Strengths and Overview for Development of Textile and Clothing Industry in Xinjiang

The Economic & Informatization Commission of Xinjiang Uygur Autonomous Region

Xie Qing
I  Xinjiang’s Strengths for Development of Textile and Clothing Industry

- Abundant raw material resources
- Human resources to be developed
- Unique land resources
- Ample electric energy
- Westward regional advantages
- Certain industry development basis
- Policy support
(I) Abundant raw material resources

According to the data released by National Bureau of Statistics of the People’s Republic of China:

- In 2014, the annual cotton yield was 6.161 million tons nationwide, among which Xinjiang produced 4.51 million tons, accounting for about 73%.
- In 2015, the annual cotton yield was 5.605 million tons nationwide, among which Xinjiang produced 3.503 million tons, accounting for about 62.5%.
- In 2016, the annual cotton yield was 5.343 million tons nationwide, among which Xinjiang produced 3.594 million tons, accounting for about 67.3%.

- As a major cotton belt in China, Xinjiang is also rich in wool, cashmere, camel hair, flax, etc. It also boasts various raw materials of textile and chemical fiber products, providing a solid foundation for Xinjiang’s development in textile and clothing industry.
(II) Human resources to be developed

- In Xinjiang, nearly 600,000 urban labors are in need of employment, about 3 million surplus labor forces in rural areas need to be transferred every year, including around 70,000 college graduates in need of employment.

- In comparison with coastal regions, workers in Xinjiang are relatively young. In particular in minority families in south Xinjiang, three or more workers were born in 1990s, in general.
(III) Unique land resources

- Xinjiang is vast, covering an area of 1.66 million square meters, accounting for about 1/6 of the total area of China.

- Xinjiang is rich in land resources available for development and utilization. The land for construction of industrial parks is mainly Gobi or desolate beaches near the urban area.
(IV) Ample electric energy

- By 2016, its installed capacity had reached 80,620,000 kw and the generating capacity had been up to 271.6 billion kwh. The power consumption was about 186 billion kwh. Electricity of 35.6 billion kwh was delivered outside Xinjiang. Electricity of about 50 billion kwh was surplus. Xinjiang has abundant electrical energy.

- The commercial power in Xinjiang is around 50% cheaper than that of inland China.
(V) Westward regional advantages

- “The Belt and Road Initiatives” proposed by President Xi Jinping have made Xinjiang become the gateway and frontline westwards and the core area of the Silk Road Economic Belt.
- Situated in the center of Eurasia, Xinjiang is an intermediate node in eastern China connecting Central Asia, west Asia and Europe.
- Xinjiang borders on eight countries, including Russia, Kazakhstan, Kyrgyzstan, Tajikistan, Pakistan, Mongolia, India and Afghanistan.
- 17 first-class ports
- 12 second-class ports
Xinjiang’s international freight train opening the era of railway transportation in Eurasia

- If cargos from eastern Eurasia are transported through railway rather than sea shipment, at least half the time will be saved (sea shipment: about 30 to 50 days; railway transportation: 12 to 15 days), thus to dramatically save transportation cost. Here let me take “Lanzhou-Xinjiang-Europe” international freight train as an example. From Lanzhou to Europe, the freight of a container reaches USD 10,000 by sea shipment. If it is delivered by “Lanzhou Freight Train”, the freight will be reduced by 30%.

- Currently, following cities have direct freight trains to Europe, including Chongqing, Wuhan, Chengdu, Zhengzhou, Xi’an, Lanzhou and Yiwu. Existing trains includes “Chongqing - Xinjiang - Europe” train, “YXE International Container Train”, “Chengdu - Xinjiang - Europe” train, “Zhengzhou - Xinjiang - Europe” train, “Chang’an Freight Train” and “Lanzhou Freight Train”.

- From 2014 to 2016, 368 international freight trains were dispatched from Xinjiang. At present, the Xinjiang - Central Asia freight train is dispatched once a day. The Xinjiang - Russia freight train has realized regular operation with a train run per week. Freight trains from Xinjiang to Germany, Georgia and Turkey have passed trial operation. The International Train Xinjiang Center has been preliminarily established.
Sketch Map of Three International Channels for Xinjiang’s International Train
(VI) Certain industry development basis

- By the end of 2014, the cotton spinning production had been 7.6 million spindles and the amount of viscose had been 670,000 tons.
- In 2014, outputs of cotton yarn, viscose and garment were 440,000 tons, 550,000 tons and 21.49 million pieces, respectively.
- Its industrial added value reached RMB 4.67 billion and the total industrial output value was RMB 22.85 billion. All industries were profitable. 200,000 persons were employed.
(VII) Policy support

- Xinjiang supports textile and clothing enterprises from such areas as finance, taxation and employment and strengthens the support to its southern area.
Since 2014,

- the largest number of inland textile and clothing industry has been transferred to Xinjiang.
- Xinjiang has enjoyed the fastest growth in such indicators as investment volume of domestic textile industry.
- In 2016, Xinjiang witnessed a rapid development of the textile and clothing industry. The textile industries above designated size achieved RMB 37.799 billion of the main business revenue, a year-on-year increase of 59.4%. The profit reached RMB 3.1 billion, going up one time on a year-on-year basis.
(I) New record of fixed-asset investment

- In 2016, the fixed-asset investment in the textile and clothing industry of Xinjiang was up to RMB 47.97 billion, a year-on-year increase of 50.9%. 
In terms of the textile and clothing industry of Xinjiang, the annual industrial added value was RMB 8.04 billion in 2016, a year-on-year increase of 47.1%, setting a new record so far.
(III) Continuous increase of the number of people engaged in the industry

- In 2016, the newly-increased jobs in the textile and clothing industry were 112,300, including 61,900 jobs in south Xinjiang, accounting for 63.2% of regional newly-increased jobs.

