



INTERNATIONAL
TRADE
ADMINISTRATION



U.S. Textile & Apparel Trade Policy in a Post-Quota World February 1, 2008

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Office of Textiles and Apparel (OTEXA)



- Develops programs and strategies to improve the competitiveness of the U.S. textile, apparel, footwear, and travel goods industries
 - ✓ Research and analysis
 - ✓ Compile industry data
 - ✓ Assist in trade negotiations
 - ✓ Promote U.S. textile and apparel companies at trade events
 - ✓ Develop supply chain and sourcing strategies
 - ✓ Execute U.S. textile and apparel trade policy

Committee for the Implementation of Textile Agreements (CITA)



- Interagency committee chaired by the Department of Commerce – USTR, State, Treasury, Labor
 - Implement FTA Provisions
 - Commercial availability provisions
 - Administer textile and apparel safeguard actions (China & FTAs)
 - Administer textile and apparel quotas

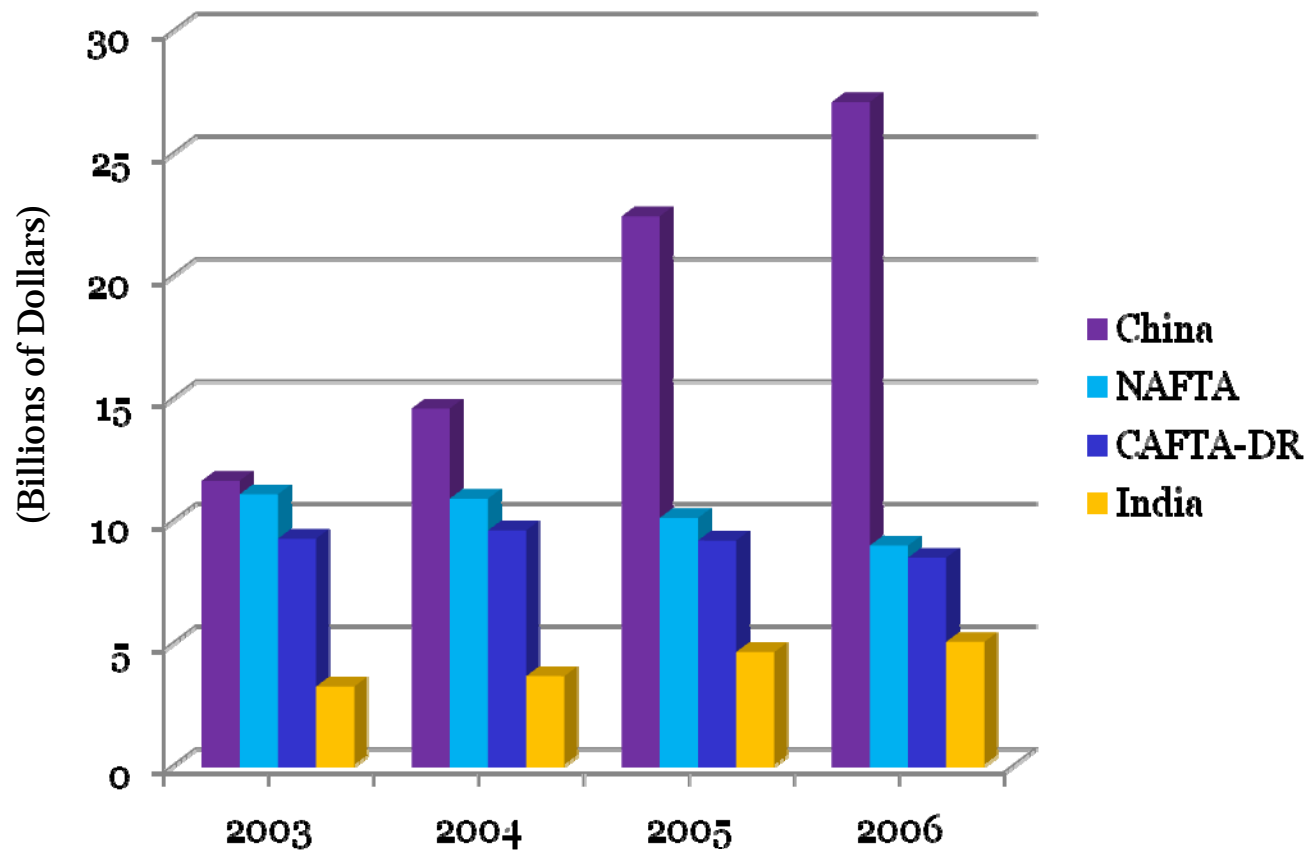
China Textile Agreement



- 13 safeguard actions on Chinese textile and apparel categories invoked between 2003 and 2005.
- Bilateral textile agreement with China reached in November 2005.
- Limits imports from China in 34 individual product categories. Expires December 31, 2008.

