

Apparel Export Promotion Council

Apparel exports to Japan is expected to grow by 20% to 25% YoY: Chairman AEPC

- UPNEXT INDIA 2023 sees a decent turnaround and inquiry from the Japanese buyers
- *China decline in Japanese market a big opportunity for India: Chairman AEPC*
- *84 eminent Japanese buyers sourced their requirement from 112 Indian suppliers*

11th February 2023, New Delhi/ Gurugram: Shri Naren Goenka, Chairman AEPC stated that, "Apparel Exports to Japan is expected to grow by 20%- 25% year on year. Rising opportunities due to changing geopolitical landscape, government support schemes like PLI, Mega Park scheme, improving on the quality standard, getting sustainable and utilizing benefits of FTAs with major markets are the key growth drivers." During the upnext 2023 we are seeing a decent turnaround and inquiry from the buyers in all the segments of the exhibits. At a time when the apparel exports are on a tight spot, it is important that Industry starts innovating in design, promotions, compliance and supply chain efficiencies, he added.

Chairman AEPC along with the other EC members of the Council inaugurated the first edition of UPNEXT INDIA 2023 at Apparel House, Gurugram yesterday. This initiative is in the form of a series of Reverse Buyer Seller meet under the name of "UPNEXT INDIA" kick started with Japan and is being held 10th & 11th February 2023.

On the post covid 19 reorientation of the supply chain, Shri Naren Goenka, Chairman AEPC said, "We have a strong business opportunity in Japan reflected by the fact that China, which has been a dominant garment supplier to Japan, has witnessed a decline in the past 5 years giving significant advantage to India. Garment industry in both the countries have geared up to increase this trade taking advantage of duty-free access for Indian RMG post Indo-Japan CEPA agreement as against an approximate 9% duty for China and Turkey."

On the concern raised during the panel discussion on the quality, capacity creation, cost of logistics and having the diverse fabric basket, etc. for the Japanese market, Chairman AEPC replied, "The government is coming up with a PLI scheme which will majorly include Ready Made Garment (RMG). This PLI will be much simpler norms to be eligible, which will largely address the issue of capacity creation and fabric diversification. Additionally, the government has issued BIS standards for which will include importers and exporters to ensure stable and safe quality. Plus, on the higher freight cost, the government is considering the vessels directly to Japan so that the time and cost gets reduced drastically. "

84 prominent Japanese buyers including and trading companies and retail chains/ stores are in India to source their requirement from the 112 odd Indian exhibitors which are displaying the diverse range of RMG reflecting Japanese taste. Some of the iconic Japanese brands including KOIZUMI APPAREL CO. LTD, MARUBENI INTEX, X PLUS CO. LTD, AIS CO. LTD, INDEPP CO. LTD, AUBE CO. LTD, SUMITOMO CORPORATION KYUSHU CO. LTD, OYOSHIMA & CO. LTD, YAGI, MUJI, AMINA COLLECTION CO. LTD, UNITED ARROWS LTD, KONAKA, NISSENKEN QUALITY EVALUATION

CENTRE, etc. have come for the show. Indian RMG companies are displaying the various categories of garment including summer and winter collection.

The two days of UPNEXT INDIA 2023 also hosted the theme pavilions for the startups in technology and sustainability domain, two very crucial areas where Indian garment industry is making rapid transformations. Besides, the show will also witness the series of panel discussions where experts, industry leaders and academia will deliberate upon the trade outlook, ESG compliance and emerging technologies for building the capacity for the industry to be future ready.

Japan imported readymade garments worth US\$ 23 billion in 2022 (till November), and India which exported readymade garments worth US\$ 0.22 billion to Japan with a share of 0.9%.