

**A BRIEF DESCRIPTION OF MANDERSTAM'S RECENT EXPERIENCE IN THE
TEXTILE SECTOR**

1.0 INTRODUCTION

1.1 GENERAL

This is an outline of Manderstam International Group`s experience in the textile sector highlighting our current collaboration with the Textile Institute in Manchester.

1.2 SPECIFIC EXPERIENCE

1.2.1 Manderstam's 60 Years of Experience in Textiles and Garments

The Manderstam Group possesses considerable specialist marketing, institutional building, economic and technical expertise in the textile and garment industries. This has enabled us to successfully carry out market surveys, feasibility studies, institutional support, technical specifications and project implementation gained in over 60 years of world wide experience but particularly in East Africa, the Middle East and Asia. Manderstam's experience is set out in the succeeding paragraph 1.6.

1.2.2 UK Textile Institute

For the assignments in the textile sector, Manderstam recognise the unique and specialised requirements of academic and commercial institutional building. In order to deliver and enhance our work in the textile sector, we have arranged for the full support and organisational and manpower inputs from the internationally accredited **Textile Institute** of United Kingdom which itself was established in 1910.

Uniquely, this enables the partnership of Manderstam and the Textile Institute to provide "ready made" models for institutional structures, procedures, training and ISO accreditation based upon practical proven experience.

Furthermore, the UK Textile Institute is actively involved in quality assurance/control in that it is responsible for accreditation of "quality marks". The Textile Institute is also an international accredited body for academic and institutional building.

1.2.3 Proven Experience in the Middle East and Africa

Manderstam have worked in the Middle East and Africa for over 25 years. Indeed, we have been working in Ethiopia continuously since

1999 and are currently working for the Bahir Dar University to establish a textile support Institute for the Ethiopian textile industry.

- We have previously undertaken work in Bahir Dar. Acting as consultants to the National Textile Corporation of Ethiopia for the rehabilitation of their integrated textile mill at Bahr Dar, a detailed assessment of the state of the existing plant and machinery was carried out, together with a review of operating and maintenance procedures. The project was divided into two phases: the first designed to bring the mill up to a reasonable level of efficiency and to improve the quality of finished fabrics, and the second to increase output by approximately 50%. Detailed cost estimates were prepared and tender documents prepared. Based on our recommendations, the spinning and weaving departments of the Mill have been completely renovated with funding from the EU.

The Textile Institute has also carried out the following institutional building/consultancy assignments in Africa and the Middle East:-

- Feasibility study for rehabilitation and expansion of Wool and Synthetic Blanket Production.
- Feasibility possibilities for the establishment of Cotton based textile industry in Tigray province.
- Assessment of Ethiopian Cotton sector for US Aid.
- Feasibility study for the establishment of a new Textile Training College to serve the needs of Arabic states in North Africa and the Middle East.

1.3

MIGL-INTERNATIONAL PROFESSIONAL CONSULTANCY

The Manderstam International Group (MIGL) is an International Consultancy Group, established in 1941, which in the course of the last six decades has implemented a large number of assignments. Most of the work of the Group is carried out beyond the borders of the United Kingdom, in more than 40 different countries throughout the world. Clients have included the World Bank, EEC, UN, IBRD, UNIDO, APDF, IFC, ADB, Regional Development Banks, Governments, National Agencies and private companies.

We have carried out assignments in a wide range of disciplines including the textiles and garment industries, cement and building industry, non ferrous and ferrous manufacturing, food, glass, pharmaceutical, agriculture, mechanical handling, petroleum refining, petrochemicals, inorganic chemicals, fertilisers and pesticides, steel production, pollution control and railway engineering.

The services provided range from market surveys, feasibility and investment studies leading to finance being made available, through to institutional building, project implementation, the preparation of tender documents, adjudication, construction, supervision, plant commissioning, staff recruitment, management and training.

Industrial and process engineering and other technical expertise within the permanent staff of the Manderstam Group is reinforced by mechanical, instrument, electrical and civil engineers, economists, market analysts, and the statisticians, accountants and financial analysts who are also on the permanent staff. The Group is thus able to give a fully comprehensive service.

The Manderstam Group is one of the few remaining international consultancy groups which can genuinely claim to be absolutely independent and to have no connections, or traditional operating relationship, either directly or indirectly, with any contractor, supplier of plant and equipment, manufacturers of products or Licensor of processes. Because of its complete independence, the Manderstam Group operates solely in the best interests of the Client.

