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AND THE COMMITTEE OF THE REGIONS

**The Impact of International Developments on the Community's
Textile and Clothing Sector**

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I. INTRODUCTION

Mid April 1994, the Final Act embodying the results of the Uruguay Round and the Agreement establishing the World Trade Organization (WTO) were signed in Marrakesh.

Only one week later, the European Council of Industry Ministers¹, after having examined the "Report on the Competitiveness of the European Textile and Clothing Industry", submitted to it by the Commission on 16 November 1993², decided on a comprehensive programme for the European textile and clothing industry. This programme was intended to actively encourage the adaptation of the industry to the new conditions of international competition in order to secure its future by improving its competitiveness.

In this context, one important objective of the Council's programme was to make a concerted assessment of the impact of the Uruguay Round results on the industry. In the Commission's view this assessment should also take into account all the other internal and external factors which will influence the EU textile and clothing sector during the period of application of UR results and the possible implications for the enterprises' strategies and the Member States' and the EU's industrial policy.

The present Communication prepares the necessary discussion of the Council taking into account the main results of an expert study which was launched by the Commission. The elaboration of the study was accompanied by a steering committee, composed of representatives from the European textile and clothing industry, trade and trade union as well as from the European Textile and Clothing Observatory (OETH) and the relevant Commission services.

II. FACTORS DETERMINING THE COMPETITIVENESS AND FURTHER DEVELOPMENT OF THE EU TEXTILE AND CLOTHING SECTOR

1. Development of the EU textile and clothing sector since 1984

During the last ten years the development of the European textile and clothing industry has been determined essentially by a relatively low annual growth in consumption (textiles +2.2%; clothing -0.3%) and a rather high annual growth of imports (textiles +5.4%; clothing +6.4%). Thanks to increasing exports in textiles (+3.2% p.a.) the textile production decreased only marginally (-0.6% p.a.), while the increase in clothing exports (+2% p.a.) was not enough to avoid a larger decline in clothing production (-2.2% p.a.).

In consequence, the employment in the textile and clothing industry fell by about 850 000 persons in the last 10 years, of which 600 000³ was during the last 5 years. While in textiles the rise in productivity, induced by the competitive developments, has been the main factor for the loss in employment, in clothing, besides a rise in productivity, weak consumption and the high imports played an important role.

¹ 1750th Council meeting / Industry; Luxembourg, 22 April 1994

² COM(93)525 final of 18 November 1993

³ excluding Eastern Germany

The development has been different in the various EU regions (Tables 1 a-e). While production in certain Member States had still increased in the last 10 years (in particular in Belgium and Portugal), employment has considerably dropped almost everywhere in the EU (excluding Portugal).

However, the EU textile and clothing industry still represents a major industrial sector, with 2.3 million employees in more than 120 000 enterprises. In 1994 it had a turnover of 170 billion ECU and investments of 5.6 billion ECU. So this industry represents 8% of the employment and 5% of the value added of the whole EU manufacturing sector. An extensive analysis of the situation in the EU textile and clothing industry has been presented to the Council in the OETH Report of April 1995⁴.

2. Factors determining competitiveness

The most important factors affecting the competitiveness and future developments of the EU textiles and clothing sector have already been analysed in the Commission's "Report on the Competitiveness of the European Textile and Clothing Industry" (Communication of 1993)⁵.

Among them with a fundamental importance are **labour costs** (Table 2). Even if the existing immense differences in labour costs between the EU and the developing textile exporting countries may generally narrow down in the long term, for the near future the expected changes are limited and the differences in total costs tend even to be reinforced by further differences e.g. in energy and environmental costs. The problem of fundamental cost differences is particularly relevant in Community productions with a high share of labour cost (mainly in the clothing sector) or with relatively high energy and environmental costs (mainly in the textile sector). Cost differences can be compensated, at least partially, by a further modernisation or reorganization of the production processes, by the development of new products, more fashionable and higher quality products, trade marks or quality labels, improved logistics in the field of marketing or other means.

Mainly the differences in labour costs but also the growing number of countries rapidly developing their industries and exports of textiles and clothing products have resulted in continuously increasing low priced **imports** into the EU (Table 3).

Another important factor having an influence on the competitiveness of the strongly import and export-oriented EU textile and clothing sector are **international monetary developments** (Table 4). Over 50% of all EU-imports in this sector come from countries which price their exports in US dollars. Moreover, most of the raw materials are imported and depend on world market prices quoted in US dollars. So definitely, movements in the exchange rates of European currencies against the US dollar have an impact on the competitiveness of the EU textile and clothing industry⁶.

4 OETH: The EU Textile and Clothing Industry 1993/94, Brussels, April 1995

5 COM(93)525 final of 18 November 1993.

6 The possible effects of EU-internal currency fluctuations are not the subject of this communication. The Commission is presently examining them as a follow-up of the European Council in Cannes.

Also **capital and labour productivities** are key factors in international competitiveness. Developments in capital investment for the modernization of production plants as well as the utilization of production capacities have a major influence on production costs. This is also true for the labour productivity which depends mainly on the quality and flexibility of the human resources available. Labour productivity, measured by value added per employee, has risen steadily in the EU textile and clothing industry (1994 by 8% in textiles and by 6% in clothing) and has helped to strengthen the competitiveness of the sector.

There are many other factors which will determine the further development and future competitiveness of the EU textile and clothing industry, of which the most important may be the following:

- The technological developments have been quite different in the past regarding the textile and clothing production. While most of the textile processing uses highly developed technologies and is therefore capital-intensive, most of the clothing production still is labour intensive. Most of the experts do not see yet a technological breakthrough for the production of clothing. The EU industry normally draws a certain competitive advantage out of the fact that it is closely linked with a strong European textile machinery industry. However, this is a time limited advantage until relevant new technologies are also used by third countries' producers. New advantages are expected from the development and implementation of information technologies (e.g. quick response, just-in-time) if the industry will be successful in a quick application. Contrary to other sectors most of the research activities are carried out outside the enterprises.
- The development of consumption is one of the very basic relevant factors. The EU industry has the competitive advantage to produce in a region of high consumption and in closest contact with developments in demand and fashion. But these advantages of the European industry are weakening. Other markets, in particular in Asia, are developing more rapidly and their growth rates are much higher. Moreover, if certain trends continue and EU consumers keep tending to reduce their relative priority for more expensive quality and fashion products mostly produced by the EU industry, this could create new problems. On the other hand, modern information technologies enable also producers for example in Asia to closely adapt their production to European market trends. Moreover, the transportation costs have dropped over the last years.
- Environment and energy policies have developed quite differently in the various countries and geographical regions and have enlarged the cost differences in the production of textiles and clothing. This applies to the Community sector as a whole vis-à-vis third countries, but also to certain Member States vis-à-vis others. However, it should be expected that the efforts to coordinate and harmonize legislation within the EU and to converge policies in the framework of WTO will avoid a deepening of differences. Similar differences exist and consequences apply regarding the use of energy, in particular in the textile industry.

- Existing distribution structures are another important factor in national, but also international competition. A further opening-up of markets will make it necessary to adapt the distribution systems in many countries to the globalisation of markets. In this context the present situation is not satisfactory for the EU industry. While the EU distribution systems, although different in the Member States, give easy access to the Community markets, the distribution of European products in third countries in most cases is faced with considerable difficulties.

The existence of all these factors, which have an impact on the future development of the textile and clothing sector, suggests that the impact of the UR is certainly a significant factor, but probably not the most important factor.

