organizing themselves and asked her to lead them.

“They all insisted and so I agreed,” she said. “There were a lot of problems we were facing, from not enough fans, to dirty drinking water.” These problems have now been resolved, said Begum, who has spent nearly 15 years stitching zips onto pants and earns 7,500 Bangladeshi taka (US\$90.38) a month.

Before the union was formed, Begum waited for hours outside the administrator’s office to resolve tiny problems. “They would ridicule us, asking if we thought we were big leaders asking for facilities. Now, we are leaders and things get done,” she said.

The women said they have less time for their families, but it is a price they are willing to pay to bring about change.

Ayesha Akhter wakes up at 5am to cook and take her children to school, works an eight-hour shift, and returns home after dark. She spends all of her breaks doing union work and is constantly thinking about how to solve factory problems. “It is exhausting, but God gives me the energy,” she said.

<http://www.taipeitimes.com/News/editorials/archives/2018/04/08/2003690898/1>

Tohoku tech firm develops fashion niche to withstand disaster

Japan Times, Mai Iida, 9 March 2018

MINAMISANRIKU, MIYAGI PREFECTURE - For Akio Sato, whose electronic components company and home were decimated in the massive Tohoku tsunami seven years ago, starting a fashion business that would one day receive an Imperial endorsement was all but impossible to imagine.

The magnitude 9.0 earthquake and ensuing tsunami destroyed swaths of Japan's northeastern coast on March 11, 2011, dealing a devastating blow to the lives of many including Sato and his Minamisanriku-based business, which produced cables and other parts used in electronic devices.



Akio Sato, representative of Asutoro Tech, presents a bag at his firm in Minamisanriku, Miyagi Prefecture, on February 6.
KYODO

Sato, 67, resumed operations at his company less than a month after the calamity by renting an office in a neighboring city. At the time he was living in a crowded evacuation center in the tsunami-hit town where electricity had not yet been restored and gas was in short supply.

“I never thought about closing my company or firing (workers),” said Sato, who runs Asutoro Tech. The firm now employs around 20 workers in Minamisanriku, Miyagi Prefecture. “If you lose your home and family, losing your job, too, is just too much to bear.”

In order to restore a sense of normalcy to his and his employees' lives, Sato went back to work. A few months after restarting his business, Sato got an offer from apparel company officials who were visiting from Tokyo for a cherry blossom planting project in

the area. The officials were involved in the “Loom Nippon” support activities for victims of the disaster, and were seeking a local partner to make bags. Sato said he was their man.

Although his company had no experience in the fashion industry, he jumped at the chance. “I knew nothing (about fashion) but said ‘I’ll do it’ right away. I was hoping that it would generate jobs — even just one or two.”

Sato's workers, who were more accustomed to making miniature components, transferred those skills to dexterously weaving leather and within a year had gone from making just one part of the bags to producing them entirely.

Sato brought his company's operations back to Minamisanriku in October 2012 after taking on debt to build a new plant.

The company's first bag, which retails for ¥60,900 (\$570), features a black leather woven design with contrasting white leather to represent "the stars that shined so brightly" on the night after the towering tsunami extinguished all of the town's lights, Sato said. In an unlikely turn for the new venture, one of the company's bags found its way into the possession of Empress Michiko. The Empress used it while traveling with Emperor Akihito to disaster-hit sites, including Minamisanriku, in July 2014. "I was speechless," said Sato, who cried when he saw the Empress holding his company's product. "This shows how the Empress gives her heart to disaster-stricken areas, and it just happened to be our bag. It could have been anything," he said. "But it definitely served as an emotional moment for us."

Minamisanriku, a small fishing town in Miyagi, was among the hardest-hit. The tsunami flooded most buildings in its downtown area, including the town's three-story disaster prevention center where 43 people hunkering down on its roof were swept away and killed. Over 800 people died or remain unaccounted for in the town, which had a population of around 17,700 at the time of the disaster.

On the day of the earthquake, Sato was visiting the neighboring city of Kesenuma. Soon after the 2:46 p.m. temblor, Sato, who had experienced tsunami in Japan caused by the Valdivia earthquake in Chile in 1960, evacuated soon and began driving back to Minamisanriku.

Usually, the trip would take about an hour but it was almost midnight when he arrived because he was forced to detour far inland and could not drive the final kilometers because the roads were strewn with debris.

Houses had been reduced to splintered wood and twisted metal while cars and fishing vessels had been tossed aside, he recalled. Stunned beyond belief by the sheer devastation, he got out of his car and started walking.

"(The town) was in total darkness because of the blackout and only the stars were shining brightly. Thanks to the light of those stars, I somehow figured out the direction and reached the school" where he reunited with his family, although his home had been washed away.

Today construction continues to significantly lift the town's once-thriving waterfront hub above sea level, to take it out of the reach of future tsunami, while residential areas have been moved to higher ground inland. The skeleton of the tsunami-ravaged disaster prevention center remains in the former central district, with construction vehicles and huge dirt piles left over from earthworks. Asutoro Tech now juggles the production of electronics and its bag manufacturing business.

The bags made famous by the Empress became so popular at retail stores and online that orders sometimes outstripped the company's supply capability. But Asutoro Tech has branched out with original designs to ensure further growth. The company has more than doubled sales since pre-disaster levels and has not laid off a single employee.

Sato believes manufacturing basics remain the same, no matter what the product: always keep the customer in mind.

"This may be an audacious dream, but I'd like to make this town a major fashion manufacturing hub," he said.

Minamisanriku's population has been on the decline and the issue was only exacerbated by the quake and tsunami. Its population is now more than 30 percent lower than pre-disaster levels. To recapture the town's vibrancy, jobs are vital, Sato said.

"If we can show that the jobs available in Minamisanriku are not only those on the seas or in the mountains, it would mean that there are an increased number of work options for people who left the town but would like to return.

"I want to play a part in reconstruction — not just to restore things to their previous state, but also to contribute to an evolution of my town."

<https://www.japantimes.co.jp/news/2018/03/09/national/tohoku-tech-firm-develops-fashion-niche-withstand-disaster/#.WxUxVu6FOUk>



About CACCI:

Founded in 1966, the Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) is a regional non-governmental association principally composed of the national chambers or associations of commerce and industry in Asia and the Western Pacific. Its current membership of 28 countries and independent economies cuts across national boundaries to link businessmen and promote economic growth throughout the Asia-Pacific region. CACCI holds Consultative Status in the Roster Category of United Nations' Economic and Social Council (ECOSOC).

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