CPD Occasional Paper Series

TEH WTO, ATC AND TEXTILES AND CLOTHING
IN A GLOBAL PERSPECTIVE:
WHAT'S IN IT FOR BANGLADESH?

Paper 8

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The present paper has been prepared under the programme on *Trade Policy Analysis and Multilateral Trading System* of the CPD. The programme aims at strengthening the national institutional capacity in the area of trade policy analysis, negotiations and implementation. The programme, *inter alia*, seeks to project the civil society's perspectives on the emerging issues emanating from the processes of globalisation and liberalisation. The outputs of the programme will be available to all stakeholder groups including the government and policymakers, entrepreneurs and business leaders, and trade and development partners. The programme has received support from the *Canadian International Development Agency* (CIDA) and is being implemented in collaboration with the *Centre for Trade Policy and Law* (CTPL), Ottawa, Canada.

The present paper titled *The WTO-ATC and Textile and Clothing in a Global Perspective: What's in it for Bangladesh* has been prepared by Dr Dean Spinanger, Head, Research Group, Kiel Institute of World Economics which was presented at the dialogue organised by the Centre in collaboration with Centre for Trade Policy and Law, Ottawa on the theme of *Implementation of WTO-ATC: Current Status and Implications for Bangladesh* held at CIRDAP Auditorium, Dhaka on September 30, 2000.

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THE WTO, ATC AND TEXTILES AND CLOTHING IN A GLOBAL PERSPECTIVE: WHAT'S IN IT FOR BANGLADESH?

I.   Introduction and Overview

There can be no question that Bangladesh has truly put in a stellar performance in tapping its comparative advantages and exporting labor-intensive clothing products over the last twenty years. Among the top two dozen major exporters of clothing products in 1998 none has grown faster than Bangladesh since 1980. And even since 1990 no major Asian exporter of clothing products has exhibited higher growth rates than Bangladesh (see Table 1a and 1b). But the question now is, how can the Bangladesh ready-made garment (RMG) sector maintain its international competitiveness?

This question needs to be answered all the more urgently, knowing that in less than five years time the Agreement on Textiles and Clothing (ATC) reintegrates all textile and clothing products into WTO most favored nation (MFN) principles. It does this by eliminating all quotas that have been applied by industrial countries (ICs) to their T&C imports from developing countries (DCs) ever since the Multifiber Arrangement (MFA) was instituted in 1974 (for an analysis of this process see Baughman et al). Assuming that the availability of quotas has played a crucial role in the distribution of demand for T&C products across developing counties, then Bangladesh has at least profited in the past from the fact that vis-à-vis the EU it was not subjected to strict quotas.

But what will happen in the future when all T&C exporting counties will have access to IC markets without being subjected to quotas? Will Bangladesh then still be able to maintain its market share, which had been increased by 200% between 1990 and 1998, moving thereby from the 35th to the 16th rank among all clothing exporters (see Table 1a and 1b)? In the case of the EU, Bangladesh actually increased its share in imports by over 300% in the 8 year period, whereby some EU countries even reveal an import share more than double Bangladesh's share in world exports (1.6%; see Table 2).

The overall purpose of this study is to examine the conditions shaping the global demand for textile and clothing products from a given country or rather determining whether a country is a suitable investment location for the production of T&C products. The country is, of course, Bangladesh. In this context one objective of this study is to highlight trends in Bangladesh's RMG exports and examine the medium to longer term prospects of Bangladesh's export-oriented garment industries, and in particular the impact of the removal of the Multi-Fibre Agreement in 2004/5. This, of course, should also include a study of the effects of possible introduction of backward linkages within the industry, but this potential is dealt with in a cursory matter, given the extent of such research. However, possible areas for future investment are noted.

Since garment production has become the dominant subsector within the overall textile industry, the study concentrates on analyzing first and foremost its structure, past growth and current development, as well as future issues affecting that sector decisively. Such an analysis alone requires a detailed investigation of its competitiveness, its forward and backward linkages, and the overall policy framework and infrastructure in which the sector operates.

It then examines the features of the WTO framework shaping the trade in T&C products and what has happened since its implementation in 1995. Next it looks at trade flows in T&C products in the EU and the US to not only determine what the ATC has accomplished, but also to see how Bangladesh has fared. In section V it reviews what China's entry into the WTO might mean for Bangladesh as well as dealing what other issues might be hindering Bangladesh's competitiveness in world markets. It concludes with suggestions on strategies aimed to continue Bangladesh's success in selling clothing products to the world in light of changing playing fields.

II.   Tracking the T&C Industry in Bangladesh

II.1. Some Opening Remarks

The world textile environment, which is still dominated by the Multi-Fibre Agreement, has created new industries and substantial employment in many developing countries. Bangladesh has benefited in various ways from the quota system to build up and develop its garment sector. Considering the rather narrow value added contribution of garment manufacturing alone, efforts have been underway to stimulate investments in the basic textile manufacturing of weaving and spinning. Although yarn and woven fabric manufacturers are numerous and experienced, it was found that spinning and weaving activities cannot currently compete with imported materials for garment exports; they require a subsidy to maintain a modest share in that line of business.

In addition, there is currently a worldwide oversupply of yarns and fabrics in the qualities similar to those used in Bangladesh. The lack of raw materials and the high costs of finance in Bangladesh put the spinners and weavers at a disadvantage with their competitors, and the incentives they get now may not be available to them after 2004. Thus backward linkages in these areas are not considered viable at present, and its no surprise that there has been little incidence of foreign investors moving into Bangladesh as compared to other developing countries, in South and Southeast Asia as well as Latin America.

A more favorable climate prevails in the knitting and fabric processing sectors. Establishing such units has been profitable, and new investments could be considered viable where it not for a relatively short time span up to 2004. To achieve the best results improvements in technical know-how will need to be introduced alongside any investments in production equipment and services. There is a serious need for better qualified technical and managerial personnel. To train the skills will take time, particularly in the case of fabric processing staff. While outside help will be crucial, it should be pointed out that the responsibility for solving weaknesses and inadequacies at the firm level lies within the private sector itself. The actions which might seem necessary should be applied therefore for a limited period only, since the problems affecting Bangladesh's textile industry will not be solved permanently unless the respective entrepreneurs take steps to invest in the development of human resource skills at all levels, and provide additional training for middle management in particular.

II.2. The RMG Sector

Growth and structure. Until the early 1980's, India and Sri Lanka were the major Southasian suppliers of ready made garments to USA and Western Europe. After the onset of political problems in Sri Lanka and a consistent anti-export environment in India, Western buyers and Eastern producers became interested to try their luck in Bangladesh, which was able to respond quickly. Within less than 20 years the garment firms were established in and around

the two major cities Dhaka and Chittagong. Their number grew steadily from 180 units in 1983 to around 2750 in 1998.

At present, the industry is responsible for earning 73 % of the country's gross foreign currency income, and is vitally important for the country. It employs 1.5 million people directly, and it is estimated that another 10 to 15 million benefit indirectly by the emergence of that industry. The industry is largely in domestic hands. More than 95 % of the garment factories are entirely owned by Bangladeshi companies or families. Output consists of garments from woven fabric, goods made from circular knitted fabrics and a growing production of sweaters made on hand operated flat bed machines.

There are about 15 companies/groups which are the major holders of quotas and are capable of producing in excess of 10,000 doz. of garment per month. These organizations have fabric-sourcing capabilities. Around 500 companies producing between 5,000 and 10,000 doz. per month work mainly for importers or agents and produce about half their work on a CM basis and half on FOB basis. Some 1500 units producing up to 5,000 doz. per month work mainly on a sub-contracting basis. The remaining 200 companies are classified as sick companies usually as a result of financial problems.

Machinery and Equipment. There are around 400- 500,000 sewing machines in the industry, of which 70 % are used to produce exported garments. Large and medium sized companies with more than 200 machines each account for about 35 % of the equipment. Most of them are basic lockstitch sewing machines for the woven goods and 4/5 needle overlock machines for the knits. The majority of equipment is no more than 3 to 4 years old and in good working order. However, there is a general lack of technical sophistication. Only 10 to 15 CAD/CAM systems have been installed to date throughout the country. Wastage is high and capacity utilization of the sector is quite low. According to official data for the industry as a whole the equipment is only used for about 50% of the available working hours. However, capacity utilization within well-established medium sized and larger operations are around 70 to 80 %.

Workforce and Wages. The workforce is reliable and adaptable and responds well to training. Additionally, there neither has been any major labor unrest among the workforce, nor are there any problems with organized labor in this industrial sector. However, the level of technical skills throughout the sector is low and there is an urgent need for training facilities to be introduced. In fact, at present there are no effective training institutions in Bangladesh capable of imparting the skills at a high enough level. Generally there is a high rate of labor turnover (up to 12 % p. month) of un- and semiskilled workers, possibly linked to the lack of training and an effective incentive systems in most of the garment operations. The levels of absenteeism is very high (up to 30%) in the case of unskilled workers, but much lower among the skilled labor force

As a result of inadequate production processes and methods, productivity and thus efficiency is still relatively low. Throughout the sector there is visible incidence of over-manning, illustrated by the fact that the average number of operatives per sewing machine is 2.5 to 3, compared to just over 1 in up to date factories. The inefficiencies are compensated by wage levels which have remained low in the past decade. Compared to the other main competing countries where garments are being produced, Bangladesh scores well. Its garment firms currently enjoy a 30 % to 40 % labor cost advantage over China, and they are 30 % lower than in India. However, that advantage can evaporate quickly in the course of rapid currency devaluations of these two countries, which are not matched by Bangladesh.

Diversity and Quality of Output. The major share of garment production is made up of T-shirts, polo shirts, sweaters, woven shirts, trousers and shorts, anoraks and parkas. Menswear

is predominant. The bulk of the items produced by the RMG industry are destined for the low to lower-middle end of the market. These goods are bought on price and the consideration of quality is not a high priority. The products are thus in the same category as those produced by the main competitors such as India and China. However, while Bangladesh has concentrated only on that level and consequently is also importing low cost fabric, India and China are also in higher quality garments, which increases value added significantly

Although both US and EU buyers have confirmed that quality levels have improved considerably in recent years, quality control systems are still weak Stitching quality varies widely between companies. Some of the faults may be due to a lack of machine maintenance, since there is an acknowledged lack of good sewing machine mechanics. Most of the stitching is free-hand, but with suitable training and sewing aids the level of competence could be raised significantly. One international company reckoned that their workers in Bangladesh were on a par with operatives in their other Asian units.

Exports. The major contributing factor in the rapid expansion of Bangladesh garment exports have been the preferential treatment afforded by the EU under the GSP scheme, and the substantial quotas made available in the US market, coupled with impositions of quota restrictions by the MFA on its main competitors, mainly India and China. Exports grew from US$ 0.9 bn in 1990–91 to US$ 3.5 bn. in 1998. This represents a threefold increase, giving an average annual growth rate of 22 % over the last 8 years. As noted above Bangladesh is now one of the 16 largest exporters of garments worldwide.

An analysis of the export product range shows a significant shift over the past 8 years. Woven garments such as shirts, trousers and jackets still make up the major share of exports but this has declined from 85 % in 1990-91 to around 66 % at present. Bangladesh is now becoming better known for its inexpensive knitwear and the export-oriented knitwear manufacturing sub-sector is growing at a much faster rate than the woven sub-sector. The share of knitwear in total garment exports has risen from 15 % in 1990-91 to 34 % today, and in export value from US$ 131 mn in 1990-91 to US$ 1.2 bn, a growth factor of 9 times. In particular, 1997-98 saw a rapid rise to US$ 1.2 bn from US$ 0.8 bn in the previous fiscal year.

EU imports from Bangladesh amounted to US$ 1.8 bn during the period from July 1997 to June 1998. In the last 5 years, the value of Bangladesh's apparel exports to the EU have grown by 174 %, faster than total exports which grew by 141 %. The main reason for this rapid increase is basically due to the duty-free and quota-free access to this market, even though subject to rule of origin regulations. The US is Bangladesh's second largest export market for apparel, accounting for US$ 1.5 bn, 43 % of the total garment export value. As a result of the quotas imposed on Bangladesh knitwear to the US, woven garment represent nearly 80 % of total garment exports to this market. Exports to the US have increased by 115 % during the last 5 years, but this is slower than the growth rate achieved in the EU.

The level of product diversification of Bangladesh's exports to the EU as its major market has remained rather limited. In fact, only five product categories (i.e. woven shirts/blouses, knitted shirts and T-shirts, sweaters, jackets and trousers) account for more than 85 % of the total EU garment import value from Bangladesh. The majority of garments sold to the US are made up of a limited number of standard items. Although exports to the US are slightly more diversified than the EU, the same five product categories accounts for more than 70 %.

Pricing and Profitability. A large majority of Bangladesh's garment exporters are only able to produce basic qualities for the low end of the market, achieving low to lowest average prices. In fact, data which are derived from value and volume figures show that average prices achieved in the EU market for major product categories are 40 to nearly 100 % lower than the

Chinese counterparts and (with the exception of sweaters), 30-75 % lower than Indian garments. The picture in the US market is similar, where Bangladesh merchandise is generally 30 % to 70+% priced below comparative average US import prices.

It has to be noticed, however, that these differences are most likely linked to the fact that quotas are volume limitations not value limits. Those countries, which find the quotas very, limiting, have pushed the export of their higher valued products in order to maximize export value. These other countries are able to do this because their level of product sophistication is generally considerably higher, or the respective garment industries are able to offer a wider range of product qualities.

At present, Bangladesh is undoubtedly price competitive in manufacture at the low end of the market. For similar qualities Bangladesh garments are generally 5 to 20 % cheaper compared to China and India, with the price difference versus China being the more significant. According to key buyers in the US and the EU, there is a good to excellent relationship between quality and price. The main reason for this is the very low cost of labor despite the insufficient levels of efficiency. However in order to remain price competitive, the sector has in general been forced to reduce margins significantly in recent years, since increases in efficiency did not keep in line with increases in wages. In fact, margins in the industry, particularly for smaller and medium sized companies, are on average just below 5 %, which will be insufficient for the average firm to survive in the medium term, even in a quota protected world scenario.

Issues of Import and Export Dependency. Most of the operations in the industry are totally production oriented, since the companies do not sell any finished products but merely offer manufacturing capacities, i.e. cutting and sewing. Buyers and suppliers negotiate a Cost of Manufacture (CM) price on top of the costs for fabrics and accessories, which are generally selected by the buyer. As is the case in several other developing counties, where garment exports also consist predominantly of CM transactions, and where marketing capabilities and methods are lacking to a large extent. Apart from a limited number of dynamic organizations, the attitude of the majority of Bangladesh's garment exporters in terms of selling, marketing and promotion is largely passive. It is estimated that only 20 % to a maximum of 25 % of Bangladesh's garment exports are sold directly to retail groups and brand suppliers overseas, or to their respective buying organizations. Bangladesh's garment exporters are therefore highly dependent on intermediaries (agents and importers) whose major role consists of supervising and financing garment business transactions. The intermediaries generally impose prices, which are significantly lower compared to those resulting from direct business, so margins achieved by the respective garment manufacturers are largely insufficient.

Lead times for orders placed in Bangladesh amount to not less than 120 to 150 days from the date of order to the date of to shipment from Chittagong, representing a major obstacle to the development of direct business. Such long lead times result from the fact that generally garment exporters have no fabrics in stock, as they produce on a CM basis. More than 90 % of woven fabrics and around 60% of knit fabrics have to be imported. Particularly in the area of wovens the local supply is extremely limited, not consistent in quality and not price competitive. In terms of accessories, local suppliers can satisfy the demand for pocketing material and in some cases for labels, threads and buttons, but there is an acute shortage of interlining material.

