

INTERNATIONAL
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CONFERENCE
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PRESENTATION

Session:

Region In Focus: Vietnam

Title:

Vietnam Spinning Industry: Comprehensive look & prospect

Speaker:

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Conference Organization

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VCOSA

VIETNAM SPINNING INDUSTRY: COMPREHENSIVE LOOK & PROSPECT

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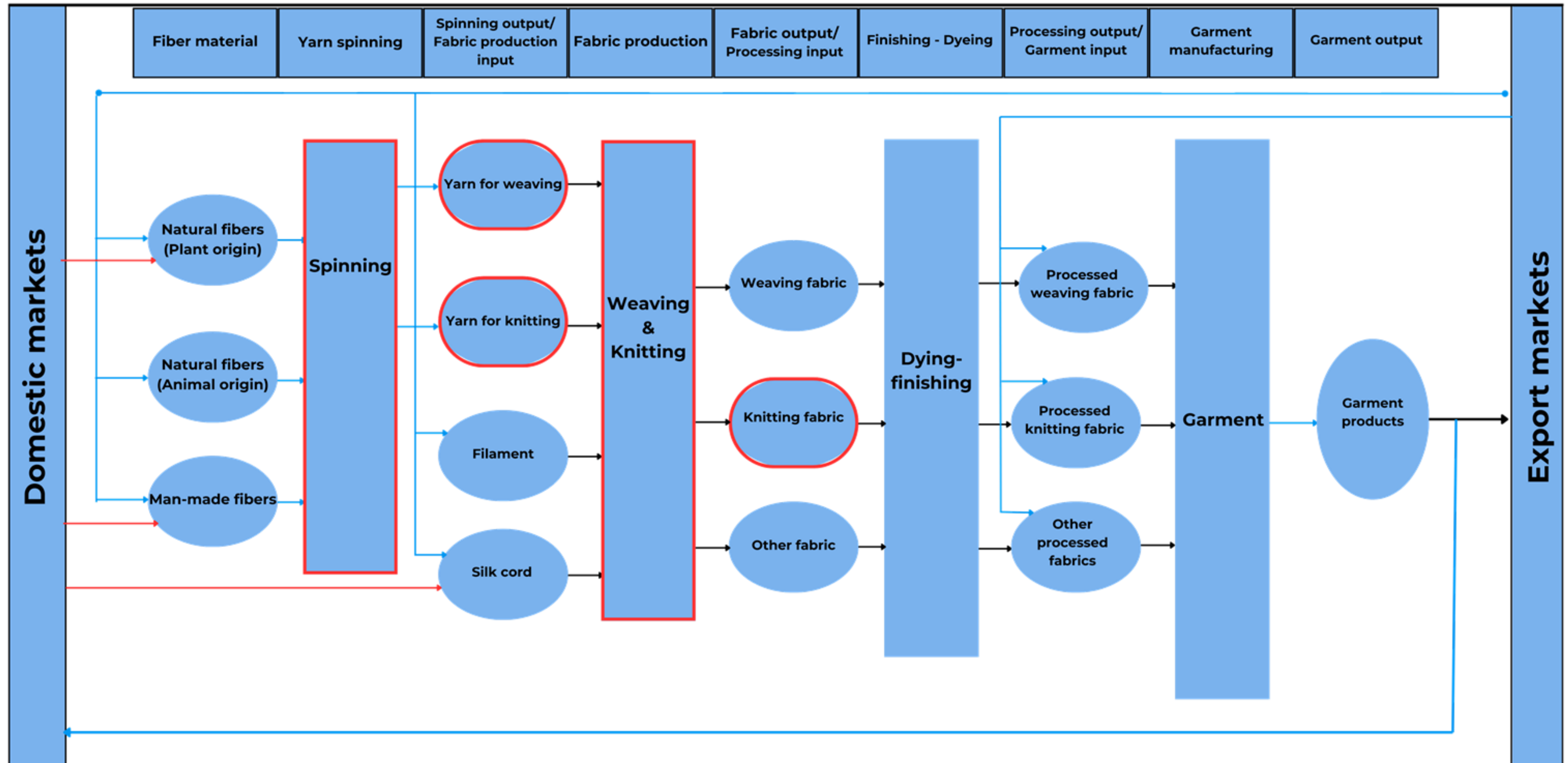
Summary



DEVELOPMENT HISTORY OF VIETNAM'S SPINNING INDUSTRY & CURRENT SITUATION

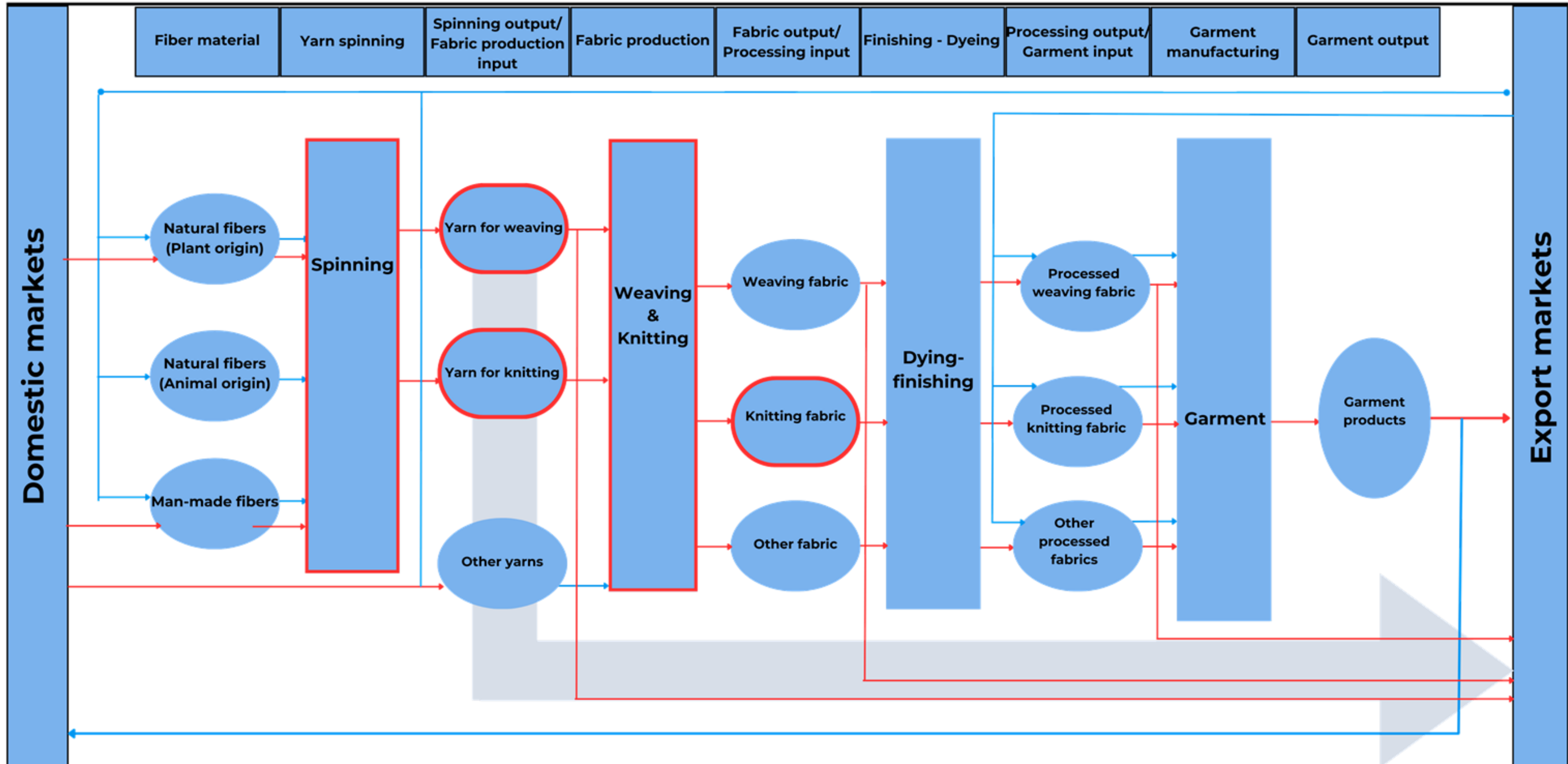
- ❖ **Vietnam market before 1995**
- ❖ **Vietnam market after 1995**
- ❖ **Vietnam spinning current situation**

