



*The Istanbul Declaration Coalition*  
*Trade Groups from more than 50 Countries Supporting Fair Trade for Textiles and Clothing*

## **Global Alliance Praises U.S.-China Textile Bilateral**

### **Deal Will Save Millions of Jobs Worldwide**

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For Immediate Release

**Geneva** Switzerland; The Global Alliance for Fair Textile Trade (GAFTT) praised the bilateral textile agreement signed by the United States and China in London, England on Tuesday. The comprehensive agreement limits U.S. imports of Chinese textile and apparel products in all or parts of thirty-four (34) sensitive categories through the end of 2008.

"Textile and clothing manufacturing workers in more than 50 countries are better off today than they were on Monday thanks to US-China agreement. We strongly endorse this action by the U.S. government to begin to address China's unfair trade practices and highly disruptive levels of textile trade. The U.S., China deal will save millions of jobs worldwide" said Ziya Sukun, President of ITKIB Association USA, a trade group representing textile and apparel manufacturers from Turkey.

"This agreement actually cuts China's market access in 14 core apparel categories during 2006 by 2.5 percent compared to what could have expected under a best scenario "safeguard reapplication" process. In addition, this agreement places 20 new textile and apparel categories under three-year quota control," remarked Cass Johnson, President of the National Council of Textile Organizations.

"This deal is a significant improvement over the deal signed by the European Union and China earlier this year. The U.S. agreement will prevent market disruption through the end of 2008 while the E.U. deal only does this through the end of 2007, and it is far more flexible towards China" added Auggie Tantillo, Executive Director of the American Manufacturing Trade Action Coalition (AMTAC).

GAFTT's analysis of the agreement shows that in the past twelve months (year-ending August 2005) the United States imported \$88.2 billion in textile and apparel products from the World, including \$20.6 billion from China. \$49.3 billion of those total imports, including \$6.25 billion in imports from China, are covered in this deal. As a result, China's growth will be limited to reasonable levels in a \$43 billion segment of the U.S. textile and apparel import market not currently captured by Chinese imports over the three-year life of the agreement. Although GAFTT notes that this agreement only pushes off the day of reckoning. That is why GAFTT has asked for a special textile sectoral (STS) in the WTO's Doha Development Round,

GAFTT also notes that compared to China's growth in 2005 so far, the agreement has even more benefits. For year-to-date January to August 2005, U.S. textile and apparel imports from China for all categories increased by 46 percent by volume over the same time period in 2004. For categories covered by the U.S. agreement, however, U.S. imports from China have soared 115 percent – 185 percent for apparel and 44 percent for textiles.

Furthermore, for year to date, China now controls 33 percent U.S. import market share by volume compared to 24.5 percent last year. The 33 percent share is the highest share held by a single country in modern American history.

CONTACT: Lloyd Wood, Director, Media Outreach – + 1 (202) 452-0866 or [lwood@amtacdc.org](mailto:lwood@amtacdc.org)

[www.itkibUSA.org](http://www.itkibUSA.org) [www.amtacdc.org](http://www.amtacdc.org) [www.ncto.org](http://www.ncto.org) [www.fairtextiletrade.org](http://www.fairtextiletrade.org) Geneva +41 79 538 4675