The use of local fabric would undoubtedly represent a certain advantage compared to using imported fabrics. It would be illusory however to believe that the responsiveness of Bangladesh's garment sector could be dramatically improved based solely on the availability

of local supplies. In fact, lead times could be reduced by 4 weeks only. The lack of domestic supply sources is only one factor responsible for the low level of responsiveness achieved by Bangladesh's garment manufacturers. Generally speaking, "hartals"(strikes), inadequate infrastructure facilities and bureaucratic obstacles are often reckoned by key buyers overseas as more crucial factors causing unpredictable delays. (Factors influencing investment decisions are dealt with in section V.)

III.   The WTO Framework for T&C Products

III.1. Some Background on the ATC

The Uruguay Round (UR) Agreement on Textiles and Clothing (ATC), which laid down the framework and the procedures to phase out the Multi-Fiber Arrangement (MFA) by the year 2005 (after being in existence nearly a third of a century), was initially billed as a major negotiating achievement. Nonetheless, it didn't take long before skepticism crept into the evaluation, particularly after the first tranches of liberalized product categories – containing no relevant items under quota restrictions – were submitted to the WTO by the USA, the EU and Canada (see Baughman et al. 1997). Furthermore, given the past performance in connection with the ever-widening spectrum of protection applied in the course of the MFA, the ATC soon began to be viewed as way of faking liberalization and finagling protection for as long as possible.

For sure – with some hindsight – the loopholes permitting a frontloading of protection and a watering down of the ATC's effectiveness should already have become apparent. But aside from this, various other distortions have arisen affecting an efficient allocation of resources in a world economy, which was to have become less distorted as a result of the UR. This paper will cover the relevant issues affecting the current implementation of the ATC before drawing conclusions on what all this means for accomplishing the goals of eliminating one of the most divisive trade measures instituted. That it is indeed one of the most divisive measures can be simply shown by examining the increase in welfare computed in numerous calculations made vis-à-vis the UR-planned liberalization of various trade barriers and sectors: the textile and clothing (T&C) sector accounts for at least one third of the welfare gains expected (Spinanger 1999: Table 6).

Following a brief background on the ATC and trends in world T&C trade the following issues will be dealt with:

*   Has frontloading protection caused the effective amount of products to be liberalized by the year 2002 to be considerably lower for individual countries than the 51% specified by the ATC?

*   To what degree has frontloading protection been structured in a manner so has to leave those products with the highest degree of protection until the final liberalization tranche as of 1/1/2005?

*   What has been the impact of regional trade agreements (RTAs) on trade flows of T&C products? Has there been a noticeable degree of trade diversion?

*   Have other forms of non-tariff barriers been introduced to compensate for the elimination of quotas or the reduction of tariffs on T&C products?

*   How have quota rents reacted during the first years of MFA liberalization?

III.2. The ATC and the T&C Industry – Some Background

For sure, the degree to which T&C products are being effectively and finally integrated into most favored nation (MFN) principles – based on the articles in the ATC – had hardly been included in the UR, when it was placed on the Agenda of the Singapore Ministerial. As a matter of fact, trade in T&C products – being in essence the "mother" of all non-GATT conforming measures – is still proving to be the juggernaut it always has been. Needless to say, it is the criticism from Asian countries in particular which is directed forward the window-dressing being all too obviously produced by the EU and the USA in structuring the liberalization of T&C products.

The problems which have arisen no doubt evolve from the initial UR mandate to reach an agreement on trade in T&C products which was worded very generally.[1] Nevertheless, the final results of the negotiations were first considered to be quite an achievement. After all,

− the MFA is to be phased out in four tranches over a ten-year-period (1/1/95–31/12/2004);

− products not liberalized but under quota, otherwise restrained or merely on the list of ATC products will have their growth rates increased during the phase-out period;

− each of the four types of textile products (i.e. tops/yarns, fabrics, made-ups and clothing) have to be included in each of the 4 liberalization tranches during the ten years;

− the liberalization process for all members is binding and final; that is, there is to be no postponement of the quota phase-out process beyond the year 2004.

However, in the real world of protecting one's interests, the "modalities" to "permit the eventual integration" of T&C products into MFN treatment obviously allowed too much leeway:

− While the amount of ATC products to be integrated was specified and declared to be binding, there was no stipulation that T&C products not under quota or other restraints would be more quickly reintegrated into MFN principles.[2] Hence the number of ATC products (in essence 8, 10 or even 10+ digit HS tariff lines) put up for liberalization is larger than the number specified in the UR Agreement and considerably larger than the number covered by actual restraints in the EU, the USA and other ICs. Furthermore, nowhere in the ATC agreement is it stipulated that for those MFA products under quota but with only minimal quota utilization (i.e. quota redundancy) integration should be effected more quickly. Finally, the volume treatment of ATC products ensured that the economic value of the products liberalized is only loosely correlated with the actual amount liberalized.

− The agreed-upon increase in growth rates during the course of the liberalization period means very little if the actual growth rates are small.[3] Knowing that the assigned growth

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[1] For instance: "Negotiations ... shall aim to formulate modalities that would permit the eventual integration of this sector into GATT...".

[2] 16% of the volume of imports in 1990 had to be integrated as of 1/1/95; 17% as of 1/1/98; 18% as of 1/1/2002 and 49% as of 1/1/2005.

[3] As of 1/1/95 the permitted growth rates are to be increased by 16%; as of 1/1/98 they are to be increased by 25%; as of 1/1/02 they are to be increased by 27%.

rates for major suppliers are quite low, little can be expected from this stipulation.[4] Generally speaking, for most Asian countries growth rates below 5% prevail.

− The fact that there is no agreed-upon, more than just minimal distribution of the four types of T&C products to be liberalized, aside from the statement that some amounts from each group must be included, leaves the door open for a most perverting development. All those sensitive products (to a large degree clothing) can be shifted to the final liberalization tranches, e.g. 31/12/04.

The consequences of the above bode not well for the future. Are not the EU, the US and Canada putting themselves in a position where it will become exceptionally difficult to liberalize the final 49% as of 1/1/05 all at once? Or was this part of the original strategy of eliminating the MFA, namely based on the philosophy, "don't liberalize today what can be liberalized manaña". And if a "stay of liberalization" is indeed somehow manifested, will not investments made by European, American or Asian T&C companies – banking on improved market access – be jeopardized? These are issues which need to be addressed.

After putting the figures of the T&C industry into a proper perspective it can easily be seen why it is almost a special case. Whereas the average unweighted pre-UR tariff rate (in the EU) is 5.7% for all manufactured products, the rate for textiles is 10.1% and for clothing 12.3%.[5] And a glance at the distribution of the pre-UR tariff rates shows that about 80% of the textile tariffs are equal to or above 10%, and in the case of clothing 80% are equal to or above 13% (Table 3).

And how have the exports of the T&C industry been faring over the years? Glancing back over time, and using as a basis of comparison the 13 largest T&C exporters in 1997, it can quickly be seen that, while the major textile exporters have roughly maintained their shares since the MFA went into effect in 1974, the clothing exporters exhibit sizable changes. This is further examined in Table 4 where it is revealed that textile exporters from industrial and developing countries (ICs and DCs)[6] merely changed shares among themselves over the period 1973–1997. Clothing exporters, however, showed major shifts out of both the listed ICs and DCs since 1973. Thereby the ICs lost over 40% of their shares and the DCs were able to pick up almost 20%. But gaining the most in this 24 year time period were those countries not listed, in particular the DCs.

Table 5 provides some insights into what happened in the 4 years prior to the UR agreements and in the 3 following years, as well as information on those countries not included in Tables 2 and 3. It would seem to be saying that ever since the ATC has been in effect those countries, which were not among the top 53 exporters of T&C products in 1997, were those which were able to increase their share in world markets. This is particularly the case in the area of clothing exports (it amounted to an increase in their share from 3.7% in 1994 to 6.6% in 1997;

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[4] For instance, in the case of Hong Kong 85% of the products under quota have growth rates of 3% or lower. In the case of China 55% are lower than 4%.

[5] The structure for the US is assumed to be quite similar, except that the US tariff rates are on average higher.

[6] ICs cover all OECD countries as of 1/1/94, except Turkey; DCs are accordingly all other countries.

see Table 6).[7] Is this a result of the ATC or merely a reflection of the further globalization of the T&C exporting industry?

III3. Sham Liberalization in the EU and USA – Sensitive Products, with Higher Tariffs Later

As noted above, skepticism about truly liberalizing ATC products cropped up when Canada, the USA and the EU submitted their first-tranche schedules and these included no relevant categories, unless of course, – in the case of the EU – tampons, bleached/unbleached base fabrics, worn clothing and garments for dolls are considered to truly epitomize the spirit of the UR ATC agreement. What exactly did the EU's liberalization schedule look like with respect to each of the four major product groups (i.e. tops/yarns, fabrics, made-up textiles and clothing products) and their country-specific impact? The following 4 tables portray the situation from the standpoint of the EU up through the end of combined Phase 3 and 4 of the liberalization process[8]. First, Table 7 lays out the country and product-specific structure of the entirety of EU T&C imports. It contains the amount, structure and growth rates of the EU's T&C imports in volume and value terms as of 1990 – the base year used for calculations in the context of the ATC.[9] In essence it sets the foundation for Phase I of the liberalization depicted in Table 8.

The assumed thrust of the EU's first phase of MFA liberalization has already become reality, namely that the highly sensitive clothing sector was hardly included. Although all EU imports (including intra-EU imports) revealed a 17% share for clothing products (in volume terms), the first phase of liberalization included only 1%. But the EU strategies did not just consist of limiting the major thrust of liberalization to non-clothing products, it also seems to have

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[7] This is calculated from the difference between 100% and 96.3% (total shares of 53 clothing exporting countries in 1994), or rather 100% and 93.4% (total shares of 53 clothing exporting counties in 1997).

[8] Unfortunately the EU – as opposed to the US – has yet to specify the product-specific breakdown for the third tranche beginning as of 1/1/02.

[9] This is also another possible example of faking liberalization and finagling protection, as the relevance of the products being imported in 1990 may have little to do with their relevance in 1999. Of course there is a historic reason for using this base year – more up-to-date data was not available when initially a compromise was being sought for the ATC. However, such aspects should have been contemplated and taken into consideration, since particularly in the area T&C products the influence of changes in tastes heavily influence the product structure of trade flows. Two cases in point here could be mentioned. First of all, the surge in the use of ramie, which could be observed in the course of the 80s did not continue into the 90s. Secondly, the ever more prevalent use of silk not only in haute couture products, as was the case in the first half of the 90s, no longer prevails.

systematically maintained protection in the most Mediterranean EU countries.[10] That is, whereas Sweden had roughly 35% (in volume terms) of its exports to the EU affected by liberalizing ATC trade and Germany had 18%, Italy had 13%, but Portugal registered just 3%. But even beyond this, most other EU-border countries exhibited rates of integration which were far below the 16% established by the ATC. In both EU as well as EU-border countries the share of clothing integrated in value terms tended to be very small.

But what about the Asian countries? Hong Kong represents an excellent example. For Hong Kong, with the second largest share (volumewise) for an Asian country in terms of clothing imports (79%), and the largest share (in value terms) of any country (91%), it can be determined that after Phase I of the ATC liberalization process, clothing accounts for only 6% (11%) of the amount liberalized in volume (value) terms. Accordingly, the share of clothing in the amount remaining to be liberalized in the coming tranches (see Table 9) amounts to 95% in volume terms and 97.6% in value terms. The second stage merely reduced the volume amount by 4 percentage points to 91% (Table 10). Similar developments can be determined for other countries as well. In particular for most of the other Asian countries producing labor intensive clothing products, the picture is similar. Despite this, the EU seems willing to continue with such faking and finagling so that there is definitely a danger that a liberalization impasse for the year 2005 is being produced.

In the case of the USA (Table 11) exactly the same pattern of not liberalizing the most sensitive products (in particular but not only clothing imports) until the last tranche can be observed. This led to the situation that 11 of 24 countries will still have over 80% left to liberalize by the year 2005 when – on average – only 49% was supposed to be left. Although a full comparison with the EU cannot be made due to lack of information on the third and fourth tranche separately, it would seem that the USA is faking liberalization and finagling protection just as much if not more so than the EU.

As a consequence of the above strategies the average tariff rates on the last tranche to be liberalized as of 1/1/05 (Table 12) will be almost twice as high as the first tranche (at least in the case of the USA). Whereas the first categories to be liberalized had their tariff rates decreased by almost 50% over the course of the UR tariff reduction schedule, the higher rates applying to those in the final tranche were reduced by only 20%. While this is still quite high for industrialized countries, could it be interpreted as a temporary blessing in disguise? That is, after all it does offer a degree of protection which could possibly help to dampen protectionist threats to postpone the final liberalization tranche beyond the scheduled phase-out as of 31/12/04.

To summarize: For sure, it is true that the EU, like the US, generally wanted to keep out the most competitive T&C exporters as long as possible, particularly in the area of clothing. Since most of these happen to be located in Asia, these countries were accordingly affected with lower growth rates and lower degrees of liberalization. More specifically, the EU seems to

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[10] The reader should not be disturbed by the inclusion of EU countries in Tables 7–10. The author fully realizes that intra-EU imports are not under any restraints contained in the MFA. The reason for their inclusion is simple: by analyzing the structure of the imports from EU countries it can be determined to what degree protection was being granted to them. Knowing, for instance, that the EU Mediterranean countries attempted to stonewall against liberalization, the smaller the degree to which EU imports from these countries were affected by liberalization, the more successful these countries were in protecting their interests. See, e.g., conclusions in WTO (1995: 99–103), based on data I supplied. The same interpretation can be applied to those EU-border countries, which are already deeply involved in T&C industry's international division of labor.

have pacified its Mediterranean member countries and EU-Rim countries by not liberalizing products these countries export. Since such products tended to overlap with products from Asia, protection vis-à-vis these products was maintained.

IV. What's Happened to T&C Trade in the EU and US, Canada and Japan

Aside from the WTO framework, another major factor has been massively influencing T&C trade flows. With over 100 regional trading arrangements (RTAs)[11] in force and reported to the WTO as of June, 1998, as well as numerous others in force but not notified to the WTO (sanctioned by the enabling clause; WTO, 1998: 29), there would seem to be a wide spectrum for trade to be negatively or positively affected.[12] However, since many of the agreements are irrelevant in the context of this paper (e.g. a free trade agreement between the Faroe Islands and Switzerland), the following analysis will focus on just two regions, North America and the EU, which accounted for over 40% of world imports in T&C products in 1997.

But aside from establishing formal RTAs with neighboring (e.g. USA and Mexico in NAFTA), regionally (e.g. EU and EFTA), or even cross-continent affiliated countries (e.g. EU and Mediterranean Rim countries), there is another measure, which can basically achieve a similar impact on trade flows (i.e. making closer geographical locations cheaper)—the introduction of offshore processing trade (OPT) legislation.[13] By applying tariffs only on the value added to exported domestically produced intermediate inputs when they are reimported as a partial or complete final product, considerable cost savings can occur vis-à-vis direct importation. Obviously the savings are not the same as in the case of being able to import duty free within a FTA. However there could well be scale economies or certain externalities which make the domestic production of essential intermediate inputs more efficient and thus could well inhibit a complete shifting of the respective production facilities abroad.

In the case of the textile industry one key point in the above connection could be the productive ties which exist between the industry and the textile machine producers. It has been shown that such close ties have been instrumental in producing machinery which is not only a "tick" better than competitors, but also more suited to the specific demands of the textile industry. This can be assumed to apply to the spinning, weaving and knitting sectors, as well as to the finishing sector. It is the latter, after all, which produces the all-important final quality touch to textile products and ensures that a sizable portion of the value added remains in domestic markets.

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[11] The term RTA is interpreted here as being synonymous with preferential trade agreements (PTAs) and free trade areas (FTAs).

[12] For an overview of the impact of RTAs see Galal, Hoekman (1997: 1–9); for newer developments in the theory of and evidence on RTAs see Lawrence (1997: 13–34).

