

The Future of China's Textile Industry

中国纺织工业的未来

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Status-quo of China's Textile Industry

中国纺织工业发展现状

1

Resilience and vitality of China's textile industry

中国纺织工业的韧性与活力

2

Responsibility and tasks of China's textile industry

中国纺织工业的责任与担当

Resilience and vitality of China's textile industry 中国纺织工业的韧性与活力

The Covid-19 epidemic has brought severe impact on both the supply end and demand end of the global textile & apparel industry. China's textile industry suffered but leads the recovery, and shows sufficient resilience and strong vitality in ensuring product supply. 疫情对全球纺织服装产业供需两端造成严重冲击。中国纺织工业深受疫情影响但率先复苏，保障产品供给，表现出强大的韧性与活力。

In Jan.-Sep., 1~9月

The industrial value-added of major textile enterprises dropped 4.6% y-o-y, further picking up 0.9 percentage point compared with Jan.-Aug. period.

规上纺织企业工业增加值同比下降4.6%，较1-8月回升0.9个百分点。

Production maintains steady recovery
生产保持稳步恢复

Domestic market keeps recovering
内需市场持续复苏

In Jan.-Aug., 1~8月

The retails of clothing, head & foot wear, knitted goods by major retailers dropped 15.0% y-o-y, narrowing by 4.6 percentage points lower than the first half.

全国限额以上单位服装鞋帽、针纺织品零售额同比下降15.0%，降幅较上半年收窄4.6个百分点。

In Jan.-Sep., 1~9月

The T & A exports increased 9.4% y-o-y to US\$ 215.78 bil. The textiles export rose 33.7% to US\$ 117.95 bil., while that of apparel dropped by 10.3% to 97.83 bil.

纺织品服装出口2157.8亿美元，同比增长9.4%。其中，纺织品1179.5亿美元，增长33.7%，服装978.3亿美元，下降10.3%。

Export rebounds
行业出口加快增长

Investor's confidence remains low
行业投资信心仍然低迷

In Jan.-Sep., 1~9月

The investment in fixed-assets of the textile industry saw a 20.4-percent decline year-on-year.

纺织行业固定资产投资完成额同比减少20.4%。

In Jan.-Aug., 1~8月

Major textile enterprises' revenue down 13.4% from a year earlier; profits down 14.2%.

全国规模以上纺织企业营业收入同比减少13.4%；利润总额同比减少14.2%。

Operation sees improved quality and performance
运行质效有所改善

Online sales turned negative growth to positive growth and the online sales of clothing commodities picked up 1.1% year-on-year; Taobao marketplace data show that online turnover of apparel and shoes & hats amounted to CNY 55.6 billion in this July, up 74% year-on-year.

线上消费实现转负为正，全国网上穿类商品零售额同比增长1.1%；淘宝系平台数据显示，7月服装鞋帽线上成交额总计达到556亿元，同比增长74%。

Responsibility and tasks of China's textile industry 中国纺织工业的责任与担当

□ The changing landscape of global textile and apparel trade 调整中的世界纺织服装贸易格局

World top 10 exporters in 2019 2019年世界纺织品出口前10名

Ranking 排名	Country/region 国家(地区)	Export (bil. USD) 出口金额(十亿美元)	Share in total (%) 出口份额(%)	Y-o-y change in 2010-2019 (%) 2010-2019年度变化百分比(%)
1	China中国	120	39.2	5
2	EU欧盟	66	21.7	0
3	India印度	17	5.6	3
4	USA美国	13	4.4	1
5	Turkey土耳其	12	3.9	3
6	ROK韩国	9	3.0	-2
7	Vietnam越南	9	2.9	12
8	Taiwan, China中国台湾	9	2.8	-1
9	Pakistan巴基斯坦	7	2.3	-1
10	Hong Kong, China中国香港	6	2.0	-6

World top 10 apparel exporters in 2019 2019年世界服装出口前10名

Ranking 排名	Country/region 国家(地区)	Export (bil. USD) 出口金额(十亿美元)	Share in total (%) 出口份额(%)	Y-o-y change in 2010-2019 (%) 2010-2019年度变化百分比(%)
1	China中国	152	30.8	2
2	EU欧盟	136	27.6	4
3	Bangladesh孟加拉	34	6.8	10
4	Vietnam越南	31	6.2	13
5	India印度	17	3.5	5
6	Turkey土耳其	16	3.2	2
7	Hong Kong, China中国香港	12	2.4	-7
8	UK英国	9	1.8	6
9	Indonesia印尼	9	1.7	3
10	Cambodia柬埔寨	9	1.7	12

Source: WTO. 数据来源: 世界贸易组织。

□ China's textile industry contributes to global epidemic control 中国纺织工业为保障世界疫情防控作出重要贡献

China's export of epidemic prevention materials 中国防疫物资出口情况

Mar. 15 – Sep. 6, more than 1.4 bil. protective suits
3月15日至9月6日, 防护服出口数量(十亿件)



Main destinations of China's exported epidemic prevention material 中国防疫物资出口市场情况



Jan. – Jul., US\$ 7.81 bil. mask from China, 87.3% of US total mask imports.
1~7月, 美国自中国进口口罩(十亿美元)占美国从全球市场进口份额的87.3%

Jan. – Aug., 357.53 bil. yen mask from China, 92.0% of Japanese total mask imports
1~8月, 日本自中国进口口罩(十亿日元)占日本从全球市场进口份额的92.0%

Jan. – Jun., 13.63 bil. euro mask from China, 92.0% of EU total mask imports
1~6月, 欧盟自中国进口口罩(十亿欧元)占欧盟从全球市场进口份额的92.0%

Source: Ministry of Commerce, China Chamber of Commerce for Import & Export of Medicines & Health Products
数据来源: 商务部, 中国医保商会

