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B6-0495/2007 }
B6-0496/2007 }
B6-0505/2007 }
B6-0507/2007 }
B6-0509/2007 }
B6-0510/2007 } RC1

JOINT MOTION FOR A RESOLUTION

pursuant to Rule 108(5) of the Rules of Procedure, by

- Robert Sturdy, Georgios Papastamkos, Vasco Graça Moura and Daniel Caspary, on behalf of the PPE-DE Group
- Kader Arif, Anne Ferreira, Glyn Ford, Erika Mann and Joan Calabuig Rull, on behalf of the PSE Group
- Gianluca Susta, on behalf of the ALDE Group
- Cristiana Muscardini, Eugenijus Maldeikis and Roberta Angelilli, on behalf of the UEN Group
- Frithjof Schmidt and Pierre Jonckheer, on behalf of the Verts/ALE Group
- Jacky Hénin, on behalf of the GUE/NGL Group

replacing the motions by the following groups:

- PPE-DE (B6-0495/2007)
- ALDE (B6-0496/2007)
- PSE (B6-0505/2007)
- UEN (B6-0507/2007)
- Verts/ALE (B6-0509/2007)
- GUE/NGL (B6-0510/2007)

on the future of the textile sector after 2007

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European Parliament resolution on the future of the textile sector after 2007

The European Parliament,

- having regard to the Memorandum of Understanding concluded in June 2005 between China and the Commission, expiring on 1 January 2008,
- having regard to the decision taken in October 2007 by the Commission and the Chinese
 Ministry of Foreign Affairs on a system of joint import surveillance,
- having regard to its previous resolutions on this matter, and in particular that of 6 September 2005 on textiles and clothing after 2005¹,
- having regard to Rule 108 (5) of its Rules of Procedures;
- A. whereas China is the world's leading producer and biggest exporter of textile and clothing to the European Union,
- B. whereas the Commission and China, following the end of the Multifibre Agreement at the WTO in 2005, concluded a 'Memorandum of Understanding' imposing restrictions on Chinese imports of certain textile categories for a transitional period, which will expire on 1 January 2008,
- C. whereas the European Union and the Chinese Ministry of Foreign trade decided on a system of joint import surveillance for the year 2008,
- D. whereas 70% of all counterfeit goods entering the European market come from China and half of all European customs procedures against counterfeiting relate to textile and clothing,
- E whereas, following the accession of China to the WTO, the WTO members were authorised to adopt special safeguard measures in the form of quantitative restrictions on Chinese exports until the end of 2008 if the market were to be disrupted,
- F. whereas the European Union is the world's second largest exporter of textiles and clothing,
- G. whereas the sector is mainly composed of SMEs, and whereas in some cases the textile and clothing sector in the EU is concentrated in regions strongly affected by economic restructuring,
- 1. Is aware that the lifting of the quota system is the result of a legally binding agreement when China joined the WTO, but recalls that the WTO accession agreement for China enables all WTO members, including the European Union, to apply safeguard measures against imports from China until the end of 2008, if necessary;

¹ Texts adopted, P6_TA(2005)0321 RC\699615EN.doc

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External competitiveness of the Europe-based textile sector

- 2. Expresses its concern with high tariff and non tariff barriers in many third countries; stresses that the Commission, in its bilateral, regional and multilateral agreements with third countries, should secure better market access conditions in such countries, as this is vital for the future of the Europe-based textile and clothing industry, especially for SMEs;
- 3. Asks the Commission to take the opportunity of the negotiation of trade agreements to promote and strengthen environmental and social standards, such as decent work, in third countries, in order to guarantee fair competition;
- 4. Calls on the Commission and the Member States to actively promote the modernising of the EU-based textile industry by supporting technological innovation, research and development through the 7th Framework Programme, as well as vocational training, particularly for SMEs; in this respect, calls on the Commission to conduct a proper and global investigation into this serious issue;
- 5. Considers that binding rules on origin marking for textiles imported from third countries should be applied and, in this respect, calls on the Council to adopt the pending proposal for a regulation on the 'made in' indication; notes that this regulation would help to provide better consumer protection and would support the European industry, based on research, innovation and quality;

EU textile industry and workers

- 6. Calls on the Commission to guarantee that the Globalisation Adjustment Fund will be used in a substantial way for the restructuring and retraining of the textile sector and, in particular, SMEs largely affected by the liberalisation of the market;
- 7. Calls on the Commission and the Member States to assist the textile and clothing sectors' workers with social measures and plans in companies facing restructuring;

Unfair trade and counterfeiting

- 8. Recalls that trade defence instruments (anti-dumping, anti subsidy and safeguard measures) are fundamental regulating mechanisms and legitimate tools to proactively address both legal and illegal imports from third countries, especially for the textile and clothing sector, which is now an open market without quota protection;
- 9. Calls on the Commission to encourage the Chinese authorities to align their currency exchange rates and to review their euro/dollar foreign exchange balance, which are now facilitating a massive flow of Chinese textile and clothing imports;
- 10. Is concerned at systematic violations of intellectual property rights; urges the Commission to combat these violations, in particular counterfeiting, at multilateral, regional and bilateral

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level, including every form of unfair trade;

Import surveillance

- 11. Welcomes a system of joint import surveillance that will carry out double checking of Chinese exports to the EU of eight textile and apparel products; expresses its deep concern, however, about the manner in which the system is to be set up; calls on the Commission to guarantee proper implementation of this double checking and to evaluate its effectiveness, so as to ensure a smooth transition to free trade in textiles;
- 12. Stresses that a double checking system cannot be implemented solely in 2008 and that an effective surveillance system should be guaranteed for a longer period of time;
- 13. Considers that the High-Level Group should ensure oversight of a surveillance system for textile and clothing imports into the European Union;
- 14. Calls on the Commission and the US to engage in consultations on the issue of textile imports from China;
- 15. Calls on the Commission to set up a monitoring system and to evaluate the results before the first quarter 2008 in order to ensure that the disruptive effects of a surge in textile imports are duly and promptly taken into account, and asks the Commission to report to Parliament;

Security and consumer protection

- 16. Urges the Commission to use its powers to ban unsafe products from the EU market also in the case of the textile and clothing sector;
- 17. Calls on the Commission to guarantee that imported textile products, particularly from China, entering the EU market are subjected to security and consumer protection requirements identical to those for textile products manufactured inside the EU;
- 18. Asks the Commission to conduct a proper evaluation and study on the question of the alleged pass-through of price reductions to EU consumers;

Developing countries and EU Mediterranean partners

- 19. Calls on the Commission to support the establishment of a Euro-Mediterranean production area in the textile sector, taking advantage of the geographical proximity of the Mediterranean and European markets in order to create an internationally competitive area which can ensure that industrial output and employment can be maintained;
- 20. Emphasises that the termination of import restrictions on textiles will not only bring about radical changes in import trends on the EU market, but also risks having an impact on clothing and textile sectors in developing countries, including the EU Mediterranean

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partners;

21. Calls on the Commission to study the impact of the full liberalisation of the textile and clothing sector on the least developed countries; is particularly concerned about the abolition of basic social and labour rights which some least developed countries apply in order to remain competitive; calls on the Commission to evaluate how Aid-for-Trade and similar programmes can help LDCs engage in socially and environmentally sustainable sectoral programs;

<u>Inform the European Parliament</u>

- 22. Requests the Commission to provide the European Parliament with full information about any significant developments in the framework of international trade in textiles;
- 23. Instructs its President to forward this resolution to the Commission, the Council, and the governments and parliaments of the Member States.

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