Vietnam market before 1995



Overall flowchart of Vietnam's textile industry (pre-open door policy)

Vietnam market after 1995



Overall flowchart of Vietnam's textile industry since the open-door policy

Vietnam spinning current situation

About 150,000

Labor force

3 million tons

Yarn production in 2023

About 190

Factories from
145 legal entities

65% / 35%

Yarn export / domestic use

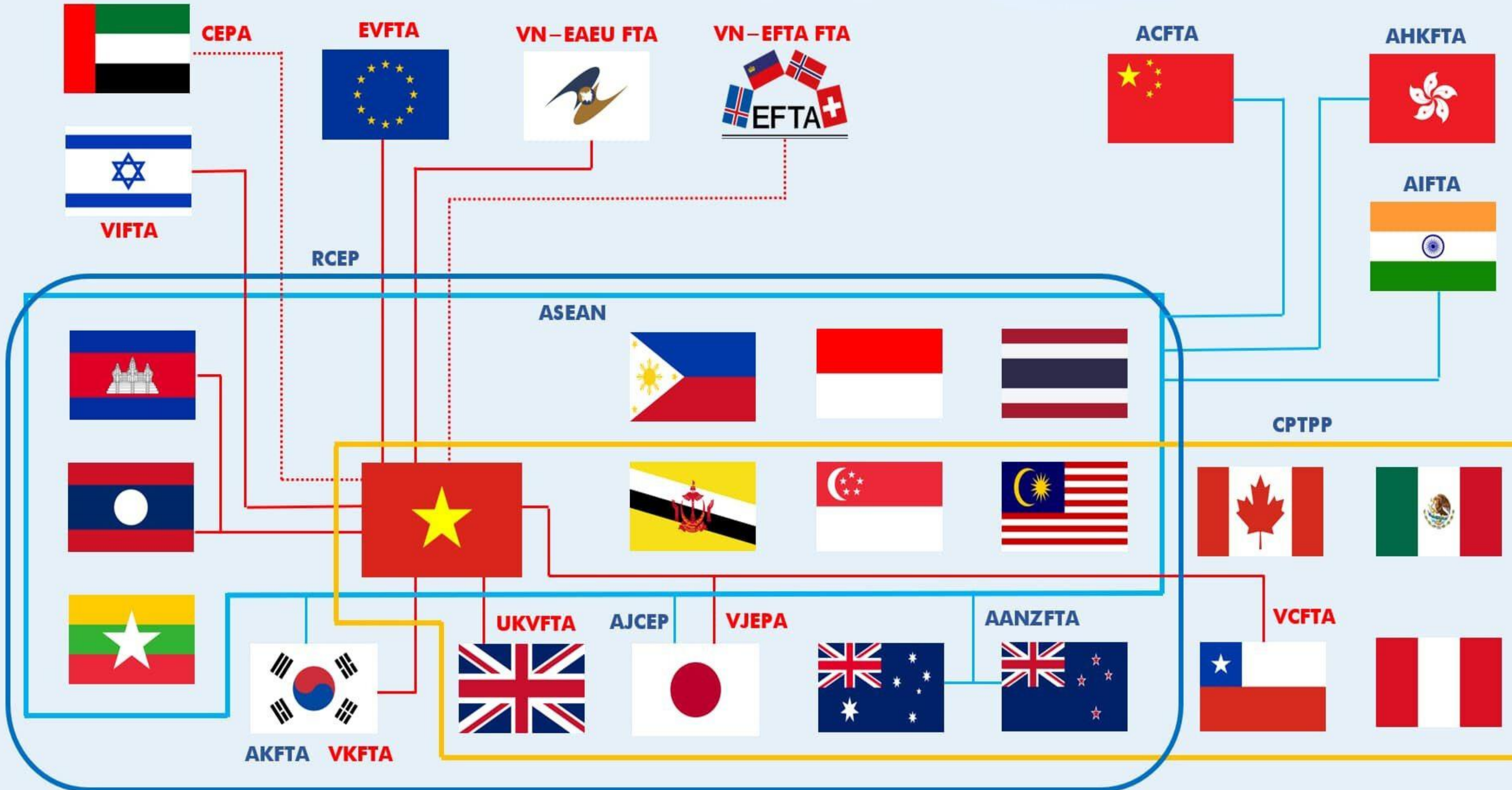
10.6 million

Spindles

80 – 90% capacity

Production situation

Vietnam's Free Trade Agreements

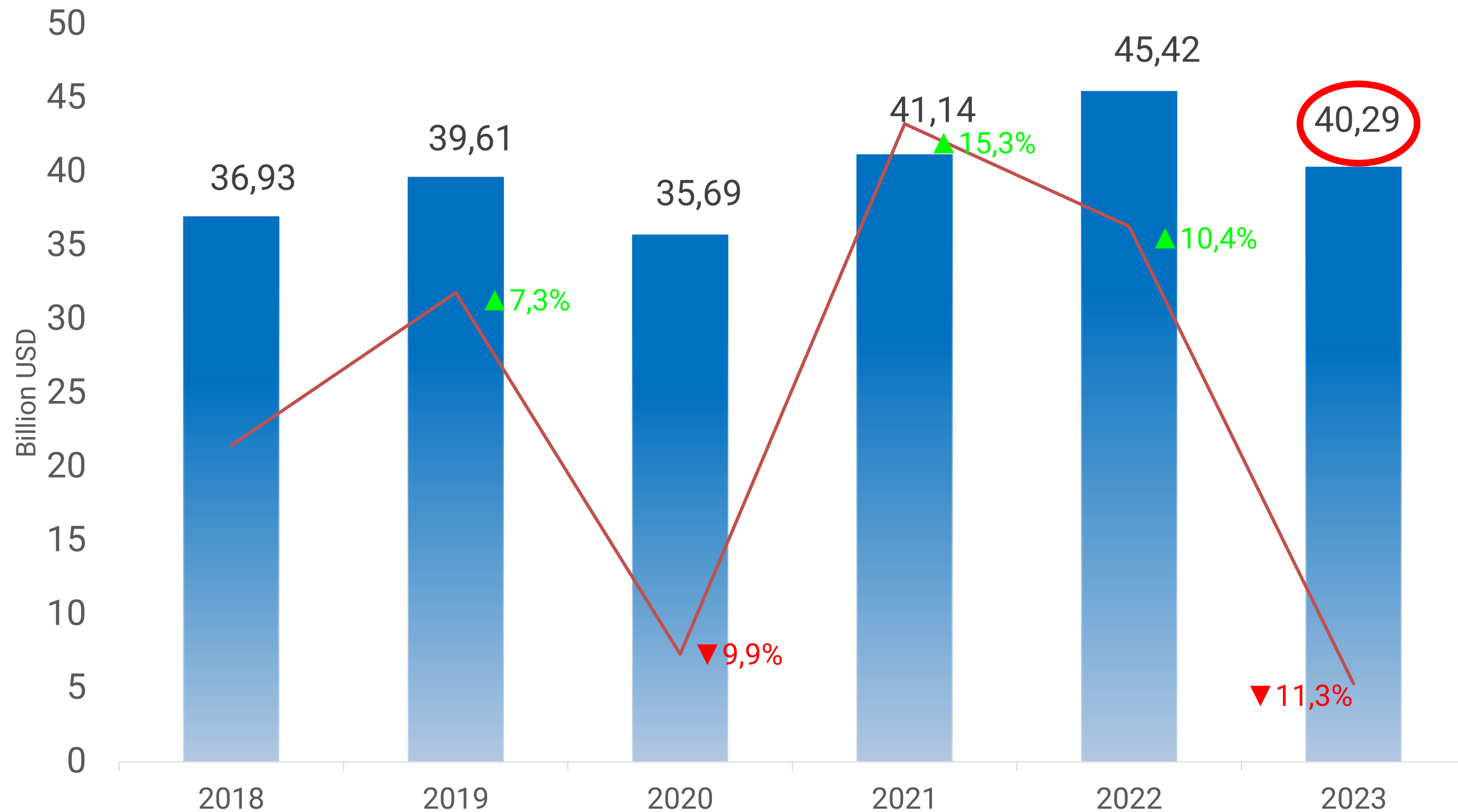


OVERVIEW OF THE SPINNING INDUSTRY IN THE TEXTILE AND APPAREL SUPPLY CHAIN

- ❖ **Vietnam Textile & Apparel export**
- ❖ **Vietnam's import in yarn industry**