[13] As compared with the potential trade-distorting aspects of RTAs, the impact of OPTs must be considered to be relatively neutral, as basically only in the area of natural trade barriers (e.g. transportation costs) do they impact on trade. While the OPT legislation of the EU and the USA do not restrict the countries in which OPT can be carried out, in the case of T&C products they do have to be brought into concordance with still prevailing MFA restrictions. And in this respect there is a certain degree of distortion into the measure.

As far as the EU is concerned, the prevailing OPT legislation dates back to 1994 and has been instrumental in shaping the flow of the EU's T&C trade flows.[14] The impact of the OPT legislation as well as the existence of regional trade agreements within and around Europe would seem to be evident (Diagram 1). There can be no question as concerns the overall shifting of trade in the 90s away from Asian suppliers to those located on the European Rim (EURORIM), whereby the Eastern European countries (EURO-East) profited more than those on the Mediterranean Rim (EURO-Med). Given the recent lifting of all non-tariff restraints in the area of T&C products from EURO-East (as of 1/1/99) such trends can be expected to continue and could well even be strengthened by Asian producers, who have been showing more interest in investing in EURO-East countries. Another factor which will be positively influencing the EU importation of clothing products from these countries is the possibility to now use textile inputs from Turkey for OPT production in EURO-East countries. This should particularly affect those countries more easily accessible from Turkey and whose interfacing with the EU market has been less intensive than those countries directly to the east of the former "iron curtain".

In examining individual country developments, the dominant role of Germany in long since tapping the EURORIM potential to the east is just as evident as France's stress on the EURO-Med countries. As well, Italy's sudden and rapid shift to the RIM-east or the UK's – albeit shrinking – preference for Asian countries are noteworthy (readers are also referred to Diagrams 3a–7b). But perhaps most interesting are the developments which have been documented in Sweden. After 1990 Sweden exhibited not only a sharp drop in imports from the EU Mediterranean countries, but also a noticeable rise in imports from Asian countries, in particular those in East Asia. What lies behind this is of prime importance in understanding how the elimination of quotas in the framework of the ATC as well as the influence of RTAs might impact on T&C trade flows.

Sweden, as a member of the EFTA, was able to preferentially access EU countries and thus through 1990 sourced an increasing amount of clothing products in Greece, Portugal and Spain (Diagram 7c).[15] Accordingly, the share of these three countries in Sweden's clothing imports rose rapidly over the course of the 80s, so that by the end of the decade it was over 100% higher than at the beginning.[16] The dramatic shift after 1990 was primarily induced by a decision of the Swedish Government in 1991 to eliminate all non-tariff barriers on imports of T&C products. The more than 50% drop in the share of imports stemming from Greece, Portugal and Spain was accomplished within less than half the time that these countries needed in the 1980's to double their share.

The extremely fast shift to imports from East Asian (E-Asian) countries (primarily China) after 1990 resulted in an increase in their share by 30% within just three years to the 50% level they had held some 10 years prior. This surge was brought to a quick stop when Sweden

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[14] EU regulation number 3036/94; it replaced No. 636/82.

[15] Readers should note that Diagram 7c is based on a different total than the one used in Diagram 1 and accordingly in Diagrams 7a and 7b. The total in Diagram 8c is equal to Sweden's Non-OECD imports plus imports from Portugal, Greece and Spain, whereas the total in the other diagrams is total imports from all sources. This was done in order to more clearly portray what had digressed.

[16] The flip side of these developments can be seen in the rapid increase in Swedish textile exports to Greece, Portugal and Spain, approaching almost 40% towards the end of the 80s.

joined the EU in 1995 and since then the E-Asian countries reveal a relative decline similar to the trend prior to 1991.

As in the case of other EU countries, Sweden also began to source more clothes in Euro-East as of 1990. And this trend was not interrupted by Sweden's EU membership in 1995, but rather continued to increase as OPT operations were very rapidly expanded. This can easily be seen in the diagram of Swedish textile exports where Euro-East had captured almost 70% of the market by 1998 – an increase of some 200% vis-à-vis just 10 years early. At the same time that Sweden joined the EU, the share of clothing imports from Euro-Med countries also began to noticeably increase, so that clothing imports from EURORIM countries now account for over 25% of the total clothing imports (as specified in Diagram 7c), likewise an increase of some 200% from 8 years earlier.

The evidence presented above on the massive shift out of preferential imports (in this case from Greece, Portugal and Spain) to more efficient clothing producing countries (basically China) when quotas were unilaterally removed, can be backed up by somewhat similar evidence elsewhere, namely by the impact of measures effected by Canada in 1997/98, after it had unilaterally removed quotas on several clothing articles, i.e. on shirts, blouses, etc. Examining the trends in Canada's importation of men's and boys' woven shirts[17], it can be shown that while the value of imports from the four major non-OECD suppliers in 1996 (i.e. India, Hong Kong, South Korea and Bangladesh) had **decreased by 25%** through 1998, the value of imports from China had **increased by 140**%. To put it another way: whereas Canadian imports from China originally amounted to 27% of the above four countries in 1996, they amounted to almost 90% in 1998.[18] This trend continued into 1999 as imports of the above products in the first three months from China (vis-à-vis the respective period in 1998) increased by 38% but those from the above four major suppliers decreased by 3%.[19]

The above examples from the EU and Canada would seem to be conveying a rather clear message: The quota system established under the MFA and now being eliminated by the ATC has generated a structure of exporting countries which has little to do with comparative advantages and much to do with market sharing based on the availability of quotas. And if the above shifts in trends are indeed indicative of developments which will be forthcoming under a MFN regime without quotas as of 1/1/05, then major lower cost suppliers today will be losing out to countries like China. Do developments in the USA – the worlds largest importer of clothing products – convey a similar message?

As can be seen in Diagram 2 the US has been profiting from importing clothing products from its southern neighbors roughly as long as Germany did (Diagram 1), when it began stressing

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[17] This category consists of the following 4 HS categories by type of material: 620510 (wool/hair), 620520 (cotton), 620530 (man-made fibers) and 620590 (nes).

[18] In terms of shares in total imports this corresponds to a change from 12% to 26% for China and 43% to 30% for the 4 big-four suppliers.

[19] It is perhaps interesting to note that among these four major suppliers imports from Hong Kong and Bangladesh decreased the most (-19% and -16% respectively), those from India actually increased by 16%.

trade with countries east of the former "Iron Curtain".[20] In both cases it was initially the existence of OPT legislation which was later enhanced by RTAs. In the case of the US it was, of course, the creation of NAFTA in 1994 which caused US imports from south of the border to very rapidly surge: Mexico's share in US clothing imports increased by over 200% in the period 1993–1998.[21] To a large degree this increase – including the growth in imports from the rest of Latin America – is reflected in the decrease in imports from E-Asia.

Nonetheless, to what extent this trade shift can be considered to be a diversion away from more efficient sources is an open question. One reason for this is that demand parameters have changed in recent years so that time constraints play a far more crucial role in determining where and how production should be located or rather structured. The crucial question, as well as in the case of the EU, would be to determine whether or not trade flows would basically remain unchanged after all trade restrictions were removed. This would also have to incorporate the reaction of those entrepreneurs from primarily Asian countries (in particular Hong Kong) who established production facilities within NAFTA to be able to profit from preferential agreements as opposed to those who relocated in order to profit from the OPT potential (that is, overcoming natural barriers to trade).[22]

As can be seen in the above Diagrams, imports of clothing from South Asia (with other Asian countries) increased its share across major EU countries, the USA and Canada, but not Japan. While in the case of the EU and Canada shares have leveled off in recent years, in the USA the share is increasing, seemingly at the expense of South East Asia. For Bangladesh, however, the data reveal that across four of the five EU countries and the US imports of clothing products have increased noticeably since 1990 (Diagram 11).

As in the above-mentioned case of Sweden's quota elimination in 1991 and then reapplication in 1995, Bangladesh's exports were also affected. Specifically its share since Sweden's reimposition of ATC quotas in 1995 has increased remarkably, from roughly 1% to almost 5%, almost equaling India's, which correspondingly fell after the quotas were reintroduced. As positive as this may sound, it may well be foreshadowing something which might be quite negative after all quotas are removed by 1/1/2005. Is Bangladesh only gaining shares because it has special quota-free access to the EU? And will demand shift away from Bangladesh once all other developing countries are also no longer subject to quotas?

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[20] It should be noted that there is a major difference in accounting for OPT trade in official trade statistics. Whereas in the case of Germany (or the EU) the textile exports to be turned in clothing products abroad are included under textiles (SITC 65), in the case of the USA these exports must be classified under clothing (SITC 84). This of course heavily distorts the US clothing export statistics which are accordingly mainly directed towards Latin America. No attempt was made in this paper to adjust for these differences.

[21] Mexico's rank among clothing exporting countries increased from #26 in 1990 to #8 in 1997 (see Table 5) – an increase within 7 years that is probably second to none.

[22] At stake here are not only issues involving the impact of RTAs, but also the ramifications of industrial upgrading "to improve the position of firms or nations in international trade networks. Participation in global commodity chains is a necessary step for industrial upgrading because it puts firms and economies on potentially dynamic learning curves….The microfoundations of this upgrading pattern involve both forward…and backward…linkages from production…" (Gereffi 1999: 39).

V. Bangladesh's Competitive Position and China's WTO Entry

At that point in time when Bangladesh was just beginning to make itself known in world T&C markets – it had already been hit by restraints in the EU (the United Kingdom and France requested them) and by the US (who tried to more tightly restrict quotas)—it was pointed out that Bangladesh could well profit from the trade obstacles they were encountering (Spinanger, 1987: 84).

> "If the entrepreneurial spirit, so vividly revealed in the brief history of the export of clothing from Bangladesh, remains vigorous, one can hope that the country's entrepreneurs will learn, as those of Hong Kong, the Republic of Korea and Taiwan learned before them. These obstacles can, indeed, prove to be Schumpeterian medicine for entrepreneurs."

There can be no doubt that they have learned their lessons well, elsewise they would not have fared so well over the past 15 years. But quotas helped them. In recent years, with relatively high quota utilization rates in important Asian T&C exporting countries, buyers were constantly looking for locations were quotas were available. And thus Bangladesh profited greatly, particularly from the more lenient treatment by the EU. However, there are factual indications that when quotas are eliminated countries like Bangladesh may be neglected, and production shifted to locations like China.

As revealed in the case of Sweden, when it eliminated all quotas on T&C products in 1991, a massive shift took place towards China, whereas countries in Southeast Asia and South Asia hardly profited. And even when quotas were re-imposed in 1995, when Sweden joined the EU the shift away from East Asia was quite moderate. As also revealed a few years ago when Canada unilaterally removed quotas on shirts/blouses, there was again a massive shift towards China and particularly a large shift away from Bangladesh.

Is this what is going to happen when quotas are no longer a necessary condition to export to IC markets (i.e. as of Jan. 1, 2005) and China has become a member of the WTO, enjoying thereby all the MFN benefits?. Will companies actually shift activities into China or expand already existing operations in the PRC, thereby neglecting Bangldesh and other countries in Southeast Asia?. Should such a redirection of demand towards China actually evolve then Bangladesh must get its show on the road quickly.

But what are the essential steps for Bangladesh to take in order to ensure that it does not miss the boat when quotas no longer are a factor in determining where buyers purchase T&C products and/or where investors establish production facilities? To find this out a survey was carried out among 14 major T&C producers/traders in Hongkong, with activities throughout Asia and around the world, to estimate the relative importance of factors determining where they would buy clothes or invest. Respondents gave an answer of "10" if it was totally important and "1" if it was totally unimportant.

The total results of the Survey are presented in Table 13 and graphically displayed in Diagram 12 – they clearly portray a world which fits well into the picture of how the MFA works and what makes countries competitive. The information provided in Diagram 12 plots the average score given to each question (on the vertical axis) against the coefficient of variation (on the horizontal axis). The resulting downward-sloping pattern portrays those questions with but little variation in answering (low coefficient of variation) but high average values on the upper left and those answers with high variation , but lower average values on the bottom right.

Let us focus on the questions which received the highest values and had the lowest degree of variance. These are the issues which must be interpreted as being the essential factors shaping investment and sourcing decisions. The other factors, while also relevant, may be influenced by more subjective issues or rather more differentiated by type of operations.

- In a world in which quota's are essential to export T&C products to ICs, it is of course the availability of quotas (question 15) which is the most important factor. And of course in this connection Bangladesh has an advantage since it doesn't need quota for the EU.

- The second most important factor (question 12) was the "politics and stability in the host country." This is a result that has been shown in numerous other studies, and in essence is not restricted to the T&C industry.

- The third most important factor (question 13) determining operations in a country was the availability of good quality transportation infrastructure. For sure in the ever faster moving fashion industry, where just-in-time operations, with quick turnarounds are essential, countries without such facilities are going to be left out ever more in the future.

- The fourth factor – quality of telecom infrastructure in the host country (question 14) – complements the transportation infrastructure, and is generally mentioned in other surveys of factors essential for attracting foreign investments.

- Factor five – labor costs (question 9) – is of course crucial in the in the case of such a labor intensive industry such as clothing. However, the fact that it is not mentioned earlier points to the fact underlined by numerous interviewees, that in many cases higher labor costs can be compensated by other factors.

- The next factor – education and training of workers (question 10) – was noted as something becoming more important over time. And given the ever tighter delivery times, it will be even more important in the future.

- Finally the last most important of the key factors deals with policies affecting trade and investment (question 8). In essence this could be conceived as those policies which are consistent with liberal WTO rules and keep the economy open. That Bangladesh has much to do here can be easily seen in Table 12 which shows a list of measures affecting the importation of products or otherwise making it difficult to do business as a foreigner. While Bangldesh was better than India and Pakistan, it still was notably more distorted than faster growing countries.

Once the quotas on T&C products are eliminated by the end of the year 2004, the other 6 of the above 7 factors can be said to incorporate all those essential ingredients which need to be in place if a country is to remain competitive in the T&C industry. While in one case or another the other 11 factors may well be crucial, most of the interviewees created the impression that they would be content if the above 6 were fulfilled. What does all this mean for Bangladesh?

VI. Conclusions for Bangladesh's T&C Trade

Assuming that the political situation in Bangladesh does not differ from other competing countries, then the infrastructure issue – both for transportation as well as for telecommunications – must be rapidly improved. There was hardly an interviewee who didn't note how important turnaround times were and how much more important they will be in the

future. In particular, the regional trade agreements in the Americas and Europe give those countries close to the USA and the EU locational advantages which Bangladesh cannot beat. Hence, it must do everything to ensure that getting in and out of the country and connection up with the country is as easy as elsewhere. Particularly as concerns telecommunications must facilities be available that keep the T&C industry on par with its competitors or even ahead of them. After all the era of e-commerce is rapidly engulfing the T&C sector and if Bangladesh cannot introduce all the standards, it will be avoided all the more.

While of course the training of workers and management is important, this is an issue which will take longer than just a few years. Of more importance is to insure that all those measures which hinder access, trade, investment and business – for instance in line with those listed in Table 4 – are eliminated. It was namely such measures which were mentioned by numerous interviewees in explaining why they had not invested in Bangladesh or rather had not sourced from the country. As can be seen from the table Bangladesh does indeed rank among those countries with the widest array of import barriers.

To conclude, while Bangladesh has profited from the existence of quotas, their removal will put the country to the test as to whether the T&C industry can undo an image which will hurt it. Whereas price was important in the past – and here too Bangladesh profited – in the future clothes need to be produced just in time and almost on a much shorter fashion season than now exists. If Bangladesh does succeed in clarifying the above issues, there is a good chance that the such clothes could also be produced there. If not, the rapid growth rates that Bangladesh exhibited in world trade will be a thing of the past.

