**REPORT ON TEXTILE SECTOR OF FRANCE**



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**TEXTILESECTOR OF FRANCE**

## 1. OVERVIEW OF FRENCHTEXTILE SECTOR

The French textile, clothing and accessories industries have traditionally been the preserve of small and medium sized companies. Historically, they have played an important role in the industrial revolutions of the 19th and 20thcenturies. Nowadays, however, the industry is experiencing a Europe-wide decline. Production in low-cost economies means that the industry has experienced radical changes: production has given way to design, innovation, personalization and sales. The industry now needs skilled employees able to adapt quickly to new means of production and their processes and to design ever more technically sophisticated products.

Despite the difficulties being faced by the industry, France still ranks third in Europe behind Italy and Germany with total sales of 12% and employing 10% of the workforce. Fashion, luxury goods, technology and sustainable development are the cornerstones of what is often referred to as the creative industry. French industry is now concentrated on innovative and high value-added products such as technical textiles which represent 15% of the market. Fiber innovation has played an important role in this development, especially in linen. French manufactured linen makes up 70% of European production.

In the strictly technical field, France is now the second largest European producer of geo synthetics and is a leader in agro-industrial investigation. The textile industry is concentrated in the Nord-Pas-de-Calais and Rhône-Alpes regions which account for 46% of employment in the industry. Other important centers are to be found in Champagne-Ardenne, Alsace, Lorraine, Picardy, Midi-Pyrenes and l’Île de France. The industry is represented by many organizations including Institute Français de la Mode (IFM); Union Française des Industries de l’Habillement (UFIH); La Fédération de la Maille, l’Institut Français du Textile et de l’Habillement (IFTH) and Comité de Development et de Promotion de l’Habillement (DEFI).This cluster is performing a vital role in the building of networks, sharing of common experiences and forging of alliances. France has an international reputation for high-quality fabric and garments. In 2017, French textile production was $18 billion, accounting for almost 1.0 % of total GDP of $ 2,225,260 Million. In 2017, total exports of textile products stood at $ 11 billion accounting for 3.5 % of total French exports of US $ 522.8 billion as against 21 billion dollars for imports.

**2.** CONTRIBUTION OF TEXTILE SECTOR

The contribution of the textile sector to the country’s GDP is almost 1.1 %. Some key statistics are as follows: -

* Approximately 548 companies averaging 20 employees with a total workforce of 58,240 persons.
* Most of the active textile companies in France are in the regions of Alsace, Champagne-Ardenne,Lorraine, Midi-Pyrenees, Nord-Pas- de-Calais, Normandy and Rhône-Alpes.
* The French textile market remains a highly-developed, mature market with many domestic and international players. It is mainly divided into:
* Apparel (accounts for 43.9% of the market’s total value);
* Fabrics (represent about 30% of the market).
* The industry in France, although large, is dominated by several small, niche companies selling a small quantity of highly technical and high value products.
* Textile products are mainly distributed through:
* specialized chains (23%),
* independent sellers (13%),
* and super/hypermarkets (14%).
* Major textile suppliers to France include China, Italy, Bangladesh, Turkey, India, Germany, Tunisia, Belgium, Portugal and Pakistan.

Leading Sub-Sectors

* + Technical textiles with better comfort and monitoring solutions for sportswear.
	+ Technical textiles reducing carbon emissions for the transportation industry.
	+ Technical textiles improving energy efficiency for use in the building industry.
	+ Textiles with electronic devices and communication systems incorporated in the garments for either the security or sporting industries.

Great opportunities in the textile sector are, therefore, open to those Pakistani companies that can create new technologies and develop innovative products offering new solutions to a variety of industrial sectors.