Vietnam Textile & Apparel export

The Export Turnover of Vietnam's Textile and Apparel



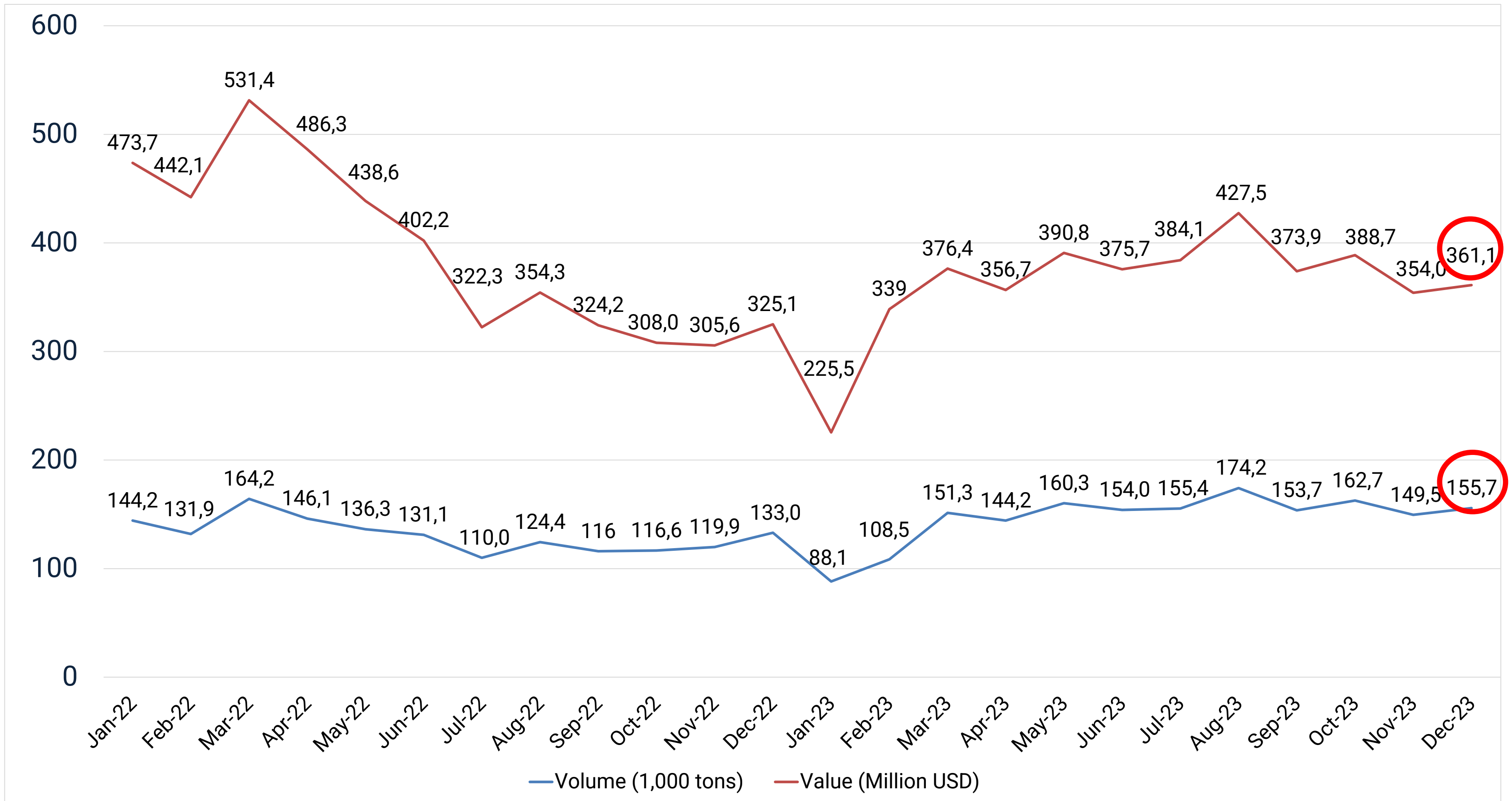
(Source: Vietnam Customs)

The Export Turnover of Vietnam's Textile and Apparel

		Dec-23		Compare last month (%)		2023		Compare to 2022 (%)	
		Q'ty (1,000 MT)	Value (Mil. USD)	Q'ty	Value	Q'ty (1,000 MT)	Value (Mil. USD)	Q'ty	Value
Import Items	Cotton	121.1	241.17	1.1	1.7	1,337.60	2,831.66	-6,8	-29.7
	Fiber & Yarn	95.3	196.45	-4,2	1,2	1052.96	2,191.23	0.7	-13.9
	Fabric	-	1,142.64	-	-2.9	-	13,016.74	-	-11.5
	Accessories	-	527.59	-	-1.7	-	6,008.03	-	-9.9
	TOTAL	-	2,107.85	-	-1.71	-	24,047.66	-	-13.96
Export Items	Fiber & Yarn	155.7	361.1	4.1	2	1,784.20	4,355.70	13.4	-7.6
	Textile & Apparel (<i>include fabric</i>)	-	2,901.35	-	5.5	-	33,329.14	-	-11.4
	- <i>Fabric</i>	-	198.9	-	1.9	-	2,391.80	-	-12.4
	Accessories	-	164.4	-	5	-	1,952.06	-	-12.9
	Technical Textile	-	54.57	-	-3.4	-	661.02	-	-23.5
TOTAL	-	3,481.42	-	4.94	-	40,297.92	-	-11.3	

(Source: Vietnam Customs)

Vietnam's Fiber & Yarn Exports in 2022-2023

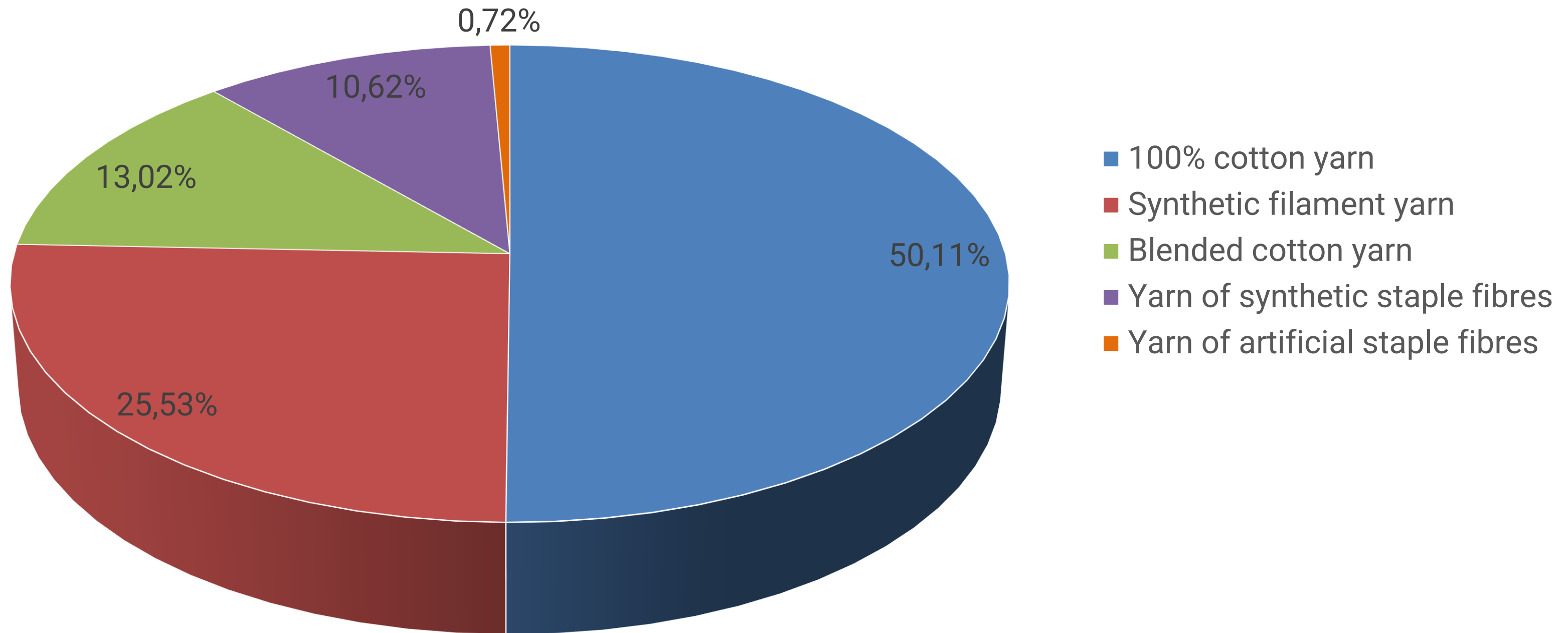


(Source: Vietnam Customs)