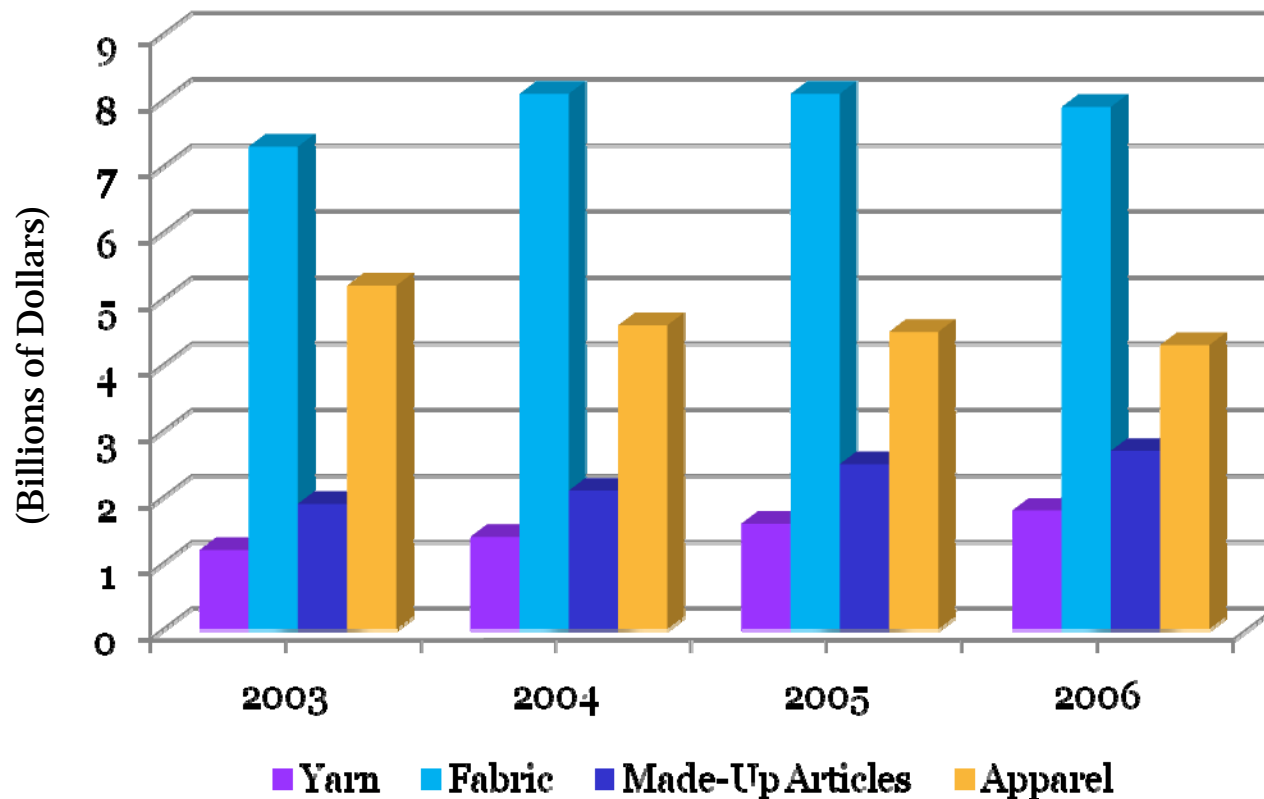
Textile and Apparel Imports to U.S.

\$93.3 billion in imports of textiles and apparel to the U.S. in 2006.



U.S. Exports 2003 – 2006

\$16.7 billion in exports of U.S.-made textiles and apparel in 2006.



