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NEWS CLIPPINGS –18-04-2018

Two seperate corporations for powerloom sectors in Telangana	Telengana Today https://telanganatoday.com/two-seperate-corporations-for-powerloom-sectors-in-telangana

The State government on Tuesday floated two separate corporations – Telangana Handloom Development Corporation Limited (THDCL) and Telangana Powerloom and Textiles Development Corporation Limited (TPTDCL), to improve the socio-economic status of weavers and to facilitate the holistic development of power loom sector respectively. Both the corporations have been separately floated with a total share capital of Rs 5.1 crore each.

Handlooms and Textiles director Shailaja Ramaiyer, Deputy Secretary for Industries P Kiran Kumar, and another official from Finance Department will be members of both the corporations. These corporations will be established with an initial capital of Rs 10 lakh each and the remaining Rs 5 crore each will be provided after the commencement of operations. According to the orders issued, the State government approved the proposal to establish the THDCL to develop handloom industry, provide sustainable livelihood to handloom weavers and also buy back all the products produced on handlooms in the State by playing the role of Master weaver through floating an exclusive Handloom Development Corporation.

To ensure high-quality standards of products and time schedules for production, an in-house pre and post-loom processing facilities will be set up paving the way for the creation of an exquisite range of silk, cotton, linen and synthetic fabrics. The corporation will also market the handwoven fabrics under an exclusive brand, not only in India but also in the global market. It will also have an exclusive export division to cater exclusively to the requirements of global players.

Similarly, the TPTDCL will promote, aid and facilitate holistic development, welfare and rehabilitation of the Powerloom sector, along with weavers, ancillary and indirect industries associated with the industry. The exclusive Powerloom Development Corporation has been established with an aim to create a necessary infrastructure which includes the establishment of pre and post-loom facilities for the powerloom industry. The corporation will also procure all government requirements of cloth to support the powerloom industry.

Garments exporters seek sops to tide through liquidity crunch	Business Line https://www.thehindubusinessline.com/news/garments-exporters-seek-sops-to-tide-through-liquidity-crunch/article23577046.ece

India’s exports fall while global demand is on the rise

Garments exporters are looking at the government for some succour to check the continuous decline in exports over the last few months.

Exporters say the fall is mostly due to the liquidity crunch faced by units following the implementation of the Goods and Services Tax (GST) last year which worsened over the months due to inadequate steps taken by policy-makers to address the problems.

“Apparel exporting units are woefully short of cash and many can’t take new orders. A sharp reduction in reimbursements under the duty drawback scheme and Remission of State Levies (RoSL) scheme after the implementation of GST has hit apparel exporters.

“So has the 5 per cent GST that they are made to pay and which is not getting refunded properly,” pointed out A Sakthivel, a Tirupur-based garments exports who heads a number of export bodies.

Because of the reduction in duty drawback rates and the RoSL rates, there has been a net decline of receipts by exporters up to 5.5 per cent of export value, despite the fact that the government had increased the reimbursement rate under the Merchandise Export Incentive Scheme scheme for garments by 2 per cent, pointed out Anil Peshawari from Meenu Creation in NOIDA.

The decline in exports from India is taking place despite robust demand in the global market, points out HKL Magu, Chairman, Apparel Export Promotion Council (AEPC). “The global demand positions are good and the industry is keen to take up more orders but cost disadvantages are affecting India's relative position as a sourcing destination," Magu said.

Shipments decline

AEPC, in a statement earlier this week, pointed out that garments exports had entered a “recessionary zone’’ with shipments in March 2018 falling 17.78 per cent to $1.49 billion and an overall dip of 3.83 per cent to $16.71 billion in 2017-18. Exporters bodies, including the AEPC and the FIEO, have been approaching the government for relief in some form to help them tide over the problems being faced due to GST implementation.