III. THE RELEVANCE OF UR RESULTS

1. Results of the Expert Study

The expert study⁷ launched by the Commission has concentrated its analysis on the special impact of UR results on the EU textile and clothing sector. However, it could not clearly separate the possible UR impact from the effects of other exogenous and endogenous factors. **It, therefore, arrives at the general conclusion that the UR results will only have a rather limited impact on this sector and that other factors in their combination are much more important for its further development.** Regarding the importance of the UR results on the EU's imports of all textile and clothing products (raw fibres excluded), it appears that about 30% of the EU-imports 1993 (in value) are directly covered by the progressive liberalisation agreed by WTO members. Including China, which sooner or later will become WTO member, it would be 43%. Concentrating only on imports in restricted categories with a quota utilization above 80%, the study considers that the UR liberalisation is only relevant for 13%, including China 16.5%, of the EU's textile and clothing imports.

On this basis, **the progressive UR liberalisation over the next 10 years, in the form of integration of products into the WTO system which means elimination of quantitative restrictions on one hand, and in the form of an annual increase of further remaining quotas on the other hand, should in general not lead to changing the overall trend of the sector, unless the EU faces a slow growth of the economy, coupled with a fast integration of products under quota and a slow opening of third countries' markets.**

As to the other important factors resulting from the UR, in particular the improved access of EU exports to third countries' markets, but also the new provisions dealing with anti-dumping and anti-subsidy measures, trade related intellectual property rights and finally the new provisions of the Dispute Settlement Body, it proves more difficult or even impossible to quantify future perspectives. However, the study has tried to take into account in quantitative terms at least the important new access to third countries' markets.

⁷ Mercer Management Consulting: "Impact of the Uruguay Round on the European Textile and Clothing Sector", Paris 1995.

Among the other trade-related factors, not directly linked to the UR results, but similarly determinant for the further development of the EU's textile and clothing sector, **the biggest impact on EU imports is expected from the Customs Union with Turkey**. But also the full trade liberalisation with the Central and Eastern European countries and the closer trade links with the Republics of the former USSR will produce trade effects. The study estimates the importance of these three factors to cover about 4% of the EU textile and clothing imports under quota (utilized more than 80%), as compared to 16.5% of the UR impact, incl. China after accession to WTO.

All other relevant factors have been taken into account by the study through the application of the macro-economic DRI European Industry Model which relies on the forecast of several variables such as exchange, inflation and interest rates, wages, investments and disposable incomes.

On this basis, the study quantifies future developments in the framework of a micro-economic approach, starting from certain selected representative textile and clothing products and production chains, and in parallel, by the mentioned macro-economic approach, in order to arrive at results which allow a coherent vision of the future developments of the sector.

- **Scenario 1 (high GDP growth, quick opening of markets and slow integration)**

Even in this most optimistic scenario the sector will be facing continuing problems with regard to employment. In textiles this will be due to further increases in productivity (production is expected to be stable thanks to much higher exports) and in clothing to the decline of production as a consequence mainly of much higher imports. Consumption will be lower in textiles, but will be backed by much higher exports, while in clothing consumption and exports will grow at similar rates, but much less than imports.

- **Scenario 2 (lower GDP growth, slower integration and access to third countries' markets)**

This probably more realistic scenario foresees bigger production and employment problems of the European textile and clothing sector. Imports, exports but also consumption will in every case be lower than in scenario 1, so that production will decrease in both subsectors. The impact on employment will be much higher in textiles, but also higher than in scenario 1 in clothing.

- **Scenario 3 (lower GDP growth, quick integration and access to third countries' markets)**

This scenario foresees less severe problems for the industry in terms of reduction in production and employment than scenario 2. Consumption, assumed to be almost the same as in scenario 2, will be strengthened by much higher exports in particular of textile products, while imports will only be marginally higher in clothing. This would result in a lower decline in textile production and also a smaller loss in employment, particularly in textiles. The essential differences between scenarios 2 and 3 appear to be in the timing of effects (earlier increase in imports and exports) and the obvious need to ensure that the EU's market will be opened earlier only in parallel with an effective additional access to third countries' markets.

Basing on those results the study comes to the overall conclusions that:

- the UR integration process although it concerns a significant share of EU textile and clothing imports only adds to the effects of the more important general developments and on the basis of its implementation procedures will not entail a major breakthrough;
- the UR market access results, if fully implemented, will open the possibility for the EU industry to gain progressively from the opening of foreign markets;
- economic policy decisions will largely determine the timing of the UR impact during the next 10 years;
- if existing general trends continue in future, clothing production will drop further, while textile production may increase or decrease, depending on the case;
- employment will continue to drop, with the most jobs lost in the textile industry;
- the impact of the principal economic factors varies by product and region;
- the European industry can establish production and export strategies to reinforce and facilitate their adjustment to market developments.

2. Assessment of the situation and the further perspectives

In general, the study confirms the Commission's view that the UR results regarding the **progressive integration of the sector into the WTO system** is only one of many determining factors. By itself it **will not lead to changing the sector's overall trend, if an adequate phasing out of existing quantitative restrictions is ensured. On the other hand, the EU textile and clothing industry can benefit from improved access to third countries' markets and possibly also from strengthened competition between third countries.** The assumption that rapid opening-up of third countries' markets should favour rapid integration of products and vice versa is fully in line with the EU's textile policy.

The main trends in **the overall development of the European textile and clothing industry in the future**, and this has also been the result of the study, **will probably be more or less the same as they were in the last 10 years.** European production and employment in textiles and clothing will tend to decrease, while imports, but also exports will probably increase. EU consumption is expected to increase in the long term, but within narrow limits. Regarding the study's forecast of a decrease in textile consumption due to progressive delocalisation of the EU clothing industry, there may be doubts why textile consumption should decrease more than the EU clothing production, taking into account the rather promising perspectives in sub-sectors such as technical and home textiles.

Comparing textiles and clothing, **the overall perspectives seem to imply for EU textiles stable production, relatively lower import growth and relatively higher export growth, while for clothing a relatively higher increase of consumption, but also a lower loss of employment are forecasted.** A very positive development has been forecasted for the EU's textile exports in case of rapid new access to third countries' markets. This seems not to be true to the same extent for European clothing, due to its overall lower international competitiveness. However, new developments and changes in the consumers' taste and demand in the international markets cannot be excluded.

The expected continuous loss of employment in this sector also in the future raises particular concern. The study's forecasts for the next 13 years range between 365 000 and 520 000 employees for textiles and between 235 000 and 340 000 for clothing, which amount almost to the same absolute figures as in the past 10 years. This result of the study can be questioned because of the fact that after the sector's adjustment process during the last two or three decades its competitiveness and resistance should be improved as compared to the past. The forecasted tendency could also partly be opposed by new industrial dynamics regarding sourcing, marketing, human resources and products as well as by the expected new access to third countries' markets. Moreover, certain dominant supplier countries of the past are increasingly facing similar problems regarding their own competitiveness, which is going to be reduced.

In view of the dimension of this problem, the Commission, in the framework of the Social Dialogue, has effected a study by IFM on "Employment development and qualification needs in the European Clothing industry" which has produced more detailed estimates of future employment losses by sub-sectors, Member States and socio-professional categories and also contains the evolution of past and future qualification needs in this industry. A symposium has been called to discuss the results in Brussels in October 1995.

The general conclusions of other specialized studies, based on different assumptions, seem to confirm the above assessment of the overall future development of the sector. They share the expectation of a much stronger decline of clothing production as compared to textile production which, on the contrary, may even increase. They expect a continuing loss of employment in both subsectors, in some cases with a more pessimistic forecast.