3. FRANCE TEXTILE SECTOR’S OVERVIEW:

 Figures in US $Billion

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2015 | 2016 | 2017 | 2018 (Estimated) |
| Total Local Production | 18,230 | 18,590 | 18,600 | 18,700 |
| Total Exports | 11,950 | 11,600 | 11,700 | 11,700 |
| Total Imports | 20,970 | 21,390 | 21,420 | 21,800 |
| Total Market Size | **27,250** | **28,380** | **28,320** | **28,800** |
| Exchange Rate 1 Euro |  USD 1.1095 | USD1.1069 | USD1.1297 | USD1.230 |

*(total market size = (total local production + imports) - exports)*

*Source:  The French trade Association for the Textile Industry, UIT*
*Statistical import figures including French customs classification N0. 61- 62 - 63.*

## 4. EXPORTS OF TEXTLE:

The value of exported textile products amounts to €14 billion in year 2017 accounting for 3 % of total French exports. Demand for these products is strong in Italy, Spain Belgium and the United Kingdom.

|  |  |
| --- | --- |
| Category of product | France Total Textiles Exports |
| **2016Billion $** | **2017Billion $** | **% Change** |
| Total Textile Exports | 13.92 | 14.32 | 2.87 % |
| Total Exports | 453.30 | 473.59 | 4.47 % |
| % of total French Exports | 3.07 % | 3.02 % |  |

|  |  |
| --- | --- |
| France Exports of Textiles to EU countries | France Exports of Textiles to non-EU countries |
| 2016Billion $ | **2017****Billion $** | **% Change** | **2016****Billion $** | **2017****Billion $** | **% Change** |
| 9.08 | 9.44 | 3.96 % | 4.83 | 4.87 | 0.82 % |

Exports of Textile, Clothing, Leather and Footwear in France decreased to 1992 EUR Million in January, 2018 from a high of 2009 EUR Million in December, 2017. Exports of Textile, Clothing, Leather and Footwear in France have been average in ground 1485.10 EUR Million from 2000 to 2017.

5. IMPORTS OF TEXTILE:

Imports of Textile, Clothing, Leather and Footwear in France increased to 3348 EUR Million in January, 2018 from 3112 EUR Million in December, 2017. Imports of Textile, Clothing, Leather and Footwear in France have been averaging 2362.84 EUR Million from 2000 to 2017.

|  |  |
| --- | --- |
| Category of product | France Total Textiles Imports |
| **2016Billion $** | **2017Billion $** | **% Change** |
| Total Textile Imports | 26.45 | 27.05 | 2.27 % |
| Total Imports | 516.96 | 552.77 | 6.92 % |
| % of total French Imports | 5.12 % | 4.89 % |  |

|  |  |
| --- | --- |
| France Imports of Textiles from EU countries | France Imports of Textiles to non-EU countries |
| 2016Billion $ | **2017****Billion $** | **% change** | **2016****Billion $** | **2017****Billion $** | **% Change** |
| 14.91 | 15.11 | 1.34 % | 11.53 | 14.91 | 29.31 % |

## 6. PAKISTAN-FRANCE TRADE OF TEXTILE PRODUCTS:

Pakistan’s textile industry is well known in the EU and France for its high-quality products. Pakistani textile products are imported by many well-known French companies including the *Galleries Lafayette, Carrefour, L3C textiles, Elis, Orchestra and Auchan etc*. However, there is still plenty of room for enhancing the market share of Pakistan’s textile industry in the French market, especially by focusing on value added products like readymade apparel and garments. While Pakistan is already exporting readymade garments to some famous French Brands like Celio, Orchestra, Kaibi, Okaidi etc., a huge potential exists in the French garments market for more Pakistani readymade garments.

## 7. PAKISTANI TEXTILES EXPORTS TO FRANCE:

 (In Million US $ by French Customs)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Sr. No | HS2 | Sector/Product | 2016 | 2017 | % Growth |
| Pakistan’s Total Exports to France | 854.54 | 964.94 | 13.50 % |
| 1 | 63 | Textile Made ups | 260.47 | 303.42 | 16.48 % |
| 2 | 62 | Articles of Apparel | 207.53 | 240.90 | 16.07 % |
| 3 | 61 | Knitwear | 138.26 | 157.30 | 13.77 % |
| Total | **606.26** | **701.62** | **15.72 %** |