“We are in touch with the Ministers of Textiles and Commerce. Both are sympathetic and understand our problems and hopefully some kind of a scheme to reimburse us of the disadvantage of 5 per cent that we are suffering will be announced soon,” Sakthivel said. He added that in the absence of a response from the government, things would only get worse for India and the competitors from countries such as Bangladesh, Vietnam and Cambodia will take away India’s business.

India’s overall goods exports increased 9.78 per cent to $302.4 billion in April-March 2017-18, but declined 0.6 per cent to $29.11 billion in March 2018.

The fall in exports has been much more in case of India’s apparel exports.

The sector presently employs 12.9 million workers but due to the ongoing slide, several clusters have been impacted.

Remove Handmade products from the purview of GST: Gram Seva Sanghs	United News of India http://www.uniindia.com/~/remove-handmade-products-from-the-purview-of-gst-gram-seva-sanghs/States/news/1202734.html

The Gram Seva Sangha will launch series of movement against the Central Government if it fails to remove the handmade products from the purview of Goods and Service Tax (GST).

Speaking to newsmen here on Tuesday, Sangha Member Prasanna alleged that though Union Finance Minister Arun Jaitley had announced GST exemption on 29 handicraft items two months ago, till date it has not been implemented

At present, the handmade products are placed in the 5 per cent to 18 per cent tax category. Artisans working in the Cottage industry are struggling to survive. He said that with the growing machine-made products in the market, the rural artisans would soon close down their business if the Central government failed to bring them under the cooperative sector and make them tax-free.

Govt to take call on Bt cotton issue after studying Delhi HC order	Times of India https://timesofindia.indiatimes.com/business/india-business/govt-to-take-call-on-bt-cotton-issue-after-studying-delhi-hc-order/articleshow/63803539.cms

The government today said it will decide on next course of action over patent and royalty issue on Bt cotton seed after studying the recent Delhi High Court order that dismissed the US-based agri-biotech firm Monsanto's plea to enforce patent for its genetically modified (GM) technology.

The Union Agriculture Ministry has already fixed the maximum sale price of BT cotton seeds along with royalty fee for 2018 kharif season.

"We will study the Delhi High Court order and will take a decision in a week's time," Agriculture Secretary S K Pattanayak told reporters, responding to a query about the ministry's further course of action in light of the court judgement in a case between Monsanto and Nuziveedu Seeds.

"The case was between two private parties. We will abide by the court's direction to the government," he added.

For the 2018 kharif season, maximum sale price of BT cotton seed has been fixed at Rs 740 per packet of 450 grams, lower from Rs 800 per packet last year. The royalty fee or trait value to be paid by domestic seeds firms to technology developer Monsanto Mahyco Biotech (India) Ltd (MMBL) has been reduced to Rs 39 per packet from Rs 49.

From March 2016, the government started controlling prices of cotton seeds, including the GM versions, by fixing a uniform maximum sale price.

Last week, a bench of Justices S Ravindra Bhat and Yogesh Khanna in Delhi High Court had partially allowed the counter-claims of three Indian seed companies that Monsanto does not have a patent for its BT cotton seeds.

BT cotton is the only GM crop allowed for commercial cultivation in the country. Over the last decade, Bt cotton technology has been adopted on over 95 per cent of the country's cotton growing area, making India the second largest producer and exporter of the cash crop

India needs to fundamentally alter its export strategy	Live Mint https://www.livemint.com/Opinion/rHODuZ18xX55H1tqPTBz2O/India-needs-to-fundamentally-alter-its-export-strategy.html

India's exports for the month of March this year have contracted by 0.7% compared to a year ago. There is need for a fundamental shift in our export strategy

India's revenue from exports of merchandise over the last four fiscal years was $310 billion, $262 billion, $275 billion and $302 billion, respectively. Thus over the four years from April 2014 till March 2018, the total growth was zero, or, rather, a tad negative. Even the ratio of exports to gross domestic product (GDP), at 11.6%, is at a 14-year low. This at a time when the world is experiencing synchronized income and consumption growth and our Asian peers are clocking decent export numbers.