Export price of fiber and yarn 2022-2023 (USD/ton)



Vietnam's Yarn Exports in 2023



Vietnam's Fiber And Yarn Exports

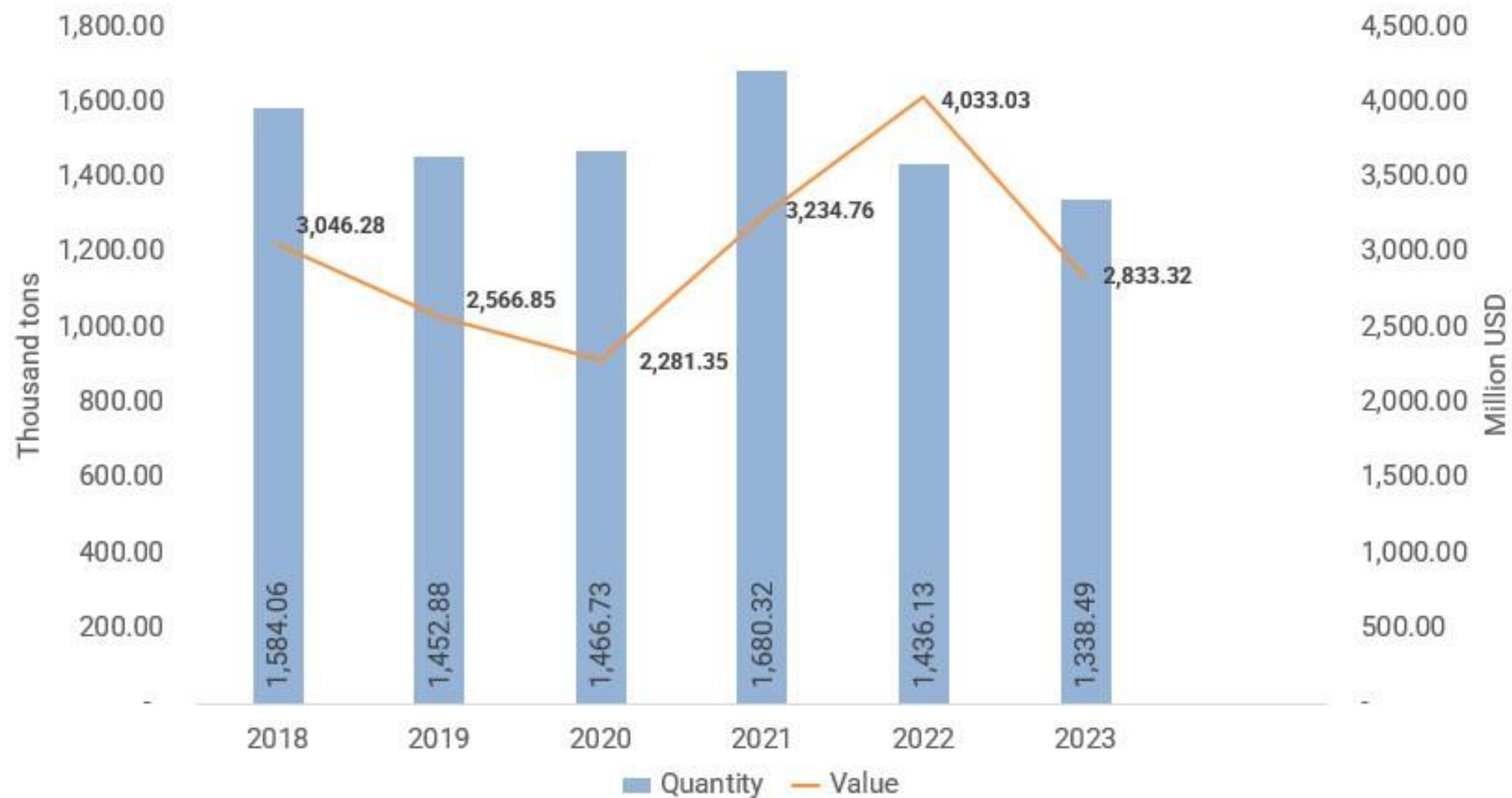
(in tons)

No.	Importer	2018	2019	2020	2021	2022	2023
1	China	787,445	963,378	956,914	1,027,851	710,757	882,715
2	Korea	163,207	148,075	151,792	178,226	145,181	138,794
3	USA	40,915	48,666	75,778	108,848	108,108	105,490
4	Turkey	64,662	64,441	39,036	21,758	26,400	15,399
5	Thailand	42,722	46,465	36,992	30,411	37,703	31,068
6	Brazil	34,269	55,303	41,605	36,377	29,328	27,432
7	Taiwan	24,932	19,545	34,488	57,202	44,790	31,744
8	Japan	22,356	28,970	28,019	34,758	37,169	40,420
9	Bangladesh	23,287	19,654	20,450	44,322	46,501	33,663
10	India	33,268	37,453	17,527	24,284	43,038	33,568
11	Others	241,445	286,118	335,647	363,722	344,830	440,973
	Total	1,478,508	1,718,068	1,738,248	1,927,759	1,573,805	1,784,254

(Source: Vietnam Customs)