For example, while the Commission's study forecasts the **production development until 2008** within the three scenarios from +16 to -12% for textiles and from -10 to -23% for clothing, a study of the World Bank until 2005 foresees +3% (textiles) and -60% (clothing) for the EU textile and clothing output. A multi-regional and multi-sectoral study of GATT/WTO quantifies the impact of the UR for the EU output with -1% (textiles) and -23% (clothing). Another study, launched by the OETH in a different context, forecasts the EU production for 2005 to be reduced by -14% (textiles) and -17% (clothing). A German study, covering only the German textiles and clothing sector, forecasts the output until 2010 to decrease by -1 to -12% (textiles) and by -46 to -49% (clothing) depending on certain scenarios.

Regarding the expected **development in employment**, the study initiated by the Commission foresees a drop from -21 to -41% (textiles) and from -21 to -33% (clothing) until 2008. Comparable findings of the other studies referred to above are only available in the OETH study which expects until 2005 a decrease in EU employment by -30% (textiles) and -33% (clothing), while the German study expects a reduction in German employment of around 50% (textiles) and of around 60% (clothing). The IFM-study launched in the framework of the Social Dialogue forecasts a loss in clothing employment of 34% from 1992 to 2002.

In conclusion, textiles and clothing will be faced with a progressive development of new structures of production worldwide and also of new structures of world markets. If the EU's textile and clothing sector wants to maintain its present position comprehensive new strategies have to be developed. Those new strategies have to be applied on a broad level throughout the Community's textile and clothing sector in order to seriously adapt to the new situation and to effectively strengthen the competitiveness of European enterprises on world markets.

3. Strategic choices for the enterprises

As follows from the EU's market economy system, the main responsibility and the best abilities for the development of adequate and suitable economic strategies for particular situations of individual firms in the textile and clothing sector, as in other manufacturing sectors, lie with entrepreneurs.

The competitiveness and the importance of the European textile and clothing industry for the European economy and worldwide, prove that this approach has successfully been applied in the past. At this juncture, this entrepreneurial dynamism has to be further developed and in many cases activated in order to master future challenges by new or modified strategies.

Experience shows that, even in difficult economic situations, certain enterprises in textiles and clothing were always successful. Those good examples and their strategies should motivate others. The further developing technological progress, the possibilities to take advantage of synergies and cooperation in neighbouring countries in order to produce European type products and the strengthening of efforts to develop new ideas, products and markets should give a long term perspective also for the European textile and clothing industry. The extension of data networks, the diffusion of information and communication technologies, and the creation of international production networks should gain a new momentum. The further development of design and marketing centres, the intensification of the service component, the closer cooperation of enterprises within the textile and clothing industry and with the distribution and retail business will open new possibilities. The application of strategies which favour the personal development of employees in order to improve their abilities will also support the sector's competitiveness.

In the past too often companies, in defending their competitiveness, in the first place improved their ability to offer at lower prices by modernizing their production. Following successful examples of many European manufacturers, **the general orientation of enterprises should include more market-oriented approaches, in particular the discovery and development of new sources from which to buy, of new partners with whom to cooperate and of new methods and markets to sell into.**

In this context, the necessary **new orientation and qualification of the companies' workforces**, in particular in SMEs and the firm's managements, should systematically be set about.

In order to systematically collect and update information on possible markets and market access problems in third countries, **industry and trade federations should cooperate fully** with governments and the Commission.

IV. CURRENT POLICIES

In the past, Member States and Commission, in the framework of their industrial policies, have assisted the European textile and clothing industry in their continuous efforts to adapt to the developing production and trade conditions. The most important measures have been taken in the field of commercial policy, in particular with regard to the exception of the textile and clothing sector from general GATT rules (Multifibre Arrangement until the end of 1994). In other areas, such as regional, research and development, education and training, export promotion, information and cooperation policies, public authorities have accompanied initiatives of the firms in this sector with particular attention to SMEs.

The initiatives and programmes of the Commission have been the subject of Council discussions, resolutions and conclusions, as recently as in 1992 and 1994. The Commission's "Report on the Competitiveness of the European Textile and Clothing Industry"⁸ has not only analysed the situation of the industry and the factors determining its international competitiveness, but has also described industrial strategies and the measures taken by the Community in support of the industry. Member States and the Commission are in the process of implementing the Council's comprehensive programme of April 1994. Some progress has already been achieved⁹

Existing **measures in the framework of the EU's textile trade policy** cover in the first place the application of the UR Agreement on Textiles and Clothing (ATC). Special efforts of the EU and its Member States have been done in the field of improvement of market access to third countries. The EU as a major trading partner in world textile trade will as a priority continue to strive for the progressive opening of all markets and for equitable and more favourable trade conditions through the application of the new ATC. In this context, the EU's export promotion programme (EXPROM) should gain high priority. But also safeguard, anti-dumping and anti-subsidy measures as well as the fight against fraud and counterfeiting are part of the EU's commercial or trade-related policy in favour of the industry, including the textile and clothing sector. In particular the last area deserves particular attention. Member States and the Commission have to improve their existing ad hoc measures (TAFI Programme) in order to fight the growing fraudulent circumvention of their trade policy measures. Council and Commission have recently underlined this necessity specifically regarding the textiles and clothing sector in their joint declaration of 12 June 1995 and a new action plan is in the process of being implemented.

The most important **accompanying and supporting initiatives and programmes of Member States and the Commission in the other policy areas** are concerning research and technological development, training, diversification and conversion, information and communication as well as cooperation.

⁸ COM(93)525 final of 18 November 1993.

⁹ Report on implementation of the Council resolutions and conclusions on industrial policy, Commission working paper, SEC(95)437 final of 22 March 1995.

The Structural Funds provide an important support to the Member States' efforts to restructure and modernize their industries. The global budget of the Structural Funds is of the order of 155 billion ECU (1994 prices) for the period 1994 to 1999; a significant part has been foreseen for the above purpose, in particular for the most disadvantaged EU-regions.

- In research and technological development (RTD) the Fourth Framework Programme of the EU with a total budget of more than 13 billion ECU for the period 1994 to 1998 has concentrated on generic technologies for widespread use in all sectors of activity. Research on information and communications technologies and industrial technologies have been reinforced and will have spin-off effects for many sectors, including textiles and clothing. The use of new technologies by small firms has been encouraged by a new financial instrument to favour the dissemination of findings of Community research.
- Regarding training, the European Social Fund with its objective 4 represents an important instrument for the adaptation, requalification or reconversion of employees in all economic sectors, including the textile and clothing sector. Objectives 1 and 2 of the Social Fund take into account the requalification of employees of sensitive sectors being subject to a restructuring process. Moreover, the Commission disposes of the Community initiatives ADAPT and EMPLOYMENT (1.4 billion ECU each) which by a transnational approach aim at creating new job possibilities. In view of further losses of employment in the textile and clothing sector the existing programmes in the different Member States and EU regions have to be adapted for all professional categories, in particular for the most affected, in order to develop the necessary competences and to organize the workforce according to future needs.
- For diversification and conversion of the EU textile and clothing sector, the Structural Funds provide substantial support for the regions hardest hit by the necessary adaptation of the textile and clothing industry. The Commission's special RETEX programme of more than 600 million ECU for the period 1994 to 1999 will speed up diversification and modernization of production of viable firms in all sectors in regions heavily dependent on the textile and clothing industry. The programme is presently reconsidered in order to better serve the needs of the industry and the regions. The new generation of Community programmes 1994 to 1999 tries to respond to industrial change with measures to support modernisation of the manufacturing base at transnational levels.
- The improvement of the flow of information, communication, cooperation and the dissemination of experience is another important area for support. The European Textile and Clothing Observatory (OETH) at a general level, and the BC-Net, the Business Cooperation Centre, Europartenariat, the Interprise programme and others for special purposes try to facilitate cooperation and partnerships also in the European textile and clothing sector.