India's exports for the month of March this year have contracted by 0.7% compared to a year ago. This slowdown in exports is across all sectors, led by the scandal-plagued gems and jewellery sector, whose exports fell sharply by 16.6% from a year ago. Garment exports too have suffered and have now fallen behind Bangladesh and Vietnam in absolute dollar terms. Vietnam's garment exports grew by 10% last year and are expected to continue at that pace this year too. Most notably, the Vietnam Textile and Apparel Association (VTAS) has now tapped into newer markets like Russia and China, in addition to traditional markets like the US and European Union (EU). In a telling statement from the VTAS chairman, he said the heat of competition is from China, Bangladesh, Sri Lanka and even Myanmar. The country not mentioned in this list is India.

What happened? Why is India lagging behind in ready-made garment exports? This is one sector where India has had a traditional advantage, and should have raced ahead, due to the low-cost space vacated by China. India is capable of investing in modern machinery and automation, as also in skilling its personnel, just like its competitors. But Bangladesh and Vietnam have now outpaced India even in absolute, not just relative, terms. Of course, a country like Bangladesh has greater labour flexibility, and allows three shifts even with women, who now dominate the garment sector in that country. It may be argued that Bangladesh has special duty-free access to the US and EU, accorded to low-income countries. Even then, however, it does not explain India's lacklustre performance.

The immediate proximate factors affecting the garment and footwear sectors are as follows. First are the lingering effects of demonetisation. Due to last year's cash disruption, orders were lost, and these can't be regained easily from competitor countries. There is a kind of hysteresis as lost orders and jobs are not fully reversible. Second is the delay in getting goods and services tax (GST) refunds, and the burden of the cost of locked capital. The delayed refund does not include the interest cost. We need to urgently zero-rate our exports (goo.gl/kf3XFD). Third is the overvalued exchange rate, which makes India's exports relatively expensive. Fourth is the continuing unreliability of electricity and other infrastructure facilities. Small and medium enterprises need a common plug and play, seamless hard and soft infrastructure—whether it's effluent treatment or inspection or logistics.

But why dwell only on ready-made garments or footwear exports, or even on immediate proximate causes? There is need for a fundamental shift in our export strategy. In 2014, the trade policy announced by the Union commerce minister envisaged total exports worth $900 billion by 2020. That looks almost impossible, unless exports grow by 40% per annum from now on. Incidentally, even services exports show zero growth over the past four years.

A 2010 paper of the commerce ministry outlining the strategy to double exports in three years is worth revisiting. Many of those ideas are still relevant. We need to move from merely focusing to becoming obsessed with rejuvenating our exports. For exports create jobs, bring in precious foreign exchange and validate our international competitiveness. The world market is the ultimate test of our strengths. No matter some bit of rising protectionism or an overvalued rupee, both of which are temporary, there is no reason why we shouldn't be winning a larger market share of world trade. We left our export pessimism behind long ago. We now are entering a phase when

China promises to import $24 trillion of goods and services in the next five years. It will hold the world's first mega import expo (yes, import expo!) in November. China's consumer market represents a huge opportunity, but India is largely absent.

We only export primary materials like cotton, iron ore and copper to China. Indeed, one-fifth of our goods export is petrol and diesel, whose prices fluctuate with the price of crude. The decline in 2015 is partly explained by the steep fall in the price of crude. But we don't need to just depend on commodity exports.

The following principles may be useful. Firstly, focus on labour-intensive exports such as agriculture, textiles, footwear and tourism. Secondly, have a zero GST rate for all exports. Thirdly, shun product- and market-specific incentives (which run afoul of World Trade Organization rules), but focus on regional or cluster subsidies, which benefit all producers, small or large, domestic or export oriented. Fourthly, reduce and further reduce inspector raj. Fifth, actively and aggressively promote participation in global value chains. Do not insist on large value addition in India in your trade agreements. Insist instead on large-scale job creation. Lastly, be committed to open borders, notwithstanding the pressure to raise trade barriers. It is not by protection that domestic industry will become world leaders in competitiveness. And that's an absolute prerequisite to winning in world markets.

