

# Textiles Strategy: Developing the Textiles Value Chain in Cotton-Rich Countries - II

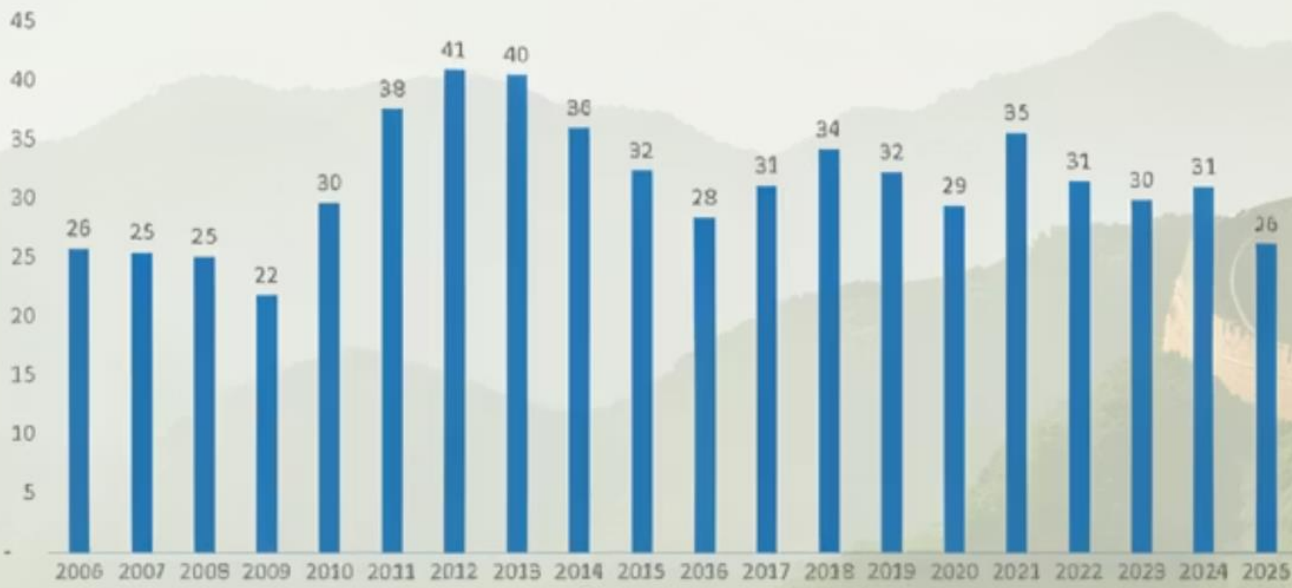


**Kanwar Usman**  
**Head of Textiles, ICAC**

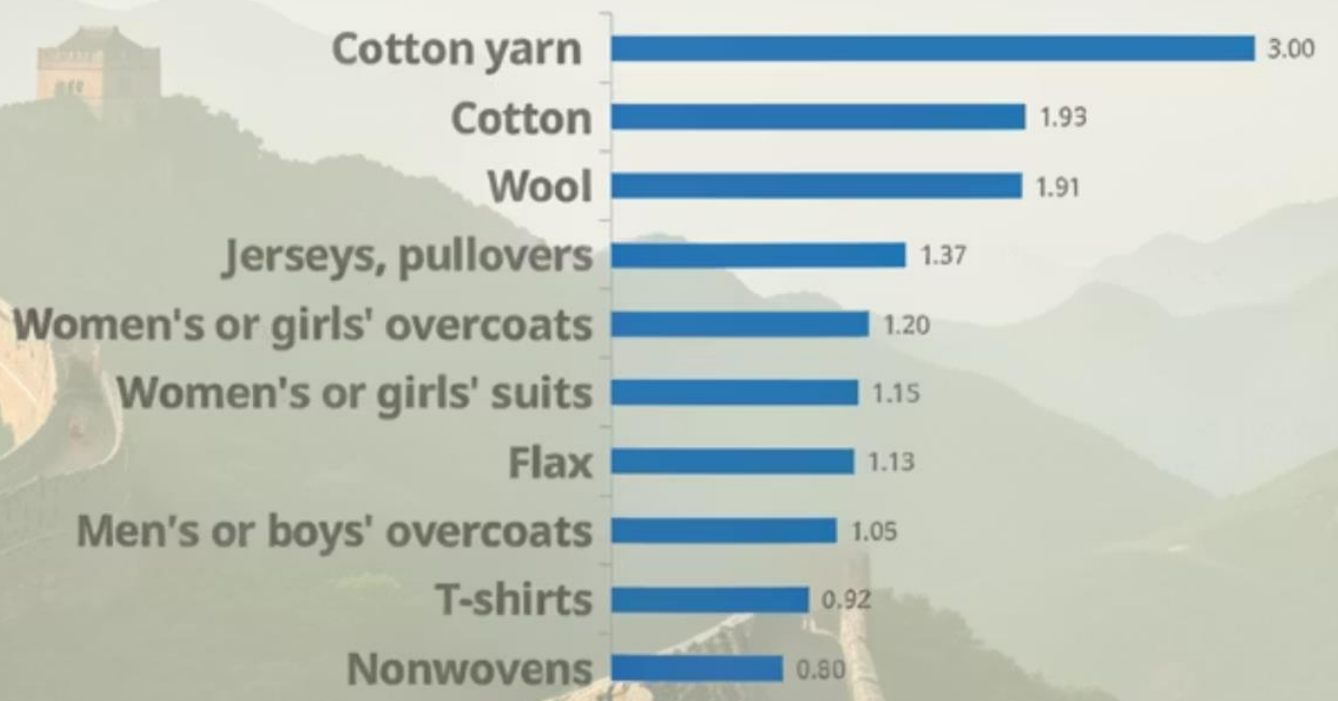


# China's Zero-Tariff Concessions for Africa: Import Trends and Opportunities

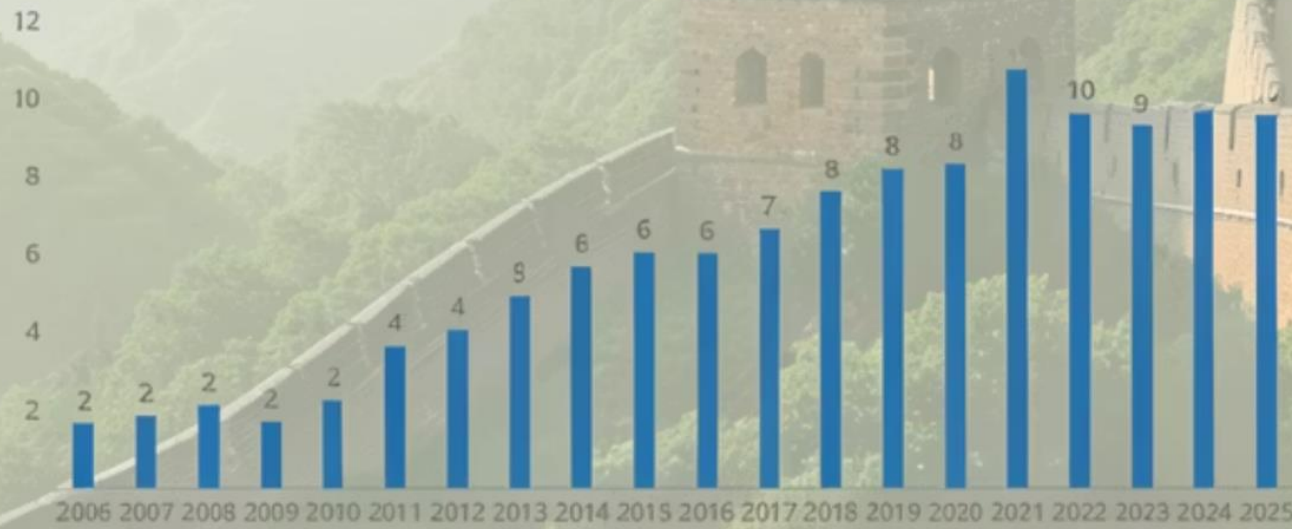
China's Total Textiles Imports \$billion