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Table 1a — Textile[a]/Clothing[b] Exports of Selected ICs/DCs: 1965–98 (Shares[c]/ Rankings[d]/Growth Rates[e])

	1965		1973		1983		1990		1998		Growth rates[f] 1965-73	1973-83	1983-90	1990-98
Textiles and Clothing														
China	3.4	(11)	3.0	(12)	5.9	(6)	7.9	(3)	13.0	(1)	13.8	**18.5**	**17.7**	**12.4**
Italy	10.3	(2)	8.5	(2)	9.5	(1)	10.0	(2)	8.4	(2)	13.0	**11.9**	**13.6**	3.4
Germany	8.5	(5)	11.9	(1)	8.6	(2)	10.3	(1)	6.3	(3)	**20.8**	7.2	**15.6**	-0.6
USA	6.8	(7)	4.5	(9)	3.5	(10)	3.6	(9)	5.5	(4)	10.1	7.9	**12.9**	**11.4**
Korea, Rep. of	0.5	(23)	3.6	(11)	6.7	(3)	6.5	(4)	4.8	(5)	**49.7**	**17.8**	**12.5**	1.7
Taiwan	0.6	(21)	3.8	(10)	5.2	(7)	4.7	(7)	4.3	(6)	**44.8**	**14.2**	11.3	4.3
France	9.3	(3)	8.2	(4)	4.7	(8)	5.0	(6)	4.0	(7)	13.9	4.7	**13.8**	2.7
Belgium/Lux.	7.2	(6)	6.8	(5)	3.8	(9)	3.9	(8)	3.5	(8)	15.0	4.6	**13.1**	4.1
Hong Kong	*4.3*	*(10)*	*5.5*	*(7)*	*6.1*	*(5)*	*5.4*	*(5)*	*3.3*	*(9)*	*19.4*	*11.9*	*10.6*	*-0.4*
Turkey	0.0	(39)	0.5	(30)	1.6	(15)	2.2	(14)	3.2	(10)	**55.4**	**25.8**	**18.0**	**10.5**
United Kingdom	8.8	(4)	5.7	(6)	3.5	(11)	3.5	(10)	3.1	(11)	9.6	5.4	**12.8**	4.3
India	5.7	(8)	2.4	(13)	1.5	(17)	2.2	(15)	3.0	(12)	3.7	5.7	**19.3**	**10.0**
Mexico	0.3	(28)	0.7	(26)	0.3	(34)	0.6	(26)	2.6	(13)	**31.9**	2.5	**23.1**	**26.7**
Netherlands	5.3	(9)	5.1	(8)	2.6	(12)	2.4	(12)	2.1	(14)	15.2	3.4	11.6	4.0
Japan	13.7	(1)	8.4	(3)	6.5	(4)	3.0	(11)	1.9	(15)	8.9	7.9	1.0	-0.1
Pakistan	1.5	(14)	1.4	(17)	1.7	(14)	1.7	(17)	1.9	(16)	15.0	**12.8**	**13.3**	6.6
Total[g]	86.2		80.0		71.7		72.9		70.9		14.7	9.5	**13.1**	5.3
World[h]	**10.30**		**33.27**		**91.95**		**213.41**		**330.59**		**15.8**	**10.7**	**12.8**	**5.6**
Textiles														
Germany	8.6	(4)	13.7	(1)	10.6	(1)	13.4	(1)	8.8	(1)	**20.9**	5.9	**14.7**	-0.7
Italy	8.2	(5)	6.9	(5)	8.3	(3)	9.0	(2)	8.6	(2)	11.6	**10.6**	**12.4**	4.0
China	3.9	(10)	3.4	(9)	5.5	(4)	6.9	(3)	8.5	(3)	12.2	**14.0**	**14.5**	**7.4**
Korea, Rep. of	0.3	(23)	2.0	(16)	4.8	(7)	5.8	(6)	7.5	(4)	**42.1**	**18.7**	**14.1**	**8.0**
Taiwan	0.6	(20)	2.5	(12)	3.6	(10)	5.8	(5)	7.3	(5)	**36.7**	**12.4**	**19.1**	**7.6**
USA	6.8	(8)	5.5	(8)	4.7	(8)	4.8	(9)	6.1	(6)	11.1	6.8	**11.5**	**7.8**
France	9.2	(3)	7.6	(3)	5.1	(6)	5.8	(7)	5.0	(7)	11.3	4.4	**12.9**	2.8
Belgium/Lux.	7.6	(6)	7.6	(4)	5.5	(5)	6.1	(4)	5.0	(8)	**14.0**	5.2	**12.5**	2.0
Japan	14.5	(1)	11.0	(2)	10.5	(2)	5.6	(8)	4.0	(9)	10.1	8.2	1.4	0.2
India	7.4	(7)	3.1	(10)	1.4	(17)	2.1	(14)	3.8	(10)	2.3	0.2	**17.4**	**12.7**
United Kingdom	9.9	(2)	6.5	(6)	3.7	(9)	4.2	(10)	3.6	(11)	8.2	2.7	**12.8**	2.7
Pakistan	1.9	(12)	2.0	(15)	2.6	(13)	2.5	(12)	2.9	(12)	**14.6**	**11.5**	10.6	**6.2**
Netherlands	5.9	(9)	5.9	(7)	3.4	(11)	2.8	(11)	2.7	(13)	13.8	2.8	8.0	4.3
Turkey	0.1	(36)	0.4	(28)	1.7	(16)	1.4	(18)	2.4	(14)	**47.7**	**24.2**	7.8	**11.9**
Mexico	0.3	(25)	0.6	(27)	0.2	(37)	0.7	(23)	1.3	(17)	**23.7**	-1.9	**30.9**	**14.0**
Hong Kong	*1.8*	*(13)*	*2.0*	*(13)*	*1.9*	*(14)*	*2.1*	*(15)*	*0.9*	*(23)*	*15.6*	*7.9*	*12.3*	*-5.4*
Total[g]	87.0		80.7		73.5		79.0		78.4		12.9	7.6	**12.1**	4.5
World[h]	**7.77**		**22.12**		**50.65**		**105.04**		**150.95**		**14.0**	**8.6**	**11.0**	**4.6**
Clothing														
China	2.0	(12)	2.1	(13)	6.3	(5)	8.9	(2)	16.7	(1)	**21.1**	**27.1**	**20.6**	**15.2**
Italy	16.8	(1)	11.7	(2)	11.0	(2)	10.9	(1)	8.2	(2)	15.0	13.3	14.7	2.8
Hong Kong	*12.0*	*(2)*	*12.4*	*(1)*	*11.3*	*(1)*	*8.6*	*(3)*	*5.4*	*(3)*	*20.9*	*13.0*	*10.3*	*0.5*
USA	6.8	(6)	2.6	(12)	2.1	(9)	2.4	(12)	4.9	(4)	6.5	11.9	**16.5**	**16.7**
Germany	8.1	(5)	8.2	(4)	6.2	(6)	7.3	(4)	4.3	(5)	**20.4**	10.9	**17.5**	-0.3
Turkey	0.0	(47)	0.5	(31)	1.6	(15)	3.1	(9)	3.9	(6)	**115.9**	**28.5**	**26.4**	**9.8**
Mexico	0.1	(30)	1.0	(24)	0.5	(31)	0.5	(34)	3.7	(7)	**63.7**	6.2	**17.1**	**35.3**
France	9.6	(4)	9.3	(3)	4.2	(7)	4.3	(6)	3.2	(8)	19.9	5.3	**15.1**	2.6
United Kingdom	5.5	(8)	3.9	(8)	3.2	(8)	2.8	(10)	2.7	(9)	15.5	11.5	12.8	**6.2**
Korea, Rep. of	0.8	(17)	6.7	(5)	9.0	(3)	7.3	(5)	2.6	(10)	**56.6**	**17.3**	11.4	-6.4
India	0.5	(22)	0.9	(25)	1.6	(13)	2.3	(13)	2.4	(11)	**29.7**	**20.8**	**21.1**	**7.1**
Belgium/Lux.	5.8	(7)	5.1	(7)	1.8	(10)	1.8	(15)	2.3	(12)	18.5	2.6	**15.2**	**9.2**
Taiwan	0.8	(18)	6.4	(6)	7.2	(4)	3.7	(7)	1.8	(15)	**56.4**	**15.5**	4.2	-2.8
Netherlands	3.5	(9)	3.7	(9)	1.6	(12)	2.0	(14)	1.6	(17)	**40.6**	5.1	**18.4**	3.5
Pakistan	0.1	(32)	0.2	(39)	0.6	(26)	0.9	(23)	1.0	(26)	**31.8**	**29.6**	**23.8**	**7.7**
Japan	11.3	(3)	3.3	(10)	1.6	(14)	0.5	(34)	0.2	(49)	3.2	6.0	-2.1	-4.0
Total[g]	83.7		78.0		69.8		67.3		64.9		19.3	12.7	14.2	6.0
World[h]	**2.53**		**11.15**		**41.30**		**108.37**		**179.64**		**20.4**	**14.0**	**14.8**	**6.5**

[a]SITC 65, Rev. 2. – [b]SITC 84, Rev. 2. – [e]Average annual growth. rate (%) – [c]Share of world trade. – [d]Ranking based on values in 1998; covering all available textile and clothing exporting countries; country selection for the table dictated by top 16 countries exporting T&C products in 1998; ranking in given year in ( ). – [e]Average annual growth rate. – [f]Bold typed numbers designate an above world average growth rate. – [g]Sum of shares of listed countries. – [h]In bill. US$.

Source: Own calculations based on UNCTAD tabulations and WTO, Annual Report 1999 (1999: Tab. IV.73 and IV.81)

Table 1b — Textile[a]/Clothing[b] Exports of Asian Countries 1990–98 (Shares[c]/Rankings[d]/Growth Rates[e])

	1990		1994		1998		Growth rates[f]		
							1990-94	1994-98	1990-98
Textiles and Clothing									
China	7.91	(3)	13.13	(1)	12.97	(1)	**20.46**	4.79	**12.35**
Korea Rep.	6.54	(4)	6.04	(4)	4.82	(5)	4.03	-0.64	1.67
Taiwan	4.74	(7)	5.06	(5)	4.29	(6)	**7.89**	0.87	4.32
Hong Kong	5.36	(5)	4.21	(7)	3.34	(9)	-0.08	-0.77	-0.42
India	2.21	(15)	2.78	(11)	3.04	(12)	**12.45**	7.51	9.95
Japan	3.01	(11)	2.72	(12)	1.93	(15)	3.46	-3.52	-0.09
Pakistan	1.72	(17)	2.06	(16)	1.86	(16)	**10.91**	2.51	**6.62**
Thailand	1.75	(16)	2.27	(14)	1.62	(17)	**13.23**	-3.38	4.59
Indonesia	1.35	(20)	2.11	(15)	1.51	(19)	**18.56**	-3.29	**7.08**
Malaysia	0.78	(24)	1.07	(20)	1.03	(22)	**15.02**	4.03	**9.39**
Bangladesh	*0.42*	*(38)*	*0.67*	*(29)*	*1.03*	*(23)*	*19.57*	*16.84*	*18.20*
Philippines	0.87	(23)	0.89	(24)	0.81	(27)	6.56	2.88	4.70
Sri Lanka	0.31	(43)	0.59	(32)	0.77	(29)	24.77	12.10	18.27
Macau	0.58	(27)	0.50	(34)	0.55	(35)	2.25	7.45	4.82
Mauritius	0.30	(44)	0.29	(45)	0.27	(44)	5.58	2.96	4.26
Singapore	0.53	(30)	0.34	(41)	0.19	(51)	-5.01	-8.98	-7.01
Total[g]	38.39		44.75		40.03		**10.27**	2.24	**6.18**
World[h]	**213.41**		**270.65**		**330.59**		**5.12**	**5.13**	**5.62**
Textiles									
China	6.87	(3)	9.07	(2)	8.49	(3)	**13.11**	2.05	**7.44**
Korea Rep.	5.78	(6)	8.21	(4)	7.47	(4)	**15.18**	1.34	**8.04**
Taiwan	5.83	(5)	7.88	(5)	7.30	(5)	**13.75**	1.80	**7.61**
Japan	5.58	(8)	5.21	(7)	3.96	(9)	3.72	-3.13	0.24
India	2.08	(14)	2.94	(12)	3.76	(10)	**15.12**	10.36	**12.72**
Pakistan	2.54	(12)	3.06	(11)	2.85	(12)	**10.60**	1.93	**6.18**
Indonesia	1.18	(20)	1.92	(14)	1.56	(16)	**19.11**	-1.42	**8.36**
Thailand	0.88	(21)	1.26	(20)	1.20	(21)	**15.42**	2.30	**8.66**
Hong Kong	2.07	(15)	1.49	(18)	0.92	(23)	-2.70	-8.07	-5.42
Malaysia	0.33	(30)	0.64	(25)	0.73	(26)	**24.76**	7.14	**15.62**
Bangladesh	*0.29*	*(31)*	*0.28*	*(34)*	*0.33*	*(33)*	*4.38*	*8.41*	*6.37*
Philippines	0.13	(48)	0.17	(42)	0.16	(44)	13.62	2.62	7.98
Sri Lanka	0.02	(56)	0.10	(54)	0.16	(45)	51.87	15.66	32.53
Singapore	0.13	(44)	0.19	(41)	0.14	(46)	**15.16**	-4.77	**4.73**
Macau	0.13	(45)	0.12	(47)	0.12	(49)	3.98	2.43	3.20
Mauritius	0.01	(58)	0.04	(58)	0.00	(60)	**44.97**	-41.99	-8.30
Total[g]	33.85		42.58		39.14		**11.75**	1.59	**6.55**
World[h]	**105.04**		**130.24**		**150.95**		**5.52**	**3.76**	**4.64**
Clothing									
China	8.92	(2)	16.90	(1)	16.73	(1)	**25.18**	6.08	**15.24**
Hong Kong	8.55	(3)	6.74	(3)	5.38	(3)	0.50	0.55	0.53
Korea Rep.	7.27	(5)	4.03	(5)	2.59	(10)	-7.97	-4.76	-6.38
India	2.33	(13)	2.64	(11)	2.44	(11)	**9.98**	4.30	**7.10**
Thailand	2.60	(11)	3.21	(9)	1.98	(13)	**12.47**	-5.73	2.97
Taiwan	3.68	(7)	2.45	(12)	1.76	(15)	-3.59	-2.06	-2.83
Bangladesh	*0.54*	*(35)*	*1.04*	*(26)*	*1.61*	*(16)*	*25.62*	*18.68*	*22.10*
Indonesia	1.52	(18)	2.28	(14)	1.46	(18)	**18.14**	-4.83	6.03
Philippines	1.60	(16)	1.56	(16)	1.36	(20)	5.97	2.90	4.42
Malaysia	1.21	(19)	1.47	(18)	1.28	(22)	**12.02**	2.70	**7.26**
Sri Lanka	0.59	(31)	1.05	(25)	1.28	(23)	**23.29**	11.77	17.39
Pakistan	0.94	(23)	1.12	(23)	1.02	(26)	**11.69**	3.91	**7.73**
Macau	1.03	(22)	0.86	(27)	0.91	(31)	2.03	**8.07**	5.00
Mauritius	0.57	(32)	0.52	(35)	0.49	(35)	4.25	4.60	4.42
Singapore	0.92	(24)	0.48	(37)	0.24	(48)	-9.18	-10.68	-9.93
Japan	0.52	(36)	0.41	(42)	0.23	(49)	0.70	-8.50	-4.01
Total[g]	42.79		46.76		40.77		**9.09**	2.77	5.88
World[h]	**108.37**		**140.41**		**179.64**		**6.69**	**6.35**	**6.52**

[a]SITC 65, Rev. 2. – [b]SITC 84, Rev. 2. – [e]Average annual growth rate (%) [c]Share of world trade. – [d]Ranking based on values in 1998; covering all available Asian textile and clothing exporting countries; country selection for the table dictated by top 16 countries exporting T&C products in 1998; ranking in given year in (). – [e]Average annual growth rate. – [f]Bold typed numbers designate an above world average growth rate. – [g]Sum of shares of listed countries. – [h]In bill. US$.