1.4 OUR COMBINED EXPERIENCE

Our experience in building products manufacturing in Africa and Middle East regional development includes:

- feasibility studies;
- industrial planning;
- industrial location studies;
- market studies;
- institution building
 - engineering design and layout;
 - project management and supervision;
 - socio-economic studies;
 - environmental impact studies.

1.5 SERVICES PROVIDED

Manderstam International Group provide a comprehensive range of consultancy services, from the project inception and feasibility studies to institutional building, project engineering and co-ordination of the implementation.

1.5.1 Market Studies

- Evaluation of past trends;
- Analysis of price structure, marketing and distribution system;
- Product substitution factors;
- Competition from imported items, consumer's preferences;
- Packaging aspects (cost, attractiveness, etc);
- Transport systems and cost;
- Medium and long-term home demand forecasts;
- Export potential (countries of destination, handling at harbour, internal and sea freight costing, pricing of products).

1.5.2 Techno-Economic Studies

These cover most of the industries mentioned above and incorporate the following main aspects and considerations:-

- Evaluation of resources (physical and human);
- Choice of technology and manufacturing process best suited to the case;
- Assessment of input requirements and operating cost;
- Site location;
- Assessment of capital costs;
- Financial analysis of the project;
- Economic analysis of the project;
- Sensitivity and risk analysis;
- Projected revenue and expenditure statements, balance sheets.

1.5.3 Institutional Building

Manderstam has direct experience of institutional building in the following areas of expertise:-

- Organisation of conferences, exhibitions and seminars.
- Provision of business information
- Technical consultancy services
- Recruitment services
- Training services
- Research, development and test facilities.
- Introduce and maintain sector wide quality assurance/ quality control to international standards (ISO).
- Establishment and monitoring of technical and operational benchmark performance indicators.
- Establish and facilitate ISO 9000 certification.

1.5.4 Project Engineering - Co-Ordination of Implementation

- Preparation of specifications and tender documents (mechanical, civil and structural, electrical, instrumentation);
- Detailed comparative evaluation of offers;

- Pre-contractual negotiations;
- Advice on the selection of the most suitable bidder;
- Assistance to the client in contract finalisation;
- Supervision/co-ordination of contractor's design, fabrication of equipment, its testing;
- Procurement services for all equipment purchased on behalf of the Client;
- Co-ordination of plant construction, start-up and commissioning;
- In situ training of key personnel and skills;
- Advice of marketing.

1.6 OUTLINE OF MANDERSTAM'S EXPERIENCE OF PROJECTS IN TEXTILES AND GARMENT INDUSTRIES (including Institutional building)

Assignments in the textile and garment industries include the following:

ETHIOPIA

CLIENT: NATIONAL TEXTILE CORPORATION

LOCATION: BAHR DAR, ETHIOPIA

Acting as consultants to the National Textile Corporation of Ethiopia for the rehabilitation of their integrated textile mill at Bahr Dar, a detailed assessment of the state of the existing plant and machinery was carried out, together with a review of operating and maintenance procedures.

The project was divided into two phases: the first designed to bring the mill up to a reasonable level of efficiency and to improve the quality of finished fabrics, and the second to increase output by approximately 50%. Detailed cost estimates were prepared and tender documents prepared. Based on our recommendations, the spinning and weaving departments of the Mill have been completely renovated with funding from the EU.

PEOPLE'S REPUBLIC OF CHINA

CLIENT: E.E.C

LOCATION: SHANGDOW – INNER MONGOLIA

Provision of on site diagnostic services and identification and costing of current technology required for building a new flax factory at Shangdow to produce 400 tons of combed sliver and 800 tons of cotton style flax per year. Comprehensive study of retting, scutching, hackling, carding, doubling, roving, combing, spinning, degumming and bleaching. Proposals were also made for utilities for effluent treatment and dust extraction.

CLIENT: E.E.C

LOCATION: LANXI FLAX SPINNING AND KNITTING COMPANY

Provision of site survey services for the design of a new flax mill and specifically the requirements and technical know how for operation of a 5,000 spindle machine. Also identification and costing of all equipment and utilities required.