China's Leading Textile Import Categories \$billion



China's Apparel Imports \$billion



- China ranks 4th globally in total textile imports and 12th in apparel imports
- China's zero-tariff concessions open an additional market opportunity for African exporters alongside AGOA and the EU's GSP/EBA/EPA

# Spinning Plant

**Machinery** **\$12.21M**

**Building** **\$3.50M**

**Land** **\$1.50M**

**Working Capital** **\$2.00M**

**Power** **\$1.20M**

**Contingency** **\$0.60M**

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**Total** **\$21.01M**

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**4,375** Tons / Year • **13** Tons / Day

# Weaving Plant

# \$16M

Total Investment

Machinery  
9.7

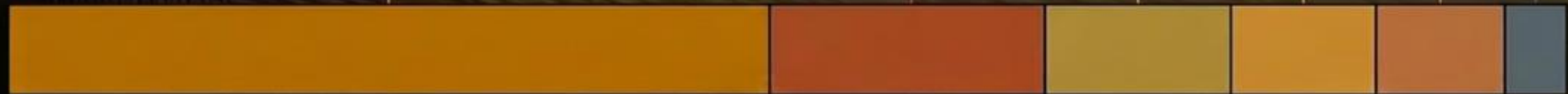
Building  
2.5

Working Capital  
1.5

Land  
1.2

Power  
1.0

Contingency  
0.5



63,900 m/day

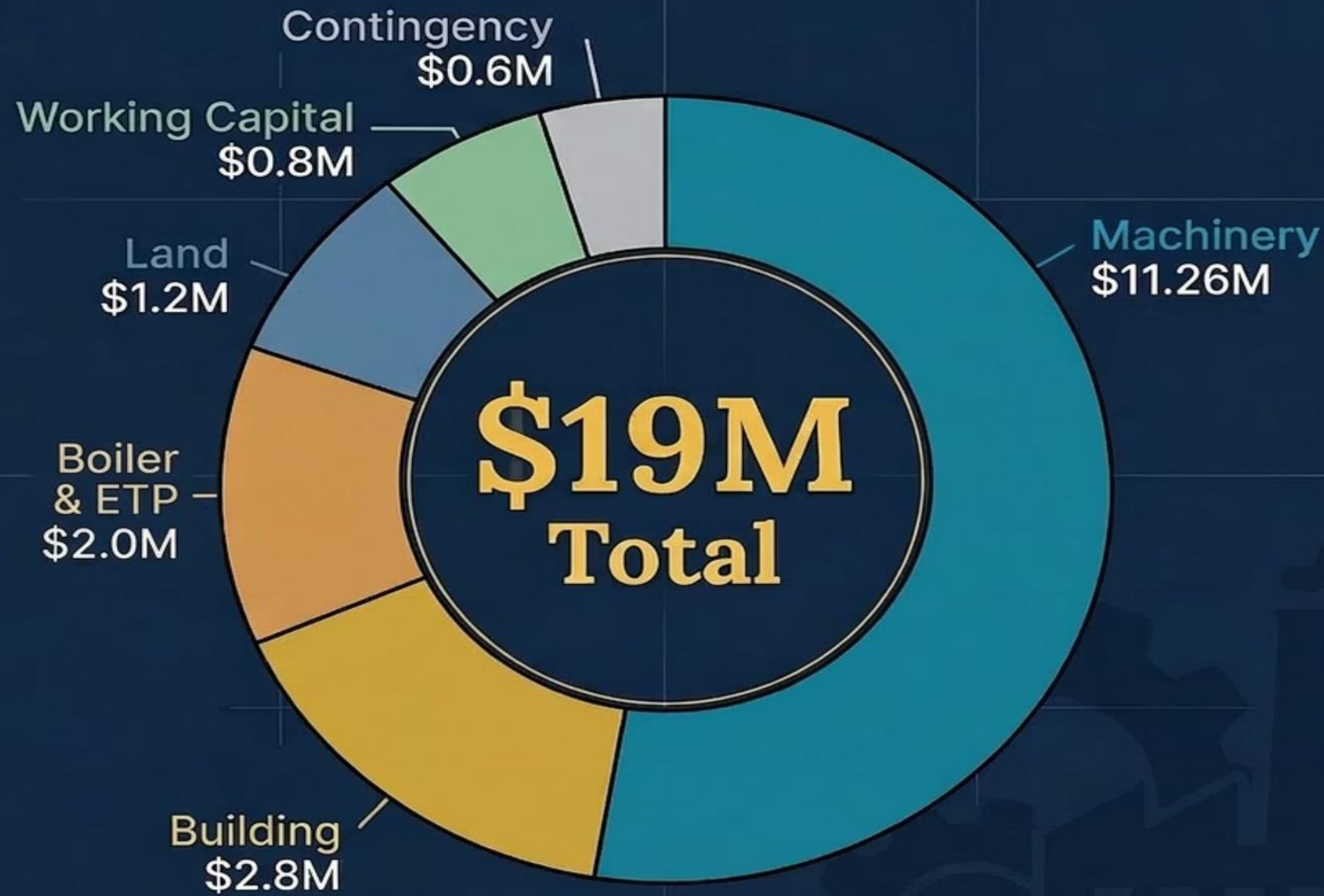


22,365,000 m/annum



4,697 tons/annum