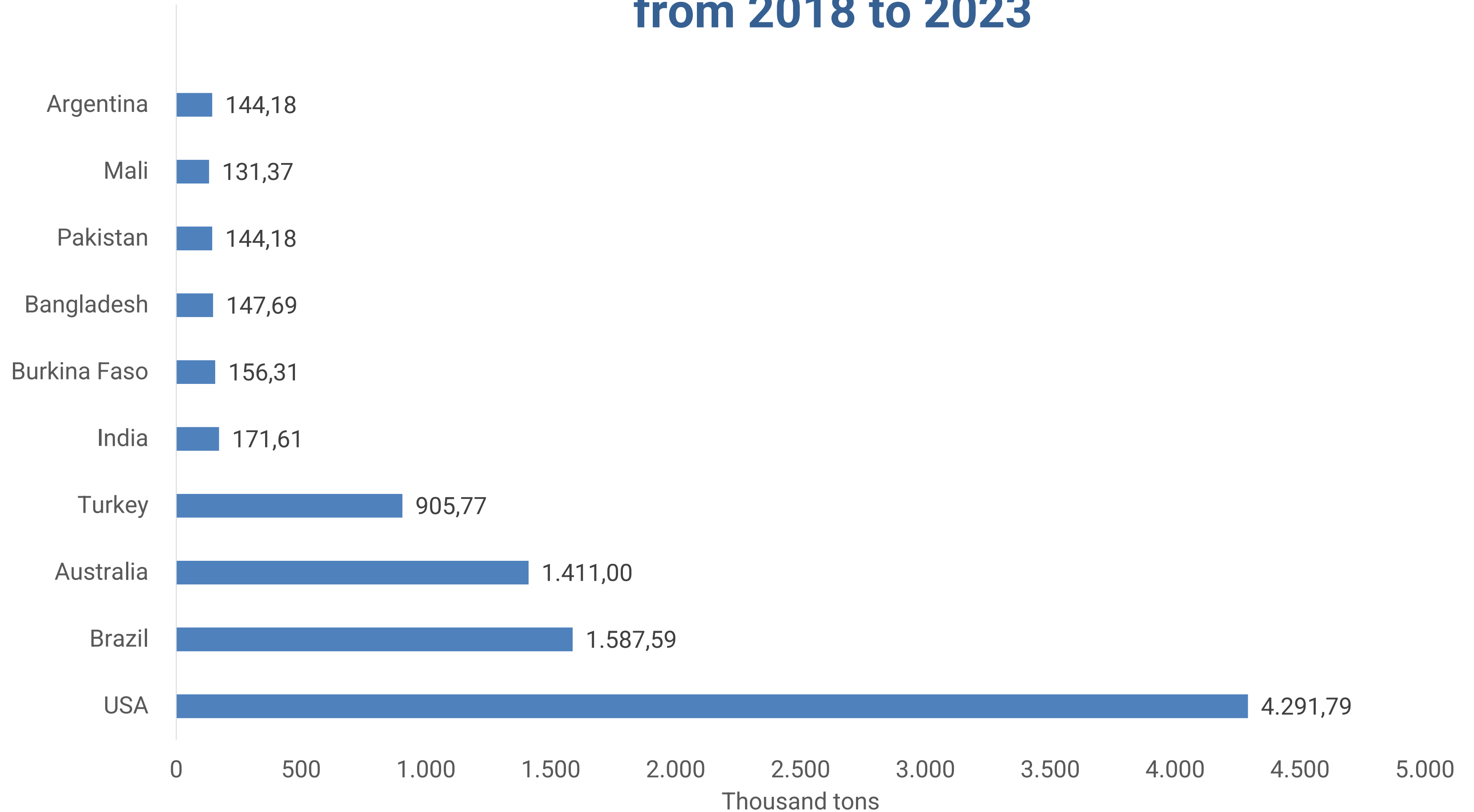
Import in spinning industry

Vietnam import cotton from 2018 to 2023



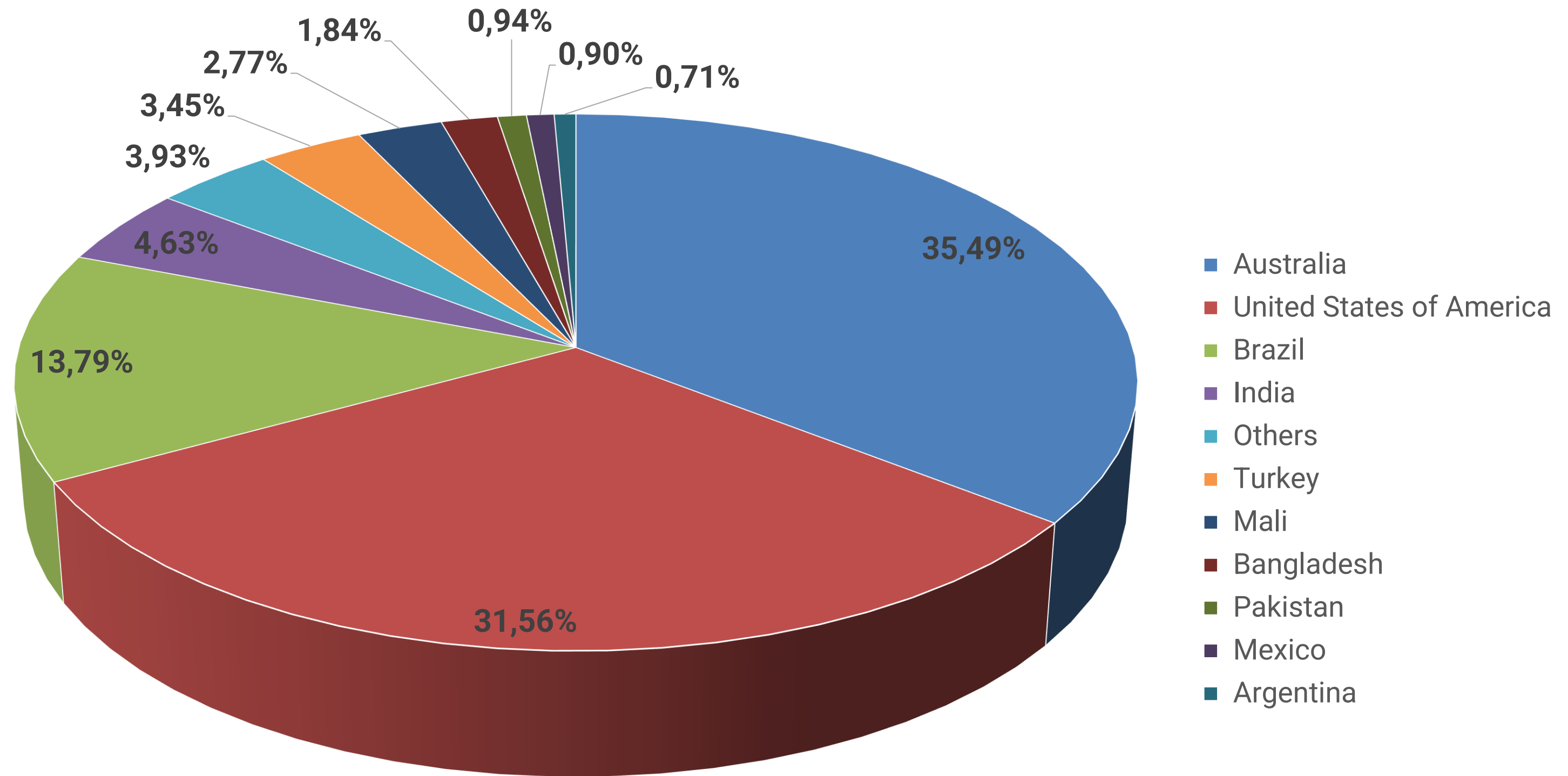
(Source: Vietnam Customs)

Top 10 countries export cotton to Vietnam from 2018 to 2023



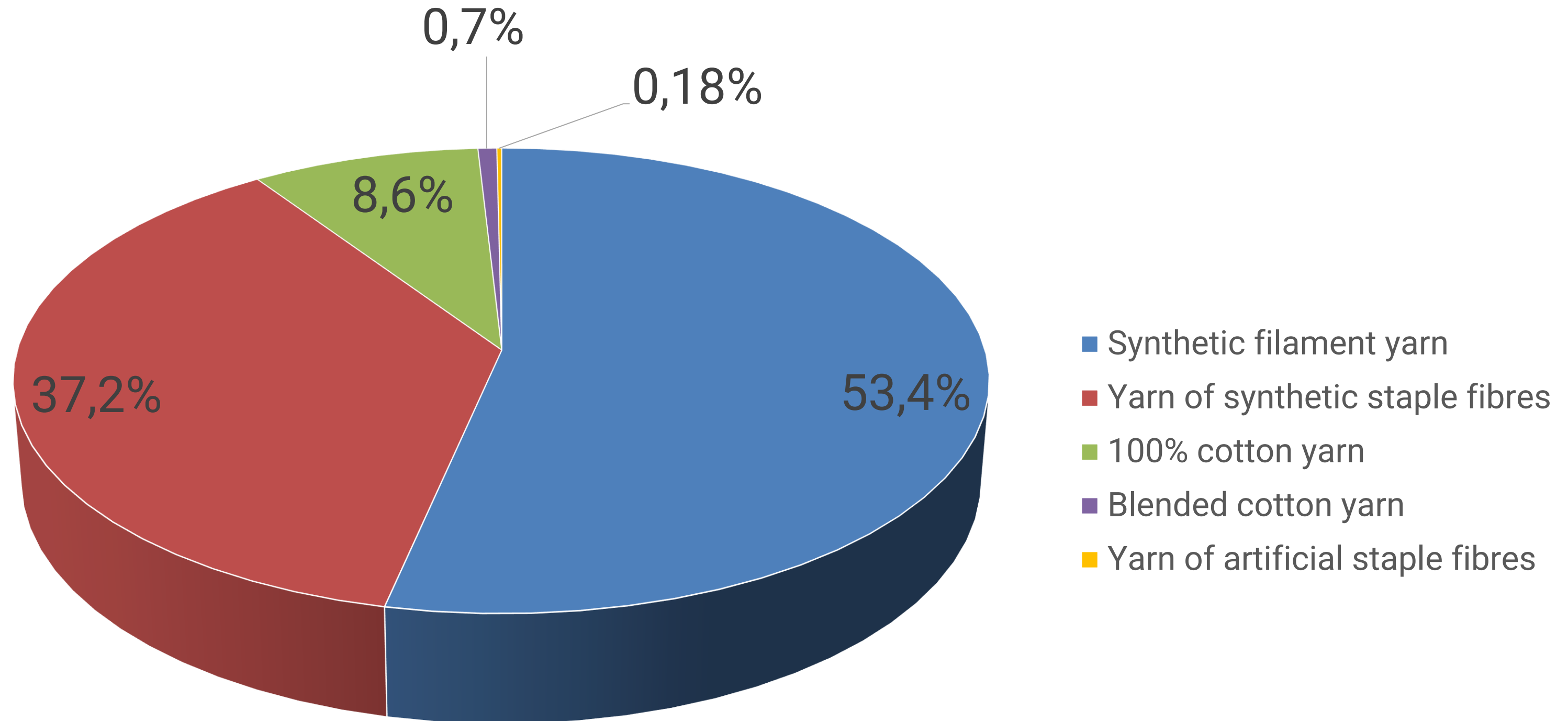
(Source: Vietnam Customs)