Source: Own calculations based on UNCTAD tabulations and WTO, Annual Report 1999 (1999: Tab. IV.73 and IV.81)

Table 2 — **Bangladesh's Share (%) in Textile (SITC 65) and Clothing (SITC 84) Imports of OECD Countries: 1990–1998**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	Change 90-98
Textiles										
EU15	0.20	0.21	0.20	0.22	0.20	0.20	0.24	0.20	0.21	+0.01
Austria	0.03	0.02	0.01	0.02	0.01	0.01	0.01	0.01	0.03	+ 0.00
Belgium-Luxem.	0.84	0.77	0.88	0.88	0.87	0.94	1.12	0.85	0.89	+0.05
Denmark	0.05	0.04	0.04	0.03	0.06	0.08	0.08	0.07	0.07	+0.02
Finland	0.02	0.01	0.01	0.02	0.02	0.07	0.06	0.05	0.09	+0.07
France	0.11	0.11	0.14	0.19	0.12	0.15	0.16	0.14	0.13	+0.00
Germany	0.11	0.11	0.09	0.08	0.08	0.08	0.10	0.07	0.10	-0.01
Greece	0.24	0.21	0.12	0.18	0.22	0.26	0.34	0.28	0.14	-0.10
Ireland	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	+0.01
Italy	0.08	0.07	0.08	0.09	0.09	0.09	0.09	0.07	0.05	-0.03
Netherlands	0.28	0.48	0.34	0.32	0.22	0.23	0.42	0.43	0.47	+0.19
Portugal	0.01	0.01	0.05	0.04	0.04	0.03	0.02	0.01	0.02	+0.01
Spain	0.28	0.24	0.18	0.36	0.42	0.20	0.16	0.13	0.14	-0.14
Sweden	0.16	0.03	0.03	0.01	0.01	0.01	0.02	0.03	0.03	-0.13
UK	0.33	0.34	0.32	0.39	0.32	0.28	0.31	0.32	0.33	0.00
USA	0.86	0.54	0.53	0.54	0.62	0.74	0.63	0.46	0.63	-0.23
Canada	0.21	0.14	0.13	0.14	0.16	0.12	0.07	0.08	0.10	-0.11
Japan	0.35	0.29	0.33	0.29	0.21	0.21	0.24	0.25	0.26	-0.09
Australia	1.34	1.29	0.85	0.74	0.75	0.62	0.67	0.69	0.69	-0.65
Clothing										
EU15	0.60	0.90	0.97	1.34	1.56	1.88	2.03	2.38	2.54	+1.94
Austria	0.12	0.25	0.27	0.36	0.40	0.30	0.48	0.97	0.98	+0.96
Belgium-Luxem.	0.18	0.22	0.20	0.45	0.66	1.04	1.69	1.97	2.63	+2.45
Denmark	0.45	0.74	0.74	1.06	1.19	1.44	1.54	1.93	2.19	+1.74
Finland	0.35	0.87	0.94	1.11	1.23	1.37	1.31	1.57	1.69	+1.34
France	0.86	1.22	1.38	1.85	2.16	2.29	2.52	2.98	3.01	+2.15
Germany	0.08	0.16	0.62	0.86	0.76	0.77	0.61	0.78	1.07	+0.99
Greece	1.44	2.71	2.50	2.84	3.26	4.06	2.80	3.49	3.55	+2.11
Ireland	0.68	0.86	0.92	1.32	1.71	2.02	2.44	3.33	3.45	+2.77
Italy	0.79	0.62	0.62	0.74	0.71	1.10	1.50	2.04	2.42	+1.63
Netherlands	0.19	0.21	0.24	0.72	0.98	1.38	2.25	2.56	2.32	+2.13
Portugal	1.26	1.54	1.69	2.05	2.13	2.39	2.33	2.00	2.07	+0.81
Spain	0.84	1.11	1.25	2.01	2.42	3.20	3.51	3.15	3.04	+2.20
Sweden	0.00	0.03	0.07	0.18	0.39	0.38	0.52	0.46	0.37	+0.37
UK	0.00	0.00	0.04	0.04	0.06	0.17	0.16	0.29	0.34	+0.34
USA	1.75	1.73	2.32	2.24	2.50	2.76	2.76	2.99	3.08	+1.33
Canada	0.98	0.94	1.14	1.43	1.76	2.44	2.28	2.48	2.57	+1.54
Japan	0.00	0.01	0.04	0.03	0.03	0.05	0.09	0.13	0.16	+0.16
Australia	0.00	0.00	0.01	0.01	0.01	0.03	0.05	0.06	0.08	+0.08

Note: shares with a " ☐ " background highlight an increase vis-à-vis the year before (or over the 8 years) by more the "0.10" percentage points.

Source: Own calculations based on OECD Commodity Trade Statistics (CD-ROM).

Table 3 — Structure of EU Pre- and Post-UR Tariff Rates by Sectors[a] 1994, 2004

Pre UR Tariff Rate Distribution (%)

	No. of Positions	Mean	Coeff. of Variation	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Basic Industries	**7442**	**5.13**	**0.5152**	8.0	0.2	1.2	6.7	15.6	21.3	15.9	11.6	10.4	3.0	3.9	0.3	0.6	1.0	0.1	0.0	0.1	0.0	0.0	0.0	0.0		
Iron and Steel	622	4.70	0.2678	3.4	0.0	0.0	3.1	16.2	41.8	34.1	0.8	0.6														
Mining and quarrying	171	3.39	0.5413	5.8	0.6	11.7	26.3	34.5	5.3	5.8	2.9	6.4	0.0	0.6												
Sawmilling, plywood, etc.	128	4.57	3.1153	18.0	0.0	3.1	7.0	21.9	15.6	16.4	0.0	0.0	2.3	15.6												
Cold-rolled steel, etc.	3128	4.68	0.4731	8.3	0.0	0.7	7.8	18.7	24.7	16.9	9.7	8.5	1.6	3.0												
Rubber Products	95	4.44	0.5295	12.6	1.1	0.0	9.5	8.4	21.1	35.8	3.2	0.0	6.3	1.1	0.0	1.1										
Pulp, paperboard, etc.	148	6.78	0.4887	16.2	0.0	0.0	1.4	0.7	1.4	13.5	8.8	7.4	41.9	8.8												
Iron and Steel casting	1251	4.73	0.4532	5.4	0.0	1.0	9.6	24.4	27.2	7.2	11.1	10.8	1.4	1.9												
Mineral oil Products	73	4.33	0.6018	5.5	8.2	17.8	0.0	1.4	26.0	13.7	26.0	0.0	0.0						0.0	0.0	0.0	0.0	0.0	1.4		
Non-ferrous metals, etc.	271	4.46	0.7396	23.6	1.1	4.4	4.8	8.5	10.7	19.6	7.4	5.2	4.8	10.0												
Chemical Products	1555	6.80	0.4479	7.1	0.2	0.3	2.5	3.2	7.1	13.2	23.0	21.5	4.6	6.9	1.5	2.7	5.0	0.5	0.1	0.2	0.1	0.1	0.0	0.1		
Investment Goods	**4101**	**4.92**	**0.5451**	10.2	0.0	0.2	5.3	17.1	29.9	14.2	8.8	4.6	3.8	1.2	0.4	1.8	0.2	1.6	0.1	0.0	0.4	0.0	0.0	0.1	0.0	0.2
Boats, ships, etc.	50	1.50	1.0622	50.0	0.0	0.0	32.0	14.0	4.0																	
Aircraft, spacecraft	46	2.53	1.1662	52.2	0.0	0.0	0.0	13.0	19.6	6.5	4.3	0.0	2.2	0.0	0.0	2.2										
Machinery, incl. tractors	1333	3.71	0.4704	11.3	0.0	0.5	11.7	32.1	32.9	6.8	2.5	0.0	2.0	0.0	0.2	0.1										
Steel products and RR-equipment	141	4.80	0.2375	0.0	0.0	0.0	1.4	23.4	46.1	14.9	11.3	2.8														
Office equipment, etc.	61	4.12	0.5922	9.8	0.0	0.0	24.6	11.5	42.6	0.0	0.0	6.6	0.0	0.0	0.0	4.9										
Optical, measuring equipment, etc.	412	4.95	0.4935	15.3	0.0	0.0	0.0	4.6	19.9	28.6	14.3	13.3	0.7	1.9	1.2											
Iron and sheetmetal	852	5.04	0.4239	5.6	0.0	0.2	2.8	12.7	33.5	22.3	15.1	5.2	0.6	0.6	0.0	0.1	0.0	0.5	0.0	0.0	0.8					
Electro technical equipment	984	6.08	0.5722	10.5	0.0	0.0	0.5	8.8	27.0	13.8	7.8	6.0	10.7	0.9	0.1	6.7	0.4	6.1	0.6							
Motor vehicles	222	8.12	0.5340	0.0	0.0	0.0	0.0	3.2	23.9	10.8	19.8	9.5	5.9	12.6	3.2	0.0	1.4	0.0	0.0	0.0	4.1	0.0	0.0	1.8	0.0	4.1
Consumer Goods	**6217**	**9.10**	**0.4082**	2.8	0.0	0.1	1.5	4.6	5.1	10.8	4.8	4.8	5.9	21.6	20.8	4.6	2.6	6.0	1.8	0.5	1.2	0.0	0.0	0.4	0.0	0.0
Printing, publishing	113	3.17	1.2058	51.3	0.0	0.0	0.9	3.5	10.6	21.2	0.0	2.7	0.0	0.0	0.0	9.7										
Wood products, furniture	146	5.18	0.3466	6.8	0.0	0.7	2.7	4.1	14.4	47.3	18.5	4.8	0.0	0.7	0.0	0.0										
Musical instruments, toys	298	5.71	0.3672	3.7	0.0	1.0	3.0	5.0	23.5	27.2	10.7	20.8	2.0	0.7	0.7	0.3	1.0	0.3								
Plastic goods	778	6.08	0.5120	6.4	0.0	0.5	5.7	13.8	17.2	10.0	9.3	13.5	12.1	1.2	0.0	3.9	6.6									
Paper, cardboard	87	9.77	0.2594	1.1	0.0	0.0	2.3	0.0	2.3	5.7	4.6	0.0	23.0	11.5	23.0	23.0	1.1	2.3								
Glassware, etc.	149	6.87	0.4286	1.3	0.0	0.0	0.7	16.1	18.1	19.5	7.4	0.0	13.4	8.7	0.0	14.1	0.7									
Ceramic goods	71	7.10	0.3677	0.0	0.0	0.0	0.0	8.5	8.5	2.8	19.7	9.9	16.9	9.9	2.8	0.0	0.0	4.2								
Leather goods, shoes	185	8.10	0.6898	3.8	0.0	0.0	4.9	14.1	7.6	11.9	17.3	19.5	1.1	0.0	0.0	4.3			0.0	0.0	0.0	0.0	1.6	14.1		
Textiles	3943	10.05	0.2587	0.8	0.0	0.0	0.3	1.9	0.8	8.6	2.6	1.4	5.2	32.8	32.1	4.9	1.2	1.8	2.8	0.8	2.0					
Clothing	447	12.27	0.2626	0.4	0.0	0.0	1.1	4.7	0.9	2.5	2.2	3.6	1.8	1.6	1.1	0.0	13.6	66.4								
Total	**17760**	**6.47**	**0.5336**	6.7	0.1	0.6	4.6	12.1	17.6	13.7	8.6	7.1	4.2	9.5	7.5	2.2	1.4	2.5	0.7	0.2	0.5	0.0	0.0	0.2	0.0	0.1

Post UR Tariff Rate Distribution (%)

	No. of Positions	Mean	Coeff. of Variation	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Basic Industries	**7206**	**2.70**	**1.3458**	20.1	0.5	13.6	20.4	14.7	12.6	9.1	8.4	2.4	0.6	1.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Iron and Steel	552	0.17	4.8610	81.0	0.0	1.1	3.3	10.9	15.0	0.5	0.9															
Mining and quarrying	171	1.70	2.3239	18.7	0.6	48.0	17.5	7.6	0.6	1.2	5.8															
Sawmilling, plywood, etc.	91	2.09	1.3841	35.2	0.0	8.8	38.5	13.2	4.4	22.0	15.4	0.0	3.3													
Cold-rolled steel, etc.	3099	2.44	0.6329	12.1	0.4	19.0	31.7	16.4	12.6	4.6	1.0	2.5	0.0	1.2												
Rubber Products	89	2.68	0.7012	25.8	0.0	1.1	22.5	18.0	11.2	18.0	2.2	1.1	6.7													
Pulp, paperboard, etc.	148	2.92	0.7855	22.3	0.0	0.0	1.4	43.2	0.7	19.6	8.8	4.1														
Iron and Steel casting	1257	2.65	0.6009	7.5	0.5	22.2	24.6	17.6	21.5	2.9	0.0	1.4	0.0	1.9												
Mineral oil Products	73	2.91	0.6064	5.5	26.0	0.0	5.5	13.7	26.0	13.7	8.2	1.4														
Non-ferrous metals, etc.	271	3.01	0.9824	41.3	0.0	1.8	9.2	3.0	17.0	8.1	5.5	9.2	4.4	0.4												
Chemical Products	1455	4.35	0.5798	20.1	0.1	0.7	3.0	10.1	6.0	25.8	34.9	3.0	1.3	1.0	0.3	0.4	0.1	0.1								
Investment Goods	**3909**	**2.54**	**0.8399**	18.2	0.1	14.2	30.3	16.8	12.8	4.3	1.5	1.6	0.4	1.1	0.0	1.7	0.1	1.1	0.2	0.1	0.2	0.0	0.1	0.0	0.0	0.2
Boats, ships, etc.	50	0.97	1.0473	50.0	0.0	38.0	12.0																			
Aircraft, spacecraft	46	1.41	1.2062	52.2	0.0	8.7	26.1	8.7	2.2	0.0	0.0	2.2														
Machinery, incl. tractors	1316	1.71	0.8011	24.5	0.0	27.7	23.9	15.6	7.0	1.4	0.3	0.8	0.2	0.1												
Steel products and RR-equipment	141	2.17	0.7661	17.0	0.0	27.0	23.4	15.6	7.1	8.5	1.4															
Office equipment, etc.	49	2.20	0.8720	20.4	0.0	12.2	61.2	14.3	2.0	14.3																
Optical, measuring equipment, etc.	405	2.48	0.7428	25.9	0.7	0.5	29.4	16.0	18.3	6.9	4.2	0.0	0.5													
Iron and sheetmetal	839	2.70	0.5759	9.4	0.1	10.8	39.0	19.0	12.6	6.4	1.7	0.8	0.8	0.5	0.0	0.0	0.0	0.5								
Electro technical equipment	841	3.11	0.6978	12.7	0.0	3.1	35.7	20.6	17.6	5.5	2.5	4.9	0.4	0.4	0.1	8.1	0.5	4.8	0.7							
Motor vehicles	222	5.67	0.8498	5.9	0.0	1.8	20.3	9.9	31.5	1.8	0.0	2.3	0.9	16.2	0.0	0.0	0.0	0.0	0.5	1.4	3.2	0.0	1.4	0.0	0.0	3.2
Consumer Goods	**6209**	**6.47**	**0.6826**	5.2	0.0	3.0	6.0	13.9	4.2	2.4	5.5	44.4	0.3	5.5	0.4	7.3	0.2	0.5	0.3	0.5	0.4	0.0	0.0			
Printing, publishing	113	1.48	1.5024	53.1	0.0	0.0	15.9	12.4	5.3	8.8	0.0	4.4														
Wood products, furniture	146	1.58	1.2435	54.8	0.0	6.8	13.0	6.2	3.4	10.3	0.7	0.0	0.7													
Musical instruments, toys	298	2.71	0.6446	17.8	0.0	5.4	29.5	24.8	13.4	4.7	3.7	0.3	0.3													
Plastic goods	776	3.72	0.6037	7.7	0.3	13.8	19.8	10.6	12.1	3.1	26.3	1.9	0.0	1.0	0.0	3.9										
Paper, cardboard	87	4.50	0.4751	10.3	0.0	0.0	3.4	36.8	3.4	36.8	0.0	8.0	1.1													
Glassware, etc.	146	4.64	0.6390	4.1	0.0	14.4	24.7	6.2	26.7	4.1	6.8	0.7	1.4	0.0	13.7											
Ceramic goods	71	5.05	0.4299	1.4	0.0	9.9	9.9	1.4	42.3	11.3	14.1	0.0	5.6	0.0	0.0	4.2										
Leather goods, shoes	184	6.72	0.7485	3.8	0.0	12.0	12.5	15.2	2.2	6.0	10.9	18.5	0.0	3.8		0.0	0.0	0.0	0.0	0.0	14.1	0.0	1.6			
Textiles	3941	7.27	0.2446	0.9	0.0	0.0	0.2	15.4	0.8	0.9	1.6	67.9	0.1	8.1	0.0	2.4	0.3	0.0	0.5	0.8						
Clothing	447	10.63	0.2948	2.0	0.0	0.0	6.3	0.0	1.1	0.9	2.2	3.6	2.0	0.7	1.1	72.7	0.0	7.4								
Total	**17324**	**4.01**	**0.9601**	14.3	0.3	9.9	17.5	14.9	9.7	5.6	5.8	17.3	0.4	2.6	0.2	3.0	0.1	0.5	0.1	0.2	0.2	0.0	0.0	0.0	0.0	0.0

Source: Own calculations based on WTO UR schedules concorded to German industrial classification.

