

PRGMEA delegation off to China

(Karachi, April 28, 2011): A seven member, high level delegation of Pakistan Readymade Garments Manufacturers & Exporters Association (PRGMEA) will be visiting China in first week of May. The delegation will visit Canton Fair in Guangzhou and the cities Shanghai, Yiwu and Keqiao. The purpose of this visit is to assess the Chinese domestic market for Pakistani garments. During the visit, the delegation will hold B2B meetings with garment importers besides meeting their counterparts with various textile associations, chambers of commerce and the Pakistan consulate in Guangzhou and Shanghai. The week long visit has been arranged by the Trade Development Authority of Pakistan (TDAP).

We are pinning high hopes on this visit which is happening at an exciting time, said Mr. Muhammad Jawed Chinoy, Zonal Chairman PRGMEA. Pakistan's garment and textile exports to China is already growing rapidly and with a population of more than 1.3 billion and double digit GDP growth rate for the last 20 years, we think that China will be the largest market for Pakistani garments in the future, he added.

PRGMEA thinks that instead of looking at already saturated markets of US and EU, Pakistani textile and garment exporters should turn their focus on China. We received only empty promises from the west while our economy has been ruined by a war which is not ours, he said.

Several factors make China very important and exiting to us at this moment. Pakistan shares very strong brotherly relations with China, besides due to the Pak-China Free Trade Agreement (FTA) import duties on garments are coming down, making Pakistani garments attractive to Chinese importers. Already, import duty on several textile products like home textiles and towels is zero, he added.

The delegation will also look into the possibility of having joint ventures with the Chinese textile and garment manufacturers in Pakistan. Chinese textile and garment export industry, due to the rising labor costs and the appreciation of currency, is becoming uncompetitive vis-à-vis the developing countries like Bangladesh, Vietnam, etc. and now Chinese textile industry is shifting to low cost regions like Africa and other countries. Despite being competitive in input costs Pakistan's textile industry has been unfortunate not to attract foreign investment mainly due to security concerns but we are of the opinion that joint venture is the best strategy to work in Pakistan. Despite all the negative reports in international media, Pakistan's garment and textile exports are showing remarkable strength both in terms of value and quantities, this shows the resilience of our textile industry. By way of joint ventures, foreign investors can be assured of their secure returns on equity while earning better margins on their investments. We have a clear strategy, this is how we intend to promote Pakistan in China and we are going with a positive attitude, he informed.

We would also like to thank TDAP, especially their Textile & Garment Division, for offering their full support and cooperation to our delegation. Without the support of TDAP and the various Consulates of Pakistan in China, this visit was not possible, he said. We are very happy to be a part of this concerted public-private initiative to bolster Pakistan's image in China and we hope that this effort will bear fruit, he added positively.