

Source News international le 13 septembre 2022

Textile millers gear up to source cotton for meeting export orders

Floods have destroyed the cotton crop in a fairly large area creating a shortage of raw material for textile sector

LAHORE: As sizeable amount of Pakistan's domestic cotton crop was ravaged by the floods, textile millers have geared up to source the silver fiber from around the world in an effort to maintain the export momentum.

“As we are facing shortage of cotton in the domestic market due to multiple factors including devastating floods, we need to get cotton from across the world with a view to meeting export orders. Surplus cotton is available in a host of countries. In Africa, Tanzania is one of the leading producers of good quality lint, so we are not only interested in imports but also want to learn from their experience of producing quality fiber,” Abdul Rahim Nasir, Chairman, All Pakistan Textile Mills Association (APTMA) told The News on Monday.

In order to explore cotton imports, an APTMA delegation led by Dr Gohar Ejaz, its Patron-In-Chief and senior members Fawad Mukhtar and Anwaar Ghani left for Tanzania.

Pakistan has been hit by the worst flood in its history, affecting 33 million people and inflicting an estimated loss of more than \$10 billion in infrastructural damages. Floods have destroyed the cotton crop on a fairly large area. The current estimates of cotton losses are 3.5 million bales which are 36 percent of the crop that was expected this year, valuing at \$1.5 billion.

Pakistan has to arrange this cotton at the lowest cost possible on an emergency basis for the sector to continue meeting the export orders. Any delay or non-delivery of export orders would further worsen the balance of payments, which was already under extreme pressure. At the same time, the industry would lose hard-earned international clients, according to the textile body.

Coming back to the dilemma of stagnating output of cotton in the country, APTMA chairman admitted to being wary of cotton research and development in the country. “Unfortunately, our institutions have not been able to contribute in abundant production of quality cotton in the country. Despite spending billions of rupees every year, we have failed in developing high-yielding, disease-resistance cotton varieties,” he said.

Regrettably, one of the reasons of cotton fiasco has been low allocation for research and development of new seeds, he said, adding that Pakistan needs to forge partnerships with leading global technology giants in the field of agriculture R&D for introducing quality cotton seeds in the country like several top cotton producers in the world did in the past. In the last couple of decades, China, India, Australia, Uzbekistan and Somalia introduced quality cotton seeds through major developers. “In contrast, we have allowed mushrooming of seed companies involved in low quality cotton seeds under an unregulated marketing system. We need to pull our socks and only allow those seed companies that have infrastructure, knowhow and gene pool for developing superior quality cotton seed,” he stressed. Earlier,

APTMA, however did not support the idea of importing cotton from neighboring India. Participants of a meeting convened by the textile body discussed in detail the issue of import of Indian cotton and recalled that India had imposed ban on Pakistani products worth \$1.5 billion as against export of Indian products to Pakistan amounting to \$10 billion.

Pakistan had waited for four months for reversal of Indian restrictions and then had to impose similar restriction on Indian goods as counter measure till it was resolved on bilateral basis.

Participants unanimously decided that trade of any sort should not be allowed with India unless the ban on import of Pakistani products was lifted. Unilateral lifting of ban by Pakistan would hurt Pakistani growers, who were already suffering from flood.

To address the issue of availability of raw material for export-oriented industry, it was proposed that, as an alternate, duty and anti-dumping duty on import of polyester fibre be reduced to zero for one year.