Table 4 —   Structure of and Shifts among Leading[a] Textile[b] and Clothing[c] Exporters: 1965-96

| | Shares[d] | | | | | Change in shares[e] | | | | |
	1965	1973	1983	1990	1997	65-73	73-83	83-90	90-97	73-97
	Textiles and Clothing									
Total[f]	79.2	72.7	67.2	68.3	65.3	-6.5	-5,5	+1.1	-3.0	-7.4
ICs[g]	64.6	54.0	40.1	39.3	32.2	-10.6	-13.9	-0.8	-7.1	-21.8
DCs[h]	14.6	18.7	27.1	29.0	33.1	+4.1	+8.4	+1.9	+4.1	+14.4
	Textiles									
Total[f]	78.9	72.5	67.3	72.8	72.1	-6.4	-5.2	+5.5	-0.7	-0.4
ICs[g]	64.8	58.8	48.4	48.9	39.6	-6.0	-10.4	+5.0	-9.3	-19.2
DCs[h]	14.1	13.7	18.9	23.9	32.5	-0.4	+5.2	+5.0	+8.6	+18.8
	Clothing									
Total[f]	80.1	73.1	67.1	63.9	59.3	-7.0	-6.0	-3.2	-4.6	-13.8
ICs[g]	63.9	44.1	30.1	30.0	25.4	-19.8	-14.0	-0.1	-4.6	-18.7
DCs[h]	16.2	29.0	37.0	33.9	33.9	+12.8	+8.0	-3.1	±0.0	+4.9

[a] Based on top 13 textile and clothing exporting countries in 1997. – [b] SITC 65 Rev. 2. – [c] SITC 84 Rev. 2. – [d] Percentage share of specific country groupings in total world exports of respective products. – [e] Absolute changes in percentage shares. – [f] The top 13 exporting countries listed in Table 1a. – [g] The 7 industrialized countries listed in Table 1a. – [h] The 6 developing countries listed in Table 1a.

Source: Own calculations based on sources in Table 1a.

Table 5 — The Top[a] Textile[b] and Clothing[c] Exporting Countries in Pre-UR Period (1990-94) and Post-UR Period (1994-97): Shares in World Exports and Rankings

		1990						1994						1997					
		Textile		Clothing		Textile + Clothing		Textile		Clothing		Textile + Clothing		Textile		Clothing		Textile + Clothing	
		Shares	Ranking	Shares	Ranking	Shares	Ranking	Shares	Ranking	Shares	Ranking	Shares	Ranking	Shares	Ranking	Shares	Ranking	Shares	Ranking
	World (Mill.US$)	105040		108370		213410		130240		140410		270650		155280		176610		331890	
	Total[d]	96.43		95.50		95.96		97.18		96.30		96.72		96.73		93.42		94.97	
	TOP13[e]	72.78		63.88		68.26		73.05		62.11		67.38		72.15		59.31		65.32	
	1. Next 20[f]	18.27		23.00		20.67		18.12		26.11		22.27		18.96		26.29		22.86	
	2. Next 20[g]	4.82		7.94		6.41		5.00		7.15		6.12		4.93		6.87		5.96	
(1)	China	6.87	(3)	8.92	(2)	7.91	(3)	9.07	(2)	16.90	(1)	13.13	(1)	8.91	(1)	18.01	(1)	13.75	(1)
(2)	Italy	9.04	(2)	10.92	(1)	10.00	(2)	8.34	(3)	8.92	(2)	8.64	(2)	8.31	(4)	8.41	(2)	8.36	(2)
(3)	Germany	13.36	(1)	7.27	(4)	10.27	(1)	9.72	(1)	4.75	(4)	7.14	(3)	8.41	(3)	4.13	(5)	6.13	(3)
(4)	USA	4.80	(9)	2.37	(12)	3.56	(9)	5.06	(8)	4.00	(6)	4.51	(6)	5.92	(6)	4.91	(4)	5.38	(4)
(5)	Korea Rep.	5.78	(6)	7.27	(5)	6.54	(4)	8.21	(4)	4.03	(5)	6.04	(4)	8.59	(2)	2.37	(11)	5.28	(5)
(6)	Taiwan	5.83	(5)	3.68	(7)	4.74	(7)	7.88	(5)	2.45	(12)	5.06	(5)	8.20	(5)	1.93	(14)	4.86	(6)
(7)	France	5.77	(7)	4.31	(6)	5.03	(6)	4.78	(9)	3.54	(7)	4.14	(8)	4.65	(7)	3.03	(7)	3.78	(7)
(8)	Hong Kong	2.07	(15)	8.55	(3)	5.36	(5)	1.49	(18)	6.74	(3)	4.21	(7)	1.05	(23)	5.28	(3)	3.30	(8)
(9)	UK	4.17	(10)	2.81	(10)	3.48	(10)	3.45	(10)	2.93	(10)	3.18	(10)	3.62	(10)	2.99	(9)	3.28	(9)
(10)	Turkey	1.37	(18)	3.07	(9)	2.24	(14)	1.68	(15)	3.26	(8)	2.50	(13)	2.16	(13)	3.79	(6)	3.03	(10)
(11)	Belgium-Lux	6.07	(4)	1.85	(15)	3.92	(8)	5.22	(6)	1.54	(17)	3.31	(9)	4.51	(8)	1.70	(16)	3.02	(11)
(12)	India	2.08	(14)	2.33	(13)	2.21	(15)	2.94	(12)	2.64	(11)	2.78	(11)	3.48	(11)	2.49	(10)	2.95	(12)
(13)	Japan	5.58	(8)	0.52	(36)	3.01	(11)	5.21	(7)	0.41	(42)	2.72	(12)	4.35	(9)	0.27	(42)	2.18	(13)
(14)	Mexico	0.68	(23)	0.54	(34)	0.61	(26)	0.72	(24)	1.21	(21)	0.98	(23)	1.16	(19)	3.00	(8)	2.14	(14)
(15)	Netherlands	2.77	(11)	2.02	(14)	2.39	(12)	2.07	(13)	1.87	(15)	1.96	(17)	1.94	(14)	2.07	(13)	2.01	(15)
(16)	Pakistan	2.54	(12)	0.94	(23)	1.72	(17)	3.06	(11)	1.12	(23)	2.06	(16)	2.96	(12)	1.02	(26)	1.93	(16)
(17)	Thailand	0.88	(21)	2.60	(11)	1.75	(16)	1.26	(20)	3.21	(9)	2.27	(14)	1.24	(17)	2.13	(12)	1.72	(17)
(18)	Indonesia	1.18	(20)	1.52	(18)	1.35	(20)	1.92	(14)	2.28	(14)	2.11	(15)	1.45	(16)	1.64	(17)	1.55	(18)
(19)	Portugal	1.26	(19)	3.22	(8)	2.26	(13)	1.03	(21)	2.34	(13)	1.71	(18)	1.05	(24)	1.87	(15)	1.49	(19)
(20)	Sri Lanka	0.02	(56)	0.59	(31)	0.31	(43)	0.10	(54)	1.05	(25)	0.59	(32)	1.16	(20)	1.19	(24)	1.17	(20)
(21)	Spain	1.43	(17)	0.55	(33)	0.98	(22)	1.49	(17)	0.59	(32)	1.03	(21)	1.79	(15)	0.62	(32)	1.17	(21)
(22)	Malaysia	0.33	(30)	1.21	(19)	0.78	(24)	0.64	(25)	1.47	(18)	1.07	(20)	0.83	(25)	1.32	(19)	1.09	(22)
(23)	Austria	1.98	(16)	1.08	(20)	1.52	(18)	1.42	(19)	0.76	(29)	1.07	(19)	1.23	(18)	0.79	(31)	1.00	(23)
(24)	Canada	0.65	(25)	0.30	(46)	0.48	(33)	0.90	(22)	0.59	(33)	0.74	(27)	1.15	(21)	0.82	(30)	0.98	(24)
(25)	Bangladesh	0.29	(31)	0.54	(35)	0.42	(38)	0.28	(34)	1.04	(26)	0.67	(29)	0.23	(37)	1.50	(18)	0.90	(25)
(26)	Poland	0.27	(32)	0.35	(43)	0.31	(42)	0.30	(33)	1.32	(19)	0.83	(25)	0.42	(29)	1.26	(22)	0.87	(26)
(27)	Philippines	0.13	(48)	1.60	(16)	0.87	(23)	0.17	(42)	1.56	(16)	0.89	(24)	0.18	(39)	1.31	(20)	0.78	(27)
(28)	Switzerland	2.43	(13)	0.63	(30)	1.52	(19)	1.62	(16)	0.48	(38)	1.03	(22)	1.15	(22)	0.38	(37)	0.74	(28)
(29)	Tunisia	0.11	(50)	1.04	(21)	0.58	(28)	0.12	(48)	1.31	(20)	0.74	(28)	0.08	(48)	1.30	(21)	0.73	(29)
(30)	Denmark	0.67	(24)	0.79	(28)	0.73	(25)	0.51	(27)	0.76	(28)	0.64	(30)	0.55	(27)	0.87	(29)	0.72	(30)
(31)	Dom.Rep.	0.03	(54)	0.88	(26)	0.46	(36)	0.05	(57)	1.10	(24)	0.60	(31)	0.05	(50)	1.23	(23)	0.68	(31)
(32)	Greece	0.48	(29)	1.57	(17)	1.03	(21)	0.33	(32)	1.19	(22)	0.78	(26)	0.25	(34)	0.92	(28)	0.61	(32)
(33)	Macau	0.13	(45)	1.03	(22)	0.58	(27)	0.12	(47)	0.86	(27)	0.50	(34)	0.10	(47)	1.02	(25)	0.59	(33)
(34)	Romania	0.12	(49)	0.33	(45)	0.23	(47)	0.10	(53)	0.71	(30)	0.42	(36)	0.11	(49)	1.00	(27)	0.58	(34)
(35)	Czech Rep.	0.22	(36)	0.14	(49)	0.18	(49)	0.52	(26)	0.26	(47)	0.39	(37)	0.64	(27)	0.35	(40)	0.49	(35)
(36)	Slovenia	0.21	(37)	0.90	(25)	0.56	(29)	0.21	(39)	0.44	(41)	0.33	(43)	0.21	(40)	0.58	(34)	0.41	(36)
(37)	Hungary	0.24	(34)	0.35	(44)	0.29	(45)	0.20	(40)	0.71	(31)	0.46	(35)	0.17	(43)	0.60	(33)	0.40	(37)
(38)	Sweden	0.59	(26)	0.36	(42)	0.48	(35)	0.48	(28)	0.23	(48)	0.35	(40)	0.51	(29)	0.30	(42)	0.40	(38)
(39)	Brazil	0.73	(22)	0.23	(48)	0.48	(32)	0.76	(23)	0.27	(46)	0.51	(33)	0.70	(26)	0.09	(56)	0.38	(39)
(40)	Israel	0.26	(33)	0.44	(38)	0.35	(39)	0.27	(35)	0.45	(40)	0.36	(39)	0.29	(34)	0.34	(41)	0.32	(40)
(41)	Ireland	0.54	(27)	0.42	(40)	0.48	(34)	0.41	(31)	0.34	(45)	0.37	(38)	0.34	(32)	0.28	(44)	0.31	(41)
(42)	Morocco	0.19	(39)	0.67	(29)	0.43	(37)	0.12	(49)	0.53	(34)	0.33	(42)	0.04	(58)	0.53	(35)	0.30	(42)
(43)	Costa Rica	0.02	(57)	0.37	(41)	0.20	(48)	0.02	(59)	0.52	(36)	0.28	(47)	0.05	(57)	0.51	(37)	0.29	(43)
(44)	Mauritius	0.01	(58)	0.57	(32)	0.30	(44)	0.04	(58)	0.52	(35)	0.29	(45)	0.00	(59)	0.52	(36)	0.28	(44)
(45)	Egypt	0.53	(28)	0.13	(51)	0.33	(41)	0.48	(29)	0.16	(51)	0.31	(44)	0.34	(31)	0.15	(52)	0.24	(45)
(46)	Australia	0.14	(43)	0.09	(54)	0.12	(54)	0.23	(37)	0.15	(52)	0.19	(52)	0.30	(33)	0.16	(51)	0.22	(46)
(47)	Colombia	0.13	(47)	0.42	(39)	0.28	(46)	0.16	(43)	0.37	(43)	0.27	(49)	0.19	(41)	0.25	(46)	0.22	(47)
(48)	Croatia	0.09	(51)	0.86	(27)	0.48	(31)	0.10	(55)	0.45	(39)	0.28	(48)	0.06	(55)	0.36	(39)	0.22	(48)
(49)	Singapore	0.13	(44)	0.92	(24)	0.53	(30)	0.19	(41)	0.48	(37)	0.34	(41)	0.16	(44)	0.25	(47)	0.21	(49)
(50)	Slovak	0.07	(53)	0.08	(57)	0.08	(58)	0.25	(36)	0.17	(50)	0.21	(50)	0.21	(39)	0.19	(49)	0.20	(50)
(51)	Finland	0.23	(35)	0.46	(37)	0.35	(40)	0.22	(38)	0.18	(49)	0.20	(51)	0.24	(36)	0.14	(53)	0.19	(51)
(52)	Argentina	0.15	(42)	0.09	(53)	0.12	(52)	0.14	(44)	0.07	(59)	0.10	(57)	0.23	(37)	0.09	(57)	0.16	(52)
(53)	Peru	0.21	(38)	0.11	(52)	0.16	(50)	0.12	(50)	0.14	(53)	0.13	(54)	0.13	(47)	0.18	(50)	0.16	(53)

[a]The top 13 textile and clothing exporting countries in 1997 (as in Table 2) and the next 40 largest exporters also in the year 1997. – [b]SITC65. – [c]SITC84. – [d]Share of 53 countries in total exports. – [e]Share of top 13 countries in total exports. – [f] Share of next 20 countries in total exports. – [g] Share of next 20 countries in total exports.

Source: See Table 1a.

