



The Ministry of Education of Azerbaijan Republic

Azerbaijan State University of Economics

UNEK SABAHI



**Dissertation Work**

**The analysis of factors restrain textile industry development**

Student: Allahyarli Nicat

Supervisor:Metin Firuzi

SABAH S2-ST

This dissertation is submitted for the degree of bachelor

BAKU-2018

### **Acknowledgements**

First and foremost, I would like to thank my scientific supervisor Metin Firuzi, at Azerbaijan State University of Economics for providing feedbacks, tireless support, encouragement and confidence in my hard working during my accomplishment of the thesis. I also want to thank my family for their support which helped me complete this thesis

### **Abstract**

The textile industry is one of the largest industrial sectors in the world and the challenges facing the industry with regards to providing sustainable growth are huge, requiring global solutions to maintain the level of performance and development seen in recent times. This thesis is mainly related to analysis of factors that restrain textile industry development. In this thesis is also shown textile history, what is textile, textile development stages, manufacturing process of textile, textile sales statistics in the world, textile exports and imports by country, Azerbaijan export and import, main textile factories and parks in Azerbaijan and scientist who researched textile industry sector. In the analysis stage the main textile countries are China, India, Turkey, Bangladesh, Pakistan. In this thesis is also shown the SWOT analysis of these five countries.

## Table of Contest

<b>Introduction.....</b>	<b>2</b>
<b>CHAPTER I.....</b>	<b>6</b>
1.1 What is textile.....	6
1.2 History of textile development in world.....	6
1.3 Textile Production Process.....	15
1.4 Textile export and import in the world.....	18
1.5 Textile in Azerbaijan.....	21
<b>CHAPTER II.....</b>	<b>29</b>
2.1 What is research methodology.....	29
2.2 Problem Identification.....	29
2.3 Survey of the Existing Literature.....	30
2.4. Title of problem.....	32
2.5 OBJECTIVES OF THE STUDY.....	33
<b>CHAPTER III.....</b>	<b>33</b>
3.1 Analysis of textile problems in the world.....	33
3.2 Analysis of Chinese textile industry.....	40
3.3 Analysis of Turkish textile industry.....	44
3.4 Analysis of Indian textile industry.....	48
3.5 Analysis of Pakistan's textile industry.....	50
3.6 Analysis of Bangladesh textile industry.....	53
<b>Conclusion.....</b>	<b>57</b>
<b>Reference.....</b>	<b>60</b>

## **Introduction**

The textile sector grew out of the industrial revolution in the 18th Century as mass production of yarn. and cloth became a mainstream industry. The term 'Textile' is a Latin word originating from the word 'texere' which means 'to weave' Textile refers to a flexible material comprising of a network of natural or artificial fibers known as yarn! Textiles are formed by weaving, knitting, crocheting, knotting and pressing fibers harpreet together.

Textile sector is one of the most ancient industry being until date. For most of the recorded history human has relied on natural thread , prominent ones being cotton and wool, for its textile products. in India also, the textile industry revolved around these natural fibers. Gradually India mastered in the textile industry and its product gained fame worldwide. It was only after Industrial Revolution in England when machine substituted man and production started on a large-scale basis. However, the demand could not grow up in same proportion and India ultimately resulting in lower prices. Nevertheless, Indian textile industry got momentum after independences due to open government policies and import of ,technical expertise and machinery.

Textile industry in the second half of the twentieth century has evolved into a global industry. Therefore, the state of the world textile industry and the prospects

for its development must be assessed against the backdrop of global trends. The world's light industry is a unique example of the development of the industry. Since the early 1970s to the present, it has been characterized by a continuous increase in the output and intensity of international trade flows with small short-term fluctuations. In the period from 1955 to 2000, the volume of trade in textiles in value terms increased 34 times, clothing - 249 times. In 2012, the volume of international trade in clothing and textiles reached \$ 708 billion, accounting for 4% of world exports of goods. For most of the developed countries, it is the light industry, primarily the textile and clothing industries, which at certain stages became a springboard for economic development (as it was two centuries ago in more developed countries during the initial accumulation of capital). Thus, it is these sectors that have played a critical role in economic development of Great Britain, Japan, individual regions of the United States at the stage of early industrialization. The economic systems of Hong Kong, South Korea and Taiwan relied on textiles and clothing as the main export items from the 1950s to the mid-1980s. Later, the developing countries of South and South-East Asia joined the "race" 3. The intensive development of the textile industry has historically not only evidences the process of industrialization of the economy, but also is one of its main engines. In addition, the difference in the level of economic development of countries is the reason for the constant diversification of a group of industry leaders: as the growth of capital reserves and the level of technological development, a group of leaders leave the developed players, giving way to the developing ones, later embarked on the path of industrialization. At the moment, strategically important for the developing countries of the world, accounting for up to 70% of clothing exports. For this category of countries, the development of light industry can be considered as one of the main sources of economic growth, which provides several opportunities for intensification of development. Thus, this industry is characterized by low barriers to entry, and the production process at many stages is technologically simple and labor intensive, which makes it possible to actively use a relatively surplus factor for the poor

countries of the world - low-skilled labor. The production technology is flexible, which makes it possible to divide the production process into separate stages and create conditions for internationalization and fragmentation of production, leading to the formation of global production chains. The development measures of the countries can move along these chains, moving to more capital-intensive stages, requiring a higher level of qualification, which in turn is related to the growth of wages and economic development. Thus, the light - first of all textile industry - appears to be strategically important for the development of poorer countries, turning them into dynamically developing players of the world economy. According to the OECD forecasts, by 2030, developing countries will account for about 60% of world GDP. A significant contribution to this growth can be made by light industry. The first part of this section contains the results of a study of the main stages in the development of the world textile industry after the end of World War II to the present day. The main trends in the development of markets, international and national regulation, the role of international bilateral and multilateral agreements, and the evolution and dynamics of the formation of key players in the stages under consideration are in the focus of attention. Key events are highlighted that have had the most significant impact on the development of the industry. In the zone of special attention are the changes that resulted from the global crisis of 2008 and the ensuing recession. We identify trends that will determine the development of the industry in the short and medium term, including influencing the Russian market and producers aimed at expansion to foreign markets. The second part of the section contains a situation analysis of three major players in the modern light industry market: China, Turkey, Pakistan, Bangladesh, India. Finally, in the third part, we formulate more general conclusions concerning world trends in the formation and change of global supply chains. In the course of the study, the authors relied on a wide range of articles published in leading foreign economic and industrial journals (primarily on the concept of global supply chains), on reports and analytical reports of national and international organizations, on databases of national and international statistics.

## CHAPTER I

### 1.1 What is textile

Textile sector is one of the most primordial of light industry producing fabrics, textiles, knitwear, and further articles from different breeds of plants, animal and chemical fiber. The production of textile goods started in antiquity. The growing of cotton and the hand production of yarn and fabric were known in India, China and Egypt many centuries beforehand the Common Era. The textile industry was the primary sector to accept machine production, giving rise in the second half of the 18th century to the industrial change. The textile industry capture an important position in the production of social product and the pleasure of private needs.

The industry contains the next sectors: primary processing of crude materials, fulling and felting, and the fabrication of cotton fabrics, linen fabrics, wool fabrics, silk fabrics, nonwoven materials, hemp and jute, netting, textile clothing accessories and notions, and knit wear. Textile products are used in the production of clothing and footwear and in other sectors of industry, such as the furniture industry and machine building.

In the post-war growth of the world textile industry, there are several stages.

### 1.2 History of textile development in the world

**The initial stage** – out of the post-war regaining beforehand of the industry to agreements on international trade in cotton early 1960's. The second stage is the era of the system of quota international trade and its gradual liberalization from the beginning 1960s to 2005. The third stage, initiated by the cancellation of all activities, quantitative instruments of trade restrictions in 2005, which led to an exceptional growth of China's role in the world. Light industry and restructuring of markets. To this the same period contains the global economic crisis, which broke up in 2008 in

the US and quickly distributed to the most countries in the world. In the course of the crisis that followed, in the industry, new trends of development began to appear

**The first stage: 1945 - the beginning of the 1960s.**Post-War Recovery

The military and early postwar periods were characterized by a high level of protectionism in international trade, the abandonment of which was necessary to create a new economic reality, to stimulate international relations, and to seek forms of interaction capable of preventing the outbreak of new military conflicts of a global scale. An important contribution to the liberalization of international trade relations was the introduction in 1947 of the General Agreement on Tariffs and Trade (GATT), the predecessor of the World Trade Organization (WTO). It was the GATT that became the main regulator of international trade relations for the period from 1947 to 1994. As a result of applying the GATT rules, international trade increased 18-fold, with an average annual growth rate of 6% <sup>2</sup>. However, the GATT did not apply to all sectors of the world economy, including light industry. After the end of the Second World War, the regulation of international trade in cotton was carried out through a system of voluntary export restrictions under bilateral agreements.

**The second stage: the beginning of the 1960s - 2005.** From the quota to the liberalization of international trade-The emergence of new leaders. At the second stage of the industry's development, several major shifts in production centers occurred. So, if in the 1950s and early 1960s, the main industry leader was Japan, then in the 1970s and early 1980s, Hong Kong, Taiwan, and South Korea took over this role. In the late 1980s and 1990s, there was a new major shift from the Asian "Big Three" (Hong Kong, Taiwan, South Korea) to other developing countries. In the 1980s, the role of China, Indonesia, Malaysia, Thailand, the Philippines and Sri Lanka is actively growing. In the 1990s, they were joined by other countries in South Asia and Latin America Also at this stage, active involvement in the world trade of "peripheral" countries through the formation of international supply chains. One of the main reasons for such involvement, along with constant pressure to reduce the cost of production, was the continuing quota system, which forced the leaders whose



production capacities far exceeded the capacity of national markets, less developed countries in the industry in order to use their quotas for trade. Thus, Korean manufacturers invested in the creation of factories in Bangladesh, the Caribbean islands and in the countries.

Sub-Saharan Africa, Chinese - in a number of countries in Asia and Africa (the textile industry in Lesotho, Madagascar and Kenya was supported solely by investments from Chinese and Taiwanese producers, 9 Indian investments in Ne Paley). Even relatively small players like Sri Lanka and Mauritius, carried out expansion into the markets of Maldives islands and Madagascar. As a result, the quota system helped expand the industry and stimulate the development of the world's poorest countries. It is important to note that this extension was not always a long-term one. If, for example, in countries such as Bangladesh and Nepal, foreign investment was also supported the growing activity of national players in the developing domestic market, in Maldives the industry existed only on the basis of the activities of foreign investors. With their withdrawal from the market, the industry disappeared from the country's economy. The introduction of the Textile Trade Agreement (MFA). Markets of the USA and Europe, reliably protected by the quota system, during this period are characterized by qualitative growth, which allowed concentrate competition not in the field of cost reduction, but in the area of improving quality, design and technology. However, the shift in production centers and the increasing role of developing countries that are industry leaders inevitably had to lead to a revision of the industry regulation system at the world level. Prior to 2005, the rules and procedures for the General Agreement on Tariffs and Trade GATT), which came into force in 1947. Regulation of relations in this industry was carried out through the quota system, which was established in accordance with the Short-term, and then the Long-term the Convention on International Trade in Cotton (Short / Long Term Agreements Regarding International Trade in Cotton Textiles LTA) in force since 1962.<sup>12</sup> The documents enshrined quota rules for major importing

countries. In 1974, the action of LTA was extended to other types of raw materials, which.

It was the basis for the Multi Fiber Agreement (MFA). The MFA has become an effective tool for protecting national industries in the United States and the most developed countries of Europe from competition from producers from developing countries.