# Processing Plant



# Garments

## Project Investment Breakdown

**Machinery \$1.98M**

Building \$1.20M

Land \$0.60M

Working Capital \$0.50M

Electrical & Steam \$0.25M

Contingency \$0.20M

**Total Investment \$5.00M**



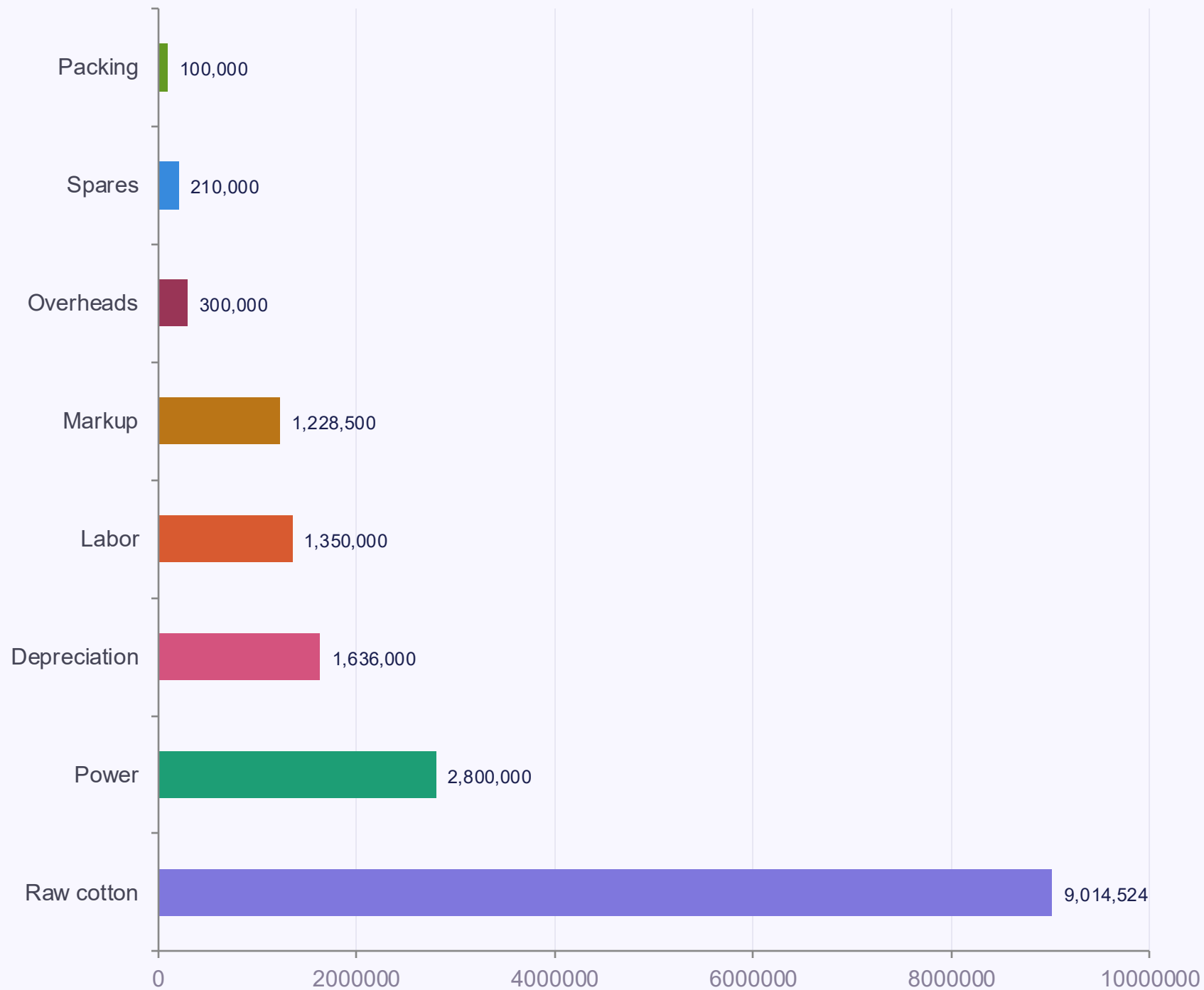
## Production Scale

**15,600**  
Pcs/Day

**5,460,000**  
Pcs/Annum

**1,229**  
Tons/Annum

# Spinning Cost Breakdown



Category	\$/Annum	\$/Lbs
Raw cotton	9,014,524	\$0.93
Power	2,800,000	\$0.29
Labor	1,350,000	\$0.14
Depreciation	1,636,000	\$0.17
Markup	1,228,500	\$0.13
Spares	210,000	\$0.02
Packing	100,000	\$0.01
Overheads	300,000	\$0.03
<b>Total</b>	<b>16,639,024</b>	<b>\$1.73</b>

# All scenarios — spinning cost comparison



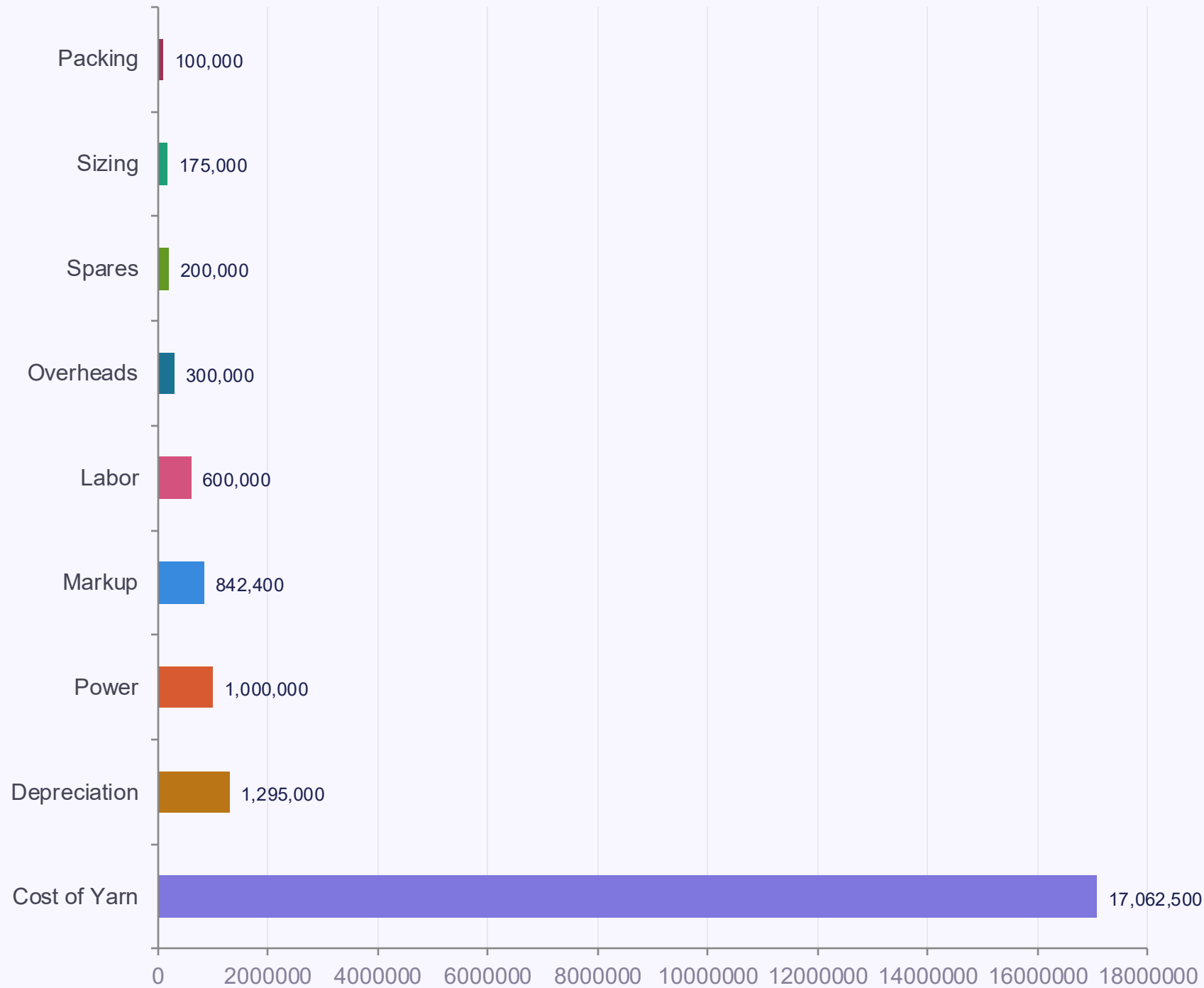
Scenario	\$/Annum	\$/Lbs
Scenario 1	\$16,639,024	\$1.73
Scenario 2	\$16,522,024	\$1.71
Scenario 3	\$15,781,024	\$1.64
Scenario 4	\$15,271,933	\$1.58
Scenario 5	\$14,683,525	\$1.52
Scenario 6	\$14,174,434	\$1.47

