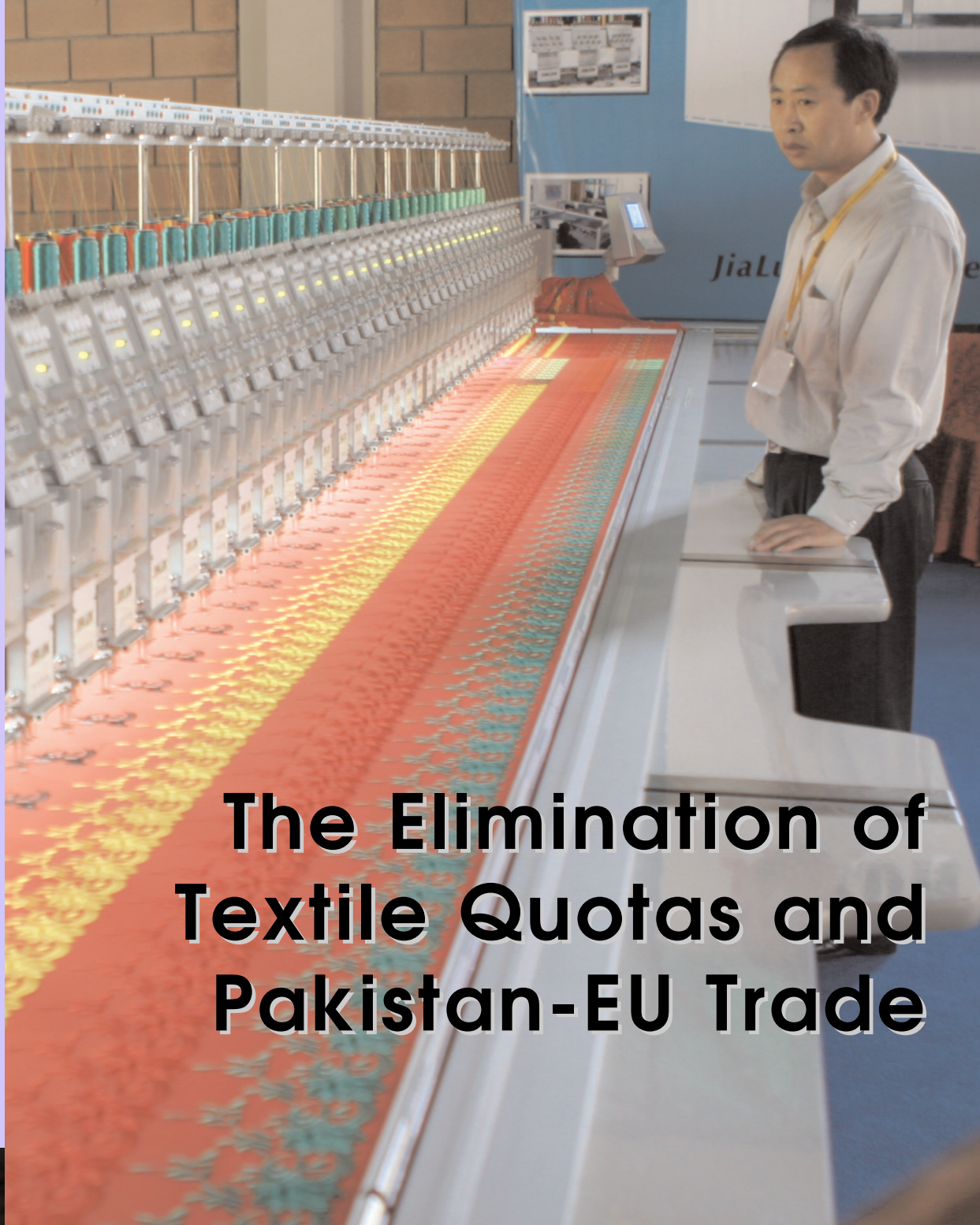




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SOCIAL POLICY AND
DEVELOPMENT CENTRE



The Elimination of Textile Quotas and Pakistan-EU Trade



Funded by European Union under
Small Projects Facility (SPF) Programme in Pakistan
Project No. ASIE/2005/115-591

