



European economy loses faith in China

The European Union Chamber of Commerce in China has presented its “Business Confidence Survey” for 2014, which basically indicates that leading European companies feel that the business climate in China has become difficult. The main reasons for this development are increasing expenses for human resources, the general slowdown of the Chinese economy and growing competition from Chinese private and state-run enterprises.

Less optimism – lower investments

The survey, compiled in partnership with the Roland Berger consultancy group, says that only 57 percent of the 552 European companies, which participated in the survey, intend to increase their commitment to the Chinese market. This is a fall of 29 percentage points compared with last year.

Lower investments result from declining sales. The number of companies which managed to increase their sales in China last year fell to 59 percent from 78 percent in 2010. In consequence, profitability is also a critical factor—one third of the Euro enterprises even said that their profit margin was lower in China than the global average for their respective operations.

Source: ISPO News

Punjab Kicks the Soccer Ball to the World Cup Pitch

The soccer anthems are on the loop and the match fixtures rolling. As the pitch of the 2014 soccer World Cup fever rises, India is kicking ball after ball for fans worldwide from Punjab. In a first, the official promotional soccer balls with the FIFA logo are being manufactured in Jalandhar. Approximately 70,000 soccer balls per are being manufactured per day. With the just three weeks to go for the World Cup, manufacturers in Punjab are cashing on the spectacular mega event.

While the official soccer balls the teams will use for the Adidas Brazuca have been produced by Forward Sports, a Sialkot-based football manufacturer, more than half the orders received by Punjab-based manufacturers have already been dispatched. In India, the export season begins in May and lasts up to September. There are around 50 sports units manufacturing promotional soccer balls. Out of the 50, around 10 are big players delivering bulk orders.

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Sports Goods Export Promotion Council

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Punjab Kicks the Soccer Ball to the World Cup Pitch

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Talking with The Sunday Standard, Nikhil Mahajan of Soccer International said, “We are manufacturing around 8,000 footballs per day. The balls are being exported to our clients in the United Kingdom and Europe. We have agreements with big companies who sell the balls to the soccer fans.” April and March are the peak months for the export.



Vijay Kharbanda of Nivia Sports says, “There is a growth of 40 per cent since the last soccer World Cup held in South Africa. We are manufacturing promotional balls with the FIFA stamp on them. Thanks to the soccer craze among the fans, the boom lasts few months and the impact remains for about a year.” According to Kharbanda, the promotional balls are of very high quality and they range between Rs. 250 and `900 per ball depending on the quality.

China leads the international market. “The hi-tech technology coupled with a wider range of production is the reason behind China’s lead the international market. China has mastered the art of machine stitched footballs, whereas, we have started recently”, Kharbanda adds.

Another sports firm Syndicate Sports is manufacturing around 6,000 footballs per day. Tarun Dewan, Executive Director of Sports Goods Export Promotion Council of India said that inflatable balls (football, volleyball, Rugby ball) worth Rs. 52.47 lakh have been exported to Brazil. “The total worth of exports the world over is Rs. 146 crore in 2013-14 (Financial Year). In 2012-13, the export was Rs. 47.59 lakh. In the financial year 2013-14, sports goods (exercise equipment, inflatable balls, boxing equipment and their accessories) worth Rs. 4.04 crore have been export to Brazil. “Of these, 52.58 per cent were manufactured Jalandhar and 25.38 per cent in Meerut and rest in different parts of the country,” Dewan said.

Source: The Sunday Standard

Alert: Onerous New Indonesian National Standard for Toys to Go into Effect April 30

Beginning on 30 April 2014, toy companies that export products to Indonesia will be required to comply with a new Indonesian National Standard for Toys (SNI Regulation 24/M-IND/PER/4/2013) that calls for additional sampling, testing, labeling and import documentation.