S1→S6

**\$2,464,590 / annum**

# Weaving Cost Breakdown

Total: \$2.10/lbs



Category	\$/Annum	\$/Lbs
Cost of Yarn	\$17,062,500	\$1.66
Sizing	\$175,000	\$0.02
Power	\$1,000,000	\$0.10
Labor	\$600,000	\$0.06
Depreciation	\$1,295,000	\$0.13
Markup	\$842,400	\$0.08
Spares	\$200,000	\$0.02
Packing	\$100,000	\$0.01
Overheads	\$300,000	\$0.03
<b>Total</b>	<b>\$21,574,900</b>	<b>\$2.10</b>

# All scenarios — weaving cost comparison



Scenario	\$/Annum	\$/Lbs
Scenario 1	\$21,574,900	\$2.10
Scenario 2	\$21,457,900	\$2.09
Scenario 3	\$20,974,300	\$2.04
Scenario 4	\$20,792,482	\$2.03
Scenario 5	\$19,742,482	\$1.92
Scenario 6	\$19,560,664	\$1.91

S1 → S6

**\$2,014,236 | \$0.19/lbs**

# Processing Cost Breakdown

Total: **\$3.76/lbs**



Category	\$/Annum	\$/Lbs
Cost of Fabric	\$25,380,000	\$2.61
Chemicals	\$3,700,000	\$0.38
Power	\$2,132,000	\$0.22
Steam	\$652,000	\$0.07
Water and ETP	\$500,000	\$0.05
Labor	\$1,200,000	\$0.12
Depreciation	\$1,146,000	\$0.12
Markup	\$936,000	\$0.10
Spares	\$200,000	\$0.02
Packing	\$200,000	\$0.02
Overheads	\$500,000	\$0.05
<b>Total</b>	<b>\$36,546,000</b>	<b>\$3.76</b>

# All scenarios — processing cost comparison



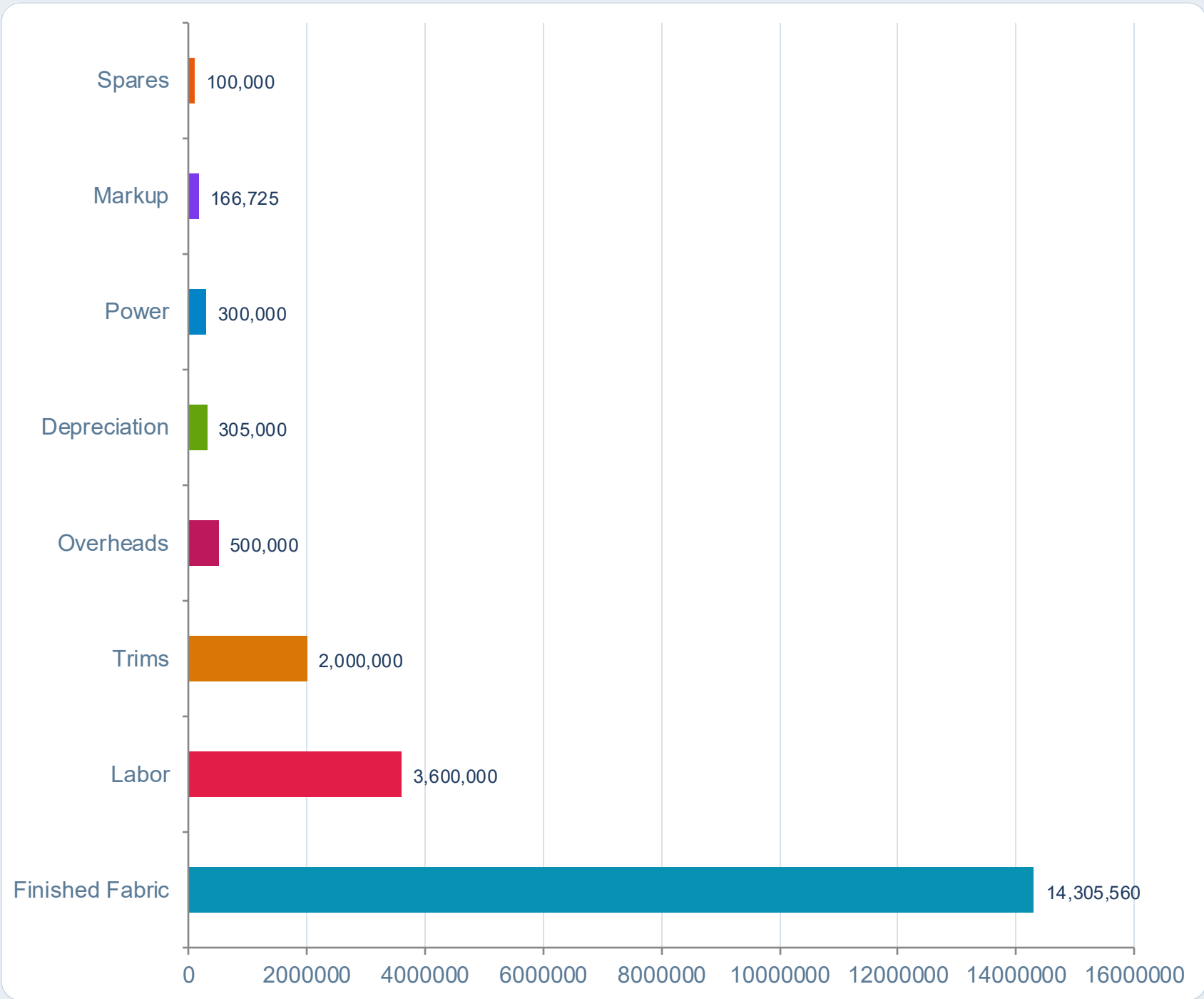
Scenario	\$/Annum	\$/Lbs
Scenario 1	\$36,546,000	\$3.76
Scenario 2	\$36,454,740	\$3.75
Scenario 3	\$35,891,580	\$3.69
Scenario 4	\$35,385,398	\$3.64
Scenario 5	\$33,975,398	\$3.49
Scenario 6	\$33,469,216	\$3.44