Initially setting restrictions only on the cotton trade, subsequently the participants of the agreement formally and informally distributed them to trade all types of fibers - both natural and artificial. The existing restrictions became an incentive for international fragmentation of production: when exports from Hong Kong to South Korea, Taiwan and later from China (the main industry leaders in the 1970s) reached their maximum, some stages began to be transferred to countries that had not used their quotas, including Bangladesh, Sri Lanka, Vietnam, Indonesia, Thailand, Malaysia and the Philippines (the industry's main leaders in the 1980s) 13. The MFA has become one of the most complex agreements for revision on the way to liberalizing international trade, since one Temporarily a concern and the most developed and the least developed countries. Both those and others feared the expansion of the leaders: the first - in connection with the threat of restructuring markets and the ruin of national producers, the latter - in connection with the possibility of losing its role in the existing global production chains. As a result, the agreement was extended three times - in 1977, 1981 and 1986.

**Transition to the Agreement on Textiles and Clothing (ATC)**- During the Uruguay Round of the WTO negotiations (1986-1994), as the political weight of China and other developing countries was growing, the organization's participants decided to phase out quotas for the import of textiles with their complete abandonment by 1 January 2005, after which the industry in question was regulated by standard WTO rules and procedures. This decision was enshrined in the Agreement on Textiles and Clothing (ATC), which defined a transitional period of 10 years for this procedure. It was assumed that this time will be used by producers to

prepare for work in highly competitive international markets. To achieve this goal, two competitive mechanisms were envisaged: a gradual reduction in the share of quoted goods and a simultaneous increase in the size of quotas for those goods that still retained a non-protection. Thus, the developers expected to implement the gradual opening of national markets for imported goods. The implementation of the agreement was not as effective as it was intended. This was largely due to the fact that countries were given the opportunity to independently determine the next goods during the cancellation of quotas. As a result, the reduction in quotas during these 10 years was extremely uneven. Thus, in the United States, according to the MFA, there were 937 types of quotas that were canceled in the following order: from 1995 to 1997 - no quota was canceled, from 1998 to 2001 - 15 quotas were abolished, from 2002 to 2004 - 88 quotas were canceled, on 1 January 2005 - canceled 834 quotas<sup>15</sup>. In fact, for a number of countries, primarily for the largest importers, the US and Europe, ATC has become an instrument, rather, to prolong the protection of national markets with their subsequent shock opening in 1995 than to gradually strengthen the competitive advantages of own producers<sup>16</sup>. As a result, despite the decision taken in 1994, only in 2005, fundamental changes in the industry related to trade liberalization began. It should be noted that the revolutionary effect of ATC has been mitigated by three main factors: tariffs, protective measures (anti-dumping and countervailing duties) and the establishment of special conditions for China in accession to the WTO. In 2001, one of the conditions for its accession was the possibility of using protective tools against Chinese clothing and textiles manufacturers until December 10, 2013. They could be introduced if the importing country saw China's expansion as a threat to undermine its national market. These opportunities are whether the US, Brazil, Colombia, the European Union, Mexico.

Main conclusions- The second stage of the industry development lasted more than 40 years and was associated with the use of restrictive measures that hamper the development of the industry and the expansion of individual member countries. Quoting was the main reason for the expansion of the industry due to the formation of

global supply chains with the development of poor countries and the expansion of developing countries-leaders. At the same time, European and American manufacturers, protected from competition for costs, are moving to a new level of interaction with an emphasis on design, brand, quality and technology.

The growth of production capacities and the political weight of developing countries led to a revision and gradual abandonment of the current system of regulating markets. At the same time, the transitional period, stretching for 10 years, was largely determined by the desire of developed countries to maximize the duration of protective measures, and not to prepare for their abolition. This led to a shocking change in the regulation of the industry on 1 January- in 2005, and the rapid expansion of leaders from developing countries, which even the preserved separate customs and tariff measures and special measures for protecting markets could not contain. The main result of the second phase was the expansion of the industry with the simultaneous strengthening of the role of a number of developing countries. The change in the rules of regulation of the industry did not lead to the creation of completely free trade, but abolished quotas - the most frequently and widely used trade restriction instrument.

**The third stage: from 2005 to the present-** Liberalization of trade, market restructuring and crisis-The third stage of development of the industry under consideration includes two major shocks. The first one is connected with the liberalization of international trade relations in the industry, which opened new opportunities for the expansion of developing countries. The second was the result of the global economic crisis of 2008 and the subsequent recession, which brought to life new trends in the development of the industry, which can determine the direction of its development in the coming years.

Liberalization shock. As a result of the abolition of quotas and the liberalization of international trade, the world textile and clothing market has undergone significant changes in scale, structure of production chains, price conjuncture and the nature of competition. After the abolition of the MFA, developed countries - large importers,

primarily the USA and Europe, used the increased activity of manufacturers in China, India and Bangladesh. The latter, in the absence of quotas, were able to actively penetrate the capacious European and American markets, displacing both relatively smaller producers from developing countries-traditional partners in the conditions of the quota system, as well as national companies of developed countries, surpassing them in efficiency and in terms of costs. However, to a large extent, this penetration was organized by the national companies themselves, which transferred production outside the country, and growing retail networks, which push suppliers to a constant decline in the cost of production. Despite the application of protective measures against China, the period 2005-2007. characterized by an active increase in the volume of Chinese exports, as well as the share of India and Vietnam against the background of a reduction in the production of other traditional suppliers. In 2005, the value of Chinese exports of textiles and clothing to the 25 countries of the European Union (EU-25<sup>21</sup>) increased by 43%, in first. In the first place due to the export of clothing (an increase of 45%). A similar indicator for India and Vietnam: an increase of 18 and 6% respectively, also mainly due to clothing. Less significant, darker, less positive, dynamics showed the United States, Turkey and Bulgaria. Other suppliers have reduced the scale of production. Among them are countries that did not participate in the MFA (South Korea, Australia, Thailand), and countries that had different preferences in trade with the EU-25 (Morocco, Tunisia, Bangladesh, Mauritius). In 2006, negative indicators changed sign. Almost all the suppliers recorded growth in exports: Vietnam (47%), Hong Kong (47%), Bangladesh (30%), Sri Lanka (21%), Cambodia (16%), China (13%), Pakistan (13% ), Mauritius (10%). The reduction in the growth rate of China's presence can be explained, among other things, by the country's commitment to joining the WTO. The value of China in the US market over the same period has increased to an even greater extent: in 2005, the value of textile imports increased by 29%, clothing - by 70%. In the next two years, both indicators remain positive, although the pace has dropped significantly - to 12 and 20% respectively in 2007. India, Indonesia, Vietnam, Bangladesh and Cambodia

are also increasing their presence in the clothing markets of the United States, India and Vietnam in the textile markets. At the same time, the share of sales in the textile market in the South Korea, Turkey, Mexico, Canada, a number of European countries, in the clothing market - in Mexico, Hong Kong, Guatemala, the Dominican Republic and Macau. In general, the two largest world markets show development trends, attempting to contain China's expansion in the clothing industry as much as possible. Two clusters of exporters. The abolition of quotas resulted in different consequences for countries that can be conditionally grouped into two clusters: countries whose market share has remained stable or increased, and countries that have reduced their share

The first cluster includes:

- China, which can be regarded as the largest

the beneficiary of the cancellation of quotas. Over the past 15 years, China's share in world exports of textile products increased from 22 to 39%, in value terms - from 32.9 to \$ 130.4 billion;

- a group of countries whose supplies have increased. This group includes Bangladesh, Cambodia, India, Indonesia, Pakistan, Sri Lanka, Vietnam;

- a group of countries whose position on the world market has remained unchanged. In this group there are 15 countries of the European Union (EU-1523), Morocco, Tunisia, Turkey.

The second cluster of countries consists of two groups:

- countries that have reduced their share in the world market after the cancellation of the quota system. These include Canada, Dominican Republic, Mexico, Poland, Romania, Thailand and the United States;

- Countries that in the past acted as leaders market, but since the 1990s, their share has decrease. Among them, Hong Kong, South Korea,Philippines, Taiwan.

Survival strategies of European manufacturers-The active penetration of China into the American and European markets led to a correction of the survival strategies of European manufacturers, which continued to exploit capacities within the country

in the face of stricter competition. There are three main types of strategies for traditional clothing suppliers and textiles: horizontal, vertical and based on the use of economies of scale. The horizontal strategy involves concentration in several product categories based on modern design, manufacturing, marketing and sales technologies. It is typical for producers from both developed and developing countries. The vertical strategy is aimed at competing quality in narrow market segments. Primarily used by producers from developed countries. A strategy based on economies of scale is associated with a desire to reduce costs through expansion of production and the search for new markets, which is more typical for producers from developing countries, including for traditional suppliers within the MFA = Turkey and Mexico. The result of these strategies has been a gradual change in the structure of markets: if developing countries have a tendency to consolidate and reduce the number of companies against the backdrop of increasing their size in order to maximize the use of economies of scale, to renew and increase capital reserves, to increase imports of machinery and equipment from developed countries to the countries where textile production is located, then developed countries have developed a trend of developing small companies with high output value.

Textile sector is one of the primary sectors for several countries in the world, in the economic development process as a result of its high share of value added in the fabrication process and export revenues worldwide. Textile, which helps importantly to the industrialization of the 18th century, has played an akin role in the economic development of developing countries. At present, world textile achieved a trade volume of circa US \$ 611 billion in 2010. In terms of population and income growth, textile consumption expanded by 3.7 kilograms in 1950, 6.6 kilograms in 1980, to 10.9 kilograms in 2007 . In 2023, this figure is expected to rise to 13.2 kilograms. In the developed countries, where the economy has advanced, the percentage of the textile sector in the manufacturing industry has dropped over time, while the percentage of industry in the manufacturing industry has risen. However, the

developed countries have a high added value, and market share in the conventional and technical textile industry is essentially defended.

### **1.3 Textile Production Process**

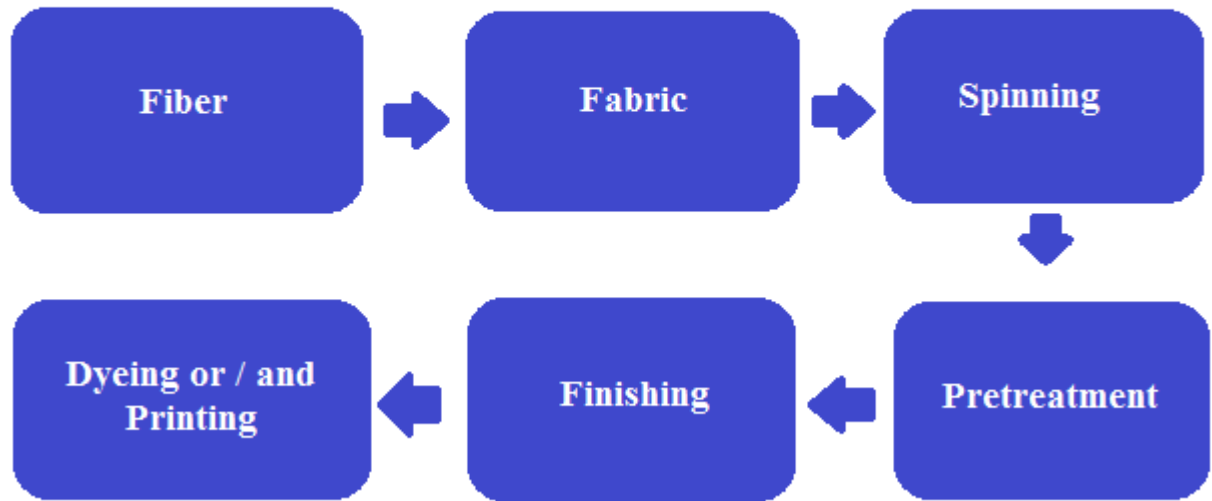
**Textile Production Process-** Textile Production Process is done by endorsed method. Every maintenance of textile production is supported with a pre-determined orders and the textile operators commonly abide by the stream graph step by step to fabricate the best textile goods in accordance customer demand. Commonly, the entire textile producing operation is detached by four sectors ; 1. Spinning or Yarn Manufacturing 2. Fabric Manufacturing (weaving or knitting) 3. Dyeing, Printing & Finishing 4. Garments Manufacturing or Clothing

Fiber- It is determined as one of the ticklish , hair portions of the fabric of a plant or animal or other matters that are very little in diameter in relation to there length. A fiber is a stuff that is hundred occasion for the time being its puffy .

