

# **Pak-Korea Garment Technology Institute**

**KARACHI**

*(Partially funded by Korean International  
Cooperation Agency KOICA)*



**Government of Pakistan**

**Ministry of Textile Industry**

## CAPITAL COST ESTIMATES

Korean International Cooperation Agency has offered an assistance of US\$ 1.5 million for this project. The break-up of the funding is as under:

Share of KOICA	US\$1.5 m (Rs. 128 Million) [US\$1=PKR 85]
Share of PSDP	Rs. 172.00 Million
Total cost of the project	Rs. 300.00 Million

### Following courses will be offered in the institute:

- A. Garment Technology  
(2 ½ years + 6 months)
- B. Knitwear Technology  
(2 ½ years + 6 months)
- C. Apparel Marketing  
(2 ½ years + 6 months)
- D. Line Supervisors  
(Six month certificate course)
- E. Sewing Machine Operator & maintenance.  
(Six month certificate course)

## PROJECT OBJECTIVES AND ITS RELATIONSHIP WITH SECTORAL OBJECTIVES

- To set-up state of the art **technology and training institute** for the garment sector in collaboration with Korean Agency.
- To impart knowledge and training to the garment industry by providing skilled manpower developed under supervision of foreign experts.
- To establish a centre of excellence, which would act as a focal point for the Garment Industry for solving problem of shortage of skilled manpower faced by the industry and regarding development of value-added products, improvement of productivity and quality.

- To enhance the foreign trade by capturing new markets in the world through improvement of quality of goods and create exportable surpluses.
- To build the capacity and capability of value added segment of textile sector to face challenges in the upcoming years.
- To develop and nurture indigenous recourses to upgrade value-added textile sector to the international market level.

### **DESCRIPTION, JUSTIFICATION, TECHNICAL PARAMETERS AND TECHNOLOGY TRANSFER ASPECTS.**

#### **Description:**

Textile Policy 2009-14 envisages for comprehensive skill development framework to increase supply of efficient human resources support as well as the acquisition of foreign expertise in enhancing local productivity and supervisory skills for the textile industry. Government will provide funds to support the promotion of skills development within the textile sector with the aim to improve the country's economic growth and competitiveness in the sector. Pakistan's future competitiveness depends on productive, high performance workplaces, supported by a highly skilled workforce. The textile sector is an important sector of our economy and the project for skills development will help to ensure that we have the skilled workforce to remain competitive in the face of changing demographics at home and growing international competition.

The Project to set-up a **Garment Technology Institute** under the Ministry of Textile Industry will help to develop innovative skill solutions that respond to established and emerging human resources needs, seek to foster a continuous learning environment and enhances the industry's image. This project will help us to build on our success with needs-driven skills development programs and services. It will contribute in a major way to our overall skills strategy for the Pakistan textile industry. Textile Policy aims at helping Pakistanis to become competitive and to increase the effectiveness, foreign experts are invited to impart the skills and transfer the technology. To

immediately start the concept for industry benefits, the institute will be established temporarily at SFDAC for a period of 03 years on rental basis. Later on, it will then be transferred on permanent basis at Karachi Garment City (near Port Qasim Area) after construction of its building.

**Justification:**

Textile is the largest export-based industry in Pakistan. Textile sector shares 55% of total exports which was US \$ 10.62 billion during 2007-08. At present over 50% of our textile exports consist of low priced products like yarn and fabric while exports of value added products are near 40%. Pakistan is one of the giant to produce cotton and export the cotton and also 3<sup>rd</sup> rating in the world for the consumption of cotton. But the global market has been taken the new directions. Instead of courser yarn, the demand of fine cotton counts has increased; instead of basic clothing, trend has been shifted towards more fashion oriented and technical value added products. Despite being the 4<sup>th</sup> largest cotton producer in the world, equipped with good machineries and equipments and employing more than 38% of the national workforce, Pakistan textile sector's total share in the international textile trade is less than 2%.

The Garment/Clothing segment is the highest value added link in textile value chain. Apparel accounts for more than 55% of the total value of global textile trade and is consistently growing since last two decades (Textile Vision 2005). At present there is a large gap between the requirements of the textile industry and properly trained manpower. One of the key reasons for too little Pakistani share in the international textile trade is that the people working in the industry do not have proper methods, guidance and necessary skills to convert the fibre into platinum collection of value-added goods of textiles and apparel. It is quite obvious that value-addition has to play a vital for the viability of Pakistan textile industry in the future.

**Pak-Korea GTI** will not only serve the purpose of training the people through modern methodologies but also cause to benefit the industry with the expertise of foreign professionals of the field.