Vietnam cotton import market share in 2023



(Source: Vietnam Customs)

Type of Vietnam yarn import in 2023



PROSPECTS OF SPINNING INDUSTRY

- ❖ **SWOT analysis**
- ❖ **Invest in the textile, dyeing and finishing industry in Vietnam**

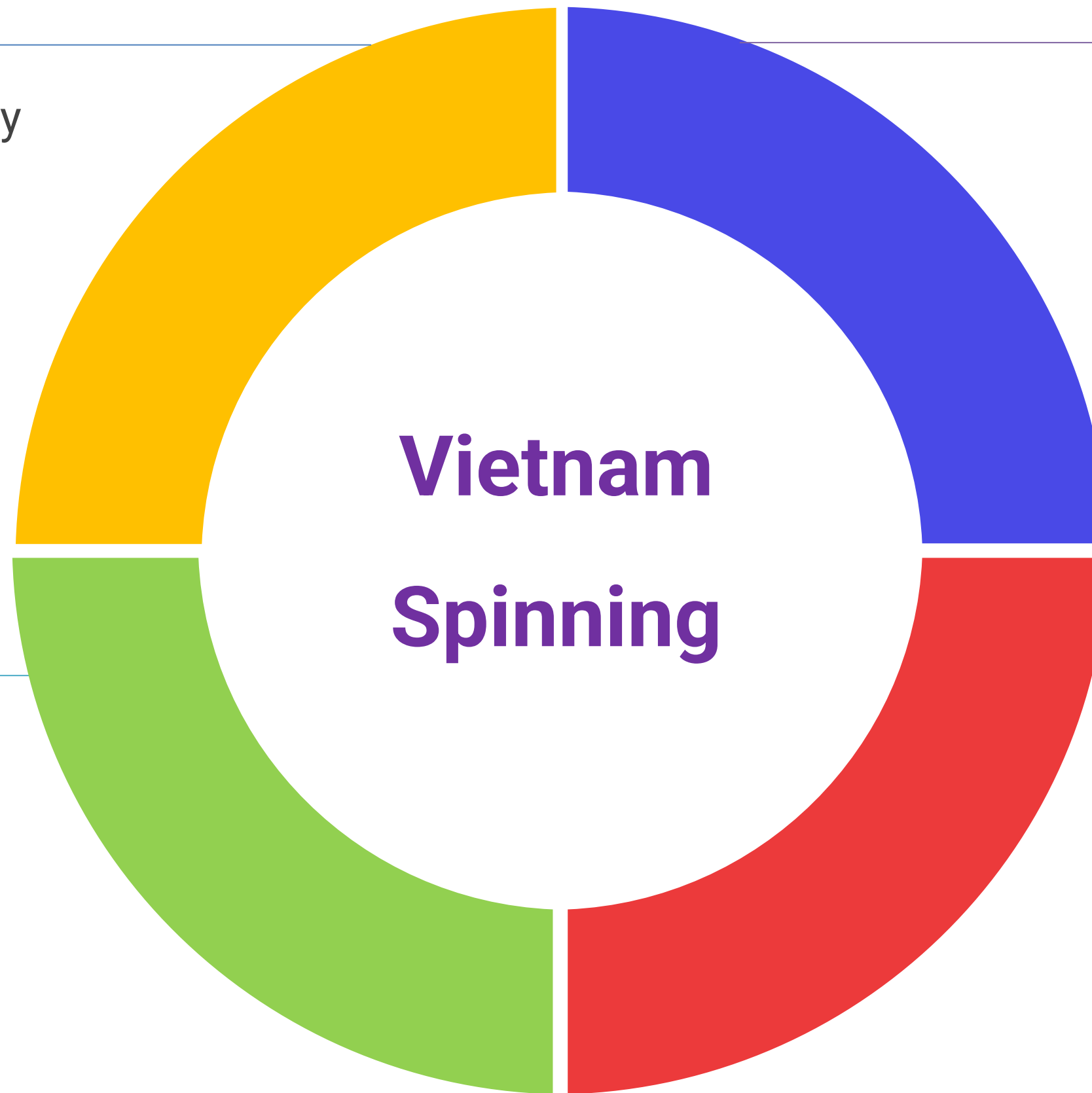
SWOT analysis

Strengths

- Actively choose high quality cotton sources
- Competitive labor costs
- Export growth
- Government support
- Skilled workforce

Opportunities

- Sustainable development trend
- Enhance added value
- Market diversification
- Apply technology
- Take advantage of FTAs



Weaknesses

- Uncompleted supply chain
- Policies in the textile and dyeing stage
- Dependence on imported cotton

Threats

- Competition from other countries
- Global economic fluctuations
- Raw material price fluctuations
- Trade barriers (Geopolitical issues & Tariffs & Supply Chain Disruptions)
- Sustainability and Certifications

Solutions

01. COLLABORATION IS KEY:

- Fostering partnerships among **cotton organization, textile players, technology providers, researchers, and government agencies**
- Collaborating with **NGOs** can build trust and brand value

02. INVESTING IN RESEARCH AND DEVELOPMENT:

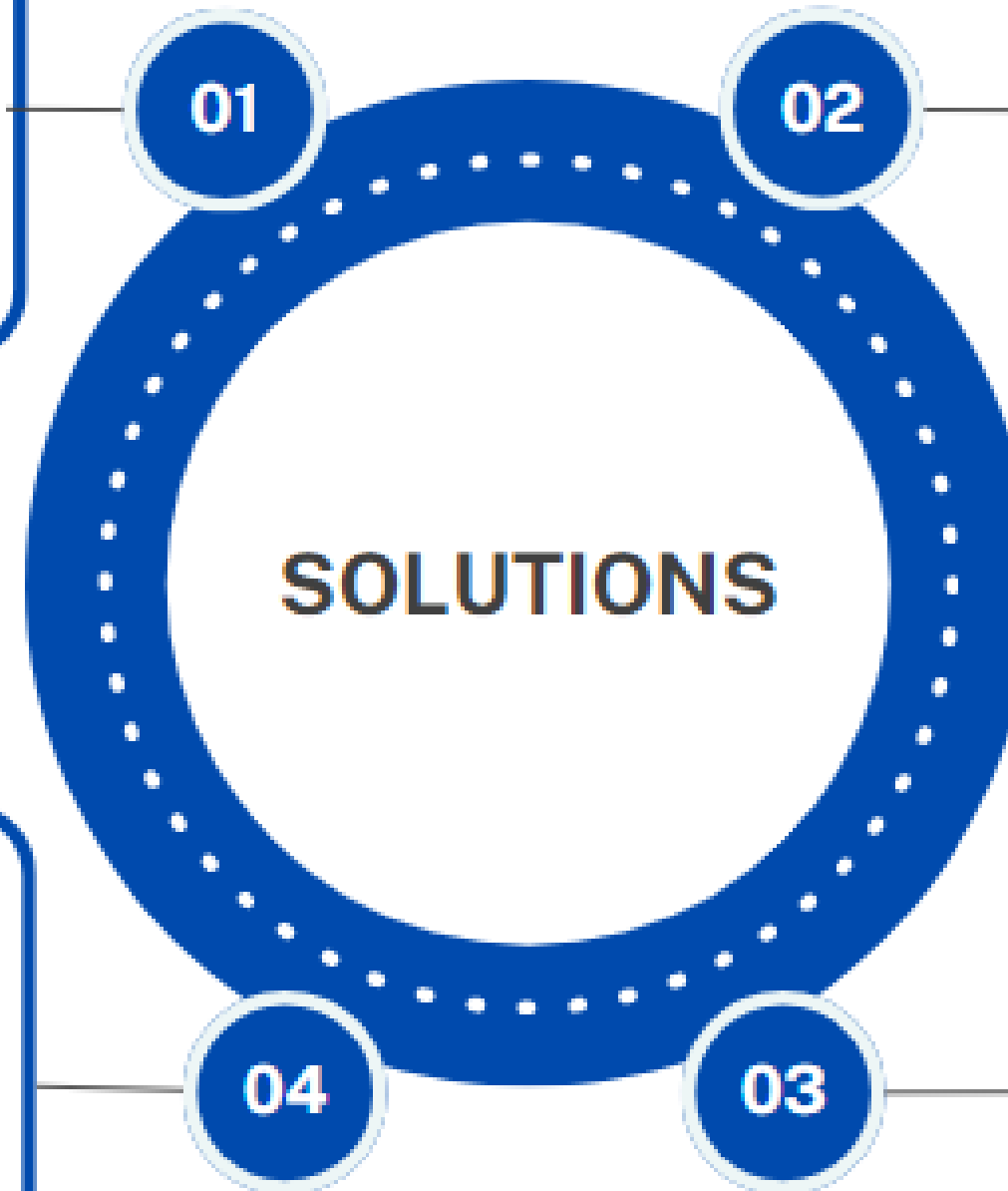
- Exploring new materials, sustainable processes, and smart technologies
- Trend update
- Cotton and textile expert's in-depth analysis of quality