The Commission services will soon publish a comprehensive guide for the enterprises of the EU textile and clothing sector covering the details of the variety of Commission initiatives presently available also for this sector.

V. SOME FUTURE POLICY PRIORITIES

The growing importance of exports and the necessary internationalisation of the European textile and clothing industry represent a new challenge to the European industry. It will be crucial that the industry will actively engage in the response to this challenge in terms of preparing, organizing and exporting successfully European products. Taking into account the structural situation of this sector, in particular its big number of SMEs, not only the enterprises will have to develop new cooperative and complementary strategies for the improvement of their future competitiveness, but also the Member States and the EU will have to reinforce and adapt their accompanying measures for the future. The implementation of the comprehensive programme adopted by the Industry Council in April 1994 and the already existing accompanying programmes in the EU and its Member States should continue with a high priority. **In order to effectively contribute to the solution of the industry's problems Member States should reconsider and improve their policies regarding all factors which determine the competitiveness of the EU industry, including environment, energy and labour costs.**

In view of the described internationalization and in line with the industry's and enterprises' strategies, initiatives in the following areas should be more profoundly restructured and reinforced.

A. *External policy*

1. Exports to third countries

Regarding this new **key strategic instrument** for the European textile and clothing sector, **the Commission intends to discuss with Member States the possibilities to develop a new comprehensive initiative which goes beyond presently existing export promotion measures.** Such an initiative has to provide a more comprehensive organisational framework which would **at the same time guarantee an efficient opening up of third countries' markets and a maximum use by the sector of newly existing export possibilities:**

The following measures would facilitate industry efforts to develop and effectively apply new export strategies:

- The reduction of tariffs according to the engagements taken in the UR and the elimination of non-tariff barriers have to be closely monitored. In this context, a maximum of information and transparency has to be made available. A database on non-tariff barriers in the textile sector has been established in the Commission, which has regularly to be furnished with relevant information with the help of exporting firms and Member States' authorities.
- Non-fulfilments of obligations under the UR and new non-tariff barriers to trade have to be identified and taken to the competent fora. A flexible administration of quotas under the ATC should only be granted to countries which fully respect their obligations under WTO rules and which are prepared to consider accelerated access to their markets.
- In cases of higher European export potential, systematic efforts have to be made in order to achieve additional market access in third countries, both in industrialized and newly industrialized countries, by acceleration of the implementation of UR results to be compensated, where applicable, by EU quota liberalisation.

- The Member States' and Commission's export promotion measures have to be reconsidered, better coordinated and improved in budget terms. Export promotion credits in the draft 1996 EC budget, which have been reduced by the Council to a "pro memoria", should be reinstated and increased during the second reading of the 1996 budget.

2. Further WTO integration

In the light of future economic developments in the textile and clothing sector and of the willingness and success of the industry to engage in market oriented strategies and in exports to third countries' markets, the Community has to carefully examine how to proceed with the further integration of textile and clothing products into the WTO system. Generally, a more rapid integration of products under quantitative restrictions could be used as lever for the accelerated opening of third countries' markets. If accelerated market access could be obtained only from certain third countries it would also be worth examining the adequate liberalisation of selected quotas.

In view of the prevailing situation of the EU industry, certain effects of the liberalisation and integration process also on production and employment could be accelerated or delayed by the selection of products and the timing of their integration or liberalisation. However, this can only be decided with a reasonable degree of certainty, on the basis of newest data which reflect the economic situation at the time of integration. Moreover, this has to be linked to the factual progress in the access to third countries' markets. These are the main reasons for which the Community has until now only taken a decision on the products to be integrated in the first phase of the integration process (1.1.1995) and has not yet decided on the second and third stages of integration of the textile sector into the WTO-system. The Commission's preparatory work regarding the selection of products to be integrated at the beginning of the second phase (1.1.1998) will start in the first half of 1996.

3. Fight against fraud and other unfair trade practices

In the textiles and clothing sector, the EU and its Member States are confronted with growing fraudulent circumvention of their trade policy measures. The EU industry, on the other hand, is facing the increasing problem that its industrial models and designs are copied in third countries. Therefore, great importance has to be attached to the fight against fraud in this sector. It becomes even more important to rely on a strict compliance with contractual and regulatory provisions as well as on fair trade practices since the EU textile and clothing sector faces major changes in its trading and competitive environment.

The implementation of the Joint Declaration by the Council and the Commission on the fight against fraud of 12 June 1995 has urgently to be accelerated. The Commission has to improve its existing TAFI programme. Further considerations must be given to new technologies and special measures to fight fraud in textiles. Practical steps have to be taken to prevent the circumvention of existing quotas by fraudulent declarations concerning origin and to categorically apply existing provisions of the EU's bilateral textile agreements and administrative arrangements under the WTO Agreement on Textiles and Clothing.

Regarding the violation of intellectual property rights, counterfeiting which particularly damages the European high fashion textile and clothing products has to be more efficiently attacked.

The Commission will apply in a vigorous manner the reinforced trade policy instruments to fight unfair trade practices, such as dumping and subsidizing, in accordance with WTO rules.

B. Internal competitiveness policies

1. Industrial cooperation and information technologies

The Commission's Communication on an "Industrial Competitiveness Policy for the European Union"¹⁰ has already defined industrial cooperation as priority to enhance competitiveness and presence of EU companies in third countries. More cooperation between Community enterprises is also essential for the promotion of exports of the textile and clothing sector if its future in the EU is to be secured. Many traditionally independent enterprises so far were hesitant to share new ideas with their competitors, but in future it will be unavoidable if enterprises want to survive in the long run. The future necessity to have more relevant information on third countries' markets, to follow third countries' markets in their developments, to develop products accepted by customers on these markets and to know about the marketing and distribution channels in those countries goes beyond the possibilities of many industrial enterprises, in particular SMEs. Therefore, information networks based on new information technologies are expected to form the necessary basis for enterprises' initiatives. The Commission is currently already supporting the development of several private sector projects in this area. In this context, also the OETH, which has already entered into a period of reorientation of its services according to future needs of the sector, could play an important role.

The implementation of the Information Society will change profoundly the ways of conceiving, producing and distributing textile and clothing products and will offer considerable new opportunities to the European firms. It is essential they take a leading role in this process without further delay.

International cooperation and sub-contracting would help in order to provide the required competitiveness and flexibility in production and would also be a way for Community enterprises to penetrate third markets. The example of outward processing (OPT) should underline the merits of such cooperation. The need to market products in an effective and competitive way, including an extended servicing of customers, could be easier fulfilled in cooperation with the distribution.

¹⁰ COM(94) 319 final of 14 September 1994.

Certainly international industrial cooperation, in order to be efficient and successful, requires serious EU efforts and progress in the improvement of access to third countries' markets. **The promotion of cooperation schemes taking into account the particular needs of the textile and clothing sector, including international cooperation programmes, in particular with neighbouring countries in middle and eastern Europe and in the mediterranean region, and the development of standard cooperation approaches for SMEs should, therefore, be another priority for the Member States' and the EU's industrial policy.** Already now, financial assistance is made available by the Commission within various schemes, recently reinforced regarding international cooperation.