Source: CNTAC 数据来源: 中国纺织工业联合会

The textile & apparel industry needs to adapt to a different situation under the epidemic

疫情之下，纺织服装产业要适应一个不同的世界

1

Increasing risk of economic recession
经济衰退风险加大

2

Profound readjustment of industrial chain
产业链深度调整

3

Accelerated pace of digitalization
数字化进程加快

4

Quicker step of responsible development
责任化发展加速推进

Increasing risk of economic recession 经济衰退风险加大

- The COVID-19 pandemic has brought the world economies into synchronized recessions.
- 疫情使得世界经济陷入同步性衰退



Economies fall into recession
全球陷入衰退的经济体

Source: Data from the World Bank released in June. 资料来源: 世界银行6月数据。

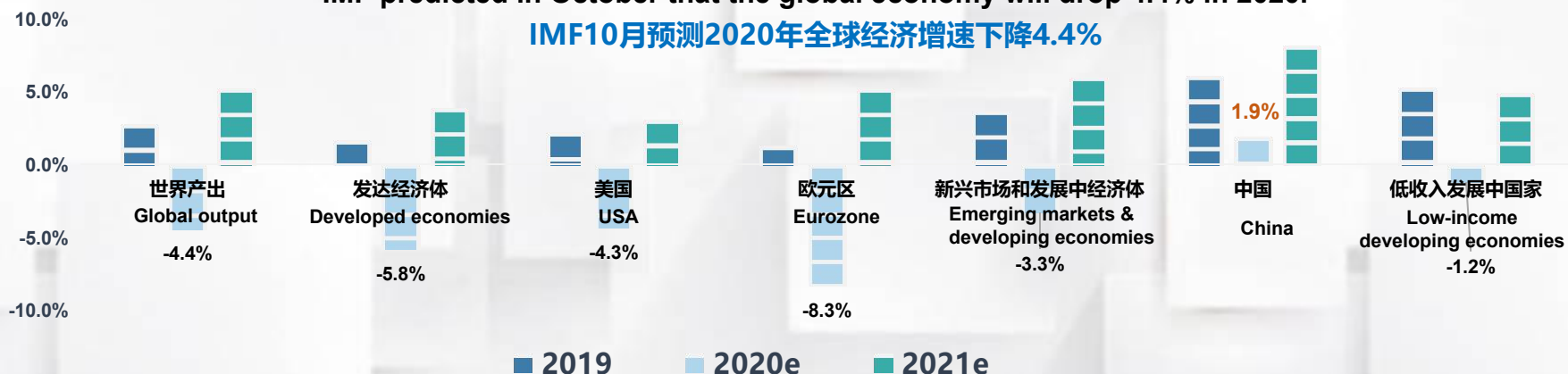
- Sluggish demand will be dragging on
- 需求不振正在成为长期存在



Source: UNCTAD, Global Data 数据来源: 联合国贸易和发展会议, Global Data.

IMF predicted in October that the global economy will drop 4.4% in 2020.

IMF10月预测2020年全球经济增速下降4.4%



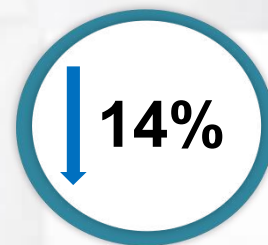
Source: IMF. 资料来源: IMF.

- Global consumption growth lacks of momentum
- 支撑全球消费增长的动力不足
- Income is the basis for consumption growth, however, the pandemic has increased the rate of unemployment.
- 居民收入是消费增长的基础, 但疫情推动失业率大幅上升

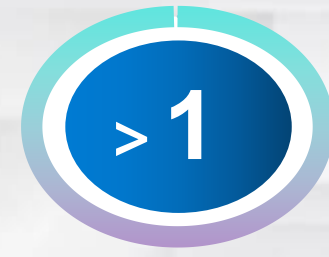
The drop in global working hours since beginning of 2020 2020年以来全球工作时长变化情况



Q1



Q2



People facing pay cut or unemployment (x1 billion)
全球降薪或失业人数 (单位: 十亿人)

Source: COVID-19 and the World of Work released by ILO in April. 数据来源: 《新冠肺炎与职场》, 国际劳工组织4月报告。

Profound readjustment of Industrial Chain 产业链深度调整

Under the impact of pandemic and geopolitics, the pace of deconstruction and relocation of global resources has been accelerated.

全球疫情与地缘政治的冲击下，全球资源加速解构与重组，产业链合作承压。

- Relocation of global textile and apparel industry in volatility.

- 全球产业转移出现波动

Global FDI ups and downs in 2017 – 2019, a rising FDI inflow of developed economies in 2019, while that of developing economics edged down, which reflected the re-allocation of supply chain .

2017-2019年全球外国直接投资呈现较大波动，2019年发达经济体的FDI流入呈回升态势，发展中经济体FDI流入小幅下降。一定程度上反映了供应链的布局变化。

Unit: billion of dollars, %. 单位：10亿美元, %.