## 8. PAKISTANI TEXTILE IMPORTS FROM FRANCE:

 (In US $ by French Customs)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Sr. No | HS2 | Sector/Product | 2016 | 2017 | % Growth |
|  Pakistan’s Total Imports from France | 611.94 | 607.48 | -0.74 % |
| 1 | 63 | Textile Made ups | 2 154 822 | 2 356 272 |  9.34 % |
| 2 | 62 | Articles of Apparel | 55 535 | 39 745 | -28.43 % |
| 3 | 61 | Knitwear | 20 424 | 35 585  |  74.23 % |
| Total textiles Imports | **2 230 787** | **2 431 602** | **9 %** |

## 9. MAJOR FRENCH COMPANIES DOING BUSINESS WITH PAKISTAN IN THE TEXTILES SECTOR:

Numerous French textile companies and individual importers are presently doing business with Pakistan, the most important of which are mentioned below:

|  |  |
| --- | --- |
| Name  | Nature of Business |
| ELIS | European leader in Textile for health & hotel industry |
| TEDDY SMITH  | Clothing store |
| CELIO INTERNATIONAL SA, | Garments Importer/ retail chain |
| LA HALLE | Textiles/Garments Importer/ retail chain |
| LA BLANCHE PORTE | Garments/ Home Textiles Importer |
| CARREFOUR | Retail Store |
| SOLO INVEST | Garments Importer / Clothing store |
| ORCHESTRA PREMAMAN | Garments Importer / retail chain |
| L3C SAS | Home Textile Importers |
| STOKOMANI | Retail Store |
| DOUBLE D IMPORT | Textiles/Garments  |
| AUCHAN | Retail Store |
| ALSICO MEDICAL (HALBOUT SAS) | Work wear |
| SARL KAIBI | Garments & clothing store |





 

**10.** TRADE FAIRS:

An important factor maintaining a vibrant textile industry in France is the number of exhibitions and shows held in the country in cities like Paris, Lyon and Lille, where international exhibitions cover all aspects of the production cycle. The workforce is far more “feminine” than the usual norm in the manufacturing sector (48% compared to 28%), although this is more evident in the traditional industry rather than the technical side of the business (44% compared to 39%). Despite the predominance of women, only one third of them receive any training and they are generally paid far less than equally qualified men. Although, this is true of all manufacturing, it is especially prevalent in the textile industry where women are only paid 70% that of their male equivalents.

France is not only the most visited tourist destination in the world, it is also Europe’s hub for b2b events/exhibitions. Each year, over 1,600 fairs are organized in France, including more than 450 international trade shows open to the general public. These trade fairs present an excellent opportunity for our exporters to introduce Pakistani products. Thus, visiting and especially participating in trade fairs is highly recommended as it is one of the most effective methods to gauge market receptivity, obtain market information and find prospective business partners. The most relevant trade fairs in the Textile Sector are:

* Texworld- Paris, France
* Premier Vision - Paris, France
* Maison &Object - Paris, France
* Who's Next Prêt-à-Porter - Paris, France

## 11. FUTURE COOPERATION:

Similarly, Pakistan needs cooperation in areas including:

* Access to new technologies developed/employed in the French textile sector.
* Assistance from French Textile Sector for developing new technologies in order to gain a competitive edge with regard to value addition as per market requirements.

## 12. REQUIREMENTS AND REGULATIONS FOR THE TEXTILE EXPORT TO FRANCE:

Pakistan has enjoyed preferential access to the European market since 2013. In December, 2013, the European Union granted Pakistan with the GSP plus status, thereby allowing duty-free access to 96 percent of Pakistani exports to the EU. Pakistan was the second country in all of South and Southeast Asia to receive this trade advantage, giving it a 10 to 14 percent duty advantage over major regional competitors including China, India, Vietnam, Thailand, and Indonesia.

1. **General Product Safety:** The General Product Safety Directive (GPSD) states that all products marketed in the European Union must be safe to use. To enable this, it forms an overarching network of all legislation established for specific products and issues. Even if no specific legal requirements have been established for a particular product and its uses, the General Product Safety Directive will still apply. If there are specific requirements applicable to bedspreads, the General Product Safety Directive shall apply in addition, covering all other safety aspects that may not have been mentioned exclusively in the product’s specific legal requirements.
2. **Chemicals-Restricted Substances:** The European Union has restricted a large number of chemicals in products that are marketed in Europe. These are listed in the REACH regulation. If fabrics are being dyed, it must be ensured, for instance, that no use is made of dyes that release any of the 22 prohibited aromatic amines. The legislation lists the aromatic amines, not the azo dyes that release them. Most azo dyes are, therefore, legally acceptable.