RESEARCH REPORT PREPARED BY SOCIAL POLICY AND DEVELOPMENT CENTRE

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Contents

List of Acronymsvi
Executive Summaryvii
1 Introduction1
2 Comparative Assessment of Pakistan and its Competitors in the European Market3
2.1 The data set and sample selection .....	.3
2.2 Textile and clothing imports of the EU-15 .....	.6
2.3 The EU-15 imports by specific country .....	.7
2.4 Breakdown of Pakistan's exports to the EU-15 .....	.11
2.4.1 Comparison of Pakistan's exports to the EU with its total export .....	.11
2.4.2 Trend of total textile and clothing exports to the EU-15 ..	.13
2.4.3 Trend of top 25 textile and clothing exports .....	.14
2.4.4 Top 25 exports of textile and clothing vis-à-vis competitors .....	.15
2.5 Profile of Pakistan's exports to the EU-15 vis-à-vis its competitors in 105 common items .....	.16
2.5.1 Selected 40 common items of textile .....	.16
2.5.2 Selected 65 common items of clothing .....	.19
2.6 Conclusion .....	.22
3 Empirical Analysis of the Effects of Quota Removal on Pakistan-EU Textile Trade .....	.27
3.1 Main issues .....	.28
3.2 Review of the literature .....	.30
3.2.1 Models computing export tax equivalents .....	.30
3.2.2 Models emphasizing increased demand for timely delivery .....	.30
3.2.3 Computable General Equilibrium models .....	.31

3.3	Empirical methodology	34
3.3.1	Modeling the EU-15 imports of textiles and clothing when quotas are not binding or no quotas	35
3.3.2	Predicting the potential effects on Pakistan's exports to the EU-15 of quota removal	36
3.3.3	Modeling the EU-15 import prices of textiles and clothing	37
3.3.4	Predicting the potential effects of quota removal on the EU-15 import prices	38
3.4	Estimation results and their interpretation	39
3.4.1	Results of the EU-15 import volume equation	39
3.4.2	Results of the EU-15 import price equation	45
3.5	Conclusion	49
	REFERENCES	52
	ANNEXURE	53

TABLES AND CHARTS

Table 2.1:	Textile and clothing imports of the EU-15	6
Table 2.2:	Pakistan and its competitors in the EU-15 imports of textiles	10
Table 2.3:	Pakistan and its competitors in the EU-15 imports of clothing	11
Table 2.4:	Pakistan's exports of textile and clothing to the EU-15	14
Table 2.5:	Comparative picture of Pakistan and its competitors in 40 common textile items	16
Table 2.6:	Comparative picture of Pakistan and its competitors in 65 common clothing items	21
Table 3.1:	Estimation results of import quantity equation	40
Table 3.2:	Potential effects of removal of quotas on Pakistan's textile exports to the EU-15 on items with binding quota	41
Table 3.3:	Potential effects of removal of quotas on Pakistan's textile exports to the EU-15 on items not covered by quota or quota not binding	41
Table 3.4:	Potential effects of removal of quotas on Pakistan's clothing Exports to the EU-15 on items with binding quota	42
Table 3.5:	Potential effects of removal of quotas on Pakistan's clothing exports to the EU-15 on items not covered by quota or quota not binding	43

Table 3.6:	Selected 105 Items in Textile and clothing exports to the EU-15 . . .	44
Table 3.7:	Estimation results of import price equation	45
Table 3.8:	Potential effects of removal of quotas on the EU-15 import prices for textile items with quota	47
Table 3.9:	Potential effects of removal of quotas on the EU-15 import prices for clothing items with quota	48