The Commission is also engaged in the development of a programme which should increase the competitiveness of European sub-contractors in the textile and clothing industry and which will cover four components: information, communication between buyer and sub-contractor, promotion of sub-contractors and training.

2. Training "for export"

In view of expected further considerable losses of employment in textiles and clothing, the existing programmes for professional training and retraining in the different EU regions and regarding the most seriously affected professional categories will have to be adapted. New strategies have to be implemented in order to develop the necessary skills and the adequate organisation of the workforce needed in the future. This major task has to be taken up in the framework of the Member States' and the EU's general employment policy and the European Structural Fund.

More specifically and in addition or supplementary to those programmes, more market and export oriented training programmes for the relevant management levels of enterprises in the textile and clothing sector have to be developed and promoted in order enable the enterprises to master the challenges of future increased competition on world markets. SMEs have to be systematically encouraged to participate.

Consequently, the extension and intensification of training programmes for those management levels, including export workshops and international exchanges of views, seem to be another priority for a new policy orientation.

3. Special product and regional aspects

Although the information of the study regarding special effects of the liberalisation process under the UR is not very complete, **it seems clear that the production in certain EU regions will suffer earlier or more from future international developments than others.**

For Portugal, a Community grant of financial assistance for the modernisation of the textile and clothing industry amounting to 400 mio ECU has been recently approved¹¹. As to Greece, this region is not only confronted with UR results, but at the same time with certain special disadvantages. Following the Council Declaration of 6 March 1995, the Commission has been charged to study the

¹¹ O.J. n° L 86 of 20 April 1995, p. 10

particular situation of the Greek industry and to make proposals in 1995. In application of this mandate, the Commission is in the process of evaluating the problem and will define its proposals and communicate them to the Council as soon as it has concluded all the necessary aspects of its analysis. The Commission knows that also some regions in other Member States could be similarly affected, in particular concerning the expected UR impact on European products of lower quality. This will have to be examined and assessed, as well as the general aspect of possible economic repercussion of any proposals on the EU textile and clothing industry as a whole.

VI. CONCLUSIONS

The main general conclusions of this Communication may be summarized as follows:

- On the basis of the necessary efforts of its enterprises supported by an adequate accompanying industrial competitiveness policy, the European textile and clothing industry **will be able to maintain a major economic importance** for the European economy also in future.
- **The adjustment process** of the industry, in order to meet the challenges of changing world markets and improved worldwide competition, **will have to continue**, even if this would imply some further losses in European production and employment.
- **There are many factors** determining the industry's further development, such as the EU's economic growth, including the development of consumption, labour, environment and energy costs, monetary developments, new technologies, as well as new preferential arrangements of the EU with its neighbouring countries, including the Customs Union with Turkey, and the UR results.
- **The impact of the UR integration process, as far as it can be determined separately from the effects of other factors, will not lead to changing the overall trend of the sector.** The integration will in any case take into account the achievement of improved access to markets in third countries, as agreed in the UR. This improved access **will open new possibilities**, which require a reorientation of existing strategies and policies by the industry, the Member States and the Commission.
- The forecasted **future loss in employment represents a key problem.** Its economic importance and social impact clearly extend beyond the focus of the European textile and clothing sector and **deserve, therefore, special political attention in the framework of the EU's employment policy.**
- **The UR results combined with the effects of other factors, will have a differentiated impact corresponding to products and EU regions which should be taken into account in the development of the EU and Member States policies.** But it is important that industry and governments continue to take the necessary adjustment measures to improve the competitiveness of this sector.

- **At the industry level companies have to reconsider their individual strategies and adapt them** to the developing new structures of production and markets worldwide at the horizon of the years 2000. **Discussions on practical ways and means should be intensified and include the SMEs.** The possible benefits of cooperation, sub-contracting and industrial alliances within the EU or with partners in third countries, in particular those neighbouring the EU should be systematically examined. **A new policy orientation towards encouraging exports and the necessary qualification of the companies' workforces, in particular in SMEs, should be undertaken.**
- **At the level of Member States and the Commission** existing accompanying industrial policy measures covering the textile and clothing sector have to be adapted and where necessary reinforced, in accordance with the Council's comprehensive programme of April 1994. In this context, Member States should reconsider and improve their policies regarding all factors determining the competitiveness of the EU industry, including environment, energy and labour costs. **Highest priority should be given, in cooperation with interested parties of the sector, to the development of a new framework which would guarantee an efficient opening up of third countries' markets.** At the same time a maximum utilization by the textile and clothing sector of new export possibilities as well as of new developments provided by the information society should be ensured. Member States and Commission should develop special export training programmes and reconsider the efficiency of their individual export promotion programmes in the European perspective. Also existing programmes for cooperation between enterprises at national, European or international levels should specially take into account the export perspective. Regarding all these initiatives, **the Commission can play a catalysing role.**

Member States in cooperation with the Commission have also to strengthen their fight against fraud, counterfeiting and other unfair trade practices, including dumping in this sector. Further considerations have to be given to new technologies and new practical approaches.

- **At Community level additional or supplementary measures should only be considered with respect to those problems of the European textile and clothing industry which cannot be solved at national level or could better or more efficiently be solved at European level.**

EU : Developments in Textiles and Clothing 1984-1994 (Summary Table)				
	Production ¹ (Total changes %)		Employment ² (Total changes %)	
	Textiles ³	Clothing ⁴	Textiles ³	Clothing ⁴
B	+ 2.6	+ 42.3	- 26.1	- 38.4
DK	- 24.3	- 32.5	- 27.9	- 32.1
DE	- 20.5	- 42.3	- 34.2	- 48.7
GR	- 19.7	- 22.0	- 48.4	- 8.9
ES	- 1.3	- 6.2	- 37.3	- 7.9
F	- 21.3	- 37.6	- 44.4	- 30.0
IRL	+ 25.1	- 34.8	- 23.5	- 32.6
IT	+ 16.7	- 8.1	-16.2	- 31.7
NL	- 3.0	+ 13.0	- 21.1	- 29.9
P	+ 10.5	+ 26.8	- 6.1	+ 6.5
UK	- 15.1	- 0.4	- 20.3	- 22.2
EU-12	- 5.4	- 19.8	- 27.2	- 26.4

1 Based on production in Mio ECU (constant 1990 prices) in firms of all sizes.

2 Based on number of employees in firms of all sizes.

3 Textiles = (NACE 43 + 455).

4 Clothing = (NACE 453 + 454).

Source : OETH/DG III

Production

Textiles, incl. knitwear

Country	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	AAR*(%) 84-94
Belgium	5,112	5,153	5,199	5,159	5,199	5,384	5,790	5,384	5,500	5,135	5,243	0.3
Denmark	1,375	1,350	1,327	1,303	1,247	1,285	1,173	1,180	1,139	1,021	1,041	-2.7
Germany	20,166	20,764	20,661	20,249	20,249	20,228	20,620	20,744	19,115	16,949	16,042	-2.3
Greece	2,177	2,263	2,416	2,466	2,394	2,344	2,256	2,053	1,877	1,758	1,749	-2.2
Spain	7,838	8,199	8,869	9,204	8,559	8,981	8,594	8,181	7,666	6,978	7,739	-0.1
France	18,332	17,857	17,334	16,780	16,589	16,526	15,845	14,973	14,720	13,658	14,435	-2.4
Ireland	574	545	539	556	579	605	649	648	683	700	718	2.3
Italy	27,861	28,182	29,430	30,263	30,679	32,953	32,024	32,249	31,672	30,295	32,507	1.6
Netherlands	2,171	2,226	2,081	2,059	2,103	2,164	2,202	2,182	2,004	2,004	2,106	-0.3
Portugal	3,682	3,974	4,351	4,429	4,301	4,288	4,552	4,757	4,470	3,919	4,068	1.0
UK	12,425	12,927	12,640	13,202	12,975	12,437	11,947	10,800	10,729	10,693	10,549	-1.6
EU12	101,714	103,438	104,848	105,668	104,874	107,195	105,652	103,151	99,574	93,110	96,196	-0.6