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Launch of digital platform for MSME Exporters	**Business Standard** http://www.business-standard.com/article/news-cm/launch-of-digital-platform-for-msme-exporters-118041700684_1.html

The Minister of Commerce & Industry Shri Suresh Prabhu launched the FIEO GlobalLinker- a digital platform for MSME exporters to digitise their businesses and join a global community of growing businesses.

The Minister congratulated Federation of Indian Export Organisations (FIEO) for coming out with the interesting idea. He said that this initiative will help in expanding India's multi-focused export strategy and also aid in connecting art and artisans to the market. Minister also informed that at least 300 Geographical Indications will be registered very soon, which will give a major boost to exports.

FIEO GlobalLinker is setup with a view to make the business growth of SMEs simpler, more profitable and enjoyable.

It is a growing global network currently comprising over 140,000 SME firms, who are seeking business collaboration and growth opportunities through the use of their electronic business card and digital profiles created on the platform. FIEO is available free of cost and it offers exporters a range of features and benefits like:

Business Opportunities: Exporters will be able to find clients, suppliers and advisors using the search and review facilities. Creating a free e-commerce store for direct sales and improved chain management.

Up-to-date Business Knowledge through business articles, industry news and common interest groups.

Improved Efficiencies: Platform provides services like company intranet, integrating email, a business calendar.

FIEO's Services: Application for new RCMC/endorsement/renewal/participation in FIEO's promotional programme and alerts.

Coming unravelled: Garments output, exports slide	Financial Express https://www.financialexpress.com/industry/coming-unravelled-garments-output-exports-slide/1136691/

Magu said the reduction in the duty drawback and remission of state levies (RoSL) after the imposition of the goods and services tax (GST), capital blockage due to slow GST refunds and uncertainties on the future of export subsidies have affected the deeply-fragmented garment industry.

Production in the labour-intensive garment sector contracted for a 10th straight month through February while exports dropped for six months in a row and in eight out of the past 12 months, official data showed. The contraction stokes fears of job losses and compounds problems of policymakers who are contemplating how to compensate the textile and garments sector adequately once subsidies to promote such exports are phased out (by as early as December 2018, according to some analysts) to avoid disputes at the World Trade Organisation (WTO). Apparel exports dropped almost 4% in 2017-18 when the country's overall goods exports jumped close to 10%, while garment production declined almost 10% during the April-February period of the last fiscal from a year before. HKL Magu, chairman, Apparel Export Promotion Council (AEPC), said: "Due to the slide, several garments clusters have been impacted. Though India is struggling in exports, countries like Bangladesh and Vietnam are showing consistent growth in the apparel exports."

Magu said the reduction in the duty drawback and remission of state levies (RoSL) after the imposition of the goods and services tax (GST), capital blockage due to slow GST refunds and uncertainties on the future of export subsidies have affected the deeply-fragmented garment industry. In their meetings with various government officials in recent months, exporters have said they are getting less than 4% under both duty drawback and RoSL schemes, which need to be raised to around 11% (of freight on board value of exports) to offset various levies, even excluding the taxes that are subsumed by GST. The government had said since the GST subsumed a number of state levies, including sales tax and VAT, the incentives were reduced.

RoSL, under which garment exporters get refunds from the Centre against all the levies they pay at the state level, was a key scheme in the Rs 6,000-crore garments package announced by the government in 2016 to create 10 million jobs, Rs 78,000 crore of additional investments and $30 billion more in exports over a three-year period. The government had then said the textile and garment sector employed 31.9 million people. Most of those employed in garments factories are women.

As such, garment exporters say they have been handicapped by the duty disadvantage against key competitors like Bangladesh and Vietnam to our biggest market — the US.