Table A-2.1:	Major textiles exports of Pakistan	54
Table A-2.2:	Major clothing exports of Pakistan	55
Table A-2.3:	Top 25 items of textiles exports by Pakistan to the EU-15 vis-à-vis its competitors in 2004	56
Table A-2.4:	Top 25 items of clothing exports by Pakistan to the EU-15 vis-à-vis its competitors in 2004	57
Table A-2.5:	Scenario of Pakistan's textile exports having quota vis-à-vis its competitors - 1995	58
Table A-2.6:	Scenario of Pakistan's textile exports having quota vis-à-vis its competitors - 2004	60
Table A-2.7:	Scenario of Pakistan's textile exports without quota vis-à-vis its competitors	62
Table A-2.8:	Scenario of Pakistan's clothing exports having quota vis-à-vis its competitors - 1995	63
Table A-2.9:	Scenario of Pakistan's clothing exports having quota vis-à-vis its competitors - 2004	65
Table A-2.10:	Scenario of Pakistan's clothing exports without quota vis-à-vis its competitors	67

Chart 2.1:	Textiles and clothing imports of the EU-15	7
Chart 2.2:	Pakistan and its competitors in the EU-15 market	8
Chart 2.3:	Shares of Pakistan and its competitors in the EU-15 imports of textile and clothing	9
Chart 2.4:	Exports of Pakistan to the world and to the EU	12
Chart 2.5:	Share of textiles and clothing exports in total exports of Pakistan with proportion of the EU	12
Chart 2.6:	Trend of share of exports to the EU in Pakistan's total exports	13
Chart 2.7:	Trend in the value of exports	14
Chart 2.8:	Share of Pakistan and its competitors in 40 common textile items	17
Chart 2.9:	Share of Pakistan and its competitors in 65 common clothing items	20

List of Acronyms

ACGR	Annual Cumulative Growth Rate
ATC	Agreement on Textiles and Clothing
CBI	Caribbean Basin Initiative
CGE	Computable General Equilibrium
EU	European Union
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GoP	Government of Pakistan
GTAP	Global Trade Analysis Project
HS Code	United Nations Harmonized Commodity Description and Coding System
IMF	International Monetary Fund
MFA	Multi-Fiber Agreement
MFN	Most Favoured Nations
NAFTA	North American Free Trade Agreement
NIEs	Newly Industrialised Economies
OECD	Organisation for Economic Co-operation and Development
SPDC	Social Policy and Development Centre
UK	United Kingdom
UNCTAD	United Nations Conference on Trade and Development
US	United States
WB	World Bank
WITS	World Integrated Trade Solution
WTO	World Trade Organization

Executive Summary

Under the World Trade Organization's (WTO's) Agreement on Textile and Clothing (ATC), quantitative restrictions (quotas) on imports from developing countries have been removed, on all textile and clothing items, as of January 1, 2005. The theory suggests that since these restrictions varied from country to country and from product to product, their removal will alter the competitiveness differently for different countries. Countries that are relatively more competitive internationally may likely to observe gains in their existing market shares. It is thus, expected that this new environment would have a substantial impact on countries that are major exporters of textiles and clothing.

Pakistan's economy depends heavily on the exports of textile and clothing for earning foreign exchange. In 2004, these exports accounted for 69 percent of the country's total exports. There are apprehensions among the policymakers and the business community as to how much Pakistan can compete in the quota-free environment. The present study is an attempt in assessing Pakistan's position in the post-quota environment in the European market. It aims to evaluate the effects of the removal of quantitative restrictions on Pakistan's trade with the European Union (EU) and tries to explore that how does the removal of these restrictions affect the welfare of the consumers in the EU, through changes in import prices.

The study begins by presenting a detailed profile of Pakistan's exports of textiles and clothing in comparison with the exports of Pakistan's competitors in the EU market over the period of the gradual quota reductions in effect under the ATC from 1995 to 2004. This profile gives the trade patterns at the aggregate levels of textiles and clothing categories as well as at the disaggregated level according to the 6-digit level of the HS Code trade classification. This analysis is, however, done by considering the EU-15 as the bulk of Pakistan's exports to the EU are concentrated in these countries.¹ To analyze the trade patterns, fifteen countries are identified as Pakistan's competitors in the EU-15 market. These include: Bulgaria, Bangladesh, China, Czech Republic, Hong Kong, India, Indonesia, Poland, Morocco, Romania, South Korea, Sri Lanka, Thailand, Tunisia

¹Countries included in the EU-15 are Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and United Kingdom.

and Turkey. Of these, Bulgaria, Czech Republic, Poland, Romania and Turkey are located relatively nearer to the EU market while the rest are distant countries like Pakistan. This information enables an assessment of the competitive picture of Pakistan vis-à-vis its competitors in the EU-15 market.