Units: ECU million (constant 1990 prices) in all sizes of firm

Source: OETH, Eurostat, DEBA GEIE, Comitextil

* Average Annual Rate of Growth
Estimates in bold

Note: Spain and Portugal became members in 1986

Clothing, excl. knitwear

Country	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	AAR*(%) 84-94
Belgium	1,459	1,443	1,503	1,398	1,318	1,584	1,743	1,856	1,884	2,052	2,076	3.6
Denmark	708	744	718	635	541	505	503	511	537	447	478	-3.9
Germany	14,371	14,114	14,138	13,489	12,925	12,411	12,252	12,166	10,867	9,679	8,295	-5.3
Greece	890	882	876	810	856	790	786	818	791	775	694	-2.5
Spain	3,294	3,469	3,583	3,506	3,389	3,575	3,652	3,393	3,111	2,728	3,091	-0.6
France	11,904	12,014	11,950	11,124	10,096	9,518	9,178	8,674	8,013	7,324	7,425	-4.6
Ireland	325	333	332	341	317	297	302	263	253	225	212	-4.2
Italy	18,870	19,213	19,563	18,312	18,625	18,607	18,386	18,386	19,250	16,419	17,338	-0.8
Netherlands	486	482	468	418	491	536	566	583	535	549	549	1.2
Portugal	1,444	2,066	2,576	2,333	2,242	2,120	2,340	2,361	2,310	2,080	1,831	2.4
UK	5,829	6,197	6,197	6,240	6,173	6,004	6,040	5,442	5,551	5,551	5,805	-0.0
EU12	59,581	60,958	61,905	58,606	56,973	55,947	55,748	54,453	53,102	47,829	47,794	-2.2

Units: ECU million (constant 1990 prices) in all sizes of firm
 Source: OETH, Eurostat, DEBA GEIE, Comitextil

* Average Annual Rate of Growth
 Estimates in bold

Note: Spain and Portugal became members in 1986

Employment

Textiles, incl. knitwear

Country	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	AAR*(%) 84-94	CHANGE 84-94
Belgium	61,312	61,368	59,604	57,446	56,193	59,005	57,467	56,103	53,787	49,809	45,326	-2.98	-15,986
Denmark	17,395	18,120	17,999	17,817	17,153	16,318	15,619	14,793	14,519	13,790	12,549	-3.21	-4,846
Germany	266,690	262,071	257,749	251,871	246,991	245,450	238,780	232,950	218,095	194,202	175,585	-4.09	-91,105
Greece	84,563	89,447	88,027	86,539	84,059	81,365	73,870	64,538	55,331	48,064	43,594	-6.41	-40,969
Spain	236,487	220,307	227,426	221,602	223,164	219,594	209,667	198,929	164,099	153,145	148,368	-4.55	-88,119
France	253,218	244,493	230,685	220,848	205,785	198,581	183,711	180,435	170,632	153,785	140,905	-5.69	-112,313
Ireland	13,220	12,723	12,528	12,158	11,623	11,728	11,814	11,517	11,479	11,113	10,113	-2.64	-3,107
Italy	434,967	424,425	421,266	420,213	421,266	420,807	411,858	407,929	389,388	359,649	364,324	-1.76	-70,643
Luxembourg	391	383	374	371	356	527	533	518	492	423	385	-0.15	-6
Netherlands	23,062	23,092	24,375	23,458	22,744	22,946	22,947	22,543	21,500	20,000	18,200	-2.34	-4,862
Portugal	173,018	168,287	162,667	170,080	170,815	175,085	179,112	175,085	172,328	167,634	162,405	-0.63	-10,613
UK	253,288	255,944	260,370	255,058	260,370	251,258	231,125	214,500	202,989	201,726	201,957	-2.24	-51,331
EU12	1,817,611	1,780,660	1,763,070	1,737,461	1,720,509	1,702,664	1,636,503	1,579,840	1,474,639	1,373,340	1,323,711	-3.12	-493,900

Austria	37,341	36,877	35,157	21,877	31,791	32,340	32,180	30,833	28,641	25,116	24,100	-4.28	-13,241
Finland	n.a.	n.a.	n.a.	n.a.	12,089	11,082	10,856	8,861	7,785	6,819	6,912	-8.90(1)	-5,177(1)
Sweden	n.a.	n.a.	n.a.	n.a.	n.a.	14,395	14,354	11,625	10,478	9,200	9,200	-8.56(2)	-5,195(2)

Units: Number of employees in firms of all sizes
Source: OETH, Comitextil, Eurostat

* Average Annual Rate of Growth

Notes: 1) Spain and Portugal became members in 1986
2) Data from 1984 to 1987 estimated by OETH

(1) For the period 1988-94
(2) For the period 1989-94

Employment

Clothing, excl. knitwear

Country	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	AAR*(%) 84-94	CHANGE 84-94
Belgium	35,370	33,605	33,444	32,461	30,332	30,657	29,807	27,917	25,404	23,137	21,772	-4.74	-13,598
Denmark	13,041	13,815	13,283	11,449	9,308	9,009	9,897	9,576	10,191	9,409	8,854	-3.80	-4,187
Germany	217,127	212,148	206,061	195,841	187,875	187,151	183,211	173,158	145,047	124,925	111,307	-6.46	-105,820
Greece	30,744	30,101	29,267	37,939	38,976	39,377	39,547	37,350	34,953	31,660	28,015	-0.93	-2,729
Spain	144,932	136,158	138,460	145,335	161,000	156,000	151,000	149,000	148,000	142,000	133,483	-0.82	-11,449
France	198,577	191,458	185,515	175,738	161,065	153,295	150,696	148,650	146,782	141,202	139,035	-3.50	-59,542
Ireland	12,344	12,704	12,619	11,908	10,871	10,579	10,973	10,498	9,900	8,848	8,326	-3.86	-4,018
Italy	326,139	306,320	280,421	309,998	303,979	306,651	308,690	296,348	272,586	225,001	222,751	-3.74	-103,388
Luxembourg	961	588	580	568	523	505	508	496	466	400	376	-8.93	-585
Netherlands	10,244	10,277	10,492	10,385	10,350	9,900	9,250	8,500	8,050	7,633	7,183	-3.49	-3,061
Portugal	113,763	116,416	117,769	127,920	131,321	134,604	137,700	134,604	132,484	128,875	121,143	0.63	7,380
UK	216,831	227,017	226,714	227,555	233,629	218,916	203,300	180,800	169,718	168,566	168,757	-2.48	-48,074
EU12	1,320,073	1,290,607	1,254,623	1,287,097	1,279,229	1,256,644	1,234,579	1,176,897	1,103,581	1,011,656	971,002	-3.02	-349,071

Units: Number of employees in firms of all sizes
Source: OETH, DEBA GEIE, Eurostat

* Average Annual Rate of Growth

Notes: 1) Spain and Portugal became members in 1986
2) Data from 1984 to 1987 estimated by OETH