Opening Markets: Free Trade Agreements

- FTAs – 14 Nations
- 11 FTAs implemented since 2002
- Pending FTAs
 - Peru
 - Colombia
 - Panama
 - Korea

Peru



Colombia



Panama

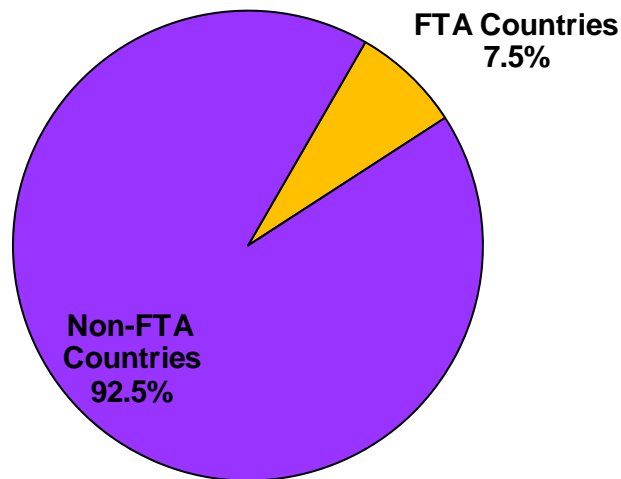


Korea, South

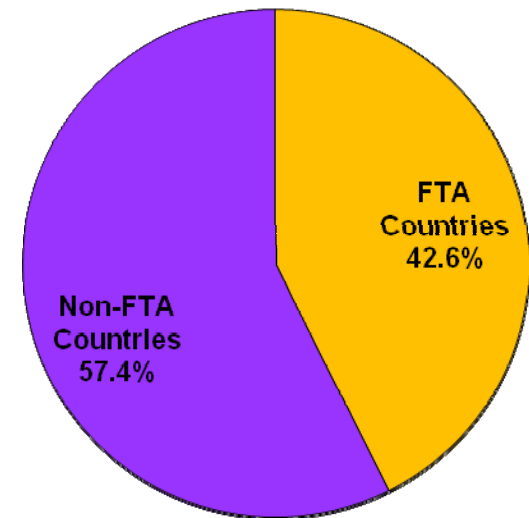


U.S. Free Trade Agreement Partners in the Global Economy

Percent of World GDP, 2006



Percent of U.S. Exports, 2006



FTA = Free Trade Agreement
GDP = gross domestic product

Notes: World GDP excludes the United States. GDP figures on a purchasing power parity basis. Export figures are for total U.S. exports. FTA Countries include all countries with free trade agreements with the United States (Australia, Bahrain, Canada, Chile, the Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, Mexico, Morocco, Nicaragua and Singapore).

Source: International Monetary Fund, World Economic Outlook Database (April 2007); U.S. Department of Commerce and the U.S. Census Bureau.

Common FTA Provisions

- Based on TPA requirement of reciprocity
- Separate textile negotiating group
- Yarn-forward rule of origin, with limited negotiated exceptions
- Safeguard mechanism
- Customs cooperation /anti-circumvention



Leveling the Playing Field: The WTO Doha Development



- Launched in Doha, Qatar in 2001.
- Fundamental U.S. objective for textiles, as established by the Trade Promotion Authority, is to obtain reciprocal market access.
- U.S. has stated that textile issues merit special consideration in the Doha Round
- U.S. & EU joint proposal to reduce non-tariff barriers to trade related to labeling of textiles, apparel, footwear and travel goods.
- No consensus among WTO Members about treatment of textiles and apparel.
- Breakthrough in the agriculture negotiations is needed before major progress can occur in other areas.

Vietnam – Import Monitoring Program



- Monitor and review imports of textiles and apparel from Vietnam through end of current Administration.
- Semi-annual review – 6 months worth of data.
- Self-initiate dumping case if facts warrant.
- First review completed October 2007; insufficient evidence to warrant self-initiating an antidumping investigation.
- Second review to be completed April 2008.
- Information available through www.trade.gov or <http://otexa.ita.doc.gov>
 - Import data, Federal Register (FR) notices, public hearing webcast, contact info



OTEXA Export Services

- OTEXA has over 30 years of experience in facilitating exports for small and medium-sized companies.
 - Export counseling and assistance
 - Market research
 - U.S. Pavilions at established overseas trade shows
 - Trade missions
 - Emphasis on niche markets, higher end producers and suppliers, and FTA partnerships
 - Catalog/sample presentations at overseas trade shows



OTEXA Website: Your Textile/Apparel Resource



<http://otexa.ita.doc.gov>

- Trade Data Reports
 - Major Shippers
 - Export Market
 - Trade Balance
 - Preliminary Import Data

Trade Agreements

- Free Trade Agreements
- China Safeguard Agreement

- Trade Preference Acts: AGOA, CBTPA, ATPDEA
- Vietnam Import Monitoring Program

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