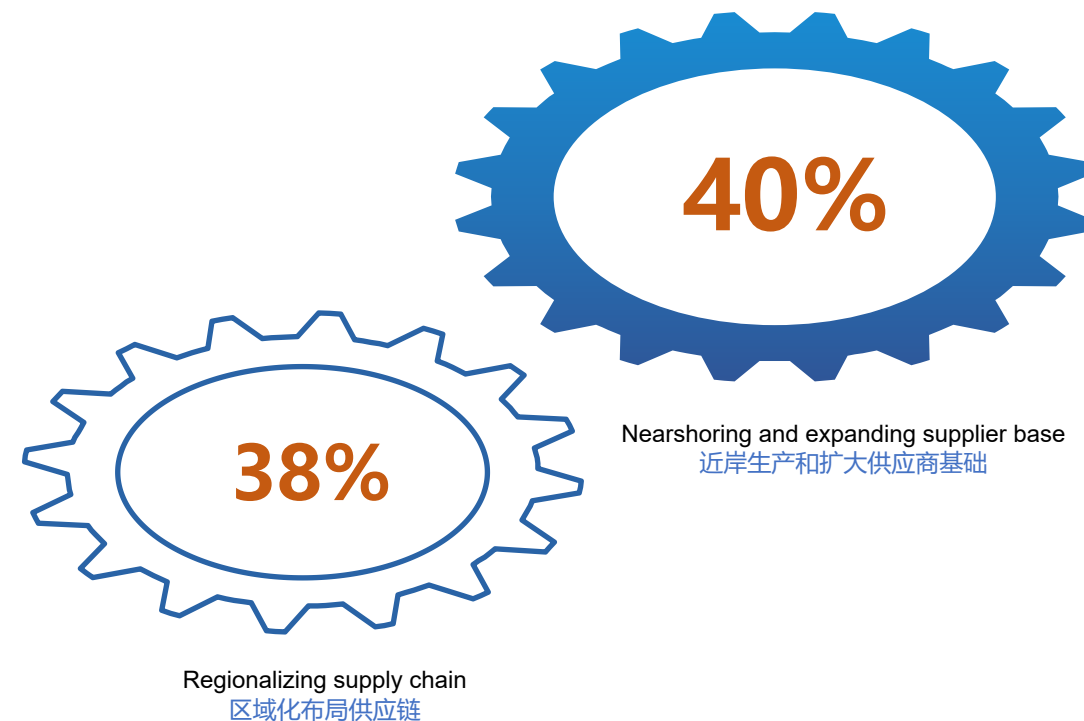
Country/region 国家/地区	2017		2018		2019	
	Value 金额	Growth rate 增速	Value金额	Growth rate 增速	Value 金额	Growth rate 增速
Global全球	1700	-14	1495	-12	1540	3
Developed economies 发达经济体	950	-25	761	-20	800	5
Europe欧洲	570	-16	364	-36	429	18
North America北美	304	-40	297	-2	297	0
Developing economies 发展中经济体	701	7	699	0	685	-2
Africa非洲	42	-10	51	22	45	-10
Asia亚洲	502	7	499	-1	474	-5
Latin America & the Caribbean 拉丁美洲和加勒比地区	156	14	149	-5	164	10

- Geopolitics intensified, a rising tide of protectionism, unilateralism as well as regionalization and localization of supply chain.

- 地缘政治强化，保护主义、单边主义升温，供应链区域化、本地化趋势强化。

Business leaders intend to build regional supply chain in the coming years

有意向在未来加快供应链区域化布局的商业领袖占比情况



Accelerated pace of digitalization 数字化进程加快

Under the pandemic, the changes in production mode and lifestyle will accelerate the extension of digital economy.

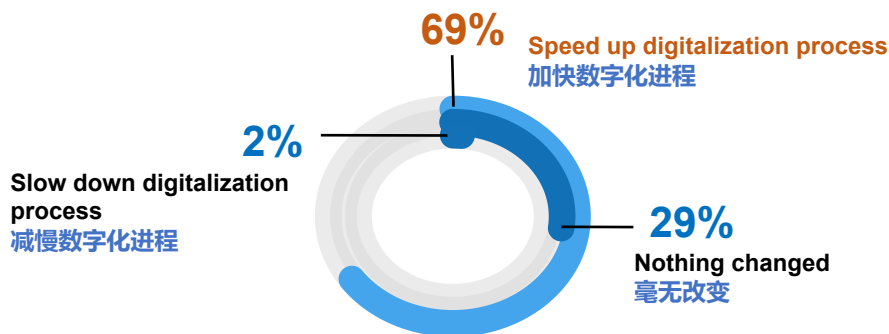
疫情之下生产、生活方式的改变，推动数字经济加速延展与下沉。

IDC predicts that the output of digital economy vs. GDP will be 62 : 100 by 2023. The digital and intelligent level of the industry will be significantly improved.

据IDC预测，到2023年数字经济产值与全球GDP之比将为62：100。产业数字化、智能化水平明显提升。

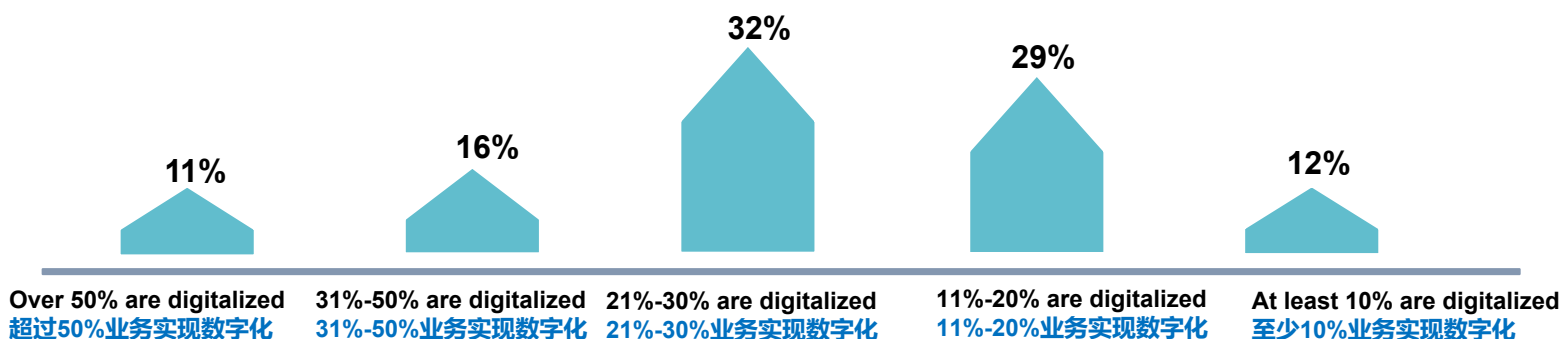
The impact of COVID-19 epidemic on the digitalization process of SMEs in the Asia-Pacific region.

