



International  
Trade  
Centre

EXPORT IMPACT  
FOR GOOD

# Increasing export competitiveness of the textile and clothing sector of Tajikistan



Project website: [www.itctj.org](http://www.itctj.org)

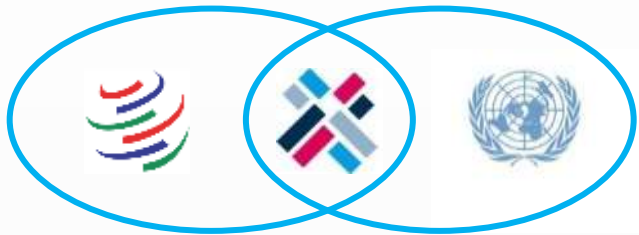
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# Who is the International Trade Centre (ITC)?

Created in 1964. The joint technical cooperation agency of the World Trade Organization (WTO) and the United Nations (UN), for business aspects of trade development



**ITC enables small and medium-sized enterprises (SMEs)  
to take advantages of trade opportunities**

- 100% Trade Related Technical Assistance (TRTA)
- Private sector focused

# ITC in Tajikistan



## All ITC projects in Tajikistan are funded by the Government of Switzerland

- Partnership with the Government of Switzerland since 2002

### Previous Initiatives

- Competitiveness of agro-processing and textile and clothing sectors
- Strengthening of trade and business support services
- Improvement of national quality management infrastructure
- Assistance in WTO accession process

### Current Initiatives

- Support in establishing efficient public-private dialogue and awareness-building on WTO accession
- Post-accession assistance in implementation of WTO commitments and provisions
- Competitiveness of the textile and clothing sector

# SECTORAL OVERVIEW (cont'd)

## Number of enterprises in the T&C industry of Tajikistan (2014):

- Vertically integrated enterprises – 6
- Spinning companies - 21
- Garment factories - 40
- Socks and knitting companies - 4
- Small clothing workshops - 124

# SECTORAL OVERVIEW

Indicators	2009	2010	2011	2012	2013	2014
<b>- Production of cotton, thousand tons</b>	296	310.6	416.5	417.9	392.8	372.6
<b>- Cotton Fiber</b>						
• Production of cotton fiber, thousand tons	92.2	95.2	103.4	135	112	105
• Export of cotton fiber, thousand tons	87	96	72.4	143.8	114.5	87.0
• Export of cotton fiber, mln USD	99.8	200.1	197.3	224	189.1	132.1
• Out of total national exports (%)	9.9	16.7	15.7	16.5	16.2	13.5
<b>- Production of Textiles and Garments</b>						
• Cotton yarn, tons	8230	6149	7042	8964	8320	8720
• Cotton fabrics, mln. m <sup>2</sup>	36.6	25.6	21.4	22.6	18.1	18.1
• Hosiery and socks, mln. pairs	5.7	5.7	6.1	6.6	1.0	1.7
<b>- Export of Textiles and Garments, mln USD</b>	28.0	33.1	40.4	41.5	38	34
- out of total national exports (%)	2.77	2.77	3.21	3.05	3.27	3.4
<b>- Employment in the T&amp;C sector, thous. people</b>	8.5	9.0	10.1	11.28	12.7	13.2

**Sources:** Agency on Statistics under the President of Tajikistan, title of publications:  
Ministry of Industry and New Technologies of Tajikistan

# WHAT WE DO IN THE SECTOR?

- Improve the strategic and institutional framework of the T&C sector
- Help SMEs in the T&C sector to increase their export competitiveness and access new markets



# Project coverage

Project coverage: 22 pilot companies, out of which:

- Spinning – 9
- Clothing – 10
- Knitting and socks production – 3

Total number of employees: 2.4 thousand people



# Achievements

**As a result of interventions during the first phase (2009 – 2012), as measured by an independent evaluator:**

At the assisted enterprises

- 150% increase in export volumes
- 300% increase in production volumes
- 45% increase in employment
- 32% decrease in production waste



# Support for developing the T&C strategy (2016-2025)

## *Approach:*

- Participatory methodology
- Structural debates
- Based on company-level assessments
- Market oriented



# The orientation of the Strategy

1. Improve the business environment to support the development of the T&C industry in Tajikistan
2. Increase the capacity and productivity of Tajik T&C enterprises
3. Increase the value added in the T&C sector and align production with market requirements
4. Improve access to markets for T&C enterprises

# DETAILED PLAN OF ACTION – THE WAY FORWARD

## Example of Activities

### Immediate

- *Import small quantities of polyester and create blended yarns to enable the production of new yarn products such as woven poly-cotton uniform fabrics*
- *Introduce recycling of cotton waste from spinning mills and repurpose for medical tissue*
- *Supply the local market for school uniforms by cotton/polyester blended fabrics*

### Mid term

- 2.1.2.** Favour national/international investments in the following specific machinery required in the value chain:
- Spinning: modernization of blowroom, carding, combing and humidification plants.
  - Dyeing: introduce mass dyeing of yarn and fabric.
  - Polyester fibre: investment in plants for conversion of PET bottles in polyester fibre to supply local spinning industry.
  - Packaging: introduce local packaging companies that would produce paper cones, paper tubes, cartons, etc.

### Long term

Reinforce existent TVET offering and incorporate Technical Vocational Education and Training (TVET\_ services in the newly established sector association targeting both textile and clothing companies.

# Future Opportunities

While the results thus far have been encouraging, the sector is still far from reaching its full potential.

- Small percentage of the cotton production is transformed locally – 9 %, suggesting room for a continued push towards vertical integration
- Higher value-added products will allow Tajik enterprises to be more competitive in light of the high costs associated with its landlocked status and difficult logistical environment
- Niche markets, for example producers of kimonos. These products are of exceptional quality, can command a price premium, and could be integrated with domestically produced organic cotton.



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# Thank you!



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