S1 → S6

**\$3,076,784 | \$0.32/lbs**

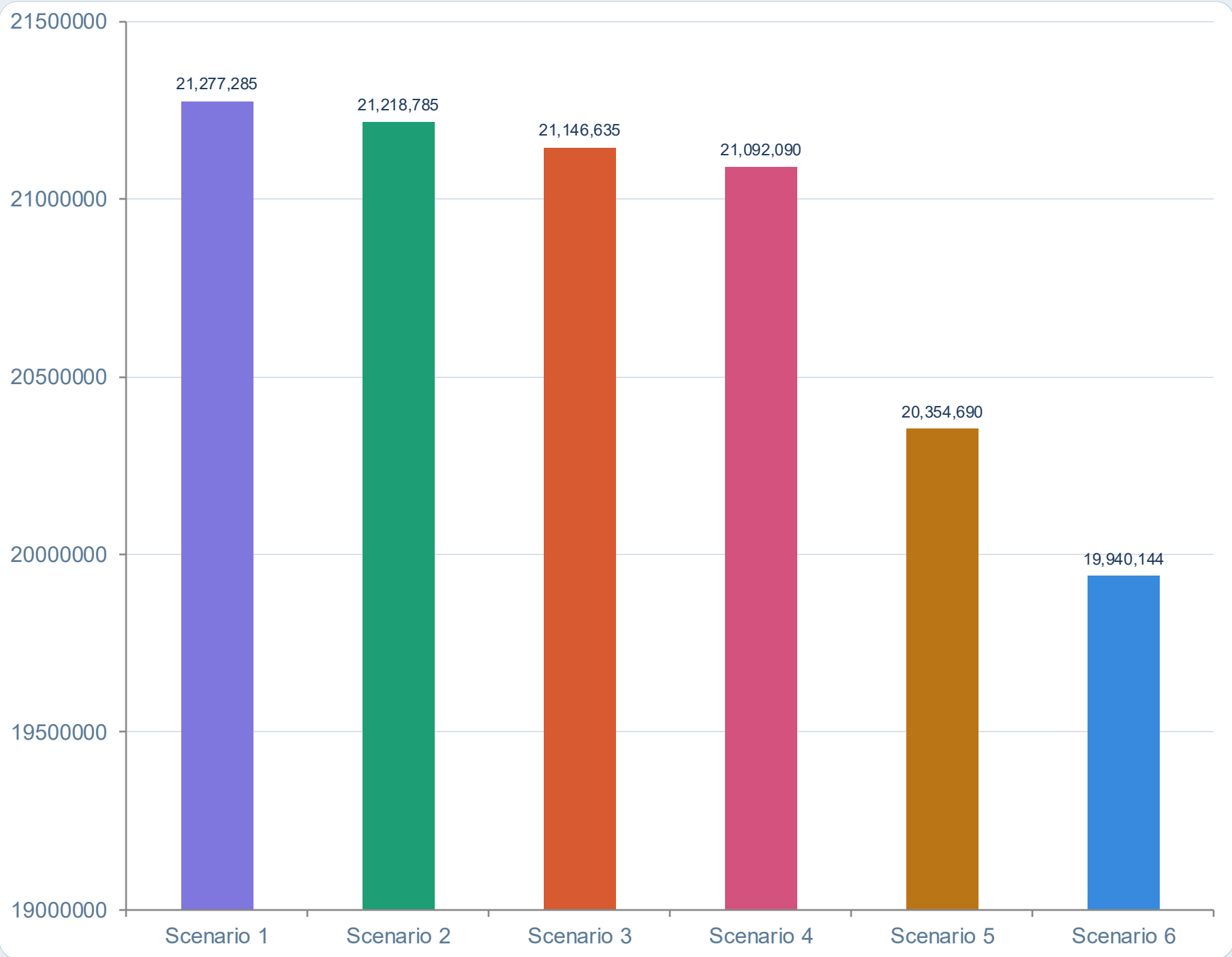
# Garment Cost Breakdown

Total: \$7.85/lbs



Category	\$/Annum	\$/Lbs
Cost of Finished Fabric	\$14,305,560	\$5.28
Trims	\$2,000,000	\$0.74
Labor	\$3,600,000	\$1.33
Power	\$300,000	\$0.11
Depreciation	\$305,000	\$0.11
Markup	\$166,725	\$0.06
Spares	\$100,000	\$0.04
Overheads	\$500,000	\$0.18
<b>Total</b>	<b>\$21,277,285</b>	<b>\$7.85</b>

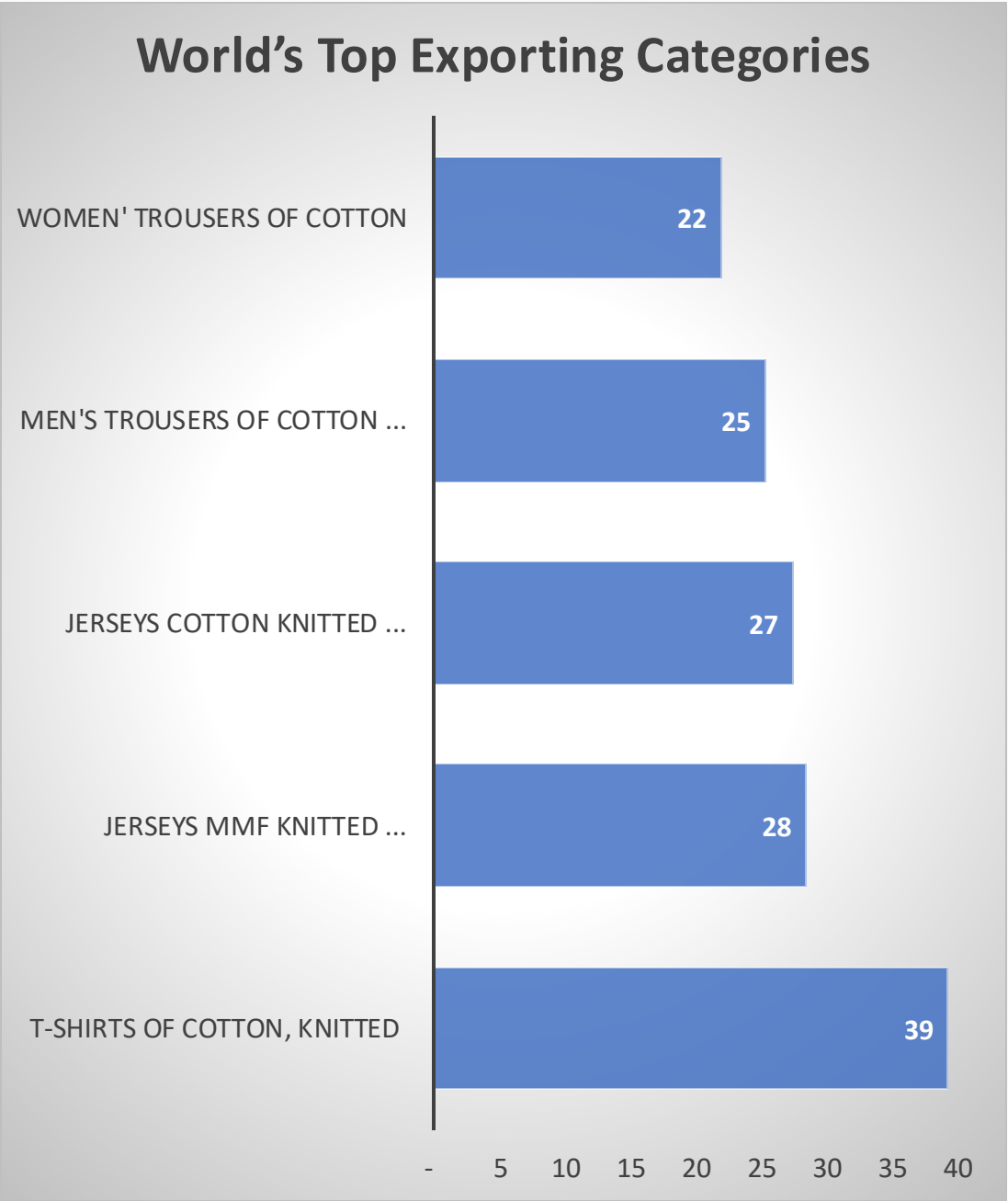
# All scenarios — garment cost comparison