Textile Fiber-Textile fiber has some characteristics which diverge between fiber to Textile fiber. Textile fiber can be spun into a yarn or made into a fabric by different methods including weaving, knitting, braiding, felting, and twisting. The necessary necessity for fibers to be spun into yarn include a length of at least 5 millimeters, flexibility, cohesiveness, and sufficient strength. Other significant properties include elasticity, fineness, uniformity, durability, and luster.



# The textile industry



- Textile Fabric-The term fabric can be tenacious as a planner structure fabricated by interlaced/interloped yarns or fibers and felts manufactured by interlocking fibers.

- It is a manufactured assembly of fibers and/or yarns that has substantial surface area in association to its thickness and sufficient mechanical power to give the assembly inherent cohesion

Fabric Production- Fabric is the substantial or cloth made from natural or man-made yarns using one of the next methods:

Weaving- layering warp and fill yarns, with two primitive types of weaves:

- Serge
- Atlas

Knitting- with one steady yarn cracked into two kinds of knits:

- Woof
- Bulge

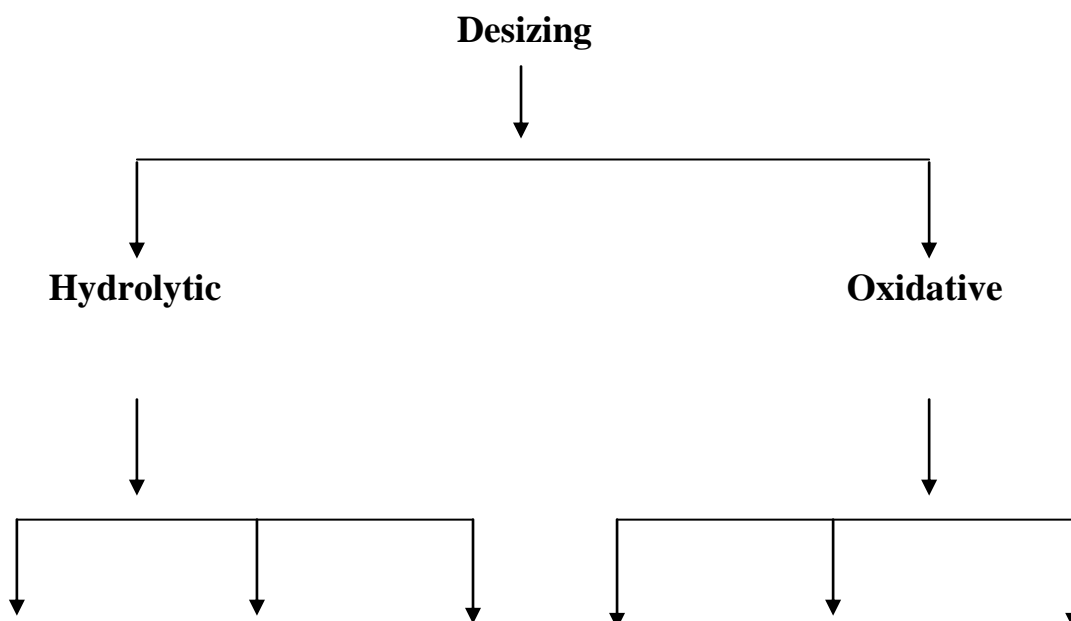
Nonwoven- where yarns are bound or interlocked handling mechanical, chemical, thermal, hydro or solvent.

**Spinning-** is manufacturing process for making polymer fibers. It is a specialized form of extrusion that handles a spinneret to form multiple continuous filaments. There many of types of spinning: wet, dry, dry jet-wet, melt, gel, and electrospinning

**Process-** The polymer being spun must be switched into a fluid state. If the polymer is a thermoplastic then it can be easily melted, otherwise it is dissolved in a solvent or chemically treated to form soluble or thermoplastic derivatives. The melted polymer is later forced through the spinneret, then it cools to a rubbery state, and then a solidified state. If a polymer solution is handled , then the solvent is took out after being forced through the spinneret.

**Pretreatment process-** Natural fibers and synthetic fibers keep primary impurities that are contained naturally, and secondary impurities that are added during spinning, knitting and weaving processes. Textile pretreatment is the series of cleaning operations. All impurities which cause adverse effect during dyeing and printing are removed in pretreatment process.

**Desizing-** Sizes are enforced to the warp yarns of the woven fabrics to assist the weaving process but must be removed prior to dyeing or printing. This process of taking out the starch from the fabric is named desizing. Cellulosic and Synthetic fabrics include sizes to some extent, whereas knitted fabric does not include sizes.



**Rot sleeping      Enzymatic      Acid      Chloring      Chlorite      Bromide**

**Scouring-** Scouring is the following process after desizing in which the water baffling impurities, the natural fats and waxes present in the fabric are took out . This supplies a greater cleaning action to take out the soiling and staining developed during transportation or storage of the goods. Due to the removal of these impurities, the absorbency of the fabric grows to the greater extent, which facilitates further processing functions. There are two methods come into account, which are, alkali scouring and solvent scouring Normally, alkali scouring is the mostly accepted process and sodium hydroxide (NaOH) is applied as alkali.

**Bleaching-** The scouring process of cotton takes out waxes, but other majority of impurities leaving behind the natural coloring matter. In such situation, bleaching finishes the purification of fiber by ensuring the complete decolourisation of coloring matter. A general classification of bleaching agents is shown in:-

**Textile Finishing-**Textile Finishing is a process handled in fabricating of fiber, fabric, or clothing. In order to impart the required functional properties to the fiber or fabric, it is customary to subject the material to different type of physical and chemical treatment.

**Dyeing and Printing-**Textiles are commonly coloured to make them handsome and gorgeous . They would appear extremely dull in the absence of color. There are two ways of including color to a textile substrate, printing and dyeing

**Printing** is a process in which a multicolor effect is produced on the textile at disconnected places where as dyeing completely hides the substrate with color. The substances used to color the textiles can be classified as dyes or pigments.

**World Textile Exports**

**Year To Date: : January – February**

Rank	Country	Million 2015	United States 2016	Dollars 2017	%Change 2015-17
	World	51664	47346	47180	-0.35
1	China	18425	15775	14412	-8.64
2	India	3492	3332	3733	12.05
3	United States	3436	2985	3604	20.71
4	Germany	2328	2272	2277	0.21
5	Turkey	1779	1748	1802	3.10
6	Italy	1786	1773	1700	-4.10
7	South Korea	1794	1627	1690	3.90
8	Taiwan	1509	1368	1380	0.84
9	Pakistan	1279	1077	1089	1.11
10	Belgium	1066	1027	1085	5.66

### Top Ten Importers of Textile

World Textile Imports Year To Date: : January - February

Rank	Country	Million 2015	United States 2016	Dollars 2017	%Change 2017/2016
	World	42330	40828	41277	1.10
1	United States	4300	4604	4604	0.00
2	China	3885	3050	3652	19.75
3	Vietnam	2486	2471	2544	2.93
4	Germany	2340	2385	2260	-5.25
5	Italy	1671	1645	1638	-0.46
6	Bangladesh	1503	1505	1558	3.54

7	Turkey	1371	1373	1311	-4.56
8	Japan	1473	1334	1278	-4.19
9	Indonesia	1361	1264	1257	-0.54
10	United Kingdom	1412	1332	1156	-13.23

Textile Industry Sales Statistics	Data
Total annual revenue from all textile industries	\$2,560,000,000,000
Annual childrenswear market revenue	\$186,000,000,000
Bridalwear annual revenue	\$57,000,000,000
Menswear annual revenue	\$402,000,000,000
Womenswear annual revenue	\$621,000,000,000
Organic cotton made textile annual revenue	\$5,000,000,000
Average annual spending per household on textile products	\$1,700
Tons of textile fiber used by Chinese factories per year	41,300,000
Percent of the worlds textile fiber production done in China	54 %
Number of U.S. apparel manufacturing jobs in 2014	150,000
Number of U.S. apparel manufacturing jobs in 1994	900,000
Country with the lowest hourly wage of a textile factory worker : Philippines	\$0.88 / hour
Market Share of Textile Shipments	Percent of Shipments
Other spun yarn & woven cloth industry	41 %
Man-made fibre & filament yarn industry	32 %
Broad knitted fabric Industry	17.5 %

Wool yarn & woven cloth industry	9.5 %
----------------------------------	-------

## **Textile in Azerbaijan**

### TEXTILE INDUSTRY IN THE REPUBLIC OF AZERBAIJAN

The textile industry consists of textile, textile, leather, leather, knitwear and other spheres. Textile industry, one of the traditional areas of Azerbaijan, has significant potential for development of foreign economic relations. Light industry enterprises in the country are mainly cotton, wool, crochet, and shipping based raw materials processing. At the end of the XIX century, the largest cotton fabric factory in Transcaucasia and the first sewing factory in Baku

In 1913, 300 tonnes of raw silk, 22,000 tonnes of cotton, and 4 million tonnes of wool were produced in Azerbaijan,

whereas 79%, 10% and 2% respectively of all Russian production.

In 1925, a sack factory in Ganja was put into operation. Release of mulberry gardens and development of barley

thanks to which silk industry was formed in Azerbaijan and Sheki city was selected for the central climate of silkworm breeding.

In 1931 the silk plant in Shaki began to operate. Organization of production of light industry products

led to the creation of light industry complex in the republic.

"Sumgayit Toxucu", "HZTagiyev

Textile sewing combine ", " Mingachevir Toxucu ", " Ganja carpet-weaving plant ", " Ganja Toxucu ", " Sheki-

sewing ", " Baku Textile Galantereya ", " Khirdalan-Khaz ", " Sumgayit Khovlu Yarn ", " Puta-Aichi ", " Sheki Toxuche

Baku Textile Factory, Baku Tikish House, Baku Toxucu, Baku Toxucu-Tikish, Baku Toxucu, Baku Toxucu,

## Textile export of Azerbaijan

№	Export	2014	2015
1.	World	33,322,80	32,967.88
2.	Europe and Central Asia	30,580,95	32,043.24
3.	Russia	14,876,26	19,112.34
4.	Turkey	6,034,50	7,325.77
5.	Kazakhstan	4,123,81	_____
6.	Middle East and North Africa	2,727,84	805.61
7.	Iran	2,671,42	782.37
8.	Ukraine	2,527,86	691.16
9.	Georgia	2,040,02	2,448.14
10.	Lithuania	_____	549,52
11.	Czech Republic	_____	508.13

## Textile import of Azerbaijan

№	Export	2014	2015
1.	World	106,668.96	95,259.26
2.	Europe and Central Asia	63,223.47	56,064.37
3.	East Asia and Pacific	25,712.00	27,370.55

4.	Turkey	24,151.14	21,706.65
5.	China	21,22.776	24,626.74
6.	Middle East and North Africa	10,446,54	5,390.64
7.	Iran	8,714.03	4,208.67
8.	Italy	7,054.48	_____
9.	United Kingdom	5,109.34	_____
10.	Spain	5,029.92	
11.	South Asia	_____	4,522.70
12.	Portugal	_____	7,464.07
13.	Germany	_____	4,220.88

Cotton production has ancient traditions in Azerbaijan. For centuries our people have been dealing with cotton. However, the fastest and most successful development of cotton is connected with the name of national leader Heydar Aliyev. With its initiative and direct leadership, cotton production in Azerbaijan developed rapidly in the 1970s and at the same time in the 1980s. If we look at statistics, we can see that cotton supply in Azerbaijan has increased several times during the great leader. In the early 1980s 800,000 tons - up to 1 million tons of cotton were supplied. I think today the development of cotton is already a reality and it was the year of 2016. Last year, we planted cotton in 51,000 hectares, resulting in about 90,000 tons of products. That is three times more than in 2015. Cotton will be planted in 22 regions this year, and the planting area will be 136,000 hectares. If we take an average of 20 centners per hectare, it means 270,000 tons of cotton. "

According to statistical data, in 1913, cotton was planted in Azerbaijan over 100,000 hectares and 65,000 tons of raw cotton was produced. From 1925 to 1926,



the productivity per hectare was 6-7 centners and the total production was 58-60 thousand tons. After the Great Patriotic War, especially in the 50-60's, the country's focus on cotton was considerably weaker. As a result, cotton production diminished every year. Many considered cotton as an unplanned plant.