04. BUILDING A DATA-DRIVEN ECOSYSTEM

- Embracing data analytics and digital platforms will **enhance transparency, optimize production, and empower sustainable practices...**

03. EDUCATION AND SKILLS DEVELOPMENT:

- **Equipping** workers with the **skills** needed for future development (Advanced workshop training about technical, specific processes, arbitrators, and trade...)



Invest in the textile, dyeing and finishing industry in Vietnam

STRATEGY, TARGETS FOR FABRIC PRODUCTION, CURRENT DEMAND AND CAPACITY

STRATEGY

Decision No. 1643/QD-TTg of the Prime Minister dated December 29, 2022, approves the strategy for the development of Vietnam's textiles, garment, and footwear industries to 2030, vision to 2035 setting a target for **the localization rate** (equivalent to the production of fabric) as follows:

PROJECTED CAPACITY

According to Decision No. 1643/QD-TTg



Period 2021 - 2025

51% - 55%

of demand



Period 2026 - 2030

56% - 60%

of demand

2025 proportion of localization to be reached

7.95 billion meters

Increase of 3,95 billion meters compared to the output in 2022

2030 proportion of localization to be reached

11.02 billion meters

Increase of 7,02 billion meters compared to the output in 2022

Aurora Textile Industrial Park – One of Affiliated Member of VCOSA



RANG DONG TEXTILE INDUSTRIAL PARK

Location: Rang Dong town, Nghia Hung district, Nam Dinh province

Area:

519.6 HA

Industrial land area:

322.41 HA

Product:

Industrial Land For Lease

Industries:

Textile and garment industries includes: Manufacture of garments, leather goods, bags, filature, textile, printing - dyeing, manufacture of accessories, packaging; Construction material industry, light industry, supporting industry, office services, other support services, etc.
Preferential industries: Dyeing, filature, textile, etc.

Duration:

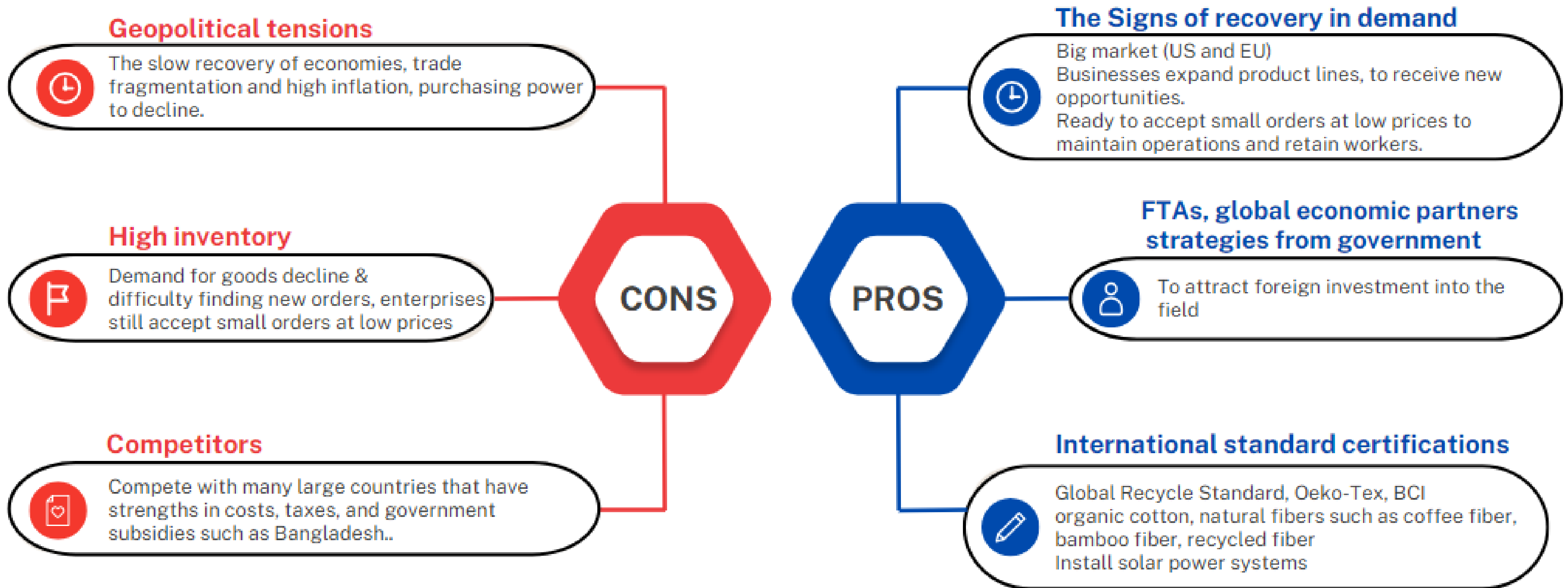
Until June 30, 2065



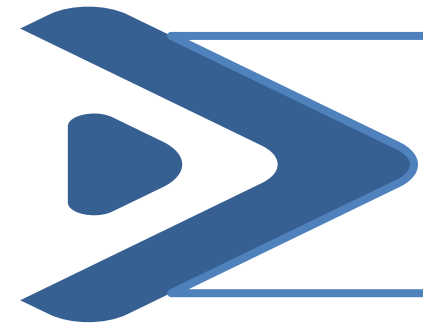
EXPECTATIONS FOR SPINNING INDUSTRY IN VIETNAM

- ❖ **VCOSA's current assessments**
- ❖ **Expectations of Vietnamese Spinning Enterprises**
- ❖ **VCOSA's activities**
- ❖ **VCOSA's partners**

VCOSA's current assessment



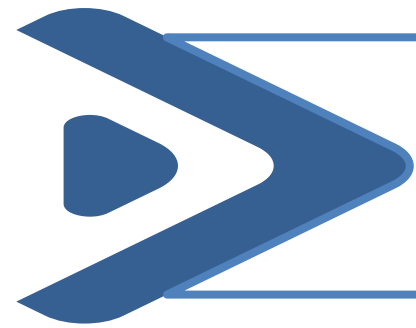
Expectations of Vietnamese Spinning Enterprises