新冠疫情对亚太中小企业业务数字化进程影响



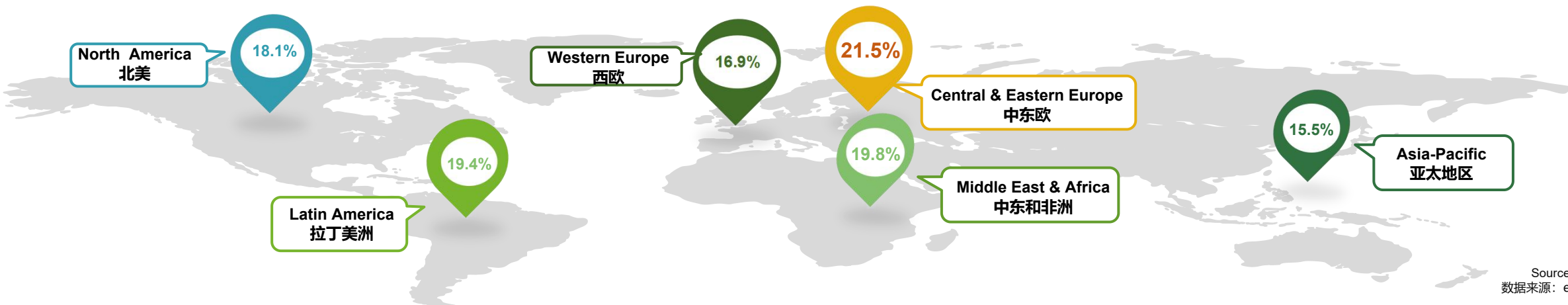
Share of digitalized business of SMEs in the Asia-Pacific region by 2021

到2021年，亚太中小企业业务实现数字化的比重情况



Source: "2020 Report on the Digital Maturity of Small- and Medium-sized Enterprises in the Asia-Pacific Region" 数据来源：《2020年亚太区中小企业数字化成熟度报告》。

In 2020, the growth of e-commerce retail sales in major areas of the world will exceed 15%. 2020年全球主要地区的电子商务零售额增长率都在15%以上



Source eMarketer : 数据来源：eMarketer。

Quicker step of responsible development 责任化发展加速推进

Epidemic spread has facilitated green production and green lifestyle to take shape.

For many countries, “green recovery” and “green stimulation” have become an important choice for economic re-start.

疫情蔓延使得绿色生产和生活方式加快形成。“绿色复苏”、“绿色刺激”成为全球许多国家经济重启的重要选择。

- Next Generation EU, a funding of **750 bil. Euro** and mid-term budget of 1.1 tril. Euro for 2021 to 2027.

Green transition is a key topic in this package.

7500亿欧元的“欧盟下一代”复苏计划和2021-2027年1.1万亿欧元中期预算提案, 其中绿色发展是重要支持方向。

- **European Green Deal**, to transform Europe into **carbon-neutral by 2050**. 根据《欧洲绿色协议》, 欧盟计划在**2050年前实现碳中和**。

EU
欧盟

China
中国

China will take more intensive policies and measures to achieve the peaking of carbon dioxide emissions around 2030 and **achieve carbon neutrality before 2060**.

中国将提高国家自主贡献力度, 采取更加有力的政策和措施, 二氧化碳排放于2030年前达到峰值, 争取在**2060年前实现碳中和**。

- **Social responsibility becomes an integral part of enterprise investment value.** 社会责任成为企业投资价值的有机组成部分。

- **Consumers pay more attention to sustainable development, green consumption becomes more important.** 消费者愈加重视可持续性发展, 绿色消费的重要性正在强化。

Due to the epidemic, consumers have begun to change their consumption behaviors 由于疫情影响, 消费者已经开始改变自身消费行为

- By Mar. 31, **3,038** institutions signed up to **UN Principles for Responsible Investment** and the total assets managed by these institutions exceeded US\$ **89 tril.** In the first quarter of this year, the number of institutions increased 666 or by **28%**. 截至2020年3月31日, 联合国责任投资原则组织全球已有3038家签署方, 总资产管理规模达89万亿美元。今年一季度, 签约机构比上年同期增加666家, 增幅达28%。

- Allbirds announced it has completed the US\$ 100 million series E funding round. 可持续创新时尚品牌 Allbirds 宣布完成1亿美元E轮融资。

57%

Consumers have made major changes to their lifestyles, so as to reduce the impact on environment 对自己的生活方式做出了重大改变, 以减少对环境的影响

>60%

Consumers spare no effort in recycling and purchasing products that use eco-friendly packages 不遗余力地回收和购买环保包装的产品

New Changes of China's Textile & Apparel Industry under New Circumstances

变局下，中国纺织服装产业的几个新变化

1

“Data + manufacturing”: to build a more flexible supply chain
“数据+制造” 打造更具柔性的新供给

2

“Contents + products”: to develop consumer preferred services
“内容+产品” 打造更具粘性的新消费

3

“Industrial cluster + new business model”: to establish a collaborative innovation eco-system
“产业集群+新经济” 打造协同创新的新生态