The data show that during 1995-2004, imports of clothing items increased substantially by 82 percent while those of textile items increased only by 4.8 percent, as of 2004. China has been the major supplier of textile clothing items to the EU-15. In 2004, imports from China amounted to €14 billion followed by Turkey and India, from where imports by the EU-15 worth €10 billion €4.3 billion, respectively. Imports from Pakistan have increased but from a small base, moving up from €1.2 billion in 1995 to €1.7 billion in 2000 and then to €2.3 billion in 2004. It is found that Pakistan's position is relatively better in the exports of textile items compared to that in clothing items. Among a group of these 16 countries (Pakistan and its 15 competing countries), Pakistan ranked at number 6 in textiles with a share of 7.6 percent in the EU-15 imports of textile in 2004 while it ranked at number 9 with a share of 3½ percent in the EU-15 imports of clothing. It is also observed from the data that the EU-15 remained an important market for Pakistan until 2002. Pakistan's textile and clothing exports constituted 64 percent of total exports of Pakistan in 2002 and of these textile and clothing exports, 38 percent were destined to the EU-15 market. However, in 2004, Pakistan's textile and clothing exports constituted 66 percent of total exports of Pakistan and of these, only 27 percent were marketed to the EU-15.

The study also makes a comparison of Pakistan's top 25 items at the 6-digit HS code level in each of the two broad categories of textiles and clothing that it exports to the EU-15 with those of its major competitors. The findings indicate that, in spite of having a larger share in the EU-15 imports of textile, Pakistan seems to have captured the market share relative to its competitors in 3 items (namely: 'plain woven fabric of polyester staple fibers, unbleached or bleached,' 'plain woven fabric of polyester staple fibers, printed' and 'woven fabric of synthetic staple fibers, unbleached or bleached'). Alternatively, in clothing, it appears to have had a niche in 5 items (namely: 'printed bed-linen of man-made fibers,' 'bed-linen of man-made fibers,' 'men's and boys' jackets and blazers of cotton,' 'printed bed-linen of cotton' and 'toilet and kitchen linen of cotton'). In addition, Pakistan's major competitors in its top 25 textile items exports are Turkey, India and China. In clothing items, while Turkey has emerged as its major competitor, Pakistan faces quite a tough competition with rest of the competitors.

The trade patterns and Pakistan's position vis-à-vis its competitors in 105 common items of textiles (40 items) and clothing (65 items) that are identified for the empirical

analysis are also studied. These are the items which Pakistan exports significantly but is not a major player in. These 105 items constituted over 90 percent of Pakistan's exports to the EU-15. Pakistan was granted high quotas in the textile items and was able to meet a majority of these quotas, measured as a fill rate of 90 percent or greater. It is noted that Pakistan maintained and even gained market share during 1995-2004, if all of the 40 textile items are added together. In spite of this the performance of some key competitors like China and Turkey over the same period has been stronger. On the other hand, Pakistan is much less of a player in supplying clothing items to the EU-15. However, there is some evidence that Pakistan has been increasing its share in clothing items and thus making some inroads in moving up the value chain to clothing items from textile items. During the review period, Pakistan had a clearly strong niche in exports of bed linen to the EU-15. With this picture in mind, the study proceeds to the next chapter, which is the formal empirical analysis of the implications of complete elimination of textile quotas, starting from January 1, 2005.

Most analyses of the potential effects of quota removal on textile trade have focused on simulations from Computable General Equilibrium (CGE) models. While this procedure can be very useful, it does have the important limitation that it does not build upon the actual experiences and actual environment of textile trade that countries have faced. This study attempts to fill this gap for Pakistan by undertaking empirical analysis of the effects of quota removal on Pakistan-EU trade, based on projections from the actual disaggregated textile trade data by country and by product. The central motivation of this empirical analysis is that by projecting from differences between countries and products which had quotas and those that did not, from differences among products when countries are able to fill their quota and when they are not and from the effects of the gradual relaxing of quotas over time under the ATC, a lot of information can be gleaned about the potential effects of the quota removals that became effective on January 1, 2005.

