



European Apparel and Textile Confederation
24 rue Montoyer – B – 1000 Brussels - Web-site: www.euratex.eu

PRESS RELEASE

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WHY SHOULD TEXTILE AND CLOTHING INDUSTRY BARE THE CONSEQUENCES OF EU'S GENEROSITY TOWARDS PAKISTAN?

EURATEX STRONGLY OPPOSES THE PAKISTAN WAIVER



18 months after the floods in Pakistan and in a moment the EU is suffering its worst financial and economic crisis with raising unemployment rates, the Waiver that will allow Pakistani T&C products to have duty free access to the EU market was approved in WTO. For almost two years Euratex has been fighting against this decision that strongly undermines the interests of EU T&C Industry in favour of one of its strongest competitors. Commenting on the Waiver approval EURATEX President, **Mr. Alberto Paccanelli**, said *“There is no justification for this Waiver in a moment we are striving to keep jobs in Europe with our companies facing increasing barriers and protectionist measures in Third Markets and consumption is declining in most of the EU member states”*. We should not forget that Pakistan is a world leading exporter in T&C with a dominant position in the EU market for a considerable number of the products included in the Waiver.

In this context **Mr. Alberto Paccanelli** stated *“Pakistan's T&C Industry does not need additional help to export to the EU. For 15 products included in the Waiver, Pakistan is already above 40% share in Extra-EU Imports. In some cases we can almost talk about a monopolistic position since the share is well above 80%. This is the reason why our trade balance with Pakistan has been consistently deteriorating over the years”*.

In Euratex view there is no justification for the Waiver as **Mr. Paccanelli** recalled *“We cannot talk about emergency measures almost two years after the floods. Moreover in due time the EU committed to over €423million in emergency aid to Pakistan. It is certain that the benefits of this Waiver will not go to the populations that suffered with the floods but to a group of extremely competitive companies some of them with turnovers in excess of €200 million”*.

EURATEX hopes that during the upcoming discussions in Council and in Parliament policy makers understand that the EU cannot continue to open its market unilaterally, to some of its major competitors, and at the same wanting to promote jobs and growth in the EU through Trade. As a consequence the Waiver proposal should be rejected.

For further information contact:

Francesco MARCHI
Director General

Tel : +32.2.285.48.82

Fax : +32.2.230.60.54

E mail : francesco.marchi@euratex.eu

Luisa SANTOS
Head International Trade

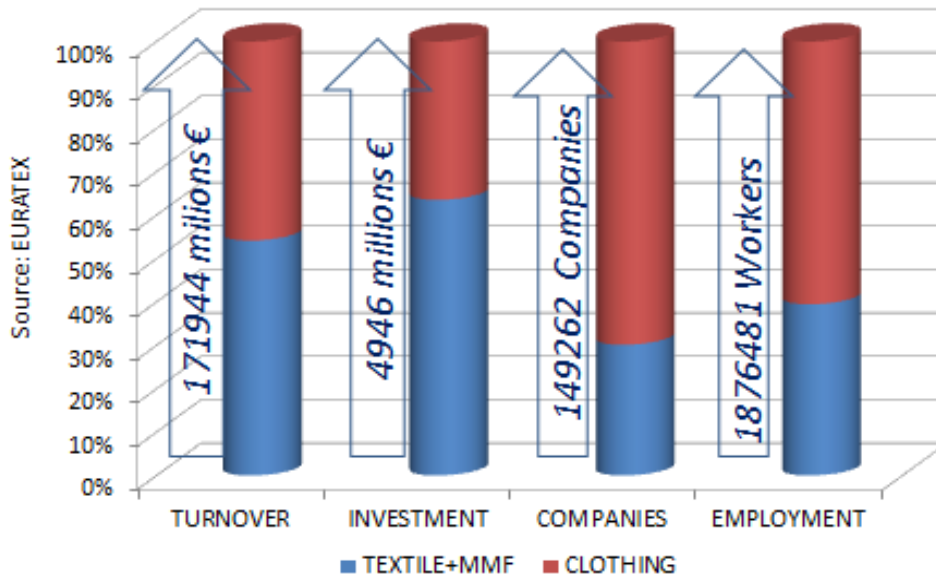
Tel : +32.2.285.48.94

Fax : +32.2.230.60.54

E mail : luisa.santos@euratex.eu

Statistic information enclosed

T&C importance in the EU Value Chain 2010



Long term EU-Pakistan trade in T&C