Last month, the US dragged India to the WTO, alleging New Delhi had been offering illegal export subsidies worth around $7 billion a year that were harming American workers. But even before its latest move, the US had insisted that India's stop subsidies for its textiles and garments sector, citing a WTO rule. According to the WTO's Agreement on Subsidies and Countervailing Measures, when the share of a developing country — with per capita income below $1,000 a year — in global exports touches 3.25% in any product category for two straight years, thereby gaining "export competitiveness", it has to phase out export subsidies for the items eight years from the second year of breach.

The US had contended that India's "textiles and clothing" exports first breached the threshold in 2005 and remained above the level in 2006. India had said and insists it had time at least until end-2018 as the multilateral trade body asked it to consider phasing out the subsidies only in 2010.

Pakistan:Textile Division proposes to extend Prime Minister Package for 2018-19	Profit.Pakistan https://profit.pakistantoday.com.pk/2018/04/17/textile-division-proposes-to-extend-prime-minister-package-for-2018-19/

The Textile Division has proposed to extend the Prime Minister's Rs180 billion package to the next fiscal year 2018-19. Sources revealed that the Textile Division, in its budget proposals 2018-19 recommended extending of PM package to another year.

The government had announced the package in the first month of 2017. The package has been divided into two parts. The first one was from January 16, 2017 to 30 June 2017, and the second one was from 1 July 2017 to end of the current fiscal year.

Most of the portions in the export package were related to the textile sector. Sources told that the government has so far paid around Rs20 billion against the claims of Rs41 billion in both phases. The government will soon pay Rs13 billion under the phase 1 of PM export package, sources added.

The Textile Ministry recommended to reduce the tariff rationalisation surcharge to 50 per cent, moreover, RMLG prices may be brought to Rs700/mmbtu from Rs1000/mmbtu.

Presently, the tariff rationalisation surcharge is Rs3.10/KwH and it will cost Rs26 billion per year. If the government reduces the RMLG prices than it would approximately cost Rs18.5 billion per year.

The ministry further proposed to pay immediately the sales tax liability and custom duty drawback refunds of Rs35.5 billion and Rs7.5 billion respectability.

Zero rating of sales tax is not available on packing material, thereof, the exporters have started importing packing material under temporary importation schemes, it is therefore proposed that zero rating of packing material may be extended to export oriented sectors.

Sources said that if the government announces zero rating on packing material, the FBR is of the view that tax collection might be reduced to Rs10.5 billion annually.

It is further proposed that Federal Board of Revenue (FBR) should register the power loom units so the power loom sector will be given zero rating on electricity.

The pending liabilities of the textile policy 2014-19 to the tune of Rs3,6618 may immediately be paid, sources added.

A delegation of APTMA has met with the Prime Minister today (Tuesday) and handed over their proposals to him. They also requested the PM to allow relief on electricity and RLNG prices.

A case for technological development in apparel sector	The Daily Star https://www.thedailystar.net/opinion/society/case-technological-development-apparel-sector-1563775

The government of Bangladesh is moving ahead with a plan to establish 100 Special Economic Zones by 2030. Construction on some zones has already begun, including one in Mirsarai of Chittagong where 500 acres of land have been set aside as a dedicated zone for the garment industry after the signing of a Memorandum of Understanding (MoU) between Bangladesh Economic Zones Authority (BEZA) and BGMEA. This project is expected to attract both local and international investment and generate some 150,000 new jobs over the next two years.

While these recent endeavours should be applauded as the new zones will come to represent the future for the Bangladeshi textile and garment manufacturing hub, it is time to consider what factors should be prioritised by the BEZA while constructing the zones and the agreements that will be made with the companies that invest in the sites after they are established.

There are several fundamental elements that must be considered when the development of each zone commences.

The zones, it goes without saying, need to have access to an uninterrupted supply of power and other utilities including gas and water, and construction of the sites needs to follow the highest possible international standards. Companies taking plots within the zones must abide by the highest ethical and environmental standards.

In addition, one area that needs to be especially promoted and developed is that of technology for businesses within the economic zones. To cite a recent interview of Gerry McGovern, Design Director and Chief Creative Officer for Land Rover cars: "You need to embrace technology to elevate the desirability of the product, to make it safer, faster and more modernist."