The empirical analysis aims to quantify two things: (1) the potential effects on Pakistan's exports of various textile and clothing items to the EU-15 in the new environment of quota-free trade, and (2) the broader implications of the quota removals for import prices in the EU-15, to gauge the size of gains for consumers in the EU. In this connection, the study has also tested the hypotheses related to the effects of tariffs and quotas on quantities and prices of the EU-15 imports and of the importance of proximity of importing countries for goods with high transportation costs. To meet these objectives, the study has estimated an EU-15 import volume equation and an EU-15 import price equation in a panel data framework with 105 products at 6-digit HS Code, 16 exporting countries and a period from 1995 to 2004.

In the import volume equation, while the dependent variable is the import volume of textile and clothing by the EU-15 from 16 exporting countries included in the sample, the independent variables are the rate of tariff for the corresponding import volume observations and a dummy variable for countries close to the EU weighted by the value-to-weight ratio to capture the effect of proximity. The import price equation is based on unit values (proxies for import prices) of the EU-15 imports from 16 countries as the dependent variable, with the tariff rate and an indicator variable for binding quotas being right hand side variables.

The following results are obtained from the empirical analysis: (1) a 1 percentage point increase in the tariff rate lowers the quantity of imports of textile and clothing by the EU-15 of about 1.24 percent; (2) the coefficient attached to the dummy variable indicates that imports of goods that are lighter in weight and which have lower transportation costs are more likely to be imported from countries that are distant from the EU-15 compared to goods that are heavier; (3) a 1 percentage point increase in the tariff rate leads the price (exclusive of tariff) to fall by 0.94 percent. This means that the price inclusive of tariffs rises by 0.06 percent; and (4) the presence of a binding quota raises the import price of a product in the EU-15 market by an average of 8.9 percent implying large gains in the economic welfare of the EU-15 consumers from the removal of the textile quotas are suggested by these results.

The study then compares the potential effects of quota removal on Pakistan's exports to the EU-15. Out of 105 items included in the sample which constitute 90 percent of the value of total exports to the EU-15, it is found that there were 25 items related to textiles and 14 items related to clothing, where exports were restricted by quotas and these quotas were binding (having a fill rate of over 90 percent). The findings reveal that exports from Pakistan to the EU-15 would potentially be higher after quota removal in only a few of those items. Of the 25 textile items, growth of exports from Pakistan is predicted to be higher after quota removal in only seven items (namely; 'plain woven fabrics of cotton, dyed,' 'woven fabrics of cotton, unbleached,' 'woven fabrics of synthetic staple fibers,' 'plain woven fabrics of cotton, unbleached,' 'two different types of 'single cotton yarn of uncombed fibers,' and 'single cotton yarn of combed fibers)'). Similarly, of the 14 clothing items that had quotas which proved to be binding for Pakistan, export growth would be higher with quota removal for only 4 of those items (namely; 'toilet linen/kitchen linen of terry toweling cotton,' 'women's/girls' trousers of textile material other than cotton or synthetic fibers,' 'men's or boys' trousers of synthetic fibers,' and 'printed bed-linen of cotton').

However, a rather different picture emerges for items with no quotas or where the quotas were not binding. Of the 15 textile items with no quotas or quotas that were not binding, in 9 of those items Pakistan's predicted export growth is greater than its actual growth rate, indicating some potential for further export growth. And, of the 51 items with no quotas or non-binding quotas in the clothing category, Pakistan's predicted export growth is greater than its actual export growth in 26 (or more than half) of the items, again indicating scope for further export expansion.

