

EUROPEAN CLUSTER CONFERENCE 2020

10-11 NOVEMBER 2020 | BRINGING TOGETHER THE CLUSTER COMMUNITY

Ecosystem session: TEXTILE

Clusters strengthening ecosystems



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TEXTILE ECOSYSTEM



Mikael Garellick

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Textile ecosystem

- Textile & clothing
- Leather
- Footwear

Figures for the ecosystem



€198 billion in turnover



212.000 companies (mostly SMEs) and employment of **1.93 million** (more than 70% women in the textile sector)

Covid Health Bulletin for the sector

- ❖ The ecosystem has been hard hit.
- ❖ During the second quarter of 2020 sales of woven fabrics decreased by 35%, knitted fabrics by 44% and the decline in the clothing industry -37%.
- ❖ Manufacture of nonwovens for face masks and medical gowns more resilient.
- ❖ Employment: Textile -2,1% and clothing -5,6%.

Impact of crisis on the ecosystem

- Collapse of demand
- Industrial value chains not functioning
- Uncertain prospects of improvement

Investments for recovery

- **Green**
- **Digital**



Some ideas for ecosystem investments

- Recycling hubs
- Digital virtual collections
- Diversification of the sales channels

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How clusters can strengthen the European economy in the textile sector

Silvia Kabaivanova, Chairman of the Bulgarian Fashion Association, Bulgaria



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PROBLEMS DUE TO COVID-19

Our survey among T&A companies shows that almost 9 out of 10 respondents are facing serious constraints on their financial situation and 80% of companies had temporarily dismissed workers.