After the national leader Heydar Aliyev came to power in 1969, a concrete action plan was developed in August and August 1970 in the plenary sessions of the Central Committee of the Communist Party of Azerbaijan to develop agriculture and cattle breeding, first of all cotton. Starting from 1970, cotton production and sales plans have been exceeded. In 1969, 162 thousand tons of cotton was handed over, in 1976 it was 412 thousand tons. The development of cotton growing by our great leader had a great impact on the economy of collective farms and sovkhozes, improving the material welfare of the rural population. In 1969 150 million manats were received from cotton, but in 1976 this figure was raised to 350 million manat. In the 1970-1976 collective farms and sovkhozes gained 2 billion manats of cotton.

In 1981 the country achieved the highest results in the field of cotton, more than 1 million tons of products were produced. The yield of the hectare was 34 centners, and in separate farms and brigades - 50 centners. In 1969-1982, eleven cotton brigades were honored as the Hero of Socialist Labor, and dozens of production organizers were awarded high state awards.

The period of development of cotton growing in Azerbaijan is a period of development since 1969 up to 1988. Starting from 1988, cotton crops have decreased overall cropland, productivity and gross output per year. In 2015, the country's sown area was 18.8 thousand hectares, and the total production was 35,000 tons. In the 80s of the last century, only in Barda, more than 100,000 tons of cotton was supplied per year. About 22-25 percent of the country's budget has been funded from cotton. Our national leader praised cotton-growing: "Cotton is a very useful area and this area must be lived and developed".

The goal of Heydar Aliyev at that time was achieved by our scientists and rapid, productive cotton varieties with vegetation period of 110-120 days were

created. Today, every farmer is trying to get cotton quickly and in a timely manner, plant the field in time, or plant other cereals. Because each plant has an optimal spawning period, and delaying this period means reducing productivity by at least 25-30 percent.

Over the last 20 years, the country has a high potential, new varieties, which are more resistant and rapidly grown in the environment than their predecessors. 8 new types of cotton (AzNIXI-195, Ganja-2, Ganja-8, Ganja-78, Ganja-80, Ganja-103, Ganja-110, Ganja-114, Ganja-160) 50-55 centners per hectare and seed sowing works of these species have been established. On the eve of the district, 45-55 centners of crops were harvested from each hectare in the farms of Mil, Mughan and Central Aran districts. Currently, 40-45 centners of crops are harvested from the hectare in the cotton-growing regions in normal agrotechnical conditions.

Speaking about the results of the first quarter of the Cabinet of Ministers and on the forthcoming tasks, President of the Republic of Azerbaijan, Mr. Ilham Aliyev said: "Agricultural products must be increased and we have to fully meet domestic demand. We need to increase the range of export-oriented products, increase productivity, and apply the most up-to-date technologies. "

Favorable management and relevant organizational issues put forward by the Head of State in the direction of increasing the agrarian sphere, including cotton production, are being implemented at a high level. Establishment of the development structure based on clusters in our country is finding its solution. In other words, since the products received from cotton are primarily domestic demand, the creation of joint industries - processing, spinning, weaving and sewing enterprises is underway. In short, cotton should be processed up to the final product in our republic. We should sell foreign products, not raw materials.

In order to avoid foreign currency inflow and to overcome seed dependence, cotton seeding must be systematically established. If the yields and quality indicators of the varieties imported from abroad are superior to our varieties, it is necessary to establish the initial seed work in our republic.

Based on the recommendations and recommendations of our dear President, Mr. Ilham Aliyev, starting from 2016, a great turnaround has arisen in the cotton industry. We think it is expedient to fulfill the following suggestions on the development of cotton:

- Cotton producers should be given special subsidies and preferential loans;
- purchase prices of cotton should be increased (because the current price is much lower than the dollar);
- Association of cotton producers should be established;
- Irrigation systems should be reconstructed to improve soil reclamation;
- To increase the fertility and responsibility of the land, cotton-grains-clover-turning sowing system should be used; agrochemical services should be widely used;
- cotton factories are special today. Alternatively, the state should establish cotton processing plants and pilot cotton farms;
- cotton should be passed to the final product in our republic and the processing industry (knitting, knitting, feed, oil, etc.) must be manufactured, finished products should be exported to the world market;
- more favorable conditions for foreign investors to come to the country;
- The State Program on cotton industry development should be adopted;
- students of the Azerbaijan State Agrarian University must be admitted to the agronomic specialties and specialties of other special needs, from rural places, college and vocational schools should be established.

## GILAN TEXTILE PARK

.

Giltex is a trademark of Gilan Textile Park, which began its operations in Sumgait in 2012. Gilan Textile Park produces textile products that meet international standards from high quality Azerbaijani cotton.

At the base of the enterprise there are Sewing Factory, Dyeing Factory and Garment

Factory. Presently, Gilan Textile Park produces various types of fabric, bedding sets, blankets, pillows, as well as various purpose room and waterproof uniforms, military and hospital clothing, towels, towels. No chemicals that can harm human health in production are used. All products are fully compatible with European standards.

Gilan Textile Park, built on 20 hectares, includes light industry enterprises consisting of fabric, dyeing and sewing factories. It was noted that the fabric weaving factory with a total area of 7,000 square meters consists of three major production and auxiliary shops.

It was noted that the factory fully meets the modern requirements to turn raw cotton into finished product. Equipped with European-made machine tools, the factory will produce a wide range of high quality fabric. The factory produces 100 percent cotton and also cotton and polyester blends. The moisture protection at the facility is maintained by a special ventilation system.

It was noted that dyes are imported from Germany. These dyes are harmless to the human body. It also includes washing, bleaching and drying parts. In short, the introduction of the latest technology in the factory allows producing high quality fabric that meets international standards. In addition to paying domestic demand for finished products, exports to foreign countries are also planned. There are already preliminary agreements with Italy, Russia and Ukraine. Part of the production has been directed to the production of a modern sewing factory built on the park

#### **Baku Textile Factory.**

Baku Textile Factory has been active in Baku in 1939. Not only during the establishment of the Union of Societies, but also for the first time in our country, the first fountain in the Caucasus region, the Baku Textile Factory was one of the richest sources of the state of the state of the Republic of Azerbaijan, which

was a peculiar demand for its products. After the Association of Societies in 1991, the Baku Textile Factory has undergone serious changes and has been developed on the principles of world-class and global principles, which have been abandoned from the principles of Saving economy. Today, the company is involved in the most extensive use of raw materials and technologies from Almaia, Itala, the Netherlands, Yopinia and Turkey, and is involved in the field of foreign expertise. At present, the company is expected to have a total of over 5,000 different types of textile products suitable for high quality and safety standards, with a wide range of world and industry standards, with a diverse range of government and company repatriates.

### Mingachevir Industrial Park

In Mingachevir Industrial Park, which was established on September 21, 2016, it was adjudicated to establish 9 light industry products, including yarn, dyeing, tissue, sewing, socks, shoes and medical cosmetics. Accordant measures are accepted to secure the constancy and reliability of the raw material provide of enterprises operating at the Industrial Park. The decrees and orders issued as a result of a purposeful policy on the growth of cotton, one of the important areas of the agrarian sector's strategic and national currency, the national consultations on cotton development, the accepted State Program, the application of various maintenance and encouragement mechanisms in this field, has build favorable conditions for the region. As a result of the work done, cotton production in 2017 grew 2.3 times compared to 2016 and reached 207.5 thousand tons. Currently, there are 6 yarn factories in the republic with 24.6 thousand tons of annual production capacity. However, due to speedy development of cotton, application of innovative technologies and high productivity, there is a need for new manufacture and processing industries based on cutting-edge technologies. Two yarn manufacture factories of "Mingachevir Textile" Limited Liability Company, build in 14.5 hectare area of Mingachevir Industrial Park, are also among such enterprises.

## **CHAPTER II**

### **2.1 What is research methodology**

The process used to accumulate data and data for the aim of making business choices. The methodology may contain books of scientists, internet sources ,thesis and etc.

### **2.2 Problem Identification**

Problem Identification-Textile sector is large and varied sector ranging from handloom sector to export quality fabrics, from textile production units to yarn spinning mills and it goes on. So to answer this problem first we should crack down the total textile sector into pettier categories based on the products they are processing, their purpose client/markets and the business scale, but definitely a actual problem like in many other sectors is the Waste Management Issues. These demands to be addressed at the earliest. The larger the production scale bigger than the amount of waste it produces.

There are several issues bounded to the Textile Industry such as Social development has changed the lifestyle of clients , and due to demographic changes there is an increasing number of consumers with different demands and needs, thus requiring from garment producers to develop new marketing strategies and methods. as far as textile industry is considered there are also a lot of problems such as.

1. Refuse of heaps
2. Not finishing the booking in the lead time
3. Labor problems
4. Crude bet fluctuations

### **2.3 Survey of the Existing Literature**

For the survey of existing literature, the research papers published in Journals, Reference books, Magazine, Internet, Government report etc. were referred as the basis for understanding as well as for exploring possible research gaps as the starting

point. The observation and findings presented in this section are based on this literature review.

### Some thoughts on Turkish textile sector problems and solutions

There is a lack of vision and strategy in the textile sector. For this reason, many businesses in the sector are undecided about the future direction of their work. This will cause the textile industry to face problems in the future. Strategy-setting businesses need the help and contribution of the government, chambers of commerce and industry, universities, exporters' associations and relevant civil society organizations. According to the developments in the world, the strategies to be followed should be determined, the targets and strategies should be transferred to the sector. The high competitiveness of Chinese textile especially in basic and standard textile products is a very important question. According to foreign competitors, basic infrastructures such as energy, natural gas, labor, taxes, insurance are quite high in our country. It should be withdrawn to world prices. Textiles like other exporters are also faced with exchange rate risk. A healthy sector inventory should be removed. One of the most important problems of textile, apparel and apparel sector is the unregistered. This situation does not allow for accurate forecasting of the future. Despite the fact that unemployment is very serious in our country, there is a lack of qualified personnel in the textile sector. University industry cooperation can not be realized in this sector. The problem of the sector is not being able to design, become a brand and create fashion. Textile companies are sometimes inadequate to share their problems and act together. Textile firms do not make the necessary investments for their employees. AR-GE investments in textiles are not made sufficiently.