In the light of these results, it can be said that after the abolition of quotas and in the environment with greater competition Pakistan may have potential for enhancing its exports but its performance will depend on how competitive it will prove to be against potential competitors such as China, Turkey and India. In this regard, the study suggests formulating and implementing a broader and more meaningful investment policy for the textile and clothing sector of Pakistan that can help improve the performance of factors responsible for enhancing productivity and international competitiveness.

1

Introduction

The textile and clothing sector plays a very important role in the economy of Pakistan. This sector generates employment for 38 percent of the manufacturing labour force and produces 46 percent of the total manufacturing output of the country. In addition, while meeting the bulk of domestic demand, the sector is also a major contributor to the exports of Pakistan. Items related to textile and clothing constitute 65 to 70 percent of the total value of exports of Pakistan. Thus, Pakistan is dependent to a large degree on the textile and clothing sector for earning foreign exchange.

For many decades until 2005, the import of textiles and clothing from developing countries was restricted by the developed countries through quantitative restrictions (quotas) and tariffs. These restrictions distorted both trade volumes and prices. They limited the export of textiles and clothing by developing countries relative to what would have been the case without such market distortions. They also increased the import prices of those textile and clothing items with quotas in the domestic market of importing countries and made them more expensive for consumers, thereby affecting the welfare of consumers all over the world.

Under the World Trade Organisation's (WTO's) Agreement on Textile and Clothing (ATC) signed in 1995, quotas on imports of textile and clothing have been abolished worldwide as of January 1, 2005. Now trade in textile and clothing is determined by the rules of the WTO, of which Pakistan has been a member since 1995. It is expected that this new environment, where there will be increased competition, would have a substantial impact on countries that are major exporters of textiles and clothing. At the same time, it is also probable that removal of these restrictions, to an extent, would provide welfare gains to consumers in developed countries, through changes in import prices.

This study attempts to look into the effects of the removal of quantitative restrictions on aspects of Pakistan's trade with the European Union (EU), as well as on the welfare of European consumers. Specifically, it empirically evaluates (1) the potential effects on Pakistan's exports of various textile and clothing items to the EU in the new quota-free trade environment; and (2) the broader implications of the quota elimination for import prices in the European countries, to determine the size of gains for European consumers.

The study evaluates these effects by considering not only Pakistan but also its competitors in the EU market. It focuses on the period from 1995 to 2004 - a gradual phase-out period of ten years under the ATC, leading up to the elimination of textile quotas completely in 2005. Thus, the empirical analysis in this report is based on a comprehensive panel data set which involves both cross-section and time series dimensions. A key aspect of the report is the putting together of this data set.

In addition to this brief introductory chapter, the study comprises two main chapters. Chapter 2 provides an assessment of Pakistan's exports in textiles and clothing compared to its competitors in the EU markets. The data set is described in detail, choice of the appropriate sample for the empirical analysis is justified and a comprehensive profile of Pakistan's exports to the EU vis-à-vis its competitors -- separately for textile and clothing items at the disaggregated 6-digit HS Code level - is presented.

The focus of Chapter 3 is a rigorous empirical analysis of the effects of removal of quotas, using state of the art econometric techniques. The hypotheses that the report aims to test are described, the empirical methodology used for the analysis is developed and the potential effects of quota removal on Pakistan's exports to the EU of textile and clothing items at the 6-digit level of HS Code, and on EU import prices are estimated.

This study is an effort to add to the technical research in Pakistan on the implications of the elimination of the quotas with particular reference to Pakistan-EU trade. The major objectives of the report are to increase general awareness about trade policy issues and of the economics of quotas, to further promote an open policy dialogue in Pakistan with respect to these issues and to help in facilitating both Pakistan and the EU in achieving maximum possible benefits in the post-quota environment that now prevails.

2

Comparative Assessment of Pakistan and its Competitors in the European Market

The first stage of the empirical work involves collecting the data. The study begins by describing the data set and the sample selection process in detail. Then using these data, it creates a profile of the imports of textile and clothing and textile quotas faced by Pakistan vis-à-vis its competitors in the markets of the EU countries.

The motivation for this is that it is important to lay out the stylized facts with respect to textile and clothing imports into the EU as well as with respect to the import quotas imposed on them. The basic patterns in the data must be understood well before this report proceeds on to formal empirical work with respect to the implications of quota removal.