Approved in 2013, the law’s burdensome testing and certification requirements prevented more than 100 containers of toys from entering Indonesia last November. As a result, full implementation was delayed while Indonesian officials considered an amendment to the standard that would make its requirements more feasible for companies and more closely aligned with international practice.

Toy companies currently exporting to Indonesia should now be prepared to comply with the following requirements:

Customs manifests (Form BC.1.1) for covered categories received by Indonesian Customs on or after 30 April 2014 will require accompanying Indonesian National Standard (SNI) documentation and must be labeled with the SNI mark (with specifically-assigned SNI number). **(Cont. on page-2)**

RBI curbs export credit refinance

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The Reserve Bank on 3rd June 2014 reduced the availability of funds under the export credit refinance (ECR) window from 50 per cent of export credit outstanding to 32 per cent with immediate effect.

To compensate for the reduction in liquidity under the scheme, the central bank introduced a special term repo facility of 0.25 per cent of net demand and time liabilities (NDTL).

"The Reserve Bank has decided to limit access to export credit refinance while compensating fully with a commensurate expansion of the market's access to liquidity through a special term repo facility from the Reserve Bank (equivalent to 0.25 per cent of NDTL)," the RBI said in its Second Bi-Monthly Monetary Policy Statement.

The central bank left the repo rate unchanged at 8 per cent for the second consecutive time. It also reduced the statutory liquidity ratio by 0.5 per cent to 22.5 per cent, releasing about Rs 40,000 crore of liquidity into the system.

However, banks normally park almost 27 per cent of their funds in government securities, thereby limiting the impact on liquidity infusion.

The ECR changes should improve access to liquidity from the RBI for the system as a whole without the procedural formalities related to documentary evidence, authorisation and verification associated with the ECR, the central bank said.

The Urjit Patel committee had called for moving away from sector-specific refinance towards a more generalised provision of system liquidity without preferential access to any particular sector or entity. The RBI said the limit on accessing funds under the ECR facility will also improve the transmission of policy impulses across the interest rate spectrum and engender efficiency in cash or treasury management.

Source: Economic times

Alert: Onerous New Indonesian National Standard for...

(Cont. from Pg-2)

If compliance is not met, the shipment is subject to re-exportation. If this occurs, it is encouraged to abandon the goods as an alternative, if this is economically feasible, to apply added pressure to the Indonesian authorities to modify the standard.

Covered products landing in Indonesia on or after 30 April 2014 must have an SNI certificate and be labeled with the SNI mark; to obtain the certificate and mark, the product must be sampled and tested to the new Indonesian national toy standard (a modification of ISO 8124, with additional azo dye, phthalate, and formaldehyde limits) by a laboratory that has a memorandum of understanding with a designated Indonesian appointment body ("LSPro") and has been approved and listed by the MoI.

Every lot of imported product must be sampled and tested separately.

All products in Indonesian retail stores as of 30 April 2014 will need to be removed from store shelves to be retested to the new Indonesian national toy standard and labeled with the SNI mark. Products already in commerce in Indonesia will be treated as a single lot for sampling and testing purposes.

Source: ICTI

Global football market could be worth £10.1 billion in 2014, thanks to World Cup effect

The tournament will also add £2.2 billion to the turnover of the global sports industry, according to market research company the NPD Group.

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Topping £10 billion will mean the football sector would have grown by eight per cent compared to 2013.

“We expect the growth rate to slow down slightly in the next five years owing to the saturation of the European market, the ageing population worldwide, increasing urbanisation and the rise of individual sports,” Richard Hunt, director UK sport at the NPD Group, says.

During the last World Cup in 2010, the NPD Group reported an average nine per cent increase in football kit sales compared to 2009 in the big five European markets (Great Britain, Germany, France, Italy and Spain).

Sales of footballs have historically peaked at a growth rate of 30 per cent during the four weeks of the tournament.



Hunt adds: “40 per cent of the one percentage point growth in the global sports market attributed to the World Cup comes from products directly linked to the sport, such as football kit and footballs, but the demand for sports brands in general is stronger during this period and accounts for the other 60 per cent of the growth.