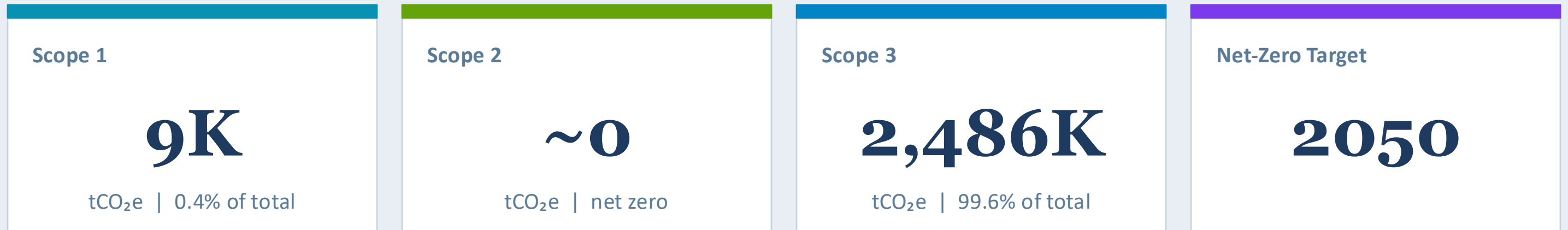
Scenario	\$/Annum	\$/Lbs
Scenario 1	\$21,277,285	\$7.85
Scenario 2	\$21,218,785	\$7.83
Scenario 3	\$21,146,635	\$7.80
Scenario 4	\$21,092,090	\$7.78
Scenario 5	\$20,354,690	\$7.51
Scenario 6	\$19,940,144	\$7.36

S1 → S6  
**\$1,337,141 | \$0.49/lbs**

# Major Apparel Markets and the World's Leading Export Categories \$billion



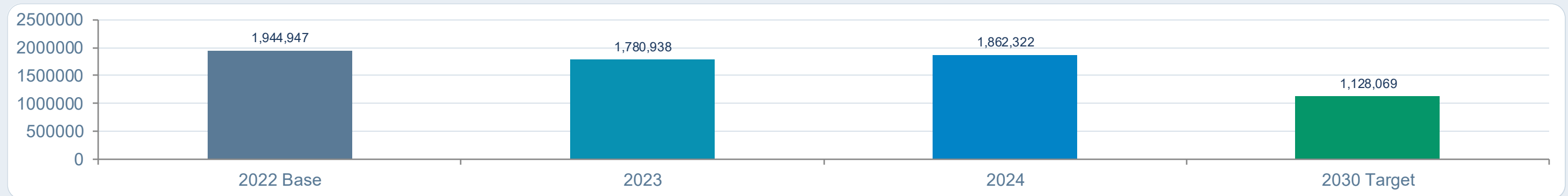
# Levi Strauss & Co.: Climate — Greenhouse Gas Emissions



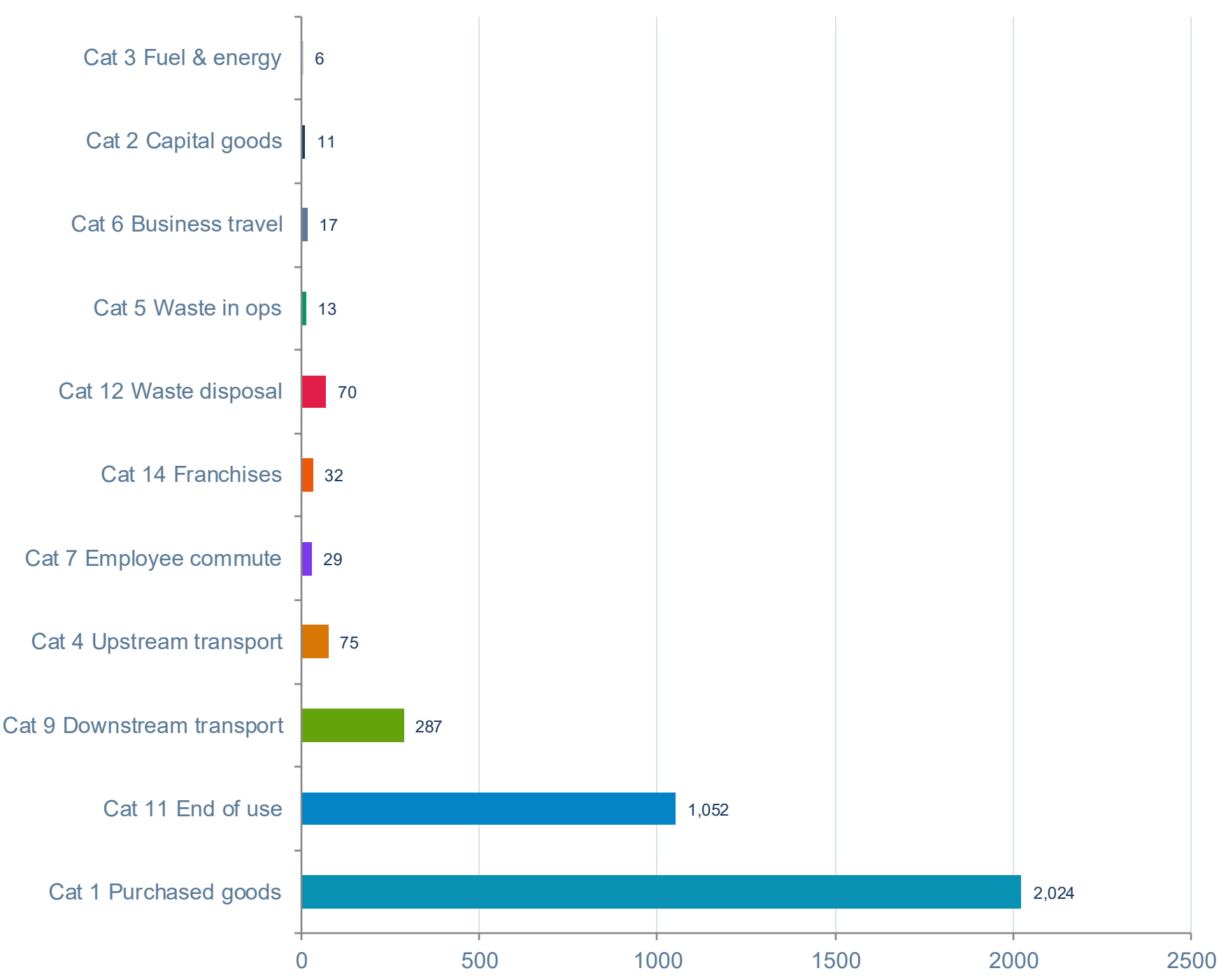
## Operational GHG — 90% reduction target by 2025 (base: 2016)