Taking these issues into consideration, we believe that our future goals may be as follows: Ensure that relevant institutions and organizations contribute to the Textile Faculties and Research Centers; Ensure that global competitiveness practices and

research, adaptation and use of textile technologies; Providing fashion / brand and distribution channels in line with global trends and impulses, Providing multi-purpose and smart high value added products and innovations, preserving the environment and increasing the use of high technology. In the mid-stage of our textile industry, to develop original design, quality, efficiency, marketing and distribution capabilities, to produce high-end fashionable products and technical textiles; in the long run, to focus on the research, development and production of intelligent and multifunctional textile products. The textile industry has been developing "technical textiles" and "multifunctional smart textiles" instead of "commodity textiles", which can be lost in the middle and long run in the face of Asian and African competition, by upgrading the technology level with long- defined information, "know-how" and innovation should be directed towards the development of high-value-added products and to the world markets. Textile training should focus on the use of energy-saving / environment-friendly technologies. All kind of data and information flow on textiles should be realized in electronic environment. Less harmful methods of finishing (biological finishing methods, plasma and ion implantation and ultrasonic finishing methods) are being developed in the world due to the environmental effects of the chemicals used in textile finishing. It may be appropriate to adopt environmentally sensitive production methods in order to be prepared against possible limitations. It is a technological activity that our country textile industry should emphasize because it uses waste water treatment and recycling of production facilities and energy saving methods (cogeneration with heat pump) as well as environmental protection as well as production costs.

As a result; the sector must make the necessary investment in the knowledge, UR-GE and AR-GE intensively. It will be in their own best interests to distribute authority to those who are experts in the possession of our employers in all their jurisdictions. In this way, they will be able to concentrate on the issues necessary for their companies to make a breakthrough. Our firms can certainly bring their company's vision forward by providing the necessary training to their



employees. Most companies in the sector do not know the facilities offered by institutions such as KOSGEB and TÜBİTAK. It is advisable for them to interact more with our universities.

John Singleton-The World Textile Industry

This book study the competitive forces which command this major sector, and tracks how the nature of competition has advanced upon the last 200 years. Via a study of important agents , maintain demand, related and supporting industries, company strategy , structure and national rival , potluck and state policy, the author interpret how and why the locus of rival advantage in textiles has moved from country to country, since 1945.

Dr. Subramanian Senthilkannan Muthu-Textiles and Clothing Sustainability

This is the first book to deal with the innovative technologies in the field of textiles and clothing sustainability. It details a number of sustainable and innovative technologies and highlights their implications in the clothing sector. There are currently various measures to achieve sustainability in the textiles and the clothing industry, including innovations in the manufacturing stage, which is the crux of this book.

## **2.4 Title of the Problem**

The title of the problem is-“The analysis of factors restrain textile industry development” These factors are largely depending on the relationship among these major factors of textile industry development . These factors are shown below.

- 1.Environmental problems- Air pollution , Noise pollution, Poor drainage system, High Temperature
- 2.Inflation
- 3.High taxes
4. Relationship between cost of production and the selling price affect them. In the age of globalization, this is a very vital question to any industry

This study is based on SWOT analysis, published books by textile researches , from annual reports of economical sources under the study. Various studies have

been conducted by the researcher and there is essential research work seems to have been under taken on the interpretation and analysis of factors restrain textile industry development. Present attempt will be an original contribution in this field as the problem of the study is unique in every aspect

## **2.5 OBJECTIVES OF THE STUDY**

The objective of the study is to analyze and interpret the “The analysis of factors restrain textile industry development” The important objectives are shown Below.

- 1.To suggest ways and means to improve performance
- 2.Find solutions for issues in textile sector
3. To examine the position of textiles industry
- 4.Preventing restrain of textile industry

## **CHAPTER III**

### **3.1 Analysis of textile problems in the world**

The analysis of factors restrain textile industry development- Some of the problems of the textile sector are common The common problems that this industry arm has are listed as follows

- Erratic investments have led to a surplus of state investment incentives, mostly after 1995, in the textile industry .
- Directing the priority of the investments as high-interest and short-term borrowing further deteriorates the financial structures of the enterprises.
- Continuing to invest in unplanned times during times of crisis has harmed the general structure of the sector.
- The fact that the vast priority of firms in the sector are SMEs constitute the main reason for the bad financial structures of the enterprises.
- The inefficiency of the equity and the Far East competition negatively influence the sector.

- Textiles imports, enormous domestic production and excess capacity, despite the fact that the big size of the export, especially the garment industry is reducing the chances.
- Importance of raw materials, energy and workmanship that are directly influenced by the costs of textile products is crucial for foreign trade.
- There is a essential market problem in the sector. Considering that the supply of textile and apparel in the world will grow or even increase in demand, it will be hard to sell the goods and the importance of marketing will grow further.
- Turkey's largest issue is the lack of Research and Development at the core of the textile industry.
- Textile production and exports continue to be serious in the developed countries due to the fact that textile machines are manufactured by developed countries in large scale and the cost of labor is reduced within the cost of fabrication and the influence of quantity restrictions on the technology is renewed every day.
- While the activity of developed countries in textile production and trade continues, apparel production and exports are decreasing, and imports are continuing to grow speedy. This will be in favor of our country in the new regulation which can be done.
- Labor productivity required for high quality manufacture in Turkey is extremely low.
- 2/3 of total textile products are exported to foreign countries for the import of textile machinery. We should never forget that we are a country that does not produce technology.
- There is a lack of vision and strategy in the textile sector. For this reason, many businesses in the sector are uninformed and undecided about the future and the direction in which they will work within the EU. This situation will confront the textile industry with problems in the EU process. Strategy requires incentives from trade and industry chambers.
- The extreme, ruthless and unfair competition of the Chinese industry is a very essential question. Many enterprises will close if necessary precautions are not taken.

- According to competitors abroad, basic infrastructures such as energy, natural gas, tax, insurance are very high in our country.
- As with other exporters, textile producers face the risk of exchange rates. The decline in the currencies reduces the chances of the exporters to compete.
- One of the most important problems of the textile sector is unregistered. Textile enterprises that operate non-recording cause deterioration of competitive environment, unknown machine park and insufficient employment information.
- Inadequate information does not let accurate forecasting of the sectoral future.
- There is a lack of qualified staff in this sector. University industry cooperation can not be realized.
- Another problem in the sector; not be able to design, become a brand and create fashion.
- Textile firms do not make the necessary investments for their employees.

Exposure to Toxic Chemicals- Employees in the textile industry are undefended to dangerous chemicals. It's part of the business if you work in the dyeing, printing or finishing sector of textiles. Workers work with solvents and fixatives, crease-resistance agents that exemption formaldehyde, flame retardants with toxic compounds, and antimicrobial agents. Exposure to formaldehyde has been linked to different types of cancer, including thyroid, nasal, stomach and esophageal cancers. The chemical can also cause eczema and dermatitis.

Bad Ergonomics- Many garment workers suffer from musculoskeletal disorders like carpal tunnel syndrome, and are also often affected by ailments including forearm tendinitis, lower back pain, neck pain, shoulder pain, and osteoarthritis of the knees. All of these conditions are caused by repetitive movements and poor ergonomic conditions. These issues are more common in developing nations but can also occur in the U.S. garment industry.

Problems of safety and health- As the machines became larger, faster in operation and more complex in design, new potential hazards started to emerge. As materials and processes become more complex, this has led to potential health hazards in the

workplace. Since employees had to adapt to mechanization and ensure high productivity, stress at work, in most cases not recognized or ignored, had a growing impact on their health. Potentially the greatest impact of the industrial revolution has been on society as workers moved from rural areas to cities where they had to cope with all the diseases of urbanization. Such influence is observed today with the emergence of textile and other industries in developing countries and regions, only changes occur faster.

The dangers that increase in the different sectors of the textile industry will be briefly described elsewhere in this chapter. They emphasize the essential of compliance with measures such as cleanliness of work premises and the availability of good machinery and equipment, the installation of safety nets and grids to prevent contact with moving parts and the use of local exhaust ventilation systems supplementing the common ventilation and temperature check system, appropriate personal protective equipment and clothing for work in places where it is not possible to fully check or avert harmful upgrading equipment and / or using less harmful materials. Periodic training and instruction of workers at all levels and effective monitoring should be carried out continuously.

Ecological problems- In the textile industry, there are two sources of environmental problems: the processes used in the manufacture of fabrics, and the dangers associated with how products are used

Production of fabrics- The key environmental issues caused by the activity of factories for the production of fabrics are toxic substances that enter the atmosphere and sewage. As well as to potentially toxic substances, unpleasant smells often become a problem, especially if dyeing and packing plants are located near residential areas. Venting emissions may contain solvent vapors, formaldehyde, hydrocarbons, hydrogen sulphide and metal compounds. Solvents can sometimes be picked and cleaned for reuse. The macroparticles are extracted by filtration. Gas flushing is effective against water-soluble volatile compounds, such as methanol, and is not effective for pigmented tissue packing, where the emissions consist mainly of

hydrocarbons. Flammable substances can be burned, although this is relatively expensive. Nevertheless, the main solution can be the handle of materials that produce the minimum amount of harmful emissions. This applies not only to dyes, binders and cross-linking agents used in fabric packing, but also to formaldehyde and residual monomer content of fabrics.

Pollution of sewage with unattached dyes poses a serious environmental issue not only because of the potential danger to human health and animals, but also because of pollution, which is clearly visible visually. Typically, 90% dye fixation can be achieved with staining, but when tying fabrics with chemically active dyes, fixation levels of 60% or less are common. This means that more than one-third of the reactive dye enters the wastewater during washing of the printed fabric. Extra amounts of dyes fall into the waste water when washing screens, printing blankets and drums.

In some countries, limits for the content of pollutants in wastewater have been established, but they are often difficult to comply without the handle of costly wastewater treatment systems. The solution to this issues lies in the handle of dyes with the lowest polluting effect and in the development of dyes and synthetic thickeners, increasing the degree of fixation, and thus reducing the amount of washable surpluses.

Environmental issues caused by the use of textiles- Remains of formaldehyde and some heavy metal compounds (most of which are inert) may be enough to cause skin irritation and sensitization in people wearing colored fabrics. Formaldehyde and the remnants of solvents in carpets and fabrics used for upholstering furniture and curtains will gradually evaporate for some time. Indoors, where air conditioning is used to re-circulate indoor air, the concentration of these substances can reach levels high enough to induce the indoors people to experience the symptoms described in the other chapters of this Encyclopaedia.

To ensure the safety of fabrics, Marks and Spencer, the British-Canadian clothing retailer, set limits on the formaldehyde content in the clothes they are

purchasing. Since then, other clothing manufacturers, especially Levi Strauss in the United States, have followed suit. In some countries, these limits were stipulated in laws (for example, Denmark, Finland, Germany and Japan) and in response to the increased educational level of the consumer, the fabric manufacturers began to voluntarily adhere to such limits in order to obtain the right to use environmental labeling

- Failure of this sector, to establish downstream industries is also a big handicap because downstream industries could earn many times more foreign exchange than raw products earn.
- Strong competition from newly industrialized countries (MC) like South Korea, Taiwan, Hong Kong & Singapore, Thailand, Indonesia and Malaysia.
- Lack of institutional finance or modernization.
- Lack of market forces to ensure a fair return to cotton grower.
- Lack of co-ordination among different sub-sectors to regulate the market force for betterment of the textile sector as a whole.
- Shutdown of power looms and spinning, weaving and cloth mills.
- To restore difficulties of cotton textile sector, the government should restore the hedge market instead of revitalizing the cotton export corporation.
- Government should safeguard the interests of small farmers. That means creation of a commodity fund contributed for and managed by farmers themselves.
- Government should devote greater funds for research in cottonseeds, which could improve quality and staple length
- The Integrated Pest Management (IPM), may prove effective in the use of pesticide because its indiscriminate use is harming the environment and human health. For removal of cotton weeds there should be environment friendly methods
- Impact of inflation
- Energy slump
- Electricity slump