4

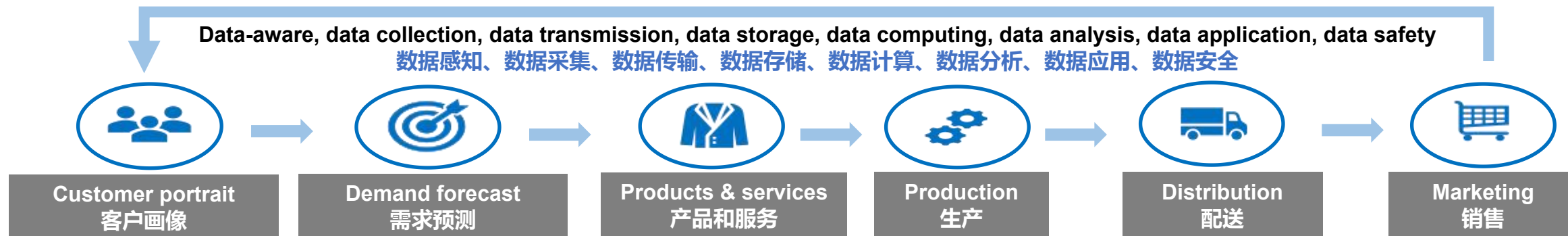
“Domestic market + international market”: to create a mutually-promoted twin circulations
“国内市场+国际市场” 打造相互促进的新循环

“Data + manufacturing”: to build a more flexible supply chain

“数据+制造” 打造更具柔性的新供给

Data have been integrated into the industry's production system and operation system in full scale, and become the most active elements that run through the entire industrial system, making the industry's supply chain more flexible.

数据已全面融入产业生产体系与运营体系，成为贯穿整个产业系统最活跃的要素。产业供应链柔性显著增强。



C to M: By combining the mass data collected by Alibaba platform with intelligent production, realizing flexible production with the assistance of cloud and AIoT technologies, the factory has reduced the minimum order to 100 pieces and lead time to 7 days.

C2M: 将阿里平台积累的海量数据与智能化生产结合，以云、AIoT技术驱动柔性化生产，实现**100件起订，7天交货**。

Dayang Group's smart custom-made garment factory can provide all kinds of customized clothes such as suits and lady's dress.

The production cycle can be shortened to 4 days and daily production reaches near 20,000 pieces/sets. 智能服装定制工厂可以完成西装、女装等全品类定制，**生产周期最短4天，日产最高接近2万套**。



Xunxi Digital Factory
犀牛制造工厂



The first lighthouse factory in global apparel industry
全球首家服装行业灯塔工厂



Dayang Group
大杨集团

“Contents + products”: to develop consumer preferred services

“内容+产品” 打造更具粘性的新消费

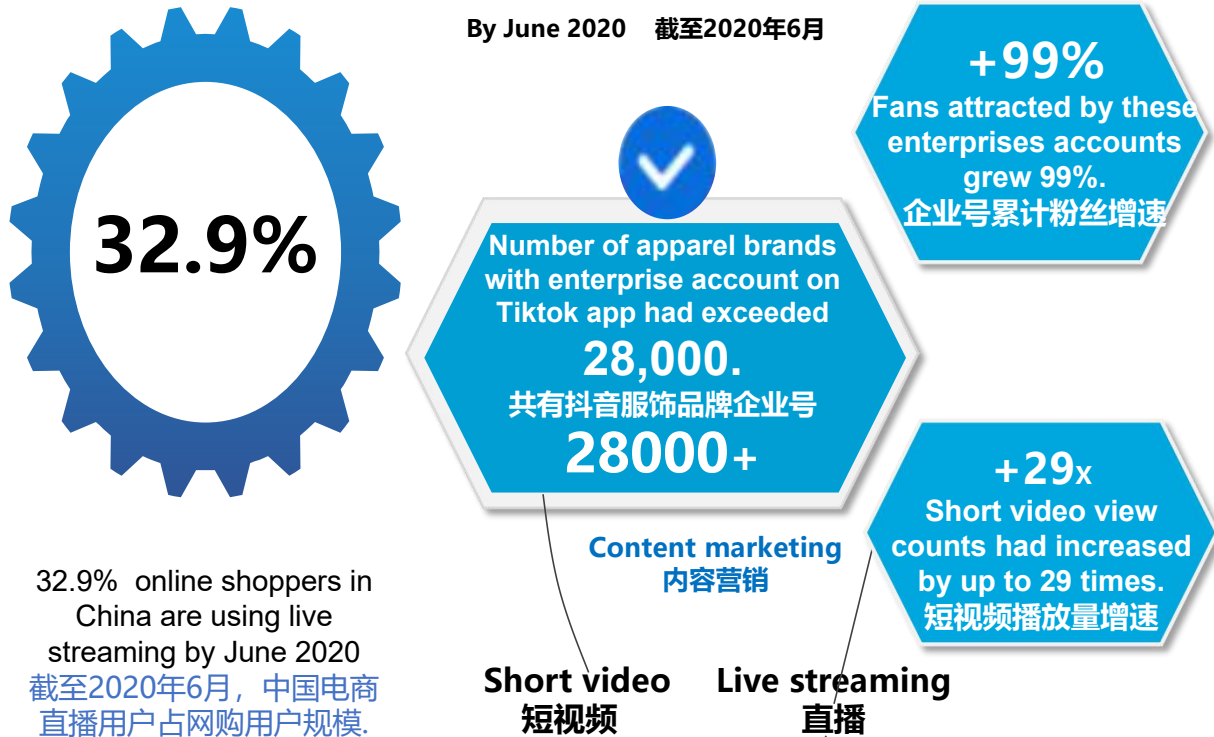
On-line is deeply embedded into sales, interactive and interesting become key points for developing customer base.
内容电商正在深度植入产品营销体系，交互与有趣成为培养客群的重要节点。

Content e-commerce channels such as short videos and live streaming provide consumers with targeted and immersive product services via strong interactive consumption scenarios.