SAUDI ARABIA

CLIENT: ROYAL COMMISSISON FOR JUBAIL AND YANBU

LOCATION: JUBAIL, SAUDI ARABIA

Work on the secondary industries in Jubail, Saudi Arabia, involved the production of synthetic textile fibres.

ANGOLA

CLIENT: COMMISSAO PERMANENTE PARA O DESENVOLVIMENTO
INDUSTRIAL PARK

LOCATION: HUAMBO

For an inception study of an Industrial Park in the District of Huambo, Angola, the establishment was recommended of 17 textile units to produce towels, fancy weavings, Jacquard, high quality woven material, canvas, denim and drill (twill), trousers and jeans, shirts and blouses, work clothes, socks and hosiery, knitted underwear, Jersey knitwear, tricot lingerie and embroidery, using cotton and/or synthetics. The recommendations were substantiated with market studies, plant economics and anticipated profitability. It was also recommended that they set up a 20,000 spindle-spinning mill at a later stage of development of the industrial park.

The study included the establishments of training facilities and programmes to develop the local textile and garment industries. The study was carried out for the local government.

CYPRUS

CLIENT: GOVT OF CYPRUS

LOCATION: CYPRUS

On behalf of UNIDO, an Industrial Opportunity Survey in the Cyprus non-Turkish occupied area was conducted. This covered an examination of the status of the textile industry, an assessment of its efficiency and of expansion/diversification/export prospects, with recommendations for immediate and medium term actions. These included the establishment of a training school, test facilities and centre of excellence for the local textile and garment industries.

UGANDA

CLIENT: GOVT OF UGANDA

LOCATION: UGANDA

On behalf of UNIDO, an Industry and Development Study was prepared for the government of Uganda. This covered, inter alia, an assessment of the whole textile sector (efficiency, scope for improvement with capital cost estimates and projected turnover, rehabilitation programme.). The study included the preparation of a feasibility report on the establishment of a sector wide training and test facility for the textile industry.

INDONESIA

CLIENT: PERTAMINA

LOCATION: INDONESIA

In connection with the development of polypropylene manufacturing facilities (which came on stream some five years ago, the textile industry in Indonesia was surveyed for PERTAMINA, a government agency. All aspects were examined and critically analysed, from cotton/synthetic staple fibre blending, spinning, weaving, dyeing and finishing, garment, carpet and sacks manufacture. Raw material substitution was examined in depth for the production of apparel, upholstery, carpets, ropes, filter fabrics and sacks, via the manufacture of polypropylene tape for weaving or twine making, of fibrillated tape, monofilament and staple fibre. A spinning plant capable of producing monofilament and staple is under construction.

THAILAND

CLIENT: MINISTRY OF OVERSEAS DEVELOPMENT
LOCATION: THAILAND

A comprehensive study of the Development of Export Industries in Thailand was carried out on behalf of the Ministry of Overseas Development. Sectors relevant to textiles, which were covered in detail, were Thai silk, cotton, kenaf and kapok.

BANGLADESH

CLIENT: UNIDO
LOCATION: ALL PARTS

A pre-investment study for the production of synthetic fibres was undertaken, covering cellulosic fibres, polyesters, polyamide, polyacrylics and polyolefines. The study included the current usage of man made fibres in Bangladesh and made forecasts of future demand. The impact of introducing more man made fibres on existing spinning/weaving facilities (including the handloom sector), was considered and the mill modifications necessary to spin synthetic/cotton blends were specified.

NIGERIA

CLIENT: AFRICAN PROJECT DEVELOPMENT FACILITY (IFC/WORLD BANK)
LOCATION : Lagos

Techno-economic Feasibility Study for the Restructuring of Jute Bag and Carpet Backing Production at Abbstal Limited, Lagos, Nigeria.

MALI

CLIENT : Wallace O'Connor-Contractors , USA .
LOCATION: Kita

Basic and detailed design, equipment procurement, expediting/shipments, contractor supervision and commissioning of cotton ginning facility in Mali West Africa.

1.7 MANDERSTAM'S EXPERIENCE IN INSTITUTIONAL BUILDING

Manderstam have undertaken institutional building projects at the following companies and organisations:-:-

International Organisations

Asian Development Bank
Commonwealth Fund for Technical Cooperation
International Bank of Reconstruction and Development (The World Bank)
International Finance Corporation
United Nations
United Nations Industrial Development Organisation (UNIDO)

Abu Dhabi

Government of Abu-Dhabi

Algeria

Development of vegetable oils and fats industry and identification of training needs. The work included an industrial strategy for technological development of the sector.