“So the World Cup effect is about much more than classic football items and this presents a huge business opportunity for sports brands.

“If they make the most of the event, they will see an impact on their entire product portfolio.”

Source: Sports-insight.co.uk

FIFA To Invest \$900 Million in Soccer Development in 2015-18 Period

FIFA approved a budget at its 64th Congress in Sao Paulo, Brazil June 10 and 11 that calls for spending \$900 million on football development over the next four years, an increase of \$100 million over the previous budget cycle. The Congress approved a 2015-18 budget that calls for investing \$4.9 billion of an expected \$5.0 billion in revenue over the four year period.

Today, FIFA redistributes more than \$500,000 a day to its 209 member associations.

The member associations will this year receive two additional bonuses. A sum of \$250,000 will be granted immediately, based on the 2011-13 period, and another \$500,000 will be awarded in early 2015 after the current fiscal year ends. FIFA will use the same model to distribute money to national confederations, which will receive \$2.5 million immediately and \$4.5 million at the beginning of 2015.

Source: SportsOneSource Media

Fake Sporting Goods Intercepted Ahead of 2014 World Cup

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Thousands of counterfeit sporting goods were intercepted during an international enforcement operation in the run up to the 2014 FIFA World Cup in Brazil, with the active participation of customs administrations from seven Latin American countries.

Coordinated by the World Customs Organization (WCO), the operation was supported by the European Union (EU), the Federation Internationale de Football Association (FIFA), and the Federation of the European Sporting Goods Industry (FESI) and the Federation of the Brazilian Sporting Goods Industry (MOVE).

Code-named 'Gol 14', the one week operation, which took place at the end of March 2014, resulted in about 750,000 counterfeit items being intercepted, among which more than 520,000 items were related to the sporting goods industry, including clothing, sportswear and sports accessories.

As original jerseys and footwear for the World Cup are being manufactured by producers in Brazil and its neighbours, creating employment and uplifting local economies; the trade in counterfeit goods, however, produces no real benefits for a local economy, but does impose considerable costs on workers and the community.

For Brazil, the fight against counterfeiting is considered an essential part of the country's drive to protect its consumers. In addition, counterfeit goods are increasingly seen as a threat to legitimate Brazilian businesses and endangers the country's path towards a more knowledge-based economy.

Source: SportsOneSource Media

West Coast Strike Could Trigger Surcharges by Container Lines

At least three major container shipping lines would be allowed to impose a surcharge to handle cargo if labor related unrest causes congestion at West Coast ports next month, according to a trade alert Outdoor Industry Association issued to its members Wednesday.

The International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) are continuing their negotiations to renew a six-year collective bargaining agreement before it expires at midnight on June 30. The agreement covers nearly 20,000 longshore, clerk and foreman workers at 29 ports along the West Coast, which process the bulk of America's imports of Asian consumer goods. The National Retail Federation (NRF) recently forecast that it expects import volume at major U.S. container ports to spike 7.5 percent in June as shippers rush to import goods before a potential strike.

Source: SportsOneSource Media

Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade
Udyog Bhavan, New Delhi.
Trade Notice No. 25/2014

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Dated 04.06.2014

To
All RAs of DGFT
Members of Trade
Export Promotion Councils

Subject: Online complaint resolution system relating to EDI issues

An online complaint resolution system relating to EDI issues has been established where users can file online complaint. User can go to 'icon' "EDI complaint resolution" and feed following data in the system to get the issues addressed. A key number for each complaint will be generated which can be followed up by the users and DGFT officials for early resolution of issues. If the issue is not resolved in 5 working days email may be sent to Shri Anil Kumar Sinha, DDG(NIC) – anilksinha@nic.in.

2. All stakeholders are requested / encourage to use the facility of online complaint resolution system relating to EDI issues with effect from 04.06.2014

IEC
Issue
e-mail

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