短视频、直播等内容电商通过强交互的消费场景，给予消费者精准化、沉浸式的产品服务。

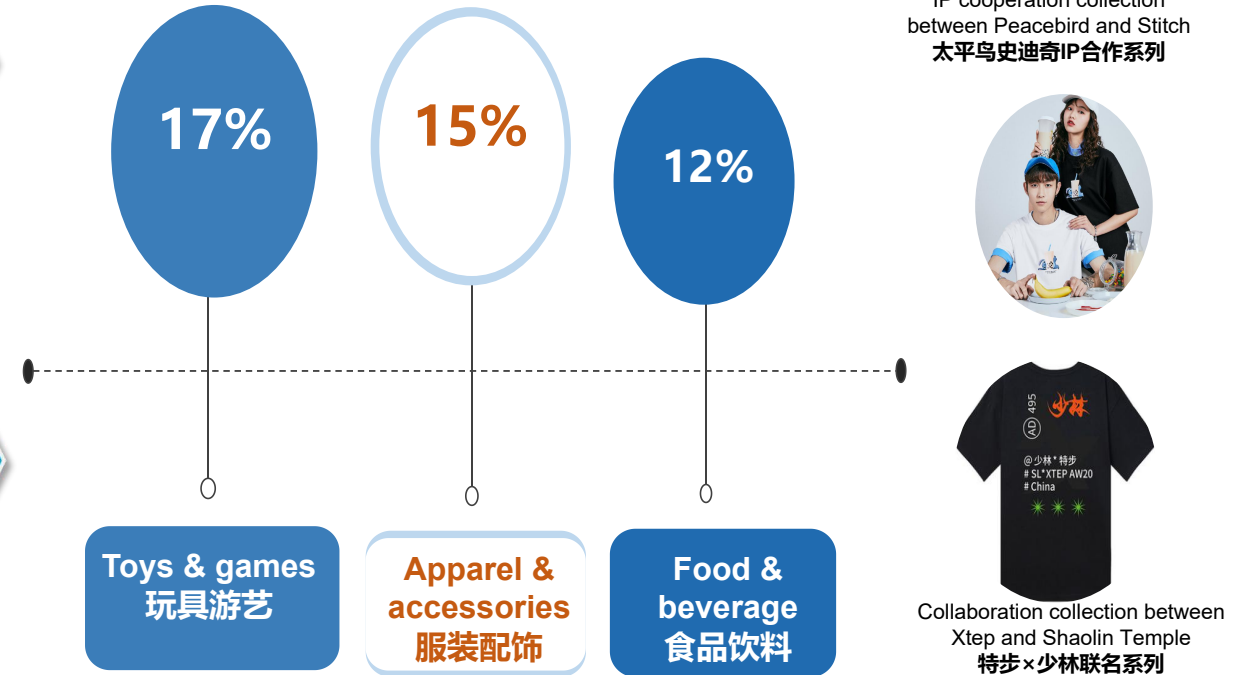
Endow products with cultural and IP contents, to increase added value of product and develop new customer base.

以文化、IP对产品进行内容赋能，提升产品附加值，营造新客群。



The proportion of the top 3 brand licensing industries in China in 2019

2019年中国品牌授权排名前三的行业占比情况



Source: CNNIC.数据来源: CNNIC.

Source: www.199IT.com. The growth rate is calculated as June 2020 vs. January 2020.
数据来源: 巨量算数, 增速计算为2020.6vs 2020.1.

Source: "China Licensing Industry Report 2020" .数据来源: 《2020中国品牌授权行业发展白皮书》.

“Industrial cluster + new business model”: to establish a collaborative innovation eco-system

“产业集群+新经济” 打造协同创新的新生态

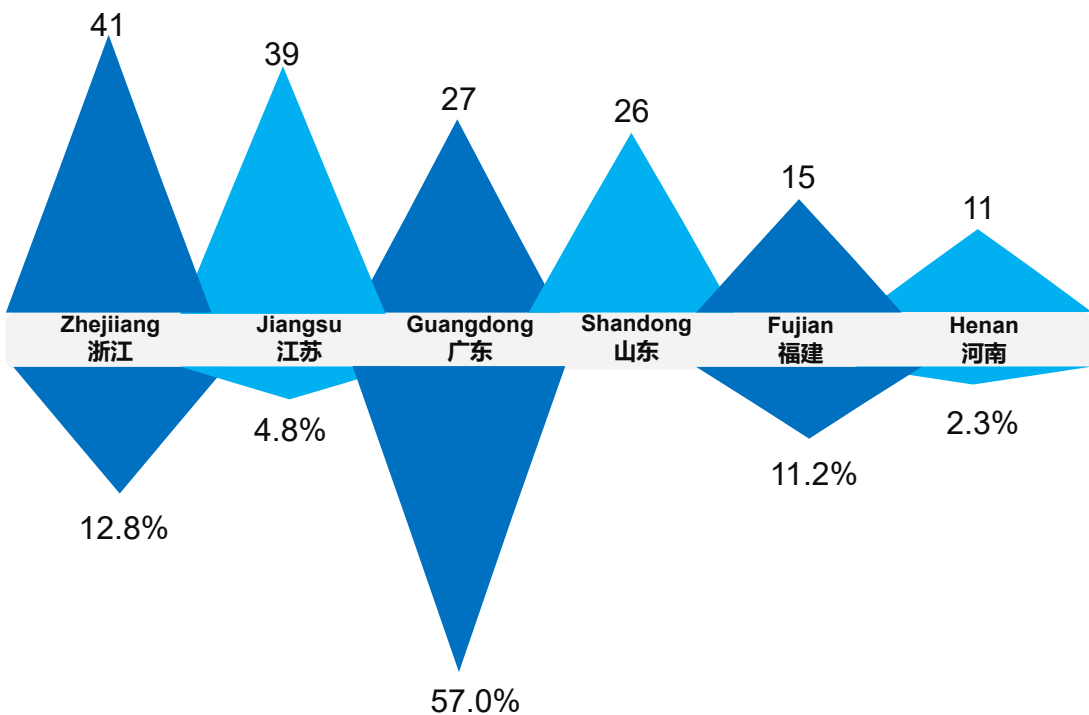
Industrial clusters become incubation ecosystem for new business models such as vertical e-business and cross-border e-commerce. In return, the fast-developing new business stimulates the vitality of industrial clusters.