Furthermore, fabric is often required to be fire proof for professional use, especially in the hospitality sector. Several flame-retardants have been restricted by the European Union including Tris (2.3 dibromo propyl) phosphate (TRIS); Tris (aziridinyl) phosphineoxide (TEPA) and Poly bromobiphenyles (PBB).

**iii. Labelling** - specific rules for textiles: textiles should be labelled or marked, indicating their fiber composition. Textile labels should also be durable, tear resistant, easily legible, visible and accessible. The main purpose of the European Union’s Textile Regulation is to ensure that consumers, when purchasing textile products, are given an accurate indication of their fiber composition. There is no European Union-wide legislation on the use of symbols for washing instructions and other care aspects of textile articles, despite the importance given to that information by European consumers. Pakistani exporters are advised therefore to follow ISO standards in this matter.

To export textiles to France, Pakistani companies need to have either an
agent / distributor or to set up a subsidiary. While there are no quotas for importing Pakistani textiles, however, Pakistani companies need to be able to provide the certificate of origin of goods to Customs.

## 13. EFFORTS FOR INCREASING TRADE IN THE TEXTILE SECTOR:

The mission has been making special efforts to market Pakistani textile products in France. In this regard, contact has been established with some of the largest French importers of textile products.

A cursory look at the French market reveals that despite being a developed country, the local buying houses and chain stores prefer to do business through local trading houses and brokers and avoid direct import. This situation provides leverage to the middle men and subsequently, the profits of Pakistani exporters are limited. With this in view, business communities from China and India have already opened ware houses and multiple trade offices in France. Pakistani exporters should also consider opening ware houses and buying houses in France.

It has also been observed that despite France being an important trading partner, very few trade delegations from the Pakistani textile sector have visited France or attended French exhibitions and trade fairs either through TDAP and the chambers. It is, therefore, suggested that at least 2 to 3 trade delegations should visit France every year. During these visits, meetings can be arranged with their French counterparts to explore possibilities of trade between them. Although, individual businessmen from Pakistan do visit, it is felt that a trade delegation would have greater impact.

France (Paris in particular) is one of Europe’s leading trading hubs. Each year, many exhibitions are organized in Paris in the field of textiles, some on a bi-annual basis, others on an annual basis or once in two years. Not only local buyers participate in these exhibitions but also buyers from across Europe. Pakistan only participates in Texworld and has limited participation in Premier Vision (only in the leather section). It is necessary that Pakistan increase its presence in exhibitions held in France to explore the potential of goods and services that Pakistan can offer in the rapidly expanding field of textiles. The Commercial Section from time to time recommends participation of Pakistani businessmen in various trade fairs where Pakistan can participate at an official level. If, however, this is not feasible through TDAP, then exporters may participate in their individual capacity.

The Mission in Paris is working on Pakistan’s participation in one of the France’s largest and Europe’s 2nd largest generalized exhibition “Foire de Paris” to promote and market “Made in Pakistan” goods and services to French people and businesses. The concept is to showcase a wide variety goods and services, including the textile sector, to potential importers under one roof.

## 14. CONCLUSION:

There is, thus, a lot of scope for enhancing trade relations between Pakistan and France in the Textile sector.

There should be active participation in trade delegations comprising of businessmen from the textile sector. Similarly, there should be more active and robust presence from the Pakistani side in the textile Expos held in France.

One of the most effective ways of ensuring more active collaboration with France in the textile sector is to promote our fashion industry in France since Paris is considered the hub of Fashion. Parep Paris recently organized a fashion show at the Embassy of Pakistan, Paris to introduce Pakistani designers and fashion wear to French buyers. The Commercial Section also facilitated a joint venture between a Pakistani textile company and a French company working in the fashion sector which could result in developing a ‘Made in Pakistan’ Fashion brand in France, thereby giving a tremendous boost to our exports.

The best opportunities in the textile sector are open to those Pakistani companies that can produce value added products especially in garments and denim.

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