Table 2

Hourly wage costs in the clothing industry
in United States dollars
(wages + social contributions)

Country or zone	1990	1991	1993	Country or zone	1990	1991	1993
<i>North America</i>				<i>South America and the Caribbean</i>			
Canada	8.76	9.53	9.14	Argentina	1.07	1.81	1.85
United States	6.56	6.77	8.13	Brazil	0.98	0.76	0.73
Mexico	0.92	1.17	1.08	Colombia	1.23	1.18	1.22
<i>European Community</i>				Costa Rica	1.09	0.88	—
Germany	7.23	14.81	17.22	Dominican Republic	0.67	0.64	—
Belgium	12.92	12.57	16.20	Honduras	0.48	0.48	—
Denmark	15.93	15.91	17.29	Jamaica	0.91	0.83	—
Spain	7.08	7.11	6.41	Peru	0.86	0.88	1.00
France	12.52	12.41	14.84	Uruguay	1.41	1.59	2.35
Greece	4.33	4.26	5.85	Venezuela	1.11	1.38	1.48
Ireland	7.50	7.50	7.44	<i>Asia — Pacific</i>			
Italy	12.50	13.50	12.31	Australia	8.79	9.58	8.67
Netherlands	14.71	14.95	15.41	Bangladesh	—	—	0.16
Portugal	2.30	2.65	3.03	China	0.26	0.24	0.25
United Kingdom	8.02	7.99	8.42	Korea, Republic of	2.46	2.75	2.71
<i>Western Europe</i>				Hong Kong	3.05	3.39	3.85
Austria	9.96	9.84	14.30	India	0.33	0.25	0.27
Finland	14.16	13.98	9.25	Indonesia	0.16	0.18	0.28
Norway	16.37	15.92	18.09	Japan	6.34	7.44	10.64
Sweden	17.78	18.52	15.84	Malaysia	0.56	0.62	0.77
Switzerland	14.19	14.19	18.08	Pakistan	0.24	0.24	0.27
<i>Eastern Europe</i>				Philippines	0.46	0.46	0.53
Bulgaria	1.25	0.25	0.26	Singapore	2.43	2.72	3.06
Hungary	0.92	1.19	1.62	Sri Lanka	0.24	0.39	0.35
Poland	0.50	0.42	0.44	Taiwan, China	3.41	3.74	4.61
Romania	1.73	0.55	0.25	Thailand	0.63	0.59	0.71
Russian Federation	1.69	0.49	0.57	Viet Nam	—	—	0.26
Slovakia	—	—	1.14	Source: Werner International Inc. (1994, New York). See also the <i>Bobbin</i>			
Former Czechoslovakia	2.79	1.59	1.29	(Columbia, South Carolina), Sep. 1992.			
<i>Middle East</i>				-----			
Israel	5.17	5.73	5.54				
Syrian Arab Republic	0.71	0.81	0.84				
Turkey	1.35	2.31	3.29				
<i>Africa</i>							
South Africa	1.07	1.12	1.12				
Egypt	0.34	0.32	0.43				
Ethiopia	0.57	0.57	—				
Kenya	0.47	0.44	0.23				
Mauritius	—	—	1.04				
Morocco	0.92	0.99	1.06				
Nigeria	0.20	0.20	0.27				
Tanzania, United Republic of	—	0.26	0.18				
Tunisia	1.46	1.46	1.54				
Uganda	0.16	0.18	—				
Zambia	—	—	0.24				
Zimbabwe	—	0.51	0.35				

EU: Foreign Trade in Textiles and Clothing (1990 - 1994)

OETH

	EU Imports ²			EU Exports ²			Balance		Ratio E/I (%)	
	1990	1994	94/90 (%)	1990	1994	94/90 (%)	1990	1994	1990	1994
Textiles ¹										
000 tonnes	2,665	3,288	23.4	2,030	2,725	34.2	-634	-563	76	83
ECU mn	11,774	13,606	15.6	13,327	16,897	26.8	1,553	3,291	113	124
Clothing										
000 tonnes	1,069	1,636	53.1	253	312	23.3	-816	-1,325	24	19
ECU mn	18,754	27,682	47.6	9,967	11,754	17.9	-8,787	-15,928	53	42
Textiles and Clothing										
000 tonnes	3,733	4,924	31.9	2,283	3,037	33.0	-1,450	-1,888	61	62
ECU mn	30,528	41,288	35.2	23,293	28,651	23.0	-7,234	-12,637	76	69