产业集群正成为垂直电商、跨境电商等新经济业态的重要孵化生态。新经济的快速发展成为激发集群资源活力的重要方式。

The distribution of cross-border e-commerce is in highly accord with the geographical distribution of industrial clusters

跨境电商分布情况与集群地域分布具有高度的一致性

Distribution of pilot textile industrial clusters in top six provinces in 2019
2019年中国纺织工业集群试点数量排名前五的省份及其集群数量情况



The top five provinces ranked by the number of cross-border e-commerce exporters in 2018
2018年跨境电商出口商家数量排名前五的省份及其数量占比情况

Source: CNTAC, analysys.cn 数据来源: 中国纺织工业联合会, 易观。

RUMERE
PRE-FALL

•Rihe Rumere, a company wholly in online business, developed a “small order and quick-response” supply chain.

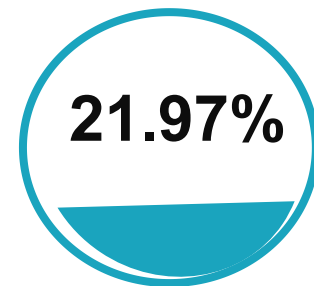
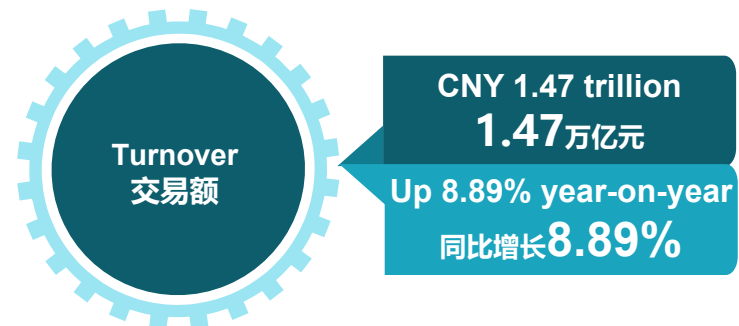
•日禾戎美是一家在线上销售的新零售电商企业, 打造了“小订单, 快反应”的供应链体系。

SHEIN

•SHEIN, a fast fashion brand in cross-border e-commerce, ranked 13th in 2020 BRANDZ™ Top 50 Global Brands from China, the company sold CNY 30 billion apparel to abroad in 2019.

•SHEIN是一家跨境电商快时尚品牌, 2020 BRANDZ™中国全球化品牌中排名13位。2019年将300亿元的服饰卖到海外。

E-commerce development of specialized textile and apparel markets in China in 2019
2019年中国纺织服装专业市场电子商务发展情况



Share in total e-commerce turnover of textile and apparel industry
交易额占行业电子商务交易额的比重

Source: Department of Informationization of CNTAC, China Commercial Circulation Association of Textile and Apparel
数据来源: 中纺联信息化部、流通分会。

“Domestic market + international market”: to create a mutually-promoted twin circulations

“国内市场+国际市场” 打造相互促进的新循环

China's textile industry is supported by the huge domestic market, and acts as the best representative in the process of further opening-up.
中国纺织工业有大规模内需市场作为依托，同时也是中国建立开放型经济的典型代表。

The consumption upgrading in domestic market, is promoting the upgrading of production efficiency and technological progress.

国内市场消费升级，带动生产效率提升和技术进步。

Open economy
开放型经济

Continuous evolution is taking place in social responsibility and win-win cooperation in the process of internationalization.

在国际化的过程中，社会责任和合作共赢在持续演进。

The quality of life, income level and consumption capacity of the Chinese people have been continuously improved, and the potential of domestic market gradually released.

中国人民生活品质 and 收入水平、消费能力不断提升，内需市场潜力逐步释放。

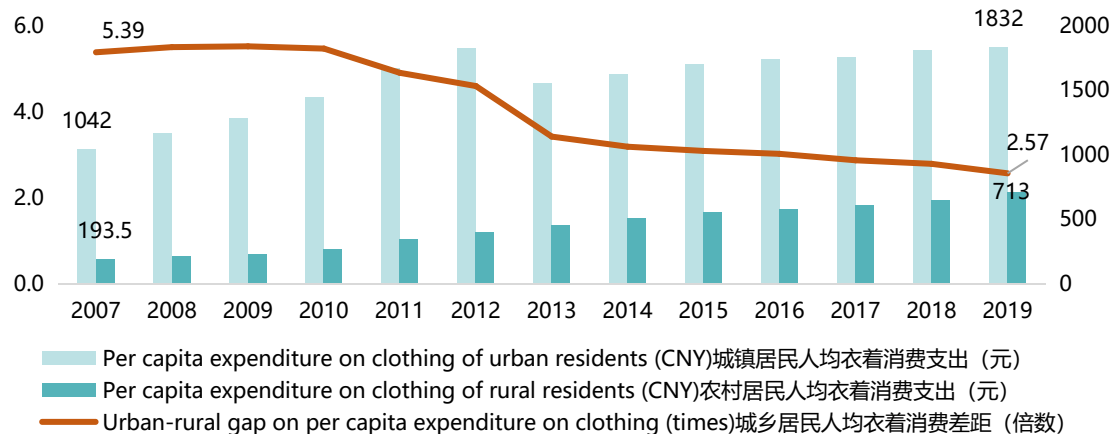
Through production going-abroad and overseas acquisition, the textile industry is developing a more globalized development.