- Gas scarcity
- Strongly monetary policy
- Removal of subsidy on textile sector
- Absence of new investment
- Crude prices
- Export performance of textile sector
- Absence Of Research And Development In CottonSector
- Absence of Modernize equipment
- Finance bill to burden industry further
- Increasing cost of production
- Large demand-supply gap
- Insufficient & irregular power supply
- Accession of China in WT
- Extremely high bank charges and interest rates
- High handling charges for shipping
- Absence of co-ordination among various government agencies
- Political problems
- No international qualified brand
- Scarce Clap Production
- Unequal skilled workers
- No separated area for textile industry
- Safety problems
- Insufficient Labor Law regarding this industry

### **3.2 Analysis of Chinese textile industry**

The modern, third stage of the development of the industry, initiated by the liberalization of the world textile market in 2005, is characterized by intensive penetration of Chinese goods into international markets, which for several years, despite the persistence of certain restrictive measures, have gained leadership



positions in sales in key regional markets North America and Europe. Liberalization of trade and unprecedented growth in China led to a new restructuring of the industry: Bangladesh, Cambodia, India, Indonesia, Pakistan, Sri Lanka, Vietnam increased their presence in the world of textile and clothing production; EU-15, Morocco, Tunisia, Turkey retained their market share; The other players (Canada, Dominican Republic, Mexico, Poland, Romania, Thailand, USA, Hong Kong, South Korea, Philippines, Taiwan) have gradually reduced their production capacity. Thus, China's economic rise is accompanied by the loss of market share by traditional suppliers, and also reduces the opportunities for growth in the world's poorest countries. China's active growth stimulated the transformation of the strategies of European companies, which began to rely heavily on a complex system of international production interconnections and use the opportunities of global production. The global economic crisis of 2008 and the ensuing recession marked a new trend in the development of the industry<sup>31</sup>. First, there has been a shift in the main consumption centers from developed countries, which are characterized by a consistent reduction in demand in the conditions of the crisis, the growing markets of the developing world. Secondly, the reduction in demand in the markets of Europe and the USA, the main ones for China, led to a decrease in the growth rates of the industry and the emergence of a number related macroeconomic problems, which significantly impede the restoration of the previous rates of increasing the country's production capacities. In addition, the growth in prices for natural fibers (cotton, wool) can exert an influence on Chinese expansion, which will increase the attractiveness of artificial materials that require excess capital, rather than labor - China's important competitive advantage. Changing the comparative positions of countries can also push China into the world markets, and it will give way to more capital surplus regions. This opens up new opportunities for producers of the second and third queues, whose expansion can restrain the further economic growth of modern leaders and lead to a new restructuring of the industry

The emergence of China as the largest player in the world textile industry was the result of economic reforms of the late 1970s, aimed at actively integrating the country into the world economic system. For more than 30 years, Chinese exports of textiles and clothing have grown rapidly. So, if in 1980 the share of Chinese goods in the world export of textiles was 4.62%, and in the world export of clothing 4%, then 2004, these values rose to 17.17 and 23.97% respectively, 80% of textile production in China is concentrated within clusters in coastal provinces. The most significant role in consumption is played by the regions of the Yangtze Delta, the Pearl River Delta and the Bohai Bay, but gradually the demand for clothing and textiles is also growing in the country's interior provinces<sup>2</sup>. The country's path to world leadership can be divided into five main stages, each with a significant impact on the dynamics of the industry's growth provided by various bilateral and multilateral agreements and regulatory instruments.

China's negotiating position has been rather weak for a long time. In addition, the trading distractions of regional groups such as the North American Free Trade Area (NAFTA, includes the United States, Canada and Mexico) and the Free Trade Agreement between the EU and Turkey.

The global crisis, rising costs associated with rising costs materials and wage increases, the appreciation of the yuan and the decline in the growth rates of both domestic and foreign demand have had a negative impact on the pace of development of the industry. Despite considerable government support, the development prospects for the industry are mixed. High socio-economic importance of the industry makes it a priority in the system of anti-crisis measures, but the growth of government spending on support. It is not a sufficient condition for balanced development. The current state of the industry is characterized by certain risks, including:

- Wage growth, increasing producer costs and undermining the identified comparative advantage countries;

- concentration on competition on costs, which the company in the zone of confrontation with Asian countries "The second echelon." Work in this segment of the market is holding back motivation of the company to move along the production chain with the transition to its higher stages, connected with the development of their own brands and design. This can play a negative role in the long term development branch, weakening the players of small and medium segments and creating prerequisites for the expansion of foreign capital into the national market. In addition, the lack of focus on quality can gradually narrow down the sales market of Chinese goods;
- relatively low by international standards level profitability, which significantly inhibits the possible for investment in production. The bulk of the structure prices are the cost of materials, while the costs of factors of production do not exceed 10%. As a result, companies are practically deprived of the control over costs, being a significant degree dependent on the conjuncture of commodity markets. And growth the cost of labor can cause produced goods and the weakening of competitive positions countries in the world clothing market, or will have to more actively master the mid price segments.

China is the world's largest producer of textiles, demonstrating high growth rates of the industry and rapid expansion to the markets of developed countries since the opening of the economy in the late 1970s. The emergence of China as a major player was constrained by various bilateral and multilateral agreements, which was due to the special situation of the textile industry, which for a long time was outside the sphere of regulation by the instruments of the GATT and the WTO. In addition, the lag in the country's accession to the main agreements, including the Agreement on Trade in Textiles (MFA) and the World Trade Organization played its role. Most of the restrictions applied to China were aimed at protecting national producers in Europe, the United States, Mexico and other countries, which nevertheless failed to create obstacles to the penetration of Chinese goods. The global economic crisis had a negative impact on the development of the industry, jeopardizing China's

leadership, based primarily on low costs and rapid development. In addition, the country's positions are becoming less stable due to the existing structure of the national market, where there are large state-owned companies and a large number of small and large private players. This market is characterized by intense competition in the absence of strong brands and low profitability, which limits opportunities for investment. The large-scale foreign investments combined with the targeted policy of the state created conditions for the development of their own producers. Until now, the effects strong competition and negative price dynamics were compensated by an increase in the productivity of production factors. However, in conditions of low profits, this situation appears unstable: if large state-owned companies can raise their technological level even against the background of low profits, private companies, especially medium and small ones, can be unable to resist the observed trends. In this case, one can either expect the growth of support programs for national exporters, which will cause difficulties in terms of compliance with WTO rules and will require a significant increase in government spending, or this situation will lead to a wave of bankruptcies and restructuring of the industry. Also, the possible development scenario is the expansion of the capital of multinational corporations building their global production chains that can expand their presence in the market in conditions of weakening the positions of national producers. Among the significant positive factors include active development of the domestic market, which stimulates the expansion of world producers, rapidly squeezing the space of opportunities for national players. Negative factors affecting the textile industry in China can create favorable conditions for the growth of low-income countries and for a new restructuring of the world market

#### SWOT Analysis

##### Strengths :

Various product briefcase

Decrease in the range with the cost waiting of high to middle class consumers

Expert employee

Ability to Cater For Large order

Weaknesses:

Bounded brand implementation

Absence of classic splendor style

Low social media attendance

Opportunities:

Has site for increase

China extension would enhance company growth

Consumers are growingly valuing brand quality rather than just brand name alone

Threat:

Finishing splendor brands

Fake products

High tax on splendor products

### **3.3 Analysis of Turkish textile industry**

Turkey is the fifth largest supplier of clothing in the world and the second largest in exports to the European Union. It is a major participant in the world light industry, whose role is gradually increasing. The history of the formation of the textile industry of Turkey dates back to the period of the Ottoman Empire, where in the XVI-XVII centuries. the production of textiles was well developed and widespread. After the collapse of the empire, the authorities of the Republic of Turkey included the sector under consideration as one of the strategically important for the development of the country, in connection with which they pursued a consistent policy of protectionism and state support. As a result, since 1923, state enterprises have been actively formed in the textile industry and considerable national funds have been invested. Since the 1960s, Turkey began to export textile products, but by the 1970s, textiles in the structure of exports did not exceed 3%. In the 1980s, with the onset of liberalization and the transition to an export-oriented national development strategy, the country

actively expanded world market, having passed in its development two stages: from the 1980s to the 2000s and from the beginning of the 2000s to the present moment.

The Turkish model is a very successful example of the development of the textile and clothing industry. Some fears caused a global crisis, but the rapid recovery of industry indicators even against the backdrop of a continuing recession testifies to the sustainability of this sector of the economy. Over the next few years, in conditions Asian players in front of Turkish producers can open new opportunities for expansion both to the developed markets of Europe and to the markets of the countries of the former Soviet Union, where growth opportunities continue to exist. Certain risks are associated with the transition of Turkey to the higher stages of the production chain - the development of design and own brands. Turkish manufacturers do not have a long history and an established image of a manufacturer of high-quality products in the eyes of sophisticated European consumers, which can significantly slow the expansion of companies and increase the payback period of the investments made. This transition will be another test of the sustainability of the industry. In case of success in the medium term, we can expect the emergence of a new strong market by the new market, which is able to compete not only in costs with Asian producers (both in production and transport costs, which is determined by the geographic proximity of the main sales markets), but also quality of products, which will create a new threat to the European companies.

Turkey is an example of successful implementation of a consistent state policy to support the development of light industry to achieve world-class competitiveness. Reliance on the existing comparative advantages of the country, among which the most important are cheap skilled labor and the stimulation of strategically important institutions and procedures, allow the country confidently to strengthen their positions in the world market. The strategy, which is aimed not so much at cutting costs as at ensuring a high level of productivity and quality, opens up opportunities for moving to a higher level of competition, shifting from fulfilling the tasks of the supplier of goods to global companies to creating independent firms and brands. it is

not only allows to maintain a stable growth of the industry, but also weakens the competitive pressure in the basic sectors of the industry on the part of the Asian countries, primarily China, oriented to a significant extent to competition for costs.

## SWOT ANALYSIS

### Strength:

Resistance to domestic industries to a large extent

Cheaper labor force than European countries (except China)

Quality inputs and raw materials

### WEAKNESS:

- Declining business volume
- High number of firms
- Insufficient number of qualified labor force
- Competitiveness declining due to inadequate level of education in enterprises
- No quality standard
- No national strategy
- Energy input costs are very high compared to world standards
- Inadequate investment and employment promotion for SME's
- Large number of small firms
- Non-restructuring of debts to public banks

### OPPORTUNITY:

Good quality raw materials

- High domestic market potential
- Young population
- The country is in a strategic position in terms of transportation

### THREATS:

- Problems that are connected to the system and can not be solved

- Limited or no public support
- Not to be a brand
- High production costs
- Overvalued YTL
- Decrease in exchange rates

### **3.4 Analysis Indian textile industry**

Textile Sector is the important sector in the India . The Indian textile sector was not mainly organized sector even a few years ago , but the script started changing due to the economic liberalization of Indian economy. The unfolding of economy gave the necessary impetus to the Indian textile sector , that has now prosperously become one of the biggest in the world. India textile sector largely hinges the textile sector and export. It also plays a essential role in the Indian economy . India earns circa 37% of its whole foreign exchange from the textile exports. Besides , the textile sector of India also promotes circa 15 % of the total industrial fabrication of the India. It also promotes circa 4% to the GDP of the country. India textile sector is also the largest in the country in employment generation. It is not only spawn works in Indian industry, but also unfold scopes for the other ancillary sectors. India textile sector at the present spawns labor to more than 35 million people. It is supposed that, the sector will spawn 25 million new employment by the year 2018.

Different classes Indian textile sector can be divided into some segments, a few of them which can be shown as under: Cotton Textiles Silk Textiles Woolen Textiles Readymade Garments Hand-crafted Textiles Jute and Coir.