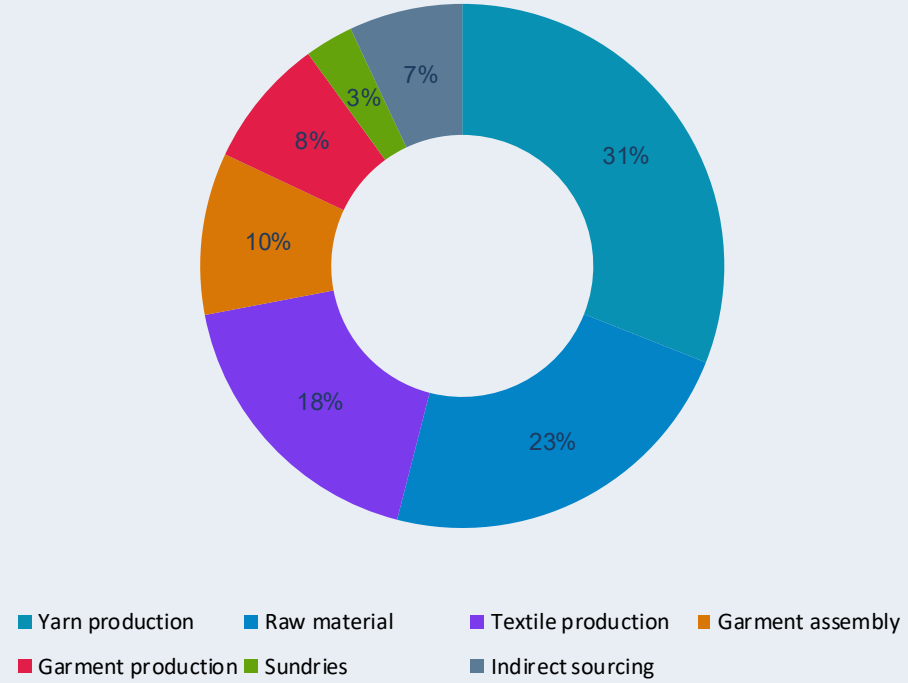
## Supply Chain GHG Emissions — Category 1 (tCO<sub>2</sub>e, 000s)



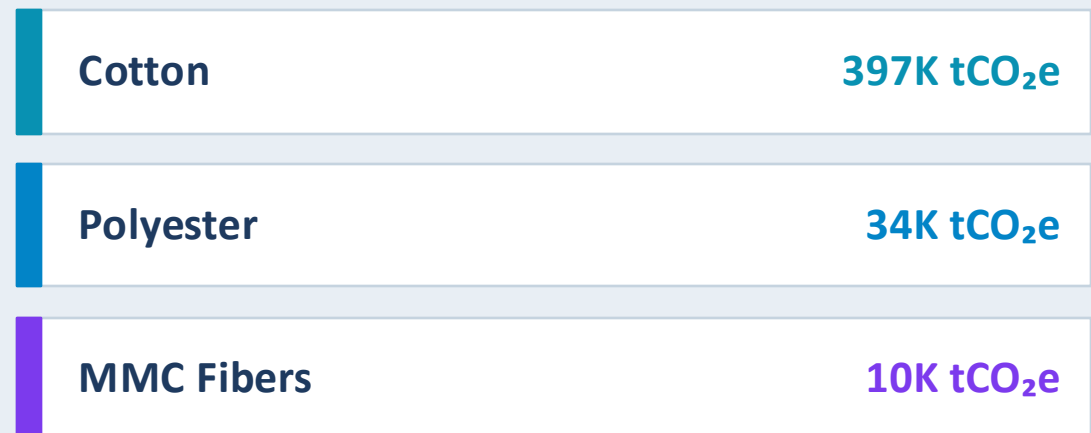
# Scope 3 Emissions — Category Breakdown 2024



