

Intex South Asia 2017 – Integrating South Asia & Developing a Manufacturing Powerhouse

South Asia is the world's premier garment export hub. Recognising this, the World Bank has stated that South Asia is best placed to attract garment and textile businesses with its lower wages and its demographic advantage of having the largest youth population (487 million) in the world.

The South Asian textile industry is a powerhouse on a global scale. It plays a critical role in the global textile industrial chain, accounting for 12% of global exports.

Understanding the growing importance and potential of this region, Intex South Asia was created to help manufacturers and buyers take advantage of the opportunities developing in the region.

Intex South Asia is the largest and only international sourcing textile show in South Asia region connecting global exhibitors from India, Pakistan, Bangladesh, Sri Lanka, China, Korea, Taiwan, Hong Kong and more, to buyers from across the South Asia region and other international markets.

The 3rd edition of Intex South Asia in 2017 is the largest and only fair in South Asia specifically designed to synergise the garmenting needs of international brands with the manufacturing strength of South Asia, satisfying both exports and large domestic markets. On the back of highly successful shows in 2015 and 2016, Intex South Asia 2017, will be 60% bigger than 2016 and will showcase around 250 exhibitors from 15 countries.

At the same time, attracted by the well curated exhibitors' profile, buyers from more than 25 countries will be visiting Intex South Asia 2017 in Colombo.

South Asian countries have their own strengths which makes them leaders in their focus zones. India has made significant strides in developing backward links to the textile industry with its missions on cotton and technical textiles. Pakistan is making progress towards integrating its textile and apparel sectors and retains expertise and strong focus in cotton products. Bangladesh with its focus on low-value and mid-market price segment apparel, is slowly but surely moving towards value addition.

Sri Lanka has progressed the fastest in moving up the value chain in the region with producers progressing into design and retail, launching their own international brands like Avirate and Amante. Other upcoming Sri Lankan brands are also consolidating themselves in the domestic retail sector while endeavouring towards showcasing their brands on the international stage.

Sri Lanka plays a pivotal role for intra-regional integration due to its politically neutral status in the South Asian region, creating a positive business environment for entrepreneurs from Sri Lanka, India, Pakistan and Bangladesh to meet and do

business together. Thus making Sri Lanka the gateway to the huge South Asian market.

However, for the South Asian region as a whole to progress and take its position as the premier manufacturing hub in the world, the countries need to come together and combine their strengths to overcome individual weaknesses. This is exactly what Intex South Asia will construct, with top companies from across the region joining hands and creating stronger business ties under one roof at Intex South Asia in Colombo, Sri Lanka.

Sri Lankan industry has received a tremendous boost with the awarding of GSP-Plus. Sri Lankan exporters would once again be able to export over 6,000 products duty free to the European Union (EU) countries. The additional tariff advantage will greatly strengthen Sri Lankan exports in apparel, textiles, etc. The additional tariff concession gained by the apparel categories, for example, will see duties cut from 9.6% to zero, thus benefitting the industry greatly under GSP Plus. It is expected that more EU customers would now change their sourcing strategy (which currently is tilted towards duty free countries like Bangladesh and Cambodia) in favour of Sri Lanka.

Regaining the GSP Plus facility is expected to give a major boost to Sri Lanka's apparel exports which comprises 61% of total exports to the EU. This additional reduction of tariffs under GSP Plus is estimated to be valued at around US\$ 60 million. Apparel exporters anticipate a 10-15% boost in export earnings in 12 months following regaining of GSP Plus, and will particularly accrue to the smaller players.

Today, Sri Lanka's growth, its excellent reputation for manufacturing, value addition and ethics is attracting manufacturers and investors from across the globe. Sri Lanka's excellent design-to-delivery solution means that the design, manufacturing and logistics are all carried out in Sri Lanka. The country has also created excellent international goodwill due to its speed and productivity in the fast fashion landscape.

Sri Lanka is situated at a nerve centre for shipping with 24% of the world container traffic from East to West moving through the Colombo port area. Besides these positives, Sri Lanka is also transforming into a regional business hub attracting international interest as being the optimum location to conduct business with all South Asian countries in one central location. It has all the advantages to be developed as the economic hub of South Asia.

Ms. Arti Bhagat, Director, Worldex India, organisers of Intex South Asia said, "Intex South Asia has always focused on bringing sectorally relevant, high quality exhibitors to the show. This is especially important considering Sri Lanka has been awarded the GSP Plus. A significant feature of the GSP Plus scheme is the fact that countries can make use of 'regional cumulation' to benefit from Rules of Origin (ROOs) when local

sourcing for product input is not possible. Regional cumulation creates stronger regional co-operation between countries which are members of an EU recognised regional grouping like SAARC in South Asia and also countries which are GSP beneficiaries. Intex South Asia is the perfect platform for Sri Lankan exporters to take advantage of regional cumulation via intra-regional trade and make the most of GSP Plus.”

Intex South Asia 2017 will take place from 15-17 November, 2017 at the Sri Lanka Exhibition & Convention Centre, Colombo (Daily 10 am - 6 pm and 10 am – 5 pm on the last day).

We invite you to visit and experience Intex South Asia 2017 - the only international textile sourcing show in South Asia region and the only platform giving you in depth, on ground insights to help you penetrate and develop the vast South Asian market.