This thought-process is one that needs to be embraced when setting up our next stream of economic zones. As a nation, we can no longer rely on the appeal of lower labour costs to attract and develop business. We need to embrace technology from top to toe in the garment cycle—from fabric development and concept design to cutting and sewing technology, adoption of technology-aided washing and finishing machinery, to purchasing and delivery systems, all of which will improve our efficiency and competitiveness in terms of price as well as the overall quality of product, and result in a reduction in lead-times to customers.

Technology, if used correctly, can greatly improve the whole production cycle and the wellbeing of the workforce. What needs to be established is a strategy for the economic zones that promotes the use of technology and encourages companies to invest in the necessary technical infrastructure to ensure that this next phase of development is fit for purpose in the years to come. This will require careful consideration and, possibly, on a case-by-case basis, as different manufacturing companies will require different forms of technological support.

It may also be necessary to offer incentives to secure the necessary investment in technology. Furthermore, there should be guidelines to ensure the necessary training and development of the workforce—to both appreciate and become skilled in the use of technology—and also to ensure that appropriate technological aids are in place. Companies that agree to take plots within the economic zones should be asked to utilise an agreed level of technological sophistication and guarantee the appropriate training and development of the relevant workers.

BEZA and all other interested parties would do well to consider the adoption of an approach similar to that adopted by the Indian government. At the beginning of 2016, the Indian government developed a system called Technology Upgradation Fund Scheme (TUFS). This scheme was established to promote ease of doing business within the country, and with the specified aims of generating employment within the textile and garment manufacturing industries as well as promoting exports made in India with "zero effect and zero defect". In short, the scheme was established to facilitate the augmentation of investment, productivity, quality, employment and exports, together with import substitution for the textile and garment industries.

Through the scheme, textile (spinning, dyeing and weaving) companies and garment manufacturers can apply for a Capital Investment Subsidy (CIS) for investments made in machinery and technology to meet the benchmark laid out in the scheme. Technological upgradation has been defined in the TUFS as "the induction of state-of-the-art, or near state-of-the-art" technology by the textile and garment industries, and the levels of performance that the machinery and technology must attain are reviewed and updated on an annual basis. By adopting this approach, the Indian government ensures that investors are committed to the introduction of the highest grade of machinery and technology that are available and are also willing to accept the overall challenge of the upgrading of their finished product, with the added benefit of having the possibility to diversify into other textile or garment segments.

The establishment of the new economic zones within Bangladesh is a great initiative. We need to now ensure that the developments run hand in hand with the technological advances to ensure a bright future for our industry. We need to show the world that we are preparing for the future market demands, have a fit-for-purpose business model, and are investing in an advanced garment industry that has foundations guaranteeing longevity, encouraging further investment from both local and international companies.

Textile-garment export target of over 34 bln USD achievable: VITAS	Vietnam Plus https://en.vietnamplus.vn/textilegarment-export-target-of-over-34-bln-usd-achievable-vitas/129704.vnp

With the bright outlook of both global and domestic economies, the textile-garment sector's exports target of 34 – 34.5 billion USD for 2018 is achievable, Vice Chairman of the Vietnam Textile and Apparel Association (VITAS) Truong Van Cam said.At a meeting on April 17 to review the sector's performance in Q1, he said textile-garment firms received enough orders until the end of the second quarter of 2018, and some even had orders through the third quarter.

Many companies said they have been working to diversify export markets. Apart from the key markets like the US, the EU, Japan and the Republic of Korea, they are also stepping up export to China, Russia and Cambodia.

Cam said in the coming time, VITAS will push ahead with trade promotion programmes, specialised training, and experience sharing. It will also encourage the application of smart production models to help businesses boost sustainable development.