Department d'Etudes Industrielles et Technologiques, Algiers.

Angola

Studies for the establishment of a large industrial complex, with supporting training and educational facilities. Work included the provision of training manuals and procedures.

Permanent Commission for Industrial Development
Companhia Industrial e Comercial de Angola

Bangladesh

Government of the Peoples Republic of Bangladesh - Planning Commission

Brunei

Government of Brunei

Cyprus

Government of Cyprus

Ghana

Government of Ghana

Greece

Survey of petroleum refining, petrochemical, and fertilizer industries and their long term, planning on national scale
Planning and reorganisation of the steel industry

Ministry of Co-ordination
Centre of Planning and Economic Research

Indonesia

Rehabilitation and expansion of the salt industry

Financial and technical management of design, procurement, erection and start-up of polypropylene plant for resin and fibre outlets

Establishment of an integrated steel mill

Survey of small holder agriculture and study of the development of export oriented agro-industries

Ministry of Agriculture
Ministry of Industries

Ireland

National Institute for Physical Planning and Construction Research

Jordan

Government of Jordan

Kenya

East African Industrial Management Board

Portugal

Review of the vegetable oil seeds industry and recommendations for its re-organisation on a national scale

Thailand

Development of export oriented industries based on agricultural and mineral resources

Advice on re-organisation of design and engineering services

Royal Government of Thailand

Uganda
Government of Uganda

1.7 BACKGROUND EXPERIENCE OF THE UK TEXTILE INSTITUTE.

1.7.1 Mission and Scope

Founded in 1910 and granted a royal charter in 1925, The Textile Institute is a unique organisation in textiles, clothing and footwear. As the chartered professional institute for these sectors it exists to serve the interests of its members and the industries in which they work. The Institute has individual and corporate members in over 90 countries; the membership covers all sectors and all disciplines in textiles, clothing and footwear.

Within the global textiles, clothing and footwear industries the aim of the Institute is to facilitate learning, to recognise achievement, to reward excellence and to disseminate information.

In pursuit of this aim the Institute engages in the following activities:

- The award of chartered and other professional qualifications.
- Accreditation of textile degree courses
- Presentation of medals, scholarships and student bursaries
- Organisation of conferences, exhibitions and seminars
- Publication of leading journals and authoritative magazines and books
- Provision of business information
- Technical consultancy services
- Institutional building
- Recruitment services
- Maintenance of a comprehensive library
- Sector specific Special Interest Groups
- Regional and national membership groups

The commitment of the Institute's Council, Board and staff is to provide members with excellent service, good value and democratic participation in a unique organisation that is totally dedicated to textiles, clothing and footwear.

The Textile Institute is a unique professional organisation created specifically to promote the interests of its members and the industries it serves. Throughout its history, the Textile Institute has sought to fulfil its multi faceted role as a professional organisation in a variety of ways: through its membership and qualifications; accreditation's framework; local, national and international networks and events; library and information service, printed publications, and now electronically through the website.

It seeks to bring to its members continuing opportunities for personal and professional progression, and the maintenance and development of the Textile Industries themselves. In this, information is a key resource and in recognising this, the Textile Institute seeks to support dissemination of quality information amongst its members and our peers. Ensuring the quality and distribution of that information is the role of the membership, including those who serve on the committees, boards, special interest and working groups that exist specifically for that purpose.

The Institute is proud of the way in which it has maintained standards of professionalism and supported industry development through knowledge sharing and peer review. As a global Institution with members in over 90 countries, its influence and opportunity is uniquely far reaching, yet focused on our industries. Now as much as ever, the time has come to build on our history and look squarely to the future. The industries we serve continue to move around the globe in physical presence, thus opening up new issues for debate and clarification alongside new sources and markets. The many competing pressures on our industries include those of global economic development and the prosperity shift; the need to develop products and manufacturing whilst paying heed to rapidly changing cultures and societies. The Institute is uniquely placed to encourage development and debate of new ideas and new thinking on industry issues wherever they come from. Our mission allows us to strive for positive improvement and change whilst maintaining the values we inherited and uphold.