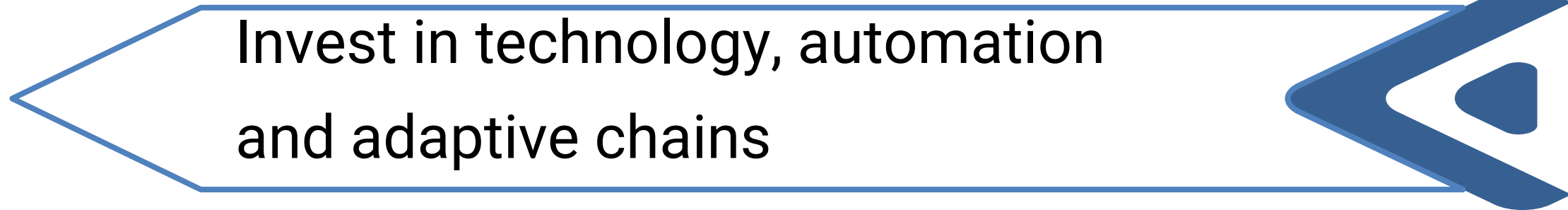
Commit to sustainable development



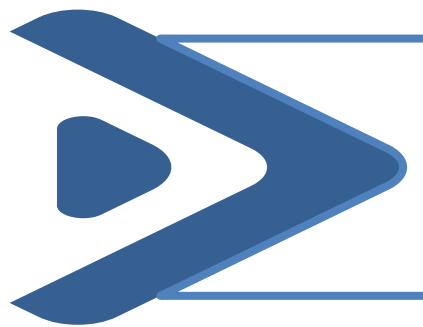
Diversify markets, customers and products



Explore and anticipate trends



Invest in technology, automation
and adaptive chains

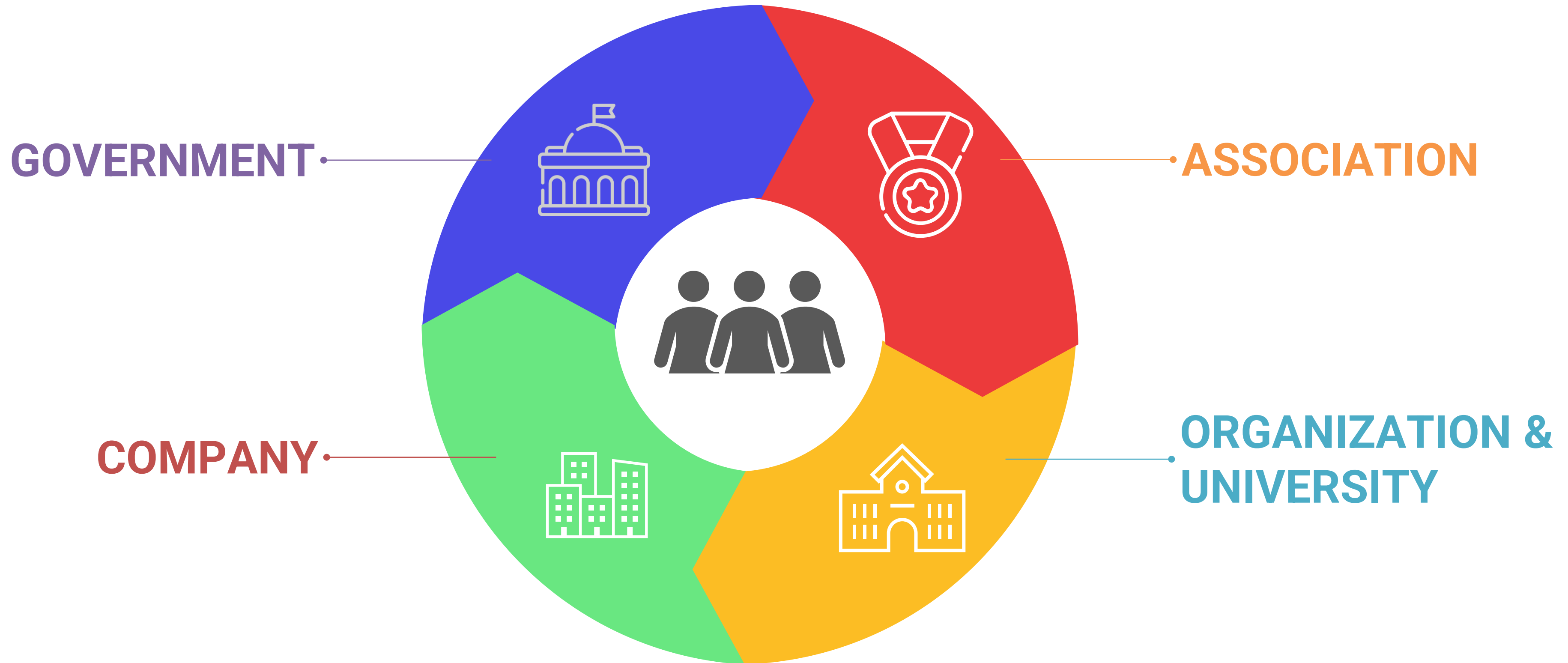


Government support in supply chain which
related to dying - waste management

VCOSA at a glance



Who are VCOSA's partners?





Government



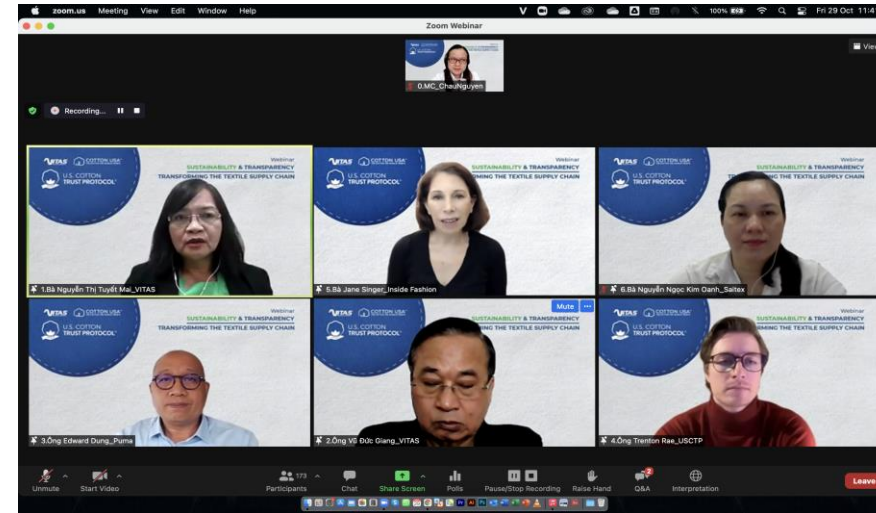
- Public policy advocacy
- Projects to survey & analyze Vietnam market, human resources
- Organize trade promotion activities



Vietnam Spinning Directory



Association



- Training courses for safe trade
- Seminar/webinar about new technology
- Outreach delegations to connect association & businesses
- Visiting spinning mills



Company

RIETER

ECV
we create value
and strive for excellence

CHAN HAO

messe frankfurt

ILLIES
SINCE 1859

R
recover

CCFGroup

ARISE
INTEGRATED INDUSTRIAL
PLATFORMS

**Sustainable
Textile
Solutions**

INOVANCE

DECATHLON

- Seminar about new innovations
- Training workshop for technical
- Conference for forecast trends
- Updating of spinning industry
- Exhibition for T&A industry



Organization/University



- Survey and research - analytical reports and identify on the Vietnam T&A industry
- Outreach delegations for cooperating in industry development project



Efficiency And Benefit From VCOSA's Activities



Workshop training & technical seminar

- Introducing new products and services
- B2B network connection and building partnerships opportunities
- In-depth knowledge and expertise
- Latest advancements and innovations
- Understand the needs and expectations of target audience



VCOSA's Preliminary & Year End Meeting

- Summarize and exchange information
- Enlarge knowledge
- Have a better future strategy
- Support and take care of all members
- Strengthen internal unity and cohesion



Sponsor's benefits

- Enhance their brand visibility and reputation
- Showcase their products or services directly
- Increased sales and business opportunities
- Networking opportunities
- Turn to benefit their business in the long run.



SUMMARY



<https://vcosa.org.vn>
<https://vietnamyarnprice.com>

Thanks for listening!

Vietnam Cotton and Spinning Association – VCOSA

VCOSA'S MEMBERS