产业正通过产能合作、跨国收购等方式营造更加全球化的生态格局。

Domestic fiber consumption (mil. Tons)
中国内需市场纤维消费量 (百万吨)



The urban-rural gap on clothing consumption further narrowed from 2007 to 2019, which brought a huge market potential.
2007—2019年城乡衣着消费差距持续收窄，市场潜力巨大



Source: National Bureau of Statistics
数据来源：国家统计局。



Outbound Investment of China's textile industry
in 2015-2019 (bil. USD)
2015-2019年中国纺织产业对外投资额 (十亿美元)

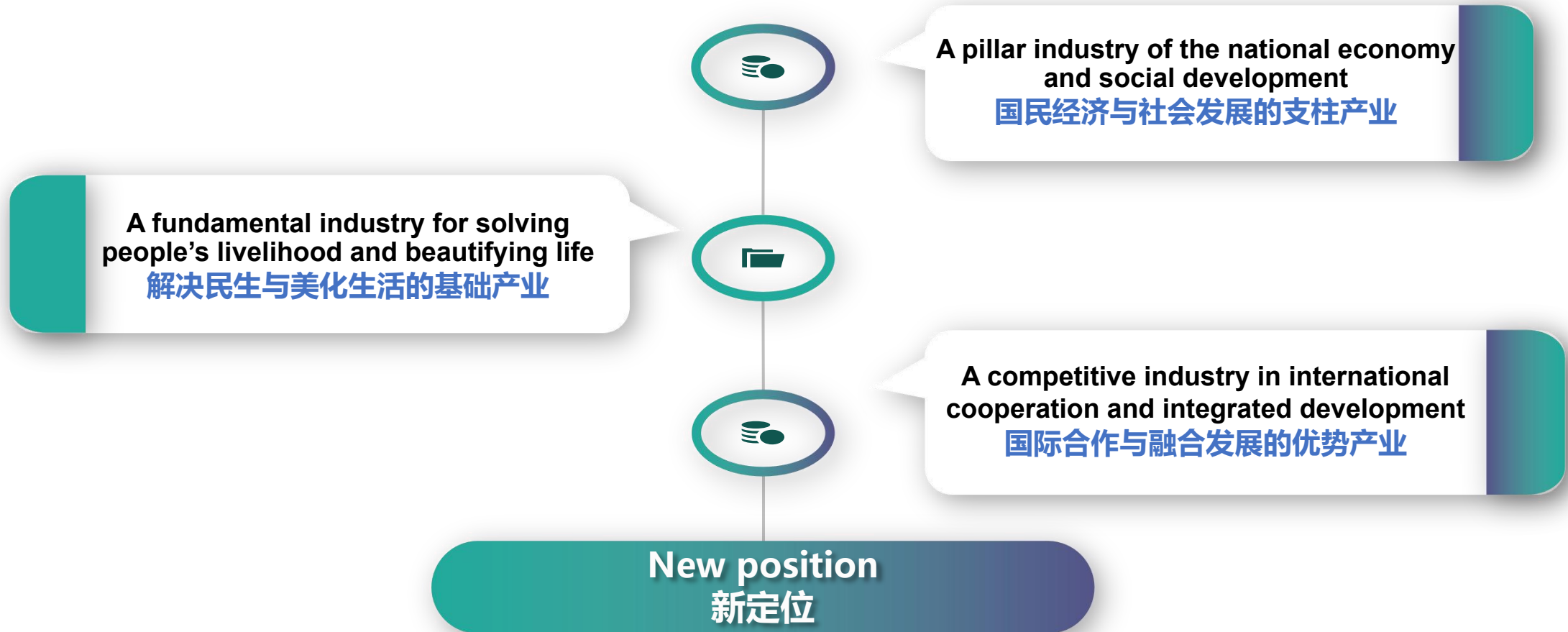
Source: CNTAC 数据来源：中国纺织工业联合会。

New Thinking on the position of Chinese textile industry

中国纺织工业定位的新思考

China will enter into the 14th “Five-year Plan” period. Standing at the new height of building a community with shared future for mankind, China’s textile industry should strengthen global cooperation and find its new position in social & economic development.

中国即将进入“十四五”时期，纺织工业需要在建设人类命运共同体的高度下，强化全球合作，寻找行业在社会经济发展中的新定位。



Outlook of China's Textile Industry 中国纺织工业的未来展望

•Based on the social responsibility principles of people-oriented, environment friendly and fair competition, promote sustainable.

•围绕人本责任、环境责任、市场责任建设，推动行业可持续发展。

•Enhance the industry's competence in green design, green manufacturing, green management and green consumption, and improve the ability to response to environmental challenges.

•加强绿色设计、绿色制造、绿色管理、绿色消费，提升应对环境挑战的行动力。

Responsible development 责任发展



Innovative development 创新发展

•Promote the R&D and application of materials, products, process and equipment, facilitate the industry to extend to new areas.

•开展原材料、产品、工艺、装备的研发与应用，推动产业向新兴领域延伸。

•Promote the integration of local culture with global trend.

•推进本土文化与全球潮流的融合。

•Promote the integration and application of information technology.

•推动新一代信息技术在行业的融合应用。

•Reduce trade barriers and promote cross-border flows of resources incl. product, technology, production capacity, brand, capital, etc.

•减少贸易壁垒，推动产品、技术、产能、品牌、资本等跨境流动。

•Promote the docking of internal and external resources and markets, and reduce conversion costs.

•推动内外资源与市场对接，降低转化成本。

Coordinated development 协同发展

Intensive development 集约化发展

•Develop cluster economy and platform economy, promote the gathering of resources including talent, technology, capital and professional service.

•发展集群经济和平台经济，促进人才、技术、资金、专业服务资源集聚。

•Through M&A and alliance, to integrate high-quality resources and extend the business chain.

•企业通过并购、联合，整合优质资源、延伸产业链



THANK YOU!