Table 6 — The Top[a] Textile[b] and Clothing[c] Exporting Countries in Pre-UR Period (1990–94) and Post-UR Period (1994–97): Shares and Changes in Shares

	Shares			Change in shares		
	1990	1994	1997	90-94	1994-97	1990-97
Textiles and Clothing						
Total[d]	**96.0**	**96.7**	**95.0**	**0.8**	**-1.8**	**-1.0**
Top 13[d]						
Total	**68.3**	**67.4**	**65.3**	**-0.9**	**-2.1**	**-2.9**
ICs	39.3	33.6	32.1	-5.6	-1.5	-7.1
DCs	29.0	33.7	33.2	4.8	-0.6	4.2
1. Next 20[d]						
Total	**20.7**	**22.3**	**22.9**	**1.6**	**0.6**	**2.2**
ICs	10.9	9.0	8.7	-2.0	-0.3	-2.2
DCs	9.8	13.3	14.2	3.6	0.8	4.4
2. Next 20[d]						
Total	**6.4**	**6.1**	**6.0**	**-0.3**	**-0.2**	**-0.4**
ICs	1.4	1.1	1.1	-0.3	0.0	-0.3
DCs	5.0	5.0	4.8	0.0	-0.2	-0.1
Textiles						
Total[d]	**96.4**	**97.2**	**96.7**	**0.8**	**-0.5**	**0.3**
Top 13[d]						
Total	**72.8**	**73.1**	**72.2**	**0.3**	**-0.9**	**-0.6**
ICs	48.8	41.8	39.8	-7.0	-2.0	-9.0
DCs	24.0	31.3	32.4	7.3	1.1	8.4
1. Next 20[d]						
Total	**18.3**	**18.1**	**19.0**	**-0.1**	**0.8**	**0.7**
ICs	11.7	9.4	9.1	-2.3	-0.3	-2.6
DCs	6.6	8.8	9.9	2.2	1.1	3.3
2. Next 20[d]						
Total	**4.8**	**5.0**	**4.9**	**0.2**	**-0.1**	**0.1**
ICs	1.5	1.3	1.4	-0.2	0.0	-0.1
DCs	3.3	3.7	3.5	0.3	-0.1	0.2
Clothing						
Total[d]	**95.5**	**96.3**	**93.4**	**0.8**	**-2.9**	**-2.1**
Top 13[d]						
Total	**63.9**	**62.1**	**59.3**	**-1.8**	**-2.8**	**-4.6**
ICs	30.1	26.1	25.4	-3.9	-0.7	-4.6
DCs	33.8	36.0	33.9	2.2	-2.1	0.0
1. Next 20[d]						
Total	**23.0**	**26.1**	**26.3**	**3.1**	**0.2**	**3.3**
ICs	10.2	8.6	8.4	-1.6	-0.2	-1.8
DCs	12.8	17.5	17.9	4.7	0.4	5.1
2. Next 20[d]						
Total	**7.9**	**7.2**	**6.9**	**-0.8**	**-0.3**	**-1.1**
ICs	1.3	0.9	0.9	-0.4	-0.0	-0.5
DCs	6.6	6.3	6.0	-0.4	-0.3	-0.6

[a]The top 13 textile and clothing exporting countries in 1997 (as in Table 1a) and the next 40 largest exporters also in the year 1997. – [b]SITC 65. – [c]SITC 84. – [d]Share of country groupings in total exports.

Source: See Table 1a.

Table 7 — Structure of EU's T&C Imports by Major Suppliers[a] – 1990 (Percent)

Major suppliers[c]	Volume (tons)						Value (US$)					
	Share of the world[d]	Structure of MFA imports[b]				Annualized growth rate 88-92	Share of the world[d]	Structure of MFA imports[b]				Annualized growth rate 88-92
		Tops, yarns	Fabrics	Made-up text.	Clothing			Tops, yarns	Fabrics	Made-up text.	Clothing	
World	**10,294[e]**	**37**	**22**	**24**	**17**	**6.1**	**103.65[f]**	**16**	**23**	**15**	**45**	**11.1**
Germany	14.1	48	24	23	5	2.9	12.2	24	32	14	28	7.1
Italy	8.9	41	28	11	19	3.5	13.4	13	31	5	49	8.5
China	4.1	3	15	41	41	21.7	4.1	1	11	27	60	28.3
Turkey	2.8	40	16	9	35	3.2	3.3	11	10	9	68	17.5
India	2.4	27	33	21	19	14.1	2.2	8	16	25	49	14.9
Austria	2.4	57	22	15	5	2.0	2.4	22	37	11	29	7.4
Portugal	2.3	17	12	33	37	8.4	3.5	3	9	18	68	15.9
Pakistan	1.6	14	43	22	20	2.4	1.0	7	30	29	33	10.9
Taiwan	1.6	33	27	21	17	-4.8	1.3	10	24	23	41	-1.4
Hong Kong	1.5	1	14	5	79	-3.7	3.1	0	4	3	91	2.9
Yugoslavia	1.4	31	15	16	37	-20.0	2.4	5	5	11	75	-15.4
Thailand	1.3	45	18	10	25	2.5	1.0	11	13	8	65	12.4
Bangladesh	1.3	28	25	27	20	30.2	0.4	9	8	9	75	10.4
S. Korea	1.3	27	23	18	32	-6.8	1.6	6	21	16	57	-4.4
Indonesia	1.0	18	44	4	34	37.4	0.9	6	32	3	58	45.2
Brazil	0.8	66	17	11	6	-10.7	0.4	43	14	26	18	-1.0
Morocco	0.8	7	4	12	74	13.3	1.4	3	2	7	87	19.9
CSFR	0.7	42	24	20	11	18.2	0.4	14	27	15	41	32.0
Sweden	0.7	41	26	31	2	1.0	0.5	16	31	36	16	3.0
Tunisia	0.6	1	11	7	79	20.0	1.3	0	4	6	88	23.0
Poland	0.6	31	13	17	37	17.0	0.8	4	7	9	78	36.9
Hungary	0.5	39	17	22	23	4.9	0.6	6	9	18	66	22.2
Malaysia	0.3	6	29	2	62	123.0	0.4	2	11	3	84	29.8
Philippines	0.2	7	5	7	81	100.9	0.4	1	1	7	89	11.3
Mexico	0.2	55	18	21	6	-7.0	0.1	32	25	21	23	4.1
EU[g]	63.0	40	22	27	10	4.8	61.5	19	27	15	38	9.6
NON-ICs[h]	30.0	25	21	18	34	9.3	32.2	7	12	14	65	15.0
ICs[i]	7.0	55	24	16	5	3.7	6.3	28	38	16	18	6.3
ACP[j]	0.7	29	35	3	32	10.0	0.7	7	14	3	76	13.7

[a]Ranking based on shares in volume of total T&C imports by EU. - [b]HS categories allocated to the four groups in line with US classification as per announced ATC liberalization schedule. - [c]Political boundaries as of 1990. - [d]World includes intra-EU trade. - [e]1000 tons. - [f]Billion US$. - [g]EU15. - [h]All Non-OECD cuntries in 1990 plus Turkey and Yugoslavia. - [i]Non-EU OECD countries in 1990 except Turkey and Yugoslavia. - [j]Lomé agreement countries.

Table 8 — Structure of EU's T&C Imports Liberalized in Phase I by Major Suppliers[a] – 1990 (Percent)

Major suppliers	Volume - Percent of total integrated	Volume - Structure of MFA imports[b] Tops, yarns	Fabrics	Made-up text.	Clothing	Volume - Annualized growth rate 88-92	Volume - Share in the world[d]	Value - Percent of total integrated	Value - Structure of MFA imports[b] Tops, yarns	Fabrics	Made-up text.	Clothing	Value - Annualized growth rate 88-92	Value - Share in the world[d]
World	**15.3**	**27**	**50**	**21**	**1**	**9.1**	**1,580[e]**	**7.8**	**16**	**62**	**18**	**5**	**11.3**	**8.12[f]**
Germany	17.9	11	47	42	0	8.1	16.4	8.2	11	73	14	2	6.9	12.8
Italy	13.0	20	66	13	1	3.2	7.6	4.9	11	62	16	10	5.6	8.4
China	33.2	0	56	36	7	39.1	8.8	19.3	0	74	15	11	33.9	10.1
Turkey	2.3	81	14	4	1	38.3	0.4	0.8	40	27	24	8	26.9	0.3
India	15.9	34	49	17	0	14.4	2.5	8.9	7	16	77	1	17.5	2.4
Austria	10.2	8	71	20	1	14.0	1.6	5.4	9	66	17	10	15.8	1.7
Portugal	2.9	7	44	45	4	4.4	0.4	3.3	2	14	77	8	17.7	1.5
Pakistan	1.7	0	87	8	5	30.2	0.2	1.7	0	65	31	4	26.6	0.2
Taiwan	22.3	1	80	16	2	-12.0	2.3	23.4	1	79	16	5	-8.7	3.7
Hong Kong	5.0	2	64	29	6	-9.0	0.5	2.4	0	60	29	11	-6.4	1.0
Yugoslavia	7.8	21	44	33	2	-8.9	0.7	6.9	3	13	79	4	-11.9	2.1
Thailand	36.3	85	7	8	0	-5.0	3.2	7.9	43	28	27	2	9.4	1.0
Bangladesh	78.2	36	32	32	0	2.8	6.5	24.5	38	33	29	0	3.7	1.1
S. Korea	15.3	1	93	4	2	-14.5	1.3	14.3	1	87	9	3	-6.8	3.0
Indonesia	2.6	3	62	33	2	66.7	0.2	2.2	1	50	43	6	97.3	0.3
Brazil	2.6	1	17	80	2	-0.9	0.1	11.6	0	4	95	1	3.5	0.6
Morocco	1.8	1	41	54	4	13.5	0.1	2.5	0	23	72	5	9.1	0.5
CSFR	26.3	71	27	2	1	12.8	1.3	11.1	50	37	5	8	30.0	0.6
Sweden	34.5	43	56	1	0	-6.4	1.5	19.8	26	70	1	4	-0.4	1.1
Tunisia	4.0	0	20	75	5	5.9	0.2	4.5	0	13	82	5	19.6	0.8
Poland	4.6	24	29	36	12	43.6	0.2	3.2	5	21	56	18	62.5	0.3
Hungary	7.2	1	67	31	1	31.8	0.3	10.6	0	25	73	2	38.1	0.9
Malaysia	2.3	2	5	54	29	32.9	0.0	2.3	0	3	37	59	31.5	0.1
Philippines	2.4	6	55	5	22	5.8	0.0	1.5	1	56	8	33	5.9	0.1
Mexico	4.5	26	60	2	12	84.2	0.1	8.1	8	75	2	15	57.4	0.1
EU[g]	14.6	28	51	21	1	6.4	60.0	7.2	20	64	12	5	8.9	56.9
NON-ICs[h]	15.9	24	48	25	3	13.5	31.1	7.7	5	55	33	7	15.0	31.8
ICs[i]	19.4	35	55	9	0	10.7	8.9	14.1	23	69	6	2	12.7	11.4
ACP[j]	0.8	0	47	40	12	6.2	0.0	2.2	0	16	68	15	19.2	0.2

[a]Ranking based on shares in volume of total T&C imports by EU - see Table 5. [b]HS categories allocated to the four groups in line with US classification as per announced ATC liberalization schedule. - [c]Political boundaries as of 1990. - [d]World includes intra-EU trade. - [e]1000 tons. - [f]Billion US$. - [g]EU15. - [h]All Non-OECD cuntries in 1990 plus Turkey and Yugoslavia. - [i]Non-EU OECD countries in 1990 except Turkey and Yugoslavia. - [j]Lomé agreement countries.

Table 9 — Structure of EU's T&C Imports Remaining to be Liberalized after Phase I by Major Suppliers[a] – 1990 (Percent)

Major suppliers	Volume							Value						
	Percent of total not integrated	Structure of MFA imports[b]				Annualized growth rate 88-92	Share in the world[d]	Percent of total not integrated	Structure of MFA imports[b]				Annualized growth rate 88-92	Share in the world[d]
		Tops, yarns	Fabrics	Made-up text.	Clothing				Tops, yarns	Fabrics	Made-up text.	Clothing		
World	**84.7**	**39**	**17**	**24**	**20**	**5.5**	**8,650[e]**	**92.2**	**16**	**20**	**15**	**49**	**11.1**	**94.4[f]**
Germany	82.1	57	19	19	6	2.0	13.6	91.8	26	29	15	30	7.1	12.1
Italy	87.0	45	23	10	22	3.6	9.0	95.1	13	30	5	52	8.7	13.7
China	66.8	4	2	40	53	12.6	3.2	80.7	2	1	29	69	26.7	3.6
Turkey	97.7	39	16	9	36	3.0	3.3	99.2	11	10	9	70	17.4	3.5
India	84.1	25	30	21	23	14.8	2.4	91.1	9	17	20	55	14.7	2.1
Austria	89.8	63	17	14	5	0.9	2.5	94.6	23	36	11	30	7.0	2.5
Portugal	97.1	17	11	34	38	9.1	2.7	96.7	4	9	17	71	15.7	3.6
Pakistan	98.3	14	42	23	21	17.3	1.9	98.3	7	29	30	34	16.5	1.0
Taiwan	77.7	43	12	23	22	-1.4	1.4	76.6	13	8	25	53	1.8	1.0
Hong Kong	95.0	1	11	4	84	-3.6	1.7	97.6	0	3	2	94	3.1	3.3
Yugoslavia	92.2	32	12	15	41	-19.6	1.5	93.1	6	5	6	84	-16.0	2.4
Thailand	63.7	23	25	11	40	6.5	1.0	92.1	9	12	7	72	12.6	1.0
Bangladesh	21.8	1	1	7	90	40.2	0.3	75.5	0	0	3	97	43.4	0.3
S. Korea	84.7	32	11	20	38	-5.3	1.3	85.7	7	10	17	67	-4.0	1.5
Indonesia	97.4	19	44	3	35	36.4	1.1	97.8	6	32	2	59	44.7	1.0
Brazil	97.4	68	17	9	6	-7.3	0.9	88.4	48	16	16	20	-2.9	0.4
Morocco	98.2	8	4	11	77	13.0	0.9	97.5	3	1	5	91	17.2	1.5
CSFR	73.7	33	24	27	16	19.2	0.6	88.9	10	27	17	46	32.3	0.4
Sweden	65.5	39	10	47	3	5.0	0.5	80.2	14	22	45	19	3.9	0.4
Tunisia	96.0	1	11	4	84	18.4	0.7	95.5	0	4	3	93	20.1	1.4
Poland	95.4	32	13	17	38	20.6	0.6	96.8	4	7	7	82	35.5	0.8
Hungary	92.8	42	13	21	24	4.8	0.6	89.4	7	7	11	75	20.9	0.6
Malaysia	97.7	6	29	1	63	21.8	0.3	97.7	2	11	2	84	29.5	0.5
Philippines	97.6	7	4	7	83	7.5	0.3	98.5	1	0	7	91	11.1	0.4
Mexico	95.5	57	16	22	6	-4.4	0.2	91.9	34	21	22	24	3.3	0.1
EU[g]	85.4	43	17	28	12	4.4	63.4	92.8	19	25	16	41	9.6	61.9
NON-ICs[h]	84.1	26	17	17	40	8.2	29.6	92.3	8	8	13	71	14.8	32.1
ICs[i]	80.6	59	16	18	6	3.1	6.7	85.9	29	33	17	21	6.1	5.9
ACP[j]	99.2	30	35	2	33	9.8	0.8	97.8	7	14	2	77	13.6	0.8

[a]Ranking based on shares in volume of total T&C imports by EU - see Table 5. [b]HS categories allocated to the four groups in line with US classification as per announced ATC liberalization schedule. - [c]Political boundaries as of 1990. - [d]World includes intra-EU trade. - [e]1000 tons. - [f]Billion US$. - [g]EU15. - [h]All Non-OECD cuntries in 1990 plus Turkey and Yugoslavia. - [i]Non-EU OECD countries in 1990 except Turkey and Yugoslavia. - [j]Lomé agreement countries.

