

## **Pascal Lamy to host symposium on future of textiles trade after 2005**

***2005 will mark a major change in world trade in textiles and clothing, since all quotas currently applied by WTO members on these products will be abolished. In order to examine its far-reaching consequences and policy implications, the European Commission will be bringing together all major actors and policy makers in world textiles and clothing trade at a symposium to be held in Brussels on 5-6 May 2003.***

*At the announcement of the event EU Trade Commissioner Pascal Lamy said: "Trade in textiles raises important issues that go to the core of the WTO's Doha Development Agenda: development promotion, free and fair trade, and open market access conditions world-wide. I hope this gathering of all major actors in this field will provide a useful input on what we want the future world trade policy on textiles to be".*

The symposium "The Future of Textiles and Clothing Trade after 2005" will take place in Brussels on 5-6 May 2003 and it will gather participants from around the world, including trade and industry representatives, senior policy makers of governments and international organisations, trade unionists, and representatives of NGOs and consumers.

The aim of the symposium is to provide an open discussion on the future of textiles and clothing trade and industry world-wide after all existing quotas under the WTO Multi-Fiber Agreement (MFA) have been abolished. It will analyse the impact on developing and industrialised countries, on sustainable development, the relevance of regional groupings in the context of the WTO negotiations, and how to ensure fair and equitable trading conditions. At such a critical moment, possible renewed calls for protectionism need to be countered through creative approaches enabling trade to continue flourishing without constraints, in an environment where all industries are able to compete on an equal basis world-wide.

Textiles and clothing manufacturing and trade has long been an engine of economic development throughout the world. In 2001 it accounted for over € 350 billion of trade world-wide. In terms of share of population employed and of total exports, it is particularly important for developing countries, especially for some of the least developed countries and a number of small countries, some of which have a very high dependence on textile and clothing exports. In the EU alone, the sector employs directly over 2,1 million people, with an annual turnover of € 200 billion, and its exports represent € 45 billion - the world's second largest exporter after China. Throughout the Euro-Mediterranean zone, there are seven million people employed directly in the sector.

The elimination of quotas in 2005, agreed at the end of the Uruguay Round in 1994, marks the end of an exception to the normal rules of GATT which has lasted over three decades.

Although increased competition will be faced by textile and clothing producers in places such as the EU and the US, developing countries, which depend considerably on textile and clothing exports to earn foreign currency, will also be in the front-line. Yet quota elimination is not the end of the story. Efforts to liberalise the sector continue within the on-going WTO negotiations under the Doha Development Agenda, as many restrictions to trade remain - e.g. very high tariffs and a vast array of non-tariff barriers.

*Interested parties will have the opportunity to send contributions to the symposium to: [textiles-trade-conference@cec.eu.int](mailto:textiles-trade-conference@cec.eu.int).*