- **Provide technical parameters and discuss technology aspect of the Project.**

On a proposal submitted by Ministry of Textile Industry (MINTEX) through Economic Affairs Division, Korea International Cooperation Agency (KOICA) has agreed to provide assistance for the establishment of Garment Technology Institute in Karachi. The project aims for enhancing competitiveness of textile and apparel industry by providing skilled workers. In this project, both sides will arrange for their share of funding for the project. KOICA has spelled out its area of assistance, while Pakistan has to arrange its share of the counterpart funding. KOICA will also select a Korean project management consulting company (PMC) to implement the project:

- a. KOICA shall provide assistance of one million and five hundred thousand US dollars (US\$ 1,500,000) to conduct the following activities of the project:
  - i. Provision of equipment, furniture for vocational training center.
  - ii. Dispatch of Korean Experts to the training center for fixing machinery, provide technical guidance and advice on operating equipment.
  - iii. Invitational training programme to be conducted in Korea. The Korean side will bear air tickets, accommodation and allowance.
- b. Government of Pakistan has to perform following tasks for the successful implementation of the Project:

**Administrative:**

- i. Rent a temporary building as institute for three (3) years, located in Karachi, to immediately start the project and after which it will be relocated in a new training center constructed by Pakistan. The rent and the construction cost of the building will be provided by Pakistan.
- ii. Ensure proper storage, operation, maintenance, and repair of the equipment.

**Measures for the Equipment Granted by the Korean Government**

- i. Bear the costs of storage, operation, maintenance, and repair of the equipment during the Project and after its completion. Supply or replace

the equipment, instruments, furniture, and other material required for the implementation of the Project other than those provided by the Korean Government.

- ii. Use the equipment and material granted by the Korean Government exclusively for the Project.
- iii. Designate engineers or technicians who will learn how to operate, maintain, and repair the equipment.

**Administrative Measures**

- i. Secure the budget necessary for the undertakings of the Pakistan counterpart.
- ii. Designate a responsible coordinator(s) from the Pakistan counterpart to implement the Project and manage the institute.
- iii. Provide personnel such as assistant personnel, security personnel, and administrative staff required for the Project.
- iv. Obtain all necessary approvals and permits from the authorities concerned which are required by the laws and regulations in effect in Pakistan, and settle all legal matters which may be brought about regarding the implementation of the Project.
- v. Ensure the exclusive and appropriate use of the budget assigned for the Project.
- vi. Translate and provide all relevant documents in English.

**Other Expenses**

Pakistani side shall bear the expenses necessary for implementing the Project other than the amount provided by the Korean Government.

- **Provide details of civil works, equipment, machinery and other physical facilities required for the project.**

### **1. Land:**

A land of 1.0 Acre (43,560 sq. ft.) is required in Karachi Garment City. The developed land will be acquired free of cost from Karachi Garment City Company (KGCC) in Bin Qasim Authority. The land will consist of the following:

- i. Building (21,640 sq.ft.)
- ii. Open/Circular Area (7,200 sq.ft.)
- iii. Future expansion Area (14,720 sq.ft.)  
*(curricular activities Hostel/faculty accommodation etc)*

### **2. Building:**

The Building is planned to be constructed on around 21,640 sq. ft. area. The building is supposed to be air conditioned through separate split air conditioner units with its own power generation facility. The building may constitute the following facilities:

- i. Garment Technology Department.
- ii. Knitwear Technology Department.
- iii. Apparel Marketing Department.
- iv. Line Supervisor Training Department.
- v. Sewing Machine Operation and Maintenance Department.
- vi. Separate Laboratories for each department.
- vii. Common Room.
- viii. Admin Block / Offices area.
- ix. Conference Hall / Meeting Room.
- x. Library.
- xi. Prayer Area.
- xii. Generator Area etc.

### **3. Machinery & Equipment:**

As already stated, the equipments for vocational training will be provided by KOICA, whereas, necessary equipments/support machinery for administrative setup will be purchased through local funds. These equipments will be purchased at the time of setting up the **Pak-Korea GTI** for 3 years rental basis in SFDAC. However, dismantling, transfer and re-mantling expenses would be incurred while shifting **Pak-Korea GTI** on permanent basis to Karachi Garment City.

### **4. Furniture & Fixtures:**

At the time of constructing classes and laboratories, some furniture and fixtures may be required to make the institute operational. Necessary furniture for administrative setup (including faculty) would be purchased at the time of temporary arrangements in SFDAC.

### **5. Human Resource:**

For the execution of the project, staff of 14 persons will be required during the execution period of 1.25 year. The administrative staff (including faculty) of 33 persons would be same as hired at the time of temporary arrangements in SFDAC.

### **6. Transportation:**

Necessary transportation facility will be required for the project staff and then the permanent staff of the institute accordingly.

## **EDUCATION, TRAINING AND MANPOWER**

As stated, the **institute** will be comprised of five (05) departments. Except line supervisors & sewing machine operators & maintenance department which will give certificates in 06 months, the rest three (03) departments will offer 3 years diploma programs. The training will be imparted to a batch size of 30 students in each department, thus 450 students will pass out after every three years. The average per year enrolment is expected to be 210 students, hence in 6 years 900 students will be trained on scientific basis.