The Indian textile sector is one of the advanced sector in the world. At the present it is assumed to be around US\$ 63 billion and is also planned to be circa US\$ 245 billion by the year 2018

. The actual internal market of textile sector in India is pended to be increase to US\$ 80 billion by 2018 from the current US\$ 44.7 billion. The export of the India was



circa US\$ 19.14 billion in 2006-07, which increase to sweep US\$ 22.13 in 2016-17. The proportion of exports is also pended to rise from 5% to 8% within 2018. The next are area, production and capacity of slam in India upon 6 decennary:

## **SWOT ANALYSIS**

### **STRENGTH**

- Textile sector of India is an Independent sector.
- Abundant Crude presence that support sector to monitoring costs and decrease the guide-time via the employment .
- Accessible of Low Cost and Skilled Manpower provides competitive advantage to industry.
- Accessible of huge diversity of cotton thread and has a strong increasing synthetic fiber industry.
- Industry has large and diversified segments that provide wide variety of products.
- Increasing Economy and Possible Internal and External Market.
- Industry has Producing versatility that support to growth the performace

### **WEAKNESS**

- Textile Sector of India is highly Fragmented Industry.
- Sector is rely on Cotton.
- Weak Production in different sommites.
- Absence of Technological Growth that influence the efficiency and .
- Adverse labour Laws.
- Absence of Trade Membership
- Circumstantial Taxes, and Interest Rates

### **OPPORTUNITY**

Increase bet of Internal Textile Sector is 7-9%

- Huge, Potential Domestic and International Market.
- Product growth and multiplicity to cater global necessity.
- Market is little by little switch into Branded Ready-made Garment.
- Increased Disposable Income and Purchasing Power of Indian Customer opens New Market Development.
- Large Investment and FDI chance are accessible

### **THREATS**

- Competing with developing countries, mainly China
- Elimination of Quota system will lead to fluctuations in Export Demand.
- Threat for Traditional Market for Power loom and Hand loom Products and forcing them for product diversification.
- Geographical situating.
- Employee and Environmental Laws.
- To Poise the demand and supply.
- Making balance for price and quality

### **3.5 Analysis of Pakistan's textile industry**

Pakistan is the one of the largest exporter of textile output in World. This industry promotes 10.6 % to the GDP and support employments to circa 17 million people that is 30% of the 49 million work force of the country. Pakistan is on of the biggest producer of clap with the.. For Pakistan which was one of the important producers of the clap in the world the development of a textile industry.. in spite of these issues ,the textile sector whole export is circa 11.3 billion US dollars. The textile sector promotes circa 11.6 % of the country's Gross Domestic Product and ongoing to be the stronghold of Pakistan exporters inclusive 63% of whole exports and also perform the tenet labor bearing alley in the orderly and huge scale industrial segment. Textile sector at the present have problem with massive challenges.. This means high policy risk for the industry .Besides , attempts to reach preferential access to

European Union market are objectified , but the legal system has been doubted by rivaling European Union states . Increasing clap costs have shoved crude prices essentially high, making it difficult for small players in the industry to survive. As well as to that force frame industry is influenced chiefly by poor technology, shortage of quality thread and absence of institutional sponsoring, preventing its growth from unordered sector to an advanced one. At the present Textile Sector of Pakistan is facing multiple problems that are discussed below:

#### Financial Problems

Financial problem is the biggest problem of Pakistan textile sector . Straight financing is essential for the growth a sector .By mischance , Pakistan Textile sector have many financial problems, some of which are given as under:

#### Internal Problems

Pakistan's State Bank has closed export of financing on of yarn. Besides , all banks propose high rate of mark up to all Textile Sectors .. The expensive cost of making business is by reason of intensive growth in the bet of concern which has grew the issues of the sector.. Most Banks in Pakistan are averse to sponsor the individual corporative industry . They are more in the direction of the general public sector. AS well as, Pakistan as a entire is opening an sharp issues of low foreign investment. General faith in Pakistan is that the industry is rather thrilling and is putting up strongly . whereas it is genuine that there have been essential enclosure in the industry as entire , array of the enclosure are in the and braided work

#### Global Decline

Global Decline has strongly reacted the textile industry of Pakistan. This Decline induced a very high rate of inflation, which, in 2010, had grew to a huge 25% as collated to a 7.9% of 2008. What happened subsequently is what we name the domino effect. The cost of the Rupee collapsed from 70- 1 USD to 90-1 USD in only a month, the costs of goods soared via the housetop , the percentage of people living lower misery range grew from 70 million to 86 million, and therefore , the employee category outsider became de facto divested from main needs . The export booking

decreased by virtue of unpredictable circumstances of Pakistan & political imbalance . The fell in the manufacture of textile occasion onwards unemployment grade that reduce of people's living standart

The industry is openly competition from other states like Bangladesh, India and China in its majority export markets i.e. the European Union and the United States of America . Also the actual decline in the West has outcome in a retard in require for textile products. By virtue of all the other issues faced by the Textile Industry, its fabrication content and quality is getting weak .. This is a large problem to the Textile sector of Pakistan.

. Following is presented a SWOT analysis of the textile sector of Pakistan

Strengths:

- Self assurance
- Operating versatility
- Plenty of crude production
- Suitability Of low employee
- Increasing economy and internal market
- Progressive reforms

Weakness:

- High snippet industry
- Depend on cotton
- Beneath productivity
- Technological obsolescence
- Non - participants in trade agreements

Opportunities:

- Ending of proportion regime
- Change in internal market to stigmatize prepared textiles
- Growing one-off revenue
- Apparition promenade culture and trade extension

#### THREATS:

- Competition with China and India.
- Pricing pressure
- Situational disadvantage
- International employee and environmental acts

### 3.6 Analysis of Bangladesh textile industry

Textile sector plays a important role in the economy of Bangladesh; People of more than 66% of the Bangladesh industrial sector and 82% of the export gaining. 5 million employee work in textile industry that circa of whom 80% are women. Before the liberation of Bangladesh, the textile industry was first of all an import sector . It started exporting RMG including fabric, knitted and jersey garments in 1979, which increased effectively during following two and a half decades from US\$4.5 million in 1982 to US\$11.7 billion in FY 2008.. RMG sector and printing and packaging sector are known as forward linkage industries. From the study of textile sectors; it was found that:

- Bangladesh is always depend on the external machinery.
- Bangladesh has to adopt specialist from other states for short term
- It is the well known to all of us that Bangladesh lacks of necessary adequate research and development facilities.

The textile has been an extremely important part of socio-economic development for a very long time for a number of reasons:

- The textile industry is connected with meeting the demand for clothing, which is a basic necessary of life.
- It is an sector that is more employee intensive than any other in Bangladesh, and thereby plays a important role in supporting employment for nation .
- More than 84% of export gaining comes from textile industry .

- Promotes above 14% of GDP, 45 % sectoral value comes from the textile sector.
- Support large for the maintenance banking, actuarial , shipping, transport, , cosmetics, hotel and other economical actions

#### SWOT analysis of textile sector for Bangladesh:

##### Strength :

- Below employee cost.
- Energy at comparatively below cost .
- Available infrastructure like sea road, railroad, river and air communication.
- Broad diapason harbor objects .
- FDI is juridical licensed.
- Modestly broach Economy, especially in the Export Promotion Zones
- Investment assured under Foreign Private Investment (Promotion and Protection) Act, 1980 which secures all foreign investments in Bangladesh.
- Overseas Private Investment Corporation insurance and finance agendas operable.
- Bangladesh is a participant of MIGA under that security and safeness steps are accessible
- Better Tele-communication system
- Low of currency against dollar/euro and the status will keep to maintenance exporters
- Bank rate 8% for financing exports.
- Convenience of duty free custom bonded w/house

One of the strengths behind the success of RMG of Bangladesh is the availability of low cost labor compared to other countries in the region.. Moreover, there are many jobless young people who can easily be converted into a skilled labor if needed.

##### Weakness :

- Long lead-time
- Lack of marketing tactics.
- The country is deficient in creativity.
- Absence of easily on-hand middle management.
- A small number of manufacturing methods
- Low acquiescence: there is an international pressure group to compel the local producers and the government to implement social acquiescence. The US GSP may be cancelled and purchasing from US& EU may decrease significantly
- The machinery required to assess add on a garment or increase competence are missing in most industries
- Lack of training organizations for industrial workers, supervisors and managers.
- Autocratic approach of nearly all the investors
- Fewer process units for textiles and garments.
- Sluggish backward or forward blending procedure
- Incompetent ports, entry/exit complicated and loading/unloading takes much time.
- Speed money culture.
- Time-consuming custom clearance.
- Unreliable dependability regarding Delivery/QA/Product knowledge.
- Communication gap created by incomplete knowledge of English.
- Subject to natural calamities.

Dependence on others for crude , weak efficiency , bounded experience in external marketing information, destitute infrastructure, political imbalance , blasting trade unionism, ineffectiveness in port management, and extreme dependence on RMG sub-sector are the main weak side of the sector . The sector is highly depend on others for outsourcing of crude such as dress and gears. Bangladesh is presently bring in crude (gray fabrics) for its textiles factories from countries like India, China

and Thailand.. At present problems in port management is a serious challenge to textile sector of Bangladesh. The Chittagong Harbor is the essential entrance and out point for deal and trading of the state. Circa 91 percent of the exports and 76 percent of the imports of Bangladesh are completed via the Chittagong Harbor. Thus, it is counted as the country's economic lifeline. The Chittagong Harbor is one of the most inefficient and corrupt ports in the world. A World Bank research assumed that using charges for a 20- foot container were \$640 in Chittagong compared with \$220 in Colombo and \$360 in Bangkok.

Opportunity :

- European Union is preparing to set up sector in a big way as an option to China especially for binds jerseys .
- If expert technicians are accessible to brief, prearranged textile is an option due to employee and energy price are cheap.
- Japan to be overseen, as traditionally they buy handmade fabric, furniture and clothing. This divide can be promoted and enlarged with proceeding progression in excellence
- Chittagong Harbor will be passed above to the external statement, that will make the harbor service much quicker , it will also decrease lead-time as well as total cost will be decreased.<sup>77</sup>
- Bangladesh is going to earn its political steadiness, that will make external business much smoother and foreign buyers will be more dedicated .

Threats:

- China is the biggest opponent for Bangladesh as this country has comparatively high labor performance and use more investment, contemporary technology and it has less lead-time due to its relational edges in receiving accessible crudes like tissue , various RMG gears
- China has better infrastructural equipment like vigor cater, carriage and connection scheme better than Bangladesh



- Some African and Caribbean states have enjoyed zero-tariff object under Agreement On Agriculture that supporting them to be more competitive relational to Bangladesh

## **Conclusion.**

### **China**

China's textile sector has grown fast since 1979. It is one of the essential sector of Chinese economy. China is the largest textile producer in the worldwide. Chinese entry to the World Trade Organization yields either possibility or invocation to the internal textile and clothing sector. At one time, China hoped too heavily on its relational edge in low labor. This traditional edge has been decreasing.. Furthermore, other states are overtaking fast with China. For example, Pakistan handles more contemporary enginery and can manufacture better thread. It has gradually interchange China's proportion in many export markets in this sector. Lower technologies and old equipment effected in low quality and limited China from entrancing superior markets. In spite of the troublesome, the textile sector will stay an important sector in economy of China

### **Pakistan**

The textile sector of Pakistan plays an essential part in gaining external swap, occupation in the state. Pakistan textile output will have a huge opportunity to seize huge proportion of world trade but there many causes that compel to knuckle down from handling the full proportion of textile machine to gain more external exchange for the state . In next year, Pakistan textile exports are 13-14 billion US dollars circa . State of Pakistan is not in solving issues like scarcity of electricity and gas which compel the textile exporters not to accept booking due to not fulfill the booking on time. With these causes import of textile machine decreased year on year basis. With all these causes Pakistan textile holders use old machines which is low effective and can not compete with other states. If State of Pakistan does not use instant measures to resist total these issues then Pakistan trade shortage will increase more as likened to FY09-10 and due to this Pakistan rupee will decrease more and more.