Table 10 — EU's Total ATC Imports by Major Suppliers[a] in Base Year 1990 and Those to be Liberalized in Phases III and IV[b]

Major suppliers[g]	EU's Total ATC Imports in 1990[c]					EU's ATC Imports to be Liberalized in Phase III and IV[d]					
	Percent of total EU ATC imports[h]	Structure of ATC imports[e]				Percent of total not integrated	Structure of ATC imports[i]				Percent of total EU ATC imports to be liberlized[j]
		Tops, yarns	Fabrics	Made-up text.	Clothing		Tops, yarns	Fabrics	Made-up text.	Clothing	
World	**100.0**	**24**	**33**	**22**	**21**	**56**	**23**	**28**	**22**	**27**	**100.0**
Germany	10.8	28	50	15	8	39	30	43	16	11	9.8
Italy	8.6	30	39	8	22	53	30	34	8	29	8.5
China[l]	3.3	6	27	15	53	55	5	21	19	56	4.0
Turkey[k]	3.6	36	18	7	40	76	32	16	8	44	4.0
India	3.1	23	37	17	23	71	22	35	17	26	3.1
Greece	1.9	49	11	4	36	88	46	11	5	38	1.9
Portugal	3.2	30	12	17	41	77	28	11	16	45	3.3
Pakistan	2.7	16	49	18	18	89	15	47	16	21	2.6
Taiwan[l]	1.3	21	53	5	21	48	20	49	5	26	1.4
Hong Kong	1.9	1	20	2	78	91	1	15	1	83	2.4
Yugoslavia	1.4	17	26	13	45	60	14	21	14	52	1.5
Thailand	1.3	28	33	8	32	59	24	28	10	39	1.4
Bangladesh[k]	0.5	1	0	9	90	22	1	^0	8	91	0.5
S. Korea	1.4	18	31	3	49	59	17	29	3	50	1.4
Indonesia	1.5	15	53	1	31	90	14	49	2	36	1.6
Brazil	1.3	71	20	4	6	86	70	20	4	7	1.3
Morocco[k]	0.8	12	8	5	75	85	7	5	3	84	1.2
CSFR	0.5	13	54	15	18	40	12	46	21	21	0.5
Tunisia[k]	0.5	2	24	4	70	81	1	13	2	84	0.9
Poland	0.5	10	17	17	56	56	8	15	18	60	0.6
Hungary	0.5	33	21	15	32	56	29	17	18	36	0.5
Malaysia	0.5	8	33	2	57	92	7	29	1	63	0.5
USA[k]	1.9	19	50	21	10	35	20	38	22	21	1.7
Switzerland[k]	1.6	49	33	14	4	37	5	32	14	5	1.5
Egypt	1.1	73	16	4	7	98	73	16	4	7	1.1
Japan[k]	0.8	9	85	3	3	50	9	79	3	10	0.8
Mauritius[k]	0.4	3	18	3	76	97	3	17	23	79	0.4
Macau	0.3	0	14	0	86	93	0	10	0	90	0.5
EU15	63.1	25	34	29	12	52	25	29	30	17	59.9
NON-ICs	32.3	22	30	9	39	67	19	26	10	45	35.6
ICs	4.7	29	48	15	8	38	29	41	15	15	4.5

[a]The 24 largest suppliers (based on volume of trade in tons) plus aggregates EU, IC (ICs = 19909 OECD countries excl. EU15 and Turkey), and NONIC (NON-ICs = World minus EU15 minus ICs). Ranked according to share in total EU ATC imports from world. - [b]Phase III begins on 1/1/2002; Phase IV begins on 1/1/2005. - [c]1990 was the base year used in the ATC to represent the universe of ATC imports in volume terms. - [d]Calculated by subtracting Phase I and II from the base year. - [e]Percent in total ATC imports from respective country as used in Col. (1). The concordance between HS and these four groups was based on the listing set up by the USA, since the EU did not publish such a concordance. The allocation of HS to the four groups could thus differ somewhat from EU notifications (see text). - [f]In percent of remaining ATC imports as used in Col. (6). - [g]Based on boundaries in 1990. - [h]Total is all ATC imports of EU in 1990. - [i]Total is all ATC imports from degree. - [l]China and Taiwan are not yet WTO members, but will be subjected to ATC rules when they are accepted.

Source: Own calculations based on EUROSTAT CD-ROM; drawn from Baughman et al. (1997).

Table 11 — USA's MFA Imports by Major Suppliers[a] in Base Year 1990 and those to be Liberalised in Phase IV[b]

Major suppliers	USA's total MFA imports in 1990[c]						USA's MFA imports to be liberalized in Phase IV[d]					
	In Percent of total US MFA imports[g] (1)	Structure of MFA imports[e]				Share of country's trade under quota[h] (6)	In percent of total MFA imports[i] (7)	Structure of MFA imports[f]				In percent of total US MFA imports to be liberalized[j] (12)
		Tops, yarns (2)	Fabrics (3)	Made-up textiles (4)	Clothing (5)			Tops, yarns (8)	Fabrics (9)	Made-up textiles (10)	Clothing (11)	
World	**100.0**	**8**	**26**	**17**	**49**	**65.3**	**67.3**	**5**	**25**	**4**	**65**	**100.0**
China[k]	14.0	0	22	28	50	95.5	69.8	0	29	8	61	14.5[k]
Taiwan[k]	10.4	2	23	20	56	85.8	66.1	2	25	2	72	10.2
EU[l,m]	8.8	26	48	14	12	0.0	35.4	18	41	14	27	4.6
South Korea	8.0	4	26	20	51	87.1	70.9	5	31	0	64	8.4
Hong Kong	8.0	0	15	2	82	94.3	87.2	0	14	0	85	10.3
CBI[n]	7.1	6	4	7	84	65.7	82.6	6	2	2	90	8.6[n]
Canada[m]	6.4	23	53	18	5	0.0	18.2	21	51	0	27	1.7
Mexico	3.7	21	14	22	42	22.4	50.7	15	19	0	65	3.0
Philippines	3.6	0	3	16	82	86.0	65.5	0	1	8	91	3.5
Pakistan	3.6	0	44	35	20	89.9	75.3	0	58	16	25	4.0
India	3.2	0	22	40	37	90.2	62.4	0	35	7	57	3.0
Thailand	2.9	15	26	25	34	80.0	71.7	20	33	3	44	3.0
Indonesia	2.6	0	34	2	64	96.6	96.7	0	35	2	63	3.7
Japan[m]	2.5	11	80	3	7	0.0	69.9	4	90	0	6	2.6
Bangladesh	1.8	0	0	8	92	88.8	93.0	0	0	7	93	2.5
Malaysia	1.5	2	27	3	69	87.3	92.5	2	29	1	68	2.1
Singapore	1.3	6	2	0	92	86.6	93.4	5	1	0	94	1.9
Sri Lanka	1.3	0	0	11	89	97.2	88.3	0	0	5	95	1.7
Brazil	1.3	32	24	23	21	72.1	60.4	41	24	5	31	1.1
Turkey	1.2	10	7	25	57	69.1	74.6	13	8	11	68	1.3
Israel[m]	0.8	4	50	11	34	0.0	35.9	0	10	21	69	0.4
Egypt	0.7	23	38	8	32	76.3	95.8	24	40	6	30	1.0
Colombia	0.6	16	34	6	45	5.2	87.3	18	36	0	46	0.8
Macau	0.6	0	0	0	100	90.9	95.6	0	0	0	100	0.8

[a] The largest 24 suppliers (based on volume of trade in square meter equivalents) considering the EU and CBI as individual suppliers. - [b] Phase IV begins on 1/1/2005. - [c] 1990 was the base year used in the ATC to represent the universe of ATC imports in volume terms. - [d] Based on US notifications to the WTO. - [e] In percent of total MFA imports from respective country as used in Col. (1). The four groups are designated by the U.S. Dept. of Commerce. - [f] In percent of remaining MFA imports as used in Col. (7). - [g] Total is all MFA imports of USA in 1994. - [h] Represents product categories under quota in 1994. - [i] Total is all MFA imports from respective country. - [j] Total is all MFA imports liberalised in Phase IV. - [k] Neither China nor Taiwan will benefit from integration until they become WTO members. - [l] The EU is comprised of Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain,and the United Kingdom. - [m] Imports from these countries are not subject to U.S. quotas. - [n] CBI members are Anguilla, Antigua, Aruba, Bahamas, Barbados, Belize, British Virgin Islands, Costa Rica, Dominica, Dominican Republic, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Montserrat, Netherlands Antilles, St. Cristopher-Nevis, St. Lucia, St. Vicent, and Trinidad and Tobago.

Note: Columns or rows may not add to 100 percent due to rounding.

Source: Own calculations based on data from U.S. Dept. of Commerce, Office of Textiles and Clothing; drawn from Baughman et al. (1997).

Table 12 — Average US and EU Tariff Rates (%)[a] on ATC Products by Liberalization Tranche[b] and Categories: 1995–2004

Liberalization Tranche	Categories	1996	1997	1998	1999	2000	2001	2002	2003	2004
						USA				
I	Tops/yarns	5.7	5.4	5.2	5.0	4.7	4.5	4.2	4.0	3.7
	Fabrics	6.5	5.3	4.9	4.6	4.2	3.9	3.6	3.2	2.9
	Made-ups	6.8	6.4	6.0	5.6	5.2	4.9	4.5	4.2	3.9
	Clothing	5.0	4.7	4.5	4.2	4.0	3.8	3.6	3.4	3.1
	Total	**6.2**	**5.5**	**5.2**	**4.8**	**4.5**	**4.2**	**3.9**	**3.6**	**3.3**
II	Tops/yarns	4.9	4.7	4.5	4.3	4.0	3.8	3.6	3.4	3.2
	Fabrics	9.4	9.1	8.7	8.3	8.0	7.7	7.3	7.0	6.7
	Made-ups	8.0	7.6	7.3	6.9	6.5	6.2	5.8	5.4	5.1
	Clothing	11.7	11.3	10.8	10.3	9.9	9.4	9.0	8.6	8.1
	Total	**9.6**	**9.2**	**8.8**	**8.5**	**8.1**	**7.7**	**7.3**	**6.9**	**6.5**
III	Tops/yarns	10.0	9.8	9.5	9.3	9.0	8.8	8.6	8.3	8.1
	Made-ups	9.9	9.7	9.4	10.7	8.9	8.6	8.3	8.1	7.8
	Clothing	8.9	8.5	8.0	7.6	7.3	6.9	6.6	6.2	5.8
	Total	**9.5**	**9.2**	**8.9**	**9.0**	**8.2**	**7.9**	**7.6**	**7.3**	**7.1**
IV	Tops/yarns	9.3	9.1	8.9	9.9	8.4	8.2	7.9	7.7	7.5
	Fabrics	16.0	15.4	14.8	14.3	13.7	13.2	12.6	12.0	11.5
	Made-ups	10.2	9.9	9.7	9.5	9.2	9.0	8.8	8.6	8.3
	Clothing	15.2	14.6	14.2	13.9	13.5	13.2	12.9	12.5	12.2
	Total	**14.8**	**14.2**	**13.8**	**13.5**	**12.9**	**12.5**	**12.1**	**11.7**	**11.3**
						EU				
I	Tops/yarns	4.8	4.8	4.6	4.4	4.2	4.0	3.8	3.5	3.3
	Fabrics	6.9	6.9	6.5	6.1	6.0	5.9	5.8	5.7	5.6
	Made-ups	9.3	9.3	9.0	8.7	8.6	8.4	8.3	8.2	8.1
	Clothing	4.7	4.7	4.3	3.9	3.8	3.8	3.8	3.7	3.7
	Total	**6.5**	**6.5**	**6.2**	**5.8**	**5.7**	**5.6**	**5.5**	**5.4**	**5.2**
II	Tops/yarns	6.7	6.7	6.3	5.9	5.5	5.1	4.7	4.3	3.9
	Fabrics	10.3	10.3	10.0	9.7	9.4	9.1	8.8	8.5	8.2
	Made-ups	12.3	12.3	12.2	12.0	11.9	11.7	11.6	11.5	11.3
	Clothing	10.2	10.2	10.0	9.9	9.8	9.7	9.6	9.4	9.3
	Total	**10.3**	**10.3**	**10.0**	**9.8**	**9.5**	**9.3**	**9.1**	**8.8**	**8.6**
III + IV	Tops/yarns	6.2	6.2	5.9	5.6	5.3	5.1	4.8	4.5	4.2
	Fabrics	9.6	9.6	9.3	9.1	8.8	8.5	8.2	8.0	7.7
	Made-ups	9.8	9.8	9.6	9.4	9.2	9.0	8.9	8.7	8.5
	Clothing	12.9	12.9	12.7	12.6	12.4	12.2	12.1	11.9	11.7
	Total	**9.7**	**9.7**	**9.5**	**9.3**	**9.0**	**8.8**	**8.6**	**8.3**	**8.1**

[a]Unweighted average. – [b]I = 1.1.95; II= 1.1.98; III = 1.1.2002; IV = 1.1.2005.

Source: Own calculations based on WTO UR schedules.

Table 13 — Trying to Keep Markets Closed: Some Examples

	ARG	AUS	BGL	BRA	CHL	COL	EGY	IDA	IDO	JAP	MAL	MAR	MOR	PAK	PHI	PRC	ROC	ROK	ROM	RSA	RUS	SRI	THA	UKR	URU	VNM
1. Creating difficult, expensive customs procedures	x		x	x			x	x	x					x		x		x						x		
2. Allowing/tolerating corruption	x			x		x	x	x	x				x	x	x	x				x	x	x		x	x	x
3. Intellectual property rights (designs, etc.) infringement	x		x	x		x	x	x	x					x		x	x	x	x	x		x		x	x	x
4. Lowering tariffs but adding new taxes	x		x				x	x	x				x	x						x				x		x
5. Keeping tariffs prohibitively high	x	x	x	x			x	x	x				x	x		x				x			x	x		x
6. Difficult marking rules	x						x	x											x				x			
7. Avoiding applying VAT to domestic goods	x						x	x	x					x												
8. Lower tariffs but imposing (specific) duties	x		x		x		x	x	x			x		x		x		x	x	x	x	x	x	x		x
9. Subsidizing domestic industry	x		x	x	x	x	x	x	x		x		x	x		x	x			x			x	x		
10. Changing customs rules without notification	x		x	x								x		x		x					x		x			
11. Changing applied rates frequently	x		x	x		x										x					x		x			x
12. Not binding tariffs	x	x	x	x		x	x	x	x			x		x		x		x	x	x			x			
13. Restricting imports for unusual reasons				x			x	x								x							x			x
14. Making LCs unacceptable, demanding cash				x														x								
15. Valuating imports by ad hoc means			x	x		x	x	x	x		x			x		x				x			x			
16. Faking "automatic" licensing systems				x		x	x																			
17. Preinspection of imports for high fees	x					x										x										
18. Adherence to strange rules of origin	x					x	x																			
19. Imposition of arcane technical/quality standards							x			x						x				x	x			x		
20. Keeping distribution system hard to breach							x			x						x										
21. Forming domestic cartels										x	x		x			x				x						
22. Buy-domestic policies by government																x										
Σ (∅ = 7.3)	14	2	10	12	2	9	16	12	10	3	3	3	5	11	1	16	2	9	6	6	8	3	9	8	2	7

ARG = Argentina; AUS = Australia; BGL = Bangladesh; BRA = Brazil; CHL = Chile; COL = Colombia; EGY = Egypt; IDA = India; IDO = Indonesia; JAP = Japan; MAL = Malaysia; MAR = Mauritius; MOR = Morocco; PAK = Pakistan; PHI = Philippines; PRC = China; ROC = Taiwan; ROK = South Korea; ROM = Romania; RSA = Rep. South Africa; RUS = Russia; SRI = Sri Lanka; THA = Thailand; UKR = Ukraine; URU = Uruguay; VNM = Vietnam.

Source: Adapted from ATMI (2000: 27).