Source: Eurostat, OETH

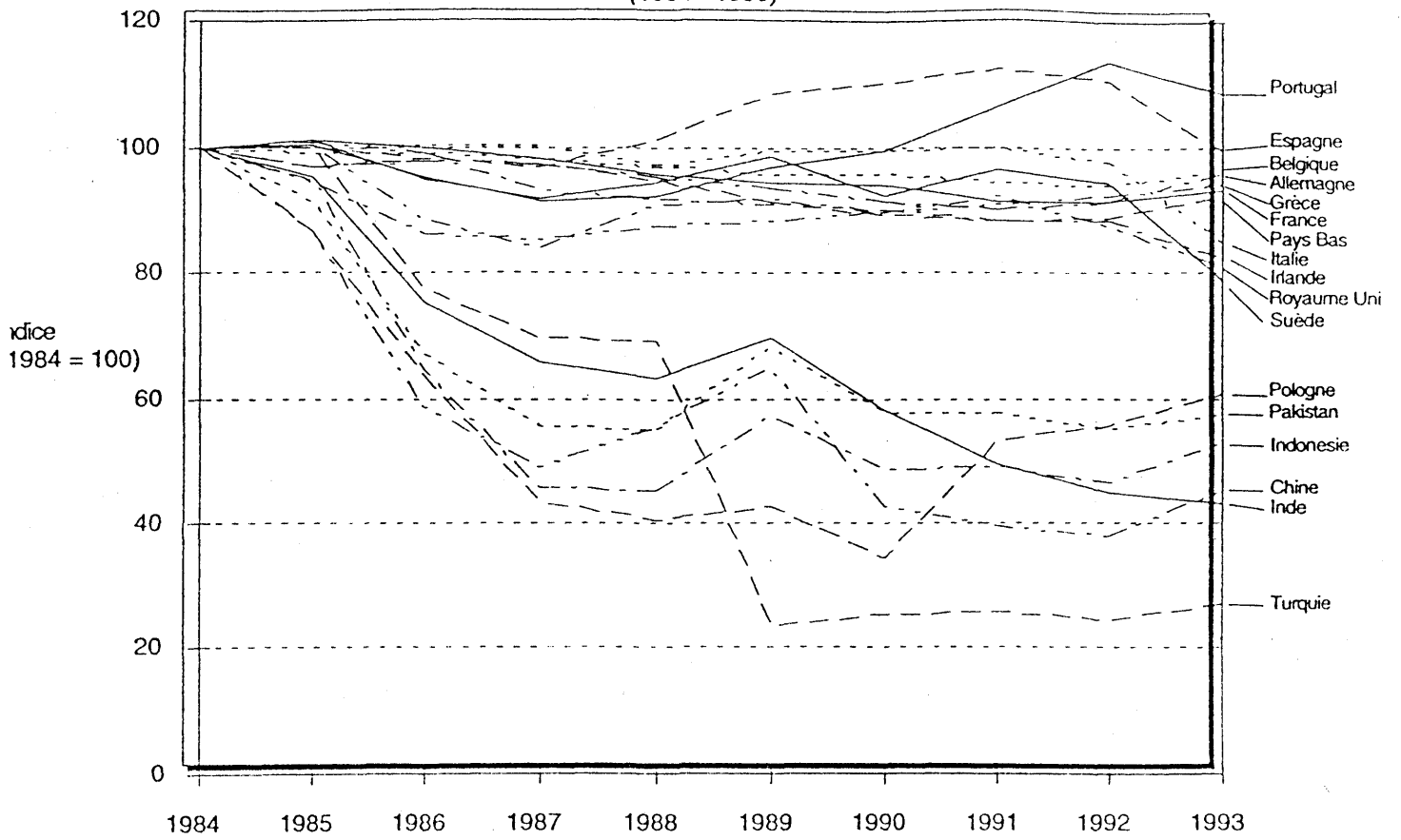
¹ Excluding raw materials

² Extra-EU only

EXTRA-EU TRADE BALANCE IN MFA TEXTILE AND CLOTHING PRODUCTS 1991-1994
AND % SHARES 1994 OF MEMBER STATES

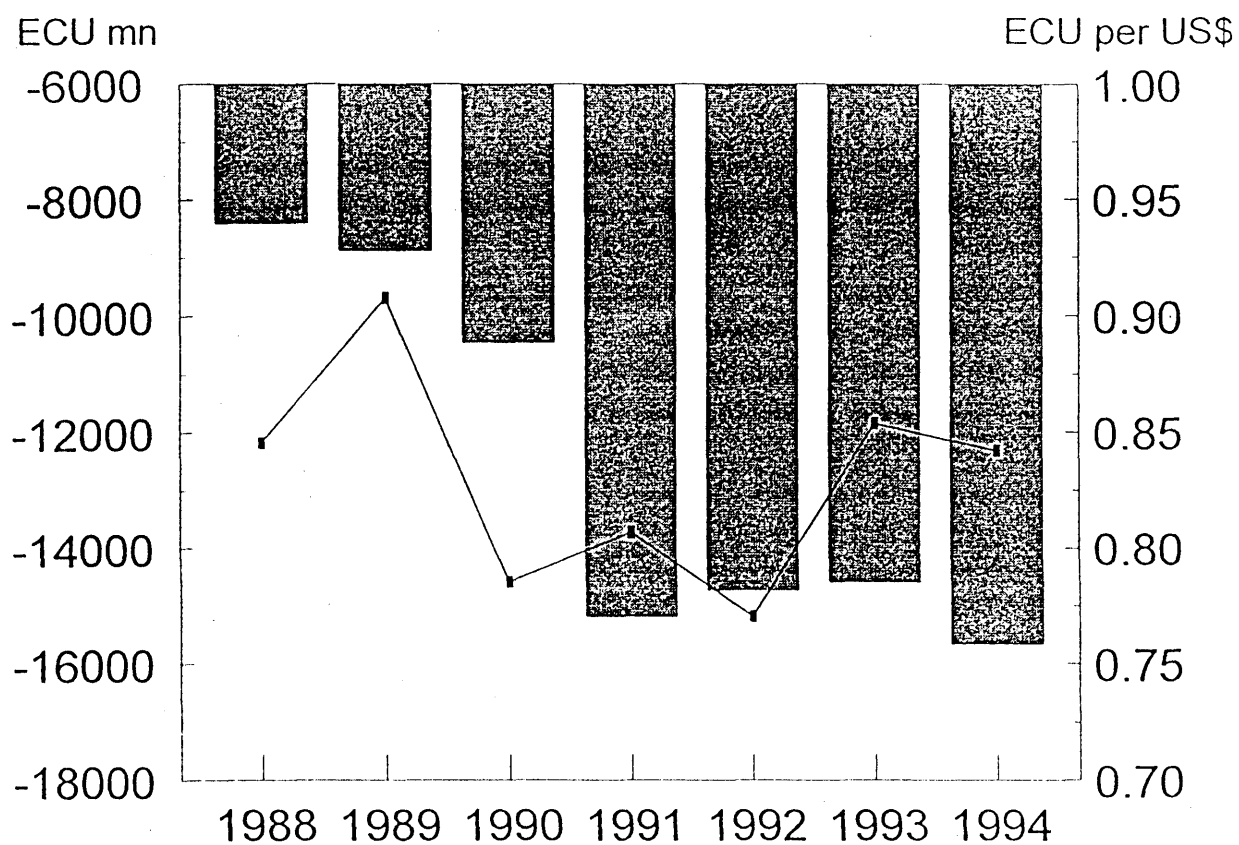
	Extra-CE	Total produits textile-habillement					AMF	1000 ecu				
IMPORT	CEE 12	Allemagne	France	Italie	Benelux	UK	Irlande	Danemark	Grèce	Espagne	Portugal	
1991	32.852.269	13.960.445	4.452.400	2.978.346	3.700.204	5.079.271	191.424	985.795	237.647	1.029.642	237.095	
1992	33.587.453	13.804.771	4.594.322	3.210.084	3.990.153	5.140.896	164.415	944.949	228.027	1.256.828	253.008	
1993	35.336.847	15.114.008	4.874.504	3.050.171	4.327.037	5.638.524	148.319	874.011	231.452	835.299	243.522	
1994	37.878.002	15.256.042	5.131.140	3.705.027	5.179.338	5.979.518	156.475	949.817	289.110	975.975	255.556	
% 1994	100	40,28	13,55	9,78	13,67	15,79	0,41	2,51	0,76	2,58	0,67	
EXPORT	CEE 12	Allemagne	France	Italie	Benelux	UK	Irlande	Danemark	Grèce	Espagne	Portugal	
1991	20.226.728	6.979.220	2.529.351	4.172.223	1.849.675	1.928.782	88.633	657.588	305.215	771.249	944.792	
1992	21.002.713	7.297.358	2.638.109	4.380.536	1.866.031	1.853.090	89.444	744.914	307.882	816.747	908.602	
1993	21.953.904	7.597.681	2.650.009	4.766.812	2.130.766	2.153.481	106.214	683.827	282.236	830.616	752.265	
1994	24.416.668	7.940.604	3.069.502	5.848.882	2.396.560	2.324.162	103.746	692.281	290.951	942.294	807.686	
% 1994	100	32,52	12,57	23,95	9,82	9,52	0,42	2,84	1,19	3,86	3,31	
BALANCE	CEE 12	Allemagne	France	Italie	Benelux	UK	Irlande	Danemark	Grèce	Espagne	Portugal	
1991	-12.625.541	-6.981.225	-1.923.049	1.193.877	-1.850.529	-3.150.489	-102.791	-328.207	67.568	-258.393	707.697	
1992	-12.584.740	-6.507.413	-1.956.213	1.170.452	-2.124.122	-3.287.806	-74.971	-200.035	79.855	-440.081	655.594	
1993	-13.382.943	-7.516.327	-2.224.495	1.716.641	-2.196.271	-3.485.043	-42.105	-190.184	50.784	-4.683	508.743	
1994	-13.461.334	-7.315.438	-2.061.638	2.143.855	-2.782.778	-3.655.356	-52.729	-257.536	1.841	-33.681	552.130	
% 1994	100	54,34	15,32	-15,93	20,67	27,15	0,39	1,91	-0,01	0,25	-4,10	

Tableau 18a - Evolution des taux de change, corrigés de l'inflation
(1984 - 1993)



Source : FMI, Eurostat, Analyse Mercer Management Consulting

EU: Trade deficit in textiles and clothing and the ECU exchange rate against the US\$ (1988-1994)



EU Deficit



ECU per US\$



Source: Eurostat, DEBA; Including raw materials

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