## **India**

The Indian textile sector is presently second largest and essential sector in the economy of India. The Indian textile industry has a large attendance in the Indian economy in addition in the external textile economy. The Textile sector has the opportunity to ride new increase in the developed economy. The textile sector in India has gone via great expenses in expectancy of grew trans-border rivalry . Its investment to the Indian economy is showed in of its endowment to the industrial production, employment generation and foreign exchange earnings. The industry also promotes largely to the world fabrication of textile thread and filament. In worldwide textile script , it is the significant manufacturer of jute, second largest manufacturer of silk, third biggest of clap and cellulosic thread , filament and fifth largest producer of synthetical thread filamet. Textile Industry is ensuring one of the most main necessity of nation and the occupy essential ; endorsing steady expansion for better quality of life. The State of India has also conclude recent system in the Yearly Outline for 2017-2018 to grant a force to the textile industry. These conclude frames for Foreign Investment Promotion to engage external straight investment in textiles. The sector have several issues and amid them the most important on care those of liquidity for many organized industry blocs, demand decline and in enough cost implementation . The long-term issues involve the necessity for enough upgrade and reorganize of the whole sector to oblige much efficiently to the demands of the internal and external markets for textiles as per the necessities of today and tomorrow.

## **Bangladesh**

Economy of Bangladesh prosperously refined state's trade market and export rise due to Openness of economy. Bangladesh is one of the most populated country in worldwide. There are a lot of labor force in Bangladesh. The textile sector is the largest employer, especially for women. People are no longer induced to choose between unacceptable alternatives such as bargain. Without Textile Industry, there would be only farming production and crude exports, which would not made such an

effect on the process of growth as Textile sector has done in Bangladesh. For Bangladesh, textile is the most important export goods and conduct to economic increase in the state . As well as export is the fountain of foreign gaining . From the social side, export conversant industry has reduced the gender gap, since there is a lot of women engaged. As well as the gender issue has been vindicated to subsist in salary interest . Another problem is mainly about low of salaries in textile sector in Bangladesh. Minimum salary is broken during the years. The situation of the Textile and Clothing Industry in Bangladesh has become public concern after tragic accidents happened in capital of Dhaka accompanied with death of many textile workers in western brand supplying factories. There have been casual abided by in death and trauma of many textile employees.. Even foreign trade brands did not continued without notification and began adopt into an bill higher security status. It is undoubted that Textile sector support to increase of economic growth yet. it afterwards influenced the population. There is the gaunt path to make the second side disappear but in accordance with the findings new rather months opened essential shift in the direction of improving the situation. However Bangladesh state must look in the future and make acceptable outline in long time scope

### **Turkey**

The textile sector is one of the important forces that maintenance the increase of the Turkish Economy. Both in its domestic market and the external market Turkey was able gain its actual competitive power via these sectors . The greatest error in the Turkish economy was unplanned investment.. Thus many unplanned above investment was made effect in a excess of manufacture ‘output. As the shares were canceled and the status of contents changed, cardinally demand for Turkish goods decreased. Turkey must halt rivaling in prices against China and concentrate on rivaling in global vogue and branding. Geographical closeness, quick delivery, fabrication that can meet the demands, young machine union and the variety of goods can be viewed to be the important edges of Turkey. The needful conducts that are

required to be accepted in good trim for Turkey to hold its place in the world market and get over the external competition status are outspoken obviously. Above of these if the European Union was to conclude Turkey in its decision-making and accept its significance in the world market it would be a big help for the sector. The affirmative form of the Union increased investments and gave the sector a stabilized appearance, permitting the complete use of the edges gained by the Union. During a closer expertise it is easy to sight that the Turkish textile sector is still growing and they have potential to increase a lot more. They have many practice that comes from the lingering trading history with states. For onwards healthy increase the textiles should concentrate in extension its outputs line via fabricating technical textile commodities.

### **Reference:**

*1. Au K.F., Chan N.Y.* The World Textile and Clothing Trade: Globalization versus Regionalization. The Hong Kong Polytechnic University, Hong Kong. OECD, 2004;

A New World Map in Textiles and Clothing. Adjusting to Change. OECD.

2. WTO. International Trade Statistics. 2012. URL: <http://www.wto.org>

*3. Abernathy F., Dunlop J., Hammond J., Weil D.* Globalization in the Apparel and Textile Industries. What Is New and What Is Not? // Kenney M., Florida R. (eds). Locating Global Advantage. Industry Dynamics in the International Economy. Stanford University Press, Stanford, California, 2004. P. 23–52; *Adhikari R., Yamamoto*

*Y.* The Textile and Clothing Industry: Adjusting to the Post-Quota World // Industrial Development for the 21st Century. New York: United Nation, 2007.

*4. Robertson R.* Theoretical Foundation and Empirical Approach // Lopez-Acevedo

G., Robertson R. Sewing Success? Employment, Wages, and Poverty Following the End of the Multi-fibre Arrangement. Washington DC: World Bank, 2012. P. 19–40.

5.WTO (2012). International Trade Statistics. URL: <http://www.wto.org>

**6.Cooper W.D.** Textile and Apparel Supply Chain Management Technology Adoption

// Journal of Textile and Apparel, Technology and Management. 2006. No. 5 (2). P. 1–22.

**7.Conlon M.** The History of U.S. Cotton in Japan // Global Agricultural Information Network. 2010. April

**8. Matt S.** The Evolution and Demise of the Multi-Fibre Arrangement: Examining the Path of Institutional Change in the Textile and Apparel Quota Regime. Economics Senior Thesis, University of Puget Sound. 2006. May 12

**9. Naumann E.** The Multifibre Agreement — WTO Agreement on Textiles and Clothing // Tralac Working Paper. 2006. No. 4. April

**10.Adhikari R., Yamamoto Y.** The Textile and Clothing Industry: Adjusting to the Post-Quota World // Industrial Development for the 21st Century. New York: United Nation, 2007

**11. Ernst C., Ferrer A.H., Zult D.** The End of the Multi-Fibre Arrangement and its Implications for Trade and Employment // Employment Analysis Unit. 2005. Vol. 16; Gereffi G. International Trade and Industrial Upgrading in the Apparel Commodity Chain // Journal of International Economics. 1999. Vol. 48. P. 37–70.

**12. MacDonald S., Pan S., Somwaru A., Tuan F.** China's Role in World Cotton and

Textile Markets: a Joint Computable General Equilibrium/Partial Equilibrium Approach

// Applied Economics. 2010. Vol. 42. P. 875–885.

13. WTO. Comprehensive Report to the Council for Trade in Goods on the Implementation of the Agreement on Textiles and Clothing During the Second Stage of the Integration Process // Textiles Monitoring Body. 31 July 2001. Geneva: WTO, 2001

14. *Diao X., Somwaru A.* A Global Perspective of Liberalizing World Textile and Apparel

Trade // Nordic Journal of Political Economy. 2002. Vol. 28. P. 127–145.

15. *Curran L.* Forecasting the Trade Outcomes of Liberalization in a Quota Context

– What Do We Learn From Changes in Textiles Trade After the ATC? // Journal

of World Trade. 2008. Vol. 42(1). P. 129–150

16. *Pickles J., Smith A.* Delocalization and Persistence in the European Clothing Industry:

The Reconfiguration of Trade and Production Networks // Regional Studies.

2011. Vol. 45 (2). P. 167–185

17. *Song H.* Global Quota System and China's Textile and Clothing Industry // China & World Economy. 2006. Vol. 14 (5). P. 78–92.

18. *Yeung G., Mok V.* Does WTO Accession Matter for the Chinese Textile and Clothing

Industry? // Cambridge Journal of Economics. 2004. Vol. 28. P. 937–954.

19. *Berger B., Martin R.* The Chinese Export Boom: An Examination of the Detailed Trade Data // China & World Economy. 2013. Vol. 21 (1). P. 64–90; *Chi T., Kilduff P.*

An Assessment of Trends in China's Comparative Advantages in Textile Machinery, Man-Made Fibers, Textiles and Apparel // Journal of The Textile Institute. 2006. Vol. 97 (2). P. 173–191.

20. *Pan S., Welch M., Mohanty S., He X.* Distortions of Sino-US and Sino-EU Safeguard

Agreements: Effects on World Textile Markets // China & World Economy.

2007. Vol. 15 (4). P. 78–88.

21. *Karlaap H.S., Yilmaz N.D.* Assessment of Trends in the Comparative Advantage and Competitiveness of the Turkish Textile and Clothing Industry in the Enlarged EU Market // *Fibres & Textiles in Eastern Europe*. 2012. Vol. 20. No. 3 (92). P. 8–11;  
*Karaalp H.S., Yilmaz N.D.* Comparative Advantage of Textiles and Clothing: Evidence for Bangladesh, China, Germany and Turkey // *Fibres & Textiles in Eastern Europe*. 2013. Vol. 21 (1). P. 14–17

22. ITKIB (Istanbul Textile and Apparel Exporters Association), 2013.

23. Time of Change in Turkish Apparel. Euromonitor International. 21.08.2012.

24. [http://shodhganga.inflibnet.ac.in/bitstream/10603/15990/12/12\\_chapter3.pdf](http://shodhganga.inflibnet.ac.in/bitstream/10603/15990/12/12_chapter3.pdf)

25. <https://www.slideshare.net/uuroosa/textile-industry-of-pakistan>

26. <https://www.quora.com/What-is-the-main-problem-in-the-textile-industry-business>

27. <http://www.businessdictionary.com/definition/research-methodology.html>

28. <https://www.britannica.com/topic/textile/Textiles-in-the-New-World>

29. <http://www.xalqqazeti.com/az/news/economy/84594>

29. <http://fashion2apparel.blogspot.com/2017/06/bangladesh-textile-industry.html>

30. <https://www.slideshare.net/victorroy71/swot-analysis-of-textile-sector-for-bangladesh>

32. <https://www.cia.gov/library/readingroom/docs/CIA-RDP85T00875R001700010052-2.pdf>

33. <http://www.btf.az/en/haqqimizda>

34. [http://www.azerbaijans.com/content\\_720\\_ru.html](http://www.azerbaijans.com/content_720_ru.html)

35. <https://wits.worldbank.org/CountryProfile/en/Country/AZE/Year/2015/TradeFlow/Import/Partner/all/Product/Textiles>

<https://wits.worldbank.org/CountryProfile/en/Country/AZE/Year/2014/TradeFlow/Import/Partner/all/Product/Textiles>

36. [https://wits.worldbank.org/CountryProfile/en/Country/WLD/Year/2014/TradeFlow/Export/Partner/all/Product/50-63\\_TextCloth](https://wits.worldbank.org/CountryProfile/en/Country/WLD/Year/2014/TradeFlow/Export/Partner/all/Product/50-63_TextCloth)

37. [https://search.wto.org/search?q=textile+export&site=English\\_website&btnG=Search&client=english\\_frontend&proxystylesheet=english\\_frontend&output=xml\\_no\\_dtd&numgm=5&proxyreload=1&oe=ISO-8859-1&ie=ISO-8859-1&ulang=ru&sort=date%3AD%3AL%3Ad1&entqr=3&entqrm=0&wc=200&wc\\_mc=1&ud=1](https://search.wto.org/search?q=textile+export&site=English_website&btnG=Search&client=english_frontend&proxystylesheet=english_frontend&output=xml_no_dtd&numgm=5&proxyreload=1&oe=ISO-8859-1&ie=ISO-8859-1&ulang=ru&sort=date%3AD%3AL%3Ad1&entqr=3&entqrm=0&wc=200&wc_mc=1&ud=1)

38. <https://www.statista.com/statistics/236397/value-of-the-leading-global-textile-exporters-by-country/>

39. <https://www.statista.com/statistics/236417/share-of-the-leading-global-textile-exporters-by-country/>
40. <https://shenglufashion.com/2017/10/12/wto-reports-world-textile-and-apparel-trade-in-2016/>