- The number of workers in the textile and clothing industry was about 350,000.
(IV) Large increase of output of major products

- As a large number of key projects related to textile and clothing go into production or reach target output, Xinjiang has seen a rapid growth in the output of major products of the textile and clothing industry.
- In 2016,
  - Yarn output: 1.1229 million tons, a year-on-year increase of 92.4%
  - Cloth output: 165 million meters, going up to 2.1 times on a year-on-year basis
  - Clothing output: 34.1894 pieces, a year-on-year increase of 65.9%
  - Chemical fiber pulp: 407,800 tons, a year-on-year increase of 7.2%
  - Chemical fiber: 674,300 tons, a year-on-year increase of 38.4%
(V) Effective admission of inland industry transfer

- By the end of December, 2016, 2083 textile and clothing enterprises had registered within the region, including 525 new enterprises. In 2016, Xinjiang admitted 271 textile and clothing enterprises transferred from inland China.
(VI) Further expansion of production capacity

- By the end of 2016, Xinjiang had realized
- 13.60 million spines of cotton spinning (including rotor spinning, etc.), doubling in comparison with 2013, coming out top among 12 provinces (municipalities) in western China.
- As the output of viscose reached 850,000 tons, Xinjiang had become the largest viscose production base in China.
- In terms of clothing, Xinjiang can produce and process 150 million pieces (suits).
(VII) Sustainable growth of benefits

- In the textile and clothing industry, the profit shows a year-by-year growth.
  - In 2014: RMB 893 million
  - In 2015: RMB 1.47 billion
  - In 2016: RMB 3.1 billion
III Sustainable development

- Xinjiang vigorously boosts the industrial layout focusing on “three cities, seven parks and one center”.
- Implementation should be carried out in strict accordance with the layout of the autonomous region on development of printing and dyeing industries in “three cities”. Xinjiang should clearly implement strict pre-review system towards new printing and dyeing enterprises or projects involving printing and dyeing process.
- Obsolete and outdated production processes are not admitted by Xinjiang in strict accordance with requirements for equipment related to admission of transferred textile industries stipulated by the region.
(I) Key development direction of the industry

- Development direction: ten industries such as characteristic textiles, wool textiles, bast fiber manufacturing, printing and dyeing, including cotton spinning, chemical fiber (including synthetic fiber), weaving (including cotton weaving and knitting), apparel, home textile, industrial textiles, carpet embroidery and Etles.

- Key development direction: the cotton spinning industry (including cotton weaving and knitting) and those industries (weaving apparel, home textile, industrial textiles, carpet embroidery and Etles) in need of a lot of workers in the middle/end of the industry chain are encouraged to develop, gradually improve and extend the industry chain and strengthen endogenous development capability.
(II) Key layout

- Comprehensive textile and clothing industry base (including layout of printing and dyeing enterprises): Akesu Textile Industrial City, Shihezi Economic & Technological Development Zone, Korla Economic & Technological Development Zone and Aral Economic & Technological Development Zone.

- To develop ten distinctive industrial parks for textile & clothing and intensive processing industries: Kuitun - Dushanzi Economic & Technological Development Zone, Manas Industrial Park, Hutubi Industrial Park, Shawan Industrial Park, Jinghe Industrial Park, Wusu Industrial Park, Tumxuk - Caohu Industrial Park, Yuli Knitting Industrial Park, Bachu Industrial Park and Yingjisha Industrial Park.

- Three key clothing bases: Kashgar, Ili and Turpan.

- In densely inhabited areas, especially in the concentrated minority area in south Xinjiang, the dynamic integration of industrial development and urbanization should be implemented. Processing related to labor intensive industries such as clothing, knitting and home textiles should be conducted in the neighborhood or on the spot.

- Key manufacturing areas for exported textiles and clothing: Kashgar and Khorgos.

- International trade & logistics center of textiles and clothing: Urumchi
Key development clusters of Xinjiang’s textile and clothing industry

- Jinghe Industrial Park
- Kuitun Economic & Technological Development Zone
- Manas Industrial Park
- Hutubi Industrial Park
- Bachu Industrial Park
- Korla Economic & Technological Development Zone
- Kuitun Economic Development Zone
- Shawan Industrial Park
- Shihezi Economic & Technological Development Zone
- Kashgar Middle-South Asia Industrial Park
- Akesu Textile Industrial City (Development Zone)
- Aral Economic & Technological Development Zone
- Concentrated zone of handmade wool carpet
IV Famous textile and clothing enterprises settling down in Xinjiang

- **Textile**
  Jinsheng Group, Texhong Textile Group, Ruyi Group, Lutai Textile, Huamao Textile, Xiaomian Industry Group, Huafu Group, Xinye Textile, Huafang Textile, SZEN, Jinfeng Textile, Esquel Group

- **Clothing**
  Hodo Group, Jifa Huahe, Yijia Group, Shenwei Clothing, Yuansheng Garment, Angel, Dongxia Industry Co., Ltd., HUiquan Industry Co., Ltd., AFS JEEP, Kunpeng Carpet, Sea Eagle Carpet

- **Knitting, home textile and industrial textiles**
  Jinhui Knitting, Xinao Knitting, Angel Knitting, Grace, Allmed Medical, Zhende Medical

- **Printing and dyeing:**
  Companion Group
Domestic famous enterprises invest and develop in Xinjiang
Thank you!