The strength of the Textile Institute lies in its members. They are its' intellectual capital, its resource and its workforce to the benefit of each other. We should acknowledge here the continuing and considerable work undertaken around the world by volunteer members at local and international level. Their motivation, enthusiasm and professional expertise make possible the information sharing that is vital to continued development and enterprise. It is these members that keep the Institute focused at a local as well as global level. The local sections, national and regional offices of the TI exist due to their dedication and interest. The importance, and esteem with which TI publications, study tours, national and international conferences, workshops and educational support are received, are evidence of how local becomes international in our professional context.

In 2002, the Textile Institute joins many organisations world wide in examining their performance against the expectations of members and the needs of our future industries. Introspective examination continues to take place alongside more contextual review.

The value of professional qualifications as an indicator of continued development, achievement and of peer esteem is greater than ever. Accreditation offers external recognition of quality, depth and

standards. Enhancing knowledge and information sharing remains critical to the TI focus.

As a professional body, we are alert to the continuing challenges and opportunities presented by new markets, sources, scientific discovery and new technology.

1.7.2 Outline of the Textile Institute's Experience on Similar Assignments in Textiles and Garment Industry.

The Textile Institute has been involved with many special projects throughout its long history.

Over the last few years The Textile Institute and its members who are specified in this proposal have been pro-active in undertaking many projects as follows:

- **The UK Carpet Foundation :**

In 2001 The Textile Institute became independent monitors of 'The Carpet Foundation Quality Mark.' The quality mark was set up to enable customers to make informed choices when purchasing carpets. All of the major UK carpet manufacturers are participating in the scheme.

The UK Carpet Industry Statistics: Following on from The Textile Institute's involvement with the quality mark, the TI now acts as the independent monitor of the UK Carpet Industry Statistics.

A collection of the major UK carpet manufacturers submit sales figures for collation and analysis and are distributed monthly along with an annual retrospective.

- **Ethiopia**

- Feasibility study for rehabilitation and expansion of Wool and Synthetic Blanket Production.
- Feasibility possibilities for the establishment of Cotton based textile industry in Tigray province.
- Assessment of Ethiopian Cotton sector for US Aid.

- **North Africa**

- Feasibility study for the establishment of a new Textile Training College to serve the needs of Arabic states in North Africa and the Middle East.

- **Egypt**

Egyptian Cotton Logo: The primary role of the TI is to:

- Ensure that the overall verification process, including testing procedures, are appropriate to determine that applicants products use only 100% Egyptian cotton.
- Monitor the on going procedures to ensure the standards are maintained and to review the results of each applicant's samples prior to licensing. Provide guidance to applicants who fail to reach the requirements.
- Actively market the use of the logo using the TI's worldwide network of members and textile contacts.

- **Lesotho**

- Establishment of Clothing Industry Training Centre. Establishing training programme and monitoring delivery of the programmes
- Survey of the Clothing Industry to establish levels of skill available and identify constraints on the future growth of the sector.

- **Estonia**

- TI Trade Mission and Study Tour of clothing and textile companies sponsored by the British Government.
- Survey of four production units manufacturing a range of ladies garments. An action plan was produced to rationalise the production facilities and the introduction of productivity improvement techniques.

- **Nepal**

- Study project for the expansion of cotton growing and subsequent processing to fabric in association with "The British Cotton Growing Association.

- **Tanzania**

- Recommendations for rehabilitation of textile testing Laboratory.
 - **North Africa**
 - Commissioning of wool and wool synthetic blend yarn spinning plant on behalf of Geilinger of Switzerland.
 - **Kenya**
 - Reporting on management, production, organisation and performance, with recommendations for improvement of five parastatal Spinning/Weaving/Finishing companies.
 - **Barbados**
 - Consultancy for Garment Industry export competitiveness study financed by the World Bank
 - **Ghana**
 - Consultancy for Textile sub-sector of Industry wide study of financially/technically distressed companies and recommendations for company reconstruction.
 - **P R China**
 - Commissioning of new “Fine” Worsted Spinning Plant for production of Angora/Merino blend yarns and subsequent technical support visits.
 - **Kuwait**
 - Establishment of quilting unit for the production of bed quilts, sleeping bags and specialist clothing.
 - **Syria**
 - GER survey of Public Sector Textile business in Syria funded by the Commission of the European Union.
 - **India**
 - Public Enterprise reform programme for the State of Andhra Pradesh.