CANCELLING OF ORDERS



DELAYS IN SUPPLIES



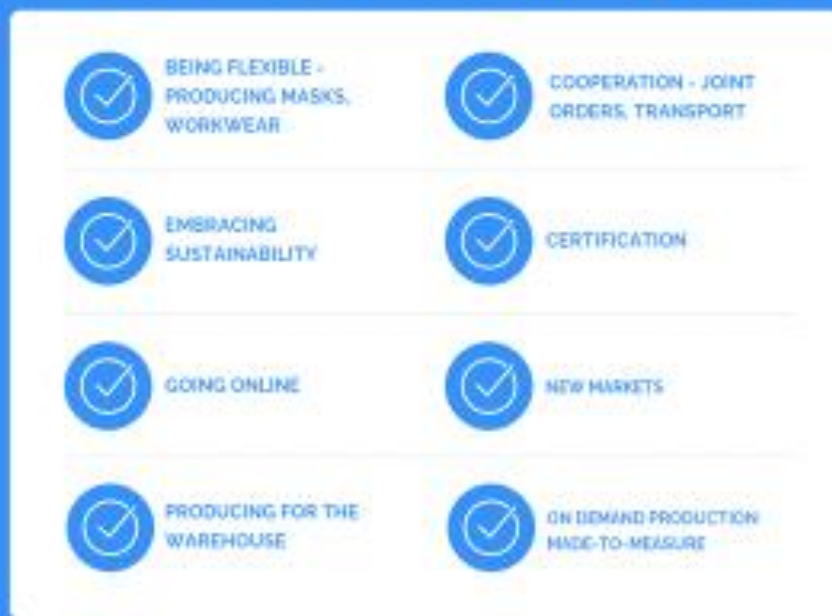
DISMISSING WORKERS



LACK OF LIQUIDITY

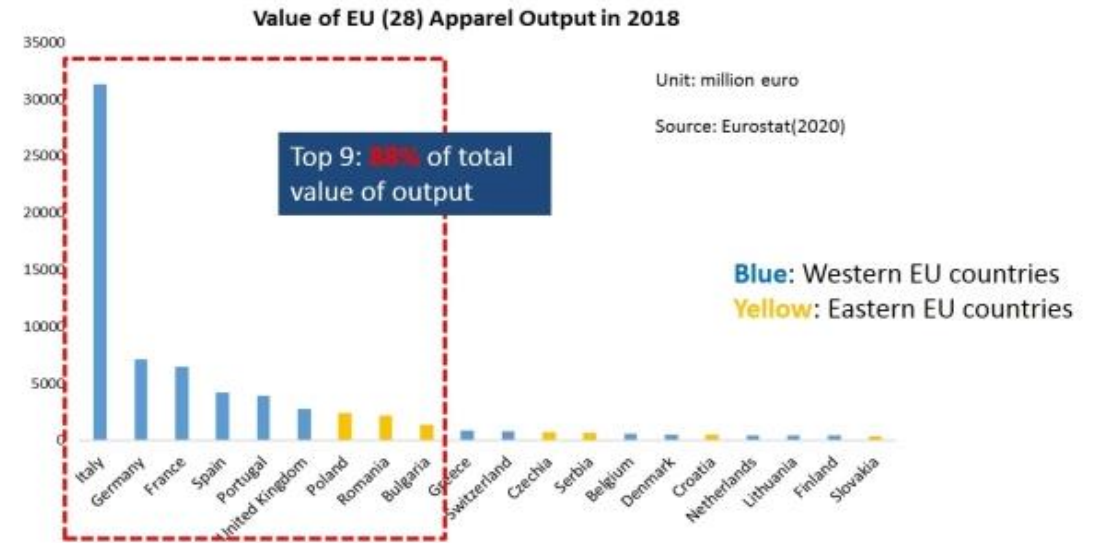
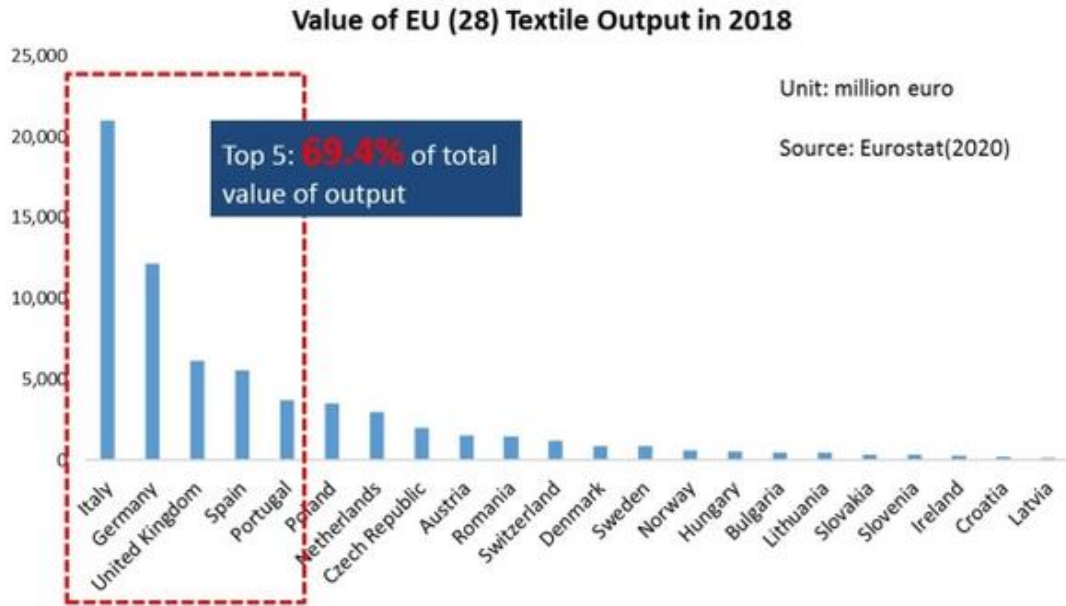
GOOD PRACTICES IN THE SITUATION CAUSED BY COVID-19

How Bulgarian Textile and Apparel producers try to survive and what BFA is doing



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According to the European Apparel and Textile Federation (Euratex), the outbreak of COVID-19 may cause a 50% drop in sales and production for the EU textile and apparel sector in 2020.

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CHANGE CONSUMER BEHAVIOR

Clusters need to involve in projects and campaigns toward more sustainable behavior of consumers.



REDEFINE WHAT IS SUSTAINABILITY



FOCUS ON QUALITY AND DURABILITY



INCREASE TRANSPARENCY



PROMOTE MADE IN EUROPE

MESSAGES TO CONSUMERS



LOCAL MANUFACTURING

"A 10% decrease in French and German imports of apparel would represent the equivalent of an 8% boost in European apparel manufacturing turnover."

Source: Report by Euler Hermes



NEW MARKETS
WITHIN EU



COOPERATION BETWEEN
CLUSTERS AND THEIR
MEMBERS



INNOVATION



CERTIFICATION

Thank you for your attention

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BULGARIAN FASHION ASSOCIATION