There will be staff of 2 faculty members in each department. All the five (05) departments will be headed by 2 senior instructors/HODs i.e. total 12 faculty members will impart the education and training in the institute. These 12 faculty staff will initially be trained in Pakistan by Korean experts for around 01 year period. Instructors from different disciplines will also be invited for 01 month training in Korea. For machinery operation and maintenance, 04 technicians will also serve.

## **HEALTH, NUTRITION, FAMILY PLANING AND SOCIAL WELFARE**

Not applicable at this stage.

### **A) WATER SUPPLY & SEWERAGE**

This assumed t o be available in proximity.

### **B) CULTURE, SPORTS, TOURISM & YOUTH**

Not applicable.

### **C) MASS MEDIA**

Not applicable at this stage.

#### **D) RESEARCH**

The **institute** is not aimed to do research and development work, but it will definitely help in promoting the research culture in the industry.

#### **DEMAND & SUPPLY ANALYSIS**

**Pak-Korea Garment Technology Institute** will be constructed in the vicinity of Karachi Garment City by Textile Commissioner's Organization. A Board notified by the Ministry of Textile Industry will supervise the construction work and subsequently its affairs. An independent Project Team will be hired to execute this project. The Land will be purchased from KGCC, Karachi. After completion of the project, Textile Commissioner's Organization will supervise for its operation, maintenance and regular administrative matters.

**Pak-Korea Garment Technology Institute** will be the first institute that will offer comprehensive diploma training under foreign experts particular to garment sector. The annual projects or final year thesis work will be exhibited and presented in each year. The curriculum for different programs will be developed by the Garment Technology Institute administration with the assistance of the technical experts of KOICA by the faculty.

Garment industry employs around 1.8 million skilled & unskilled workforce (Economic Survey 2008-09). The demand for skilled manpower in this industry is huge since the global value added textile market is growing at a rapid rate and the garment industry has to prepare to face upcoming challenges. The centre will act as a focal point for providing around 210 quality human resource every year. This institute alone will not sufficient in bridging the gap of required human resource, but it would be of definitely great help to the industry. **Pak-Korea Garment Technology Institute** graduates will be placed in highly challenging and rewarding jobs in both private and public sectors; as supervisors, designers and as faculty their expertise is undoubtedly sought after. The employment ratio of the graduates is expected to be 100%.

## **BENEFITS OF PROJECT & ANALYSIS**

### **(a) Project Benefits:**

#### **i) Financial:**

- a) More financial independence to individuals especially women.
- b) Increased foreign and local investments in textile and clothing sector.
- c) Revenue generation for government in terms of different taxes /levies through increased export of more value-added textile products.

#### **ii) Economic Benefit:**

- a) It will help the country to earn extra foreign exchange through increased export.
- b) It will help to increase the per capita income of the country.
- c) Reduction in demand-supply gap of skilled supervisors and middle managers.

#### **iii) Social Benefits:**

- a) Opportunity of gender equality i.e. employment of women
- b) Employment to a number of skilled people.
- c) Help poverty alleviation.
- d) Increased skilled labor force for textile sector.
- e) Better relationship between the stakeholders.
- f) Availability of technically sound and expert manpower.
- g) Provide extra jobs to the local communities mainly during the implementation of the Project.
- h) Promotion of technical education.
- i) Reduction in unemployment.
- j) Improvement in quality of goods.

#### **iv) Environmental:**

The educational institute will be housed in the proposed building, thus it is envisaged that there will be no such environmental impact.

**ii) Employment generation (direct and indirect)**

**Direct:** 14 Nos. of direct jobs will be created during project execution and 33 Nos. of direct jobs will be created for operations.

**Indirect:** During the initial phase, the project will give employment to around 50 development, construction & other related workers for around 1.25 years. After being fully operational, this project will produce 210 skilled workers per year and hence create opportunity for over 200 people (majority women) per year on continuous basis.

▪ **Administrative arrangements for implementation of the project.**

MINTEX through Textile Commissioner's Organization (TCO) Karachi will implement and control the project.

- (i) Over all responsibility of administrative execution and maintenance of Pak-Korea GTI operations will rest with TCO, Karachi under the supervision of the Ministry of Textile Industry.
- (ii) TCO shall supervise the implementation work of the Project Director (PD) by holding periodic meetings preferably once in a month to monitor the progress achieved and report to higher authorities. TCO would also be responsible for maintenance of buildings, service, infrastructure and running this institute.

▪ **Human Resources Development (Training)**

In-house Training by Foreign Experts: 15-20 (Local).

Foreign Training: 4-8 (Abroad).

- **Manpower requirements during execution and operation of the project be provided with skills/profession:**

**Required Manpower for execution of the project: 14 persons**  
**(On contract basis)**

**Required Manpower after the project being operational: 33 persons**  
**(On contract basis)**