## Category 1 breakdown by life cycle stage

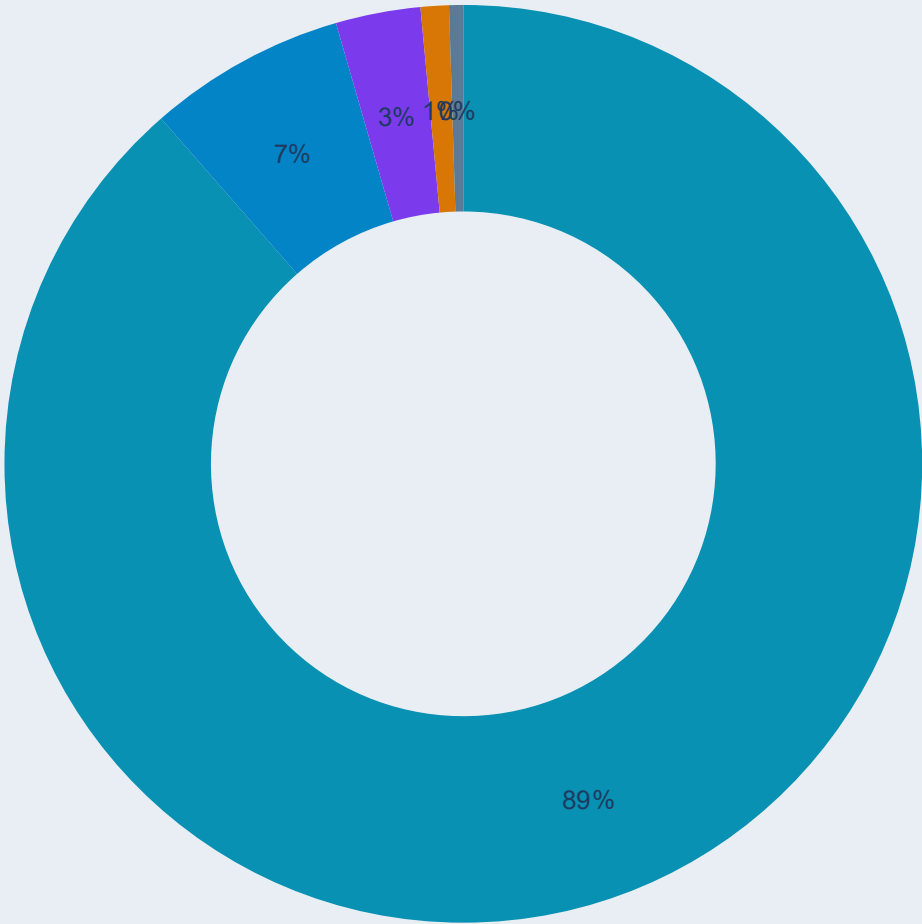


## Top raw material emissions (2024)



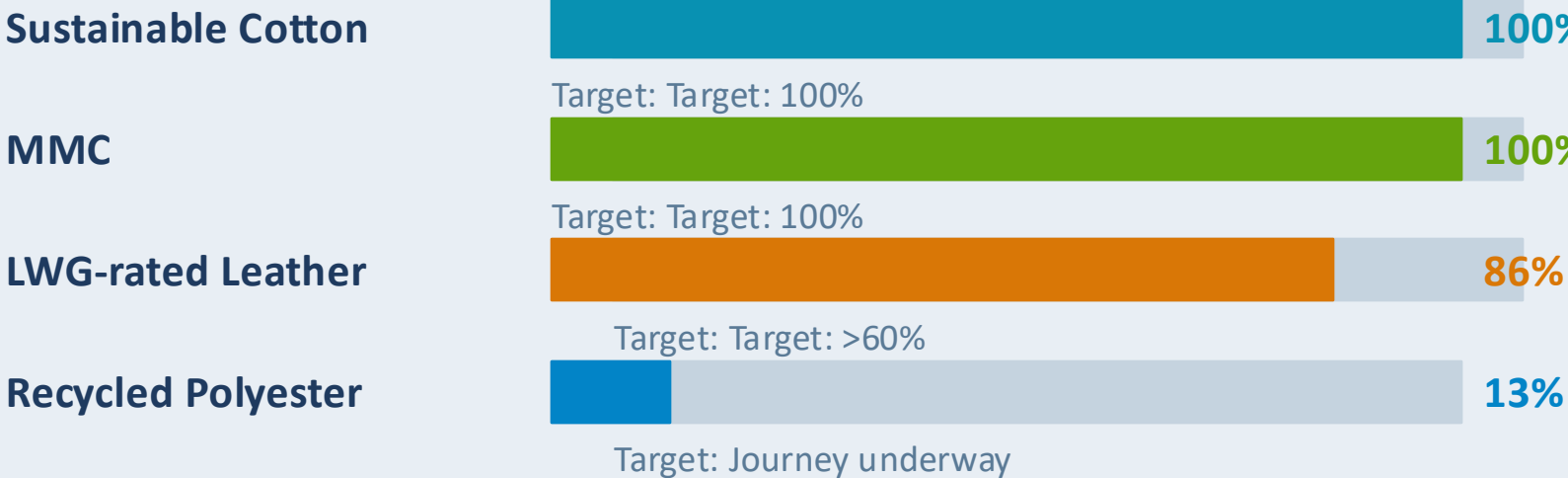
# Sustainable Materials & Fiber Sourcing

Fiber mix 2024



- Cotton 89%
- Polyester 7%
- Manmade Cellulosics 3%
- Elastane 1%
- Other <1%

% of fibers sourced that are more sustainable

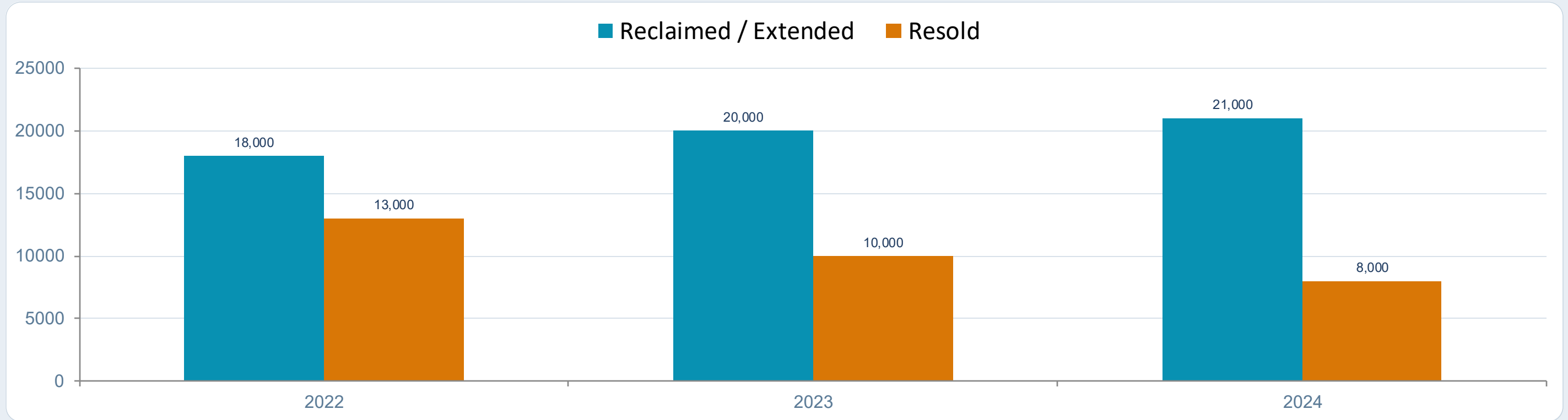


Year-on-year trend

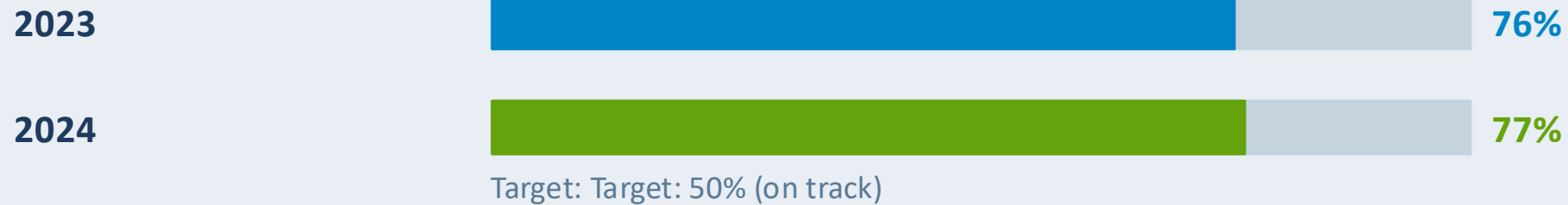
Material	2022	2023	2024
Sustainable Cotton	>99%	96%	<b>100%</b>
MMC	100%	100%	<b>100%</b>
LWG-rated Leather	>60%	78%	<b>86%</b>
Recycled Polyester	11%	10%	<b>13%</b>

# Circular Economy & Waste Diversion

## Levi's SecondHand — Units reclaimed & resold



## Waste Diversion — Key Suppliers (target: 50% by 2030)



Comprehensive circular-ready plan in development — target: 2026

# Levi Strauss & Co. — Sustainability Targets

16 Goals across Climate, Consumption & Community

	Goal	Target	Progress	Status
CLIMATE	Net-zero GHG emissions	2050		On track
	Supply chain GHG ↓42%	2030	<div style="width: 4%;"><div style="width: 4%;"></div></div> 4%	4% done
	Ops GHG ↓90% + 100% renewables	2025	<div style="width: 81%;"><div style="width: 81%;"></div></div> 81%	81% done
	Freshwater ↓50% (high stress zones)	2025	<div style="width: 27%;"><div style="width: 27%;"></div></div> 27%	27% done
	Biodiversity — zero deforestation	2025		In progress
CONSUMPTION	Circular-ready plan	2026		In progress
	Resale & upcycling in key markets	2025		Active
	Zero waste to landfill (suppliers ↓50%)	2030	<div style="width: 77%;"><div style="width: 77%;"></div></div> 77%	77% diverted
	Eliminate single-use plastics	2030		Paused
	100% Screened Chemistry	2026	<div style="width: 22%;"><div style="width: 22%;"></div></div> 22%	22% done
	100% preferred/certified materials	2030		Cotton 100%
COMMUNITY	Worker health & engagement (WMC)	Ongoing	<div style="width: 66%;"><div style="width: 66%;"></div></div> 66%	66% WMC
	Pay equity & fairness	Annual		Achieved
	Inclusive career destination	Ongoing		56.6% women
	LSF community investment	Annual		\$10.3M 2024
	Societal impact & advocacy	Annual		\$2.6M given

# Thank you!



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