He noted that Vietnam's textile-garment sector gained positive outcomes in Q1 amid the global economy forecast to post higher growth rate in 2018 and the stable domestic economy. Textile-garment exports in Q1 are estimated at 7.62 billion USD, up 13.35 percent from the same period of 2017. Of this figure, 5.98 billion USD worth of apparel was shipped abroad, rising by 12.49 percent year on year.

Exports to the key markets like the US, the EU, the Republic of Korea, China, ASEAN, and members of the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) enjoyed strong growth. In 2017, the industry gained a year-on-year increase of 10.23 percent in export revenue to 31 billion USD, higher than its target set at the beginning of the year at 30 billion USD.

Other Asian nations attract more US tariff than China	Fibre 2 Fashion http://www.fibre2fashion.com/news/apparel-news/other-asian-nations-attract-more-us-tariff-than-china-241711-newsdetails.htm

Despite talks of a US-China 'trade war', the highest US tariffs are on imports from many other Asian countries, including Bangladesh, most of whose imports to the United States last year were subject to tariffs equivalent to 15.2 per cent of the total value of that country's shipments. This is the highest such average rate among 232 countries and territories.

This was disclosed recently by US fact tank Pew Research Centre that analysed data from the US International Trade Commission (ITC). Import duties on China are by no means the highest ones the US charges, the research centre said in a press release. Other countries with similar profiles are Cambodia (duties equal to 14.1 per cent of the total value of imports from there), Sri Lanka (11.9 per cent), Pakistan (8.9 per cent) and Vietnam (7.2 per cent). By contrast, the duties on Chinese imports totalled $13.5 billion last year, or 2.7 per cent of their total value, the analysis found.

The United States generally taxes highly clothing and other related products. Bangladesh exported about $5.7 billion worth of goods to the United States last year, 95 per cent of which were apparel, footwear, headgear and related goods. The average US tariff rates on its other major trading partners are much lower than those on China. Mexico and Canada, the second- and third-highest sources of US imports, had average duties last year of just 0.12 per cent and 0.08 per cent of the value of their imports respectively.

The average rates for Japan and Germany are both less than 2 per cent; South Korea, with which the United States also has a free trade agreement, had duties equal to just 0.25 per cent on its $70.5 billion in total exports to the United States. In general, US tariffs are lower today relative to the total value of imports than they were two decades ago, primarily because more imported goods are fully exempted from duties, the press release added.

Global cotton consumption rising in 2017-18: USDA	**Fibre 2 Fashion** http://www.fibre2fashion.com/news/textile-news/global-cotton-consumption-rising-in-2017-18-usda-241709-newsdetails.htm

World cotton consumption in 2017-18 is projected at 120.4 million bales, as per latest US Department of Agriculture (USDA) figures. This is 5 per cent or 5.6 million bales above 2016-17. In addition to rising cotton mill use, an expanding global economy and the slowdown in polyester production contributed to this year's above-average growth.

Despite the highest cotton consumption in a decade, 2017-18 world production is expected to exceed consumption for the first time in 3 years, the Economic Research Service of USDA said in its 'Cotton and Wool Outlook' monthly report. Prior to 2015-16, global cotton production had been above consumption for five consecutive seasons.

China—the leading spinner of raw cotton—accounts for one-third of the global cotton mill use total. The countryis projected to use 40.0 million bales (up 2.5 million bales) of cotton in 2017-18. In addition, cotton yarn imports by China could include an additional 8 million bale-equivalents of raw fibre to support its growing textile and apparel industry, the report said.

Small consumption gains in 2017-18 are seen for both India and Pakistan, where mill use is projected at 24.2 million bales and 10.4 million bales, respectively. Larger increases, however, are expected in Vietnam, Bangladesh, and Turkey. Cotton mill use in Bangladesh and Vietnam is projected at 7.3 million bales (+ 9 per cent) and 6.55 million bales (+ 21 per cent), respectively; investment in the fibre spinning industries of these countries has led to record use of cotton for the last several years.

Meanwhile, mill use in Turkey is forecast at 7.1 million bales, 9 per cent above 2016-17 and the highest level there in over a decade.