To our knowledge, such a detailed and current analysis of textile and clothing imports of the EU, which emphasizes the implications from the perspective of Pakistan, does not exist. While government agencies in Pakistan, such as the Export Promotion Bureau (EPB), analyze such data from time to time, they typically employ data from Pakistan's side. Seldom will bilateral trade data between any two countries match. This is due to various reasons that are beyond the scope of this study, and the situation is particularly severe with respect to developing countries such as Pakistan. In such a case, using data sources of industrial countries gives a more accurate picture as these are considered more reliable. And hence, this report has followed this procedure.

2.1 THE DATA SET AND SAMPLE SELECTION

For the analysis conducted in this study, the data have been collected on the value and volume of imports of the EU-15¹ countries from Pakistan and from its competitors of various textile and clothing items. For each exporting country, product-specific and country-specific import tariffs and import quotas for each year in the sample are also obtained. Note, that this data set is what econometricians call a panel data set, which involves both cross-section and time-series dimensions. The time-series dimension is the years and there are, in fact, two types of cross-sections - countries and products. This section describes the steps undertaken to select the appropriate sample size, countries, and items of textile and clothing trade for the panel estimation. It also describes the sources used to obtain the data.

There were four main issues to consider:

1. The sample period to be covered.
2. Whether to include all of the 25 countries in the EU or to focus on the EU-15 countries.
3. Some narrowing down of the extensive list of items related to textile and clothing imported by the EU countries.
4. Identifying the countries that are Pakistan's competitors in the European market.

Before going on to discuss how the study dealt with each of these issues, it is important to mention the sources of data used in the analysis. The data on imports of textile and clothing by the EU were obtained from the Eurostat Data Service and Information, European Community. The study utilizes statistics on value and volume of the EU-15 imports based on the well-known United Nations Harmonized Commodity Description and Coding System (HS Code) at the 6-digit level. Although, we considered a narrower classification of imports at the 8-digit level of HS Code, it was deemed more appropriate to use import data at the 6-digit level because of the unavailability of the 8-digit level data on tariffs.

With regard to the first issue about the choice of sample size, it was considered that the ATC stated that quantitative (quota) restrictions levied by the developed countries on the imports of textile and clothing from developing countries would be abolished from January 2005. Under this agreement, the developed countries were granted a period of ten years from 1995 to 2004 during which they were asked to completely remove the quota restrictions. It was, therefore, decided to consider this phase-out period as the time span of this study. It allows to examine how countries reacted to the gradual reduction of quotas, leading to a better projection of the implications of full quota removal since the beginning of 2005.

To resolve the second issue of the EU-25 versus the EU-15, the percentage share of EU-15 imports of textile and clothing from Pakistan in EU-25 imports for the same was taken into consideration. Since the analysis is primarily geared towards the implications for Pakistan-EU trade, this study considered the EU imports specifically from Pakistan while making the choice of the EU-25 sample versus the EU-15 sample. According to the Eurostat dataset, in 2004 the EU-25 countries imported items of textile and clothing worth €2.32 billion from Pakistan, while the EU-15 countries imported items worth €2.27 billion. Thus, EU-15 imports of textile and clothing from Pakistan constituted 98 percent of the total EU imports from Pakistan in 2004. Moreover, this percentage has never been below 90 percent during the period from 1995 to 2004 and has remained close to 100 percent during the sub-period from 1999 to 2004. This comparison led us to proceed with the sub-sample of the EU-15 countries only because the share of the other EU countries in the EU's total imports of textiles and clothing from Pakistan was largely irrelevant over the selected period for the study.

The third issue of selecting the appropriate relevant items out of a very large number of textile and clothing items imported by the EU-15 countries appeared to be the most difficult task. For example, the EU-15 imported 599 items related to textile and clothing at the 6-digit level of HS Code from Pakistan in 2004. It was not possible to include all these items in the estimation analysis, nor even desirable, as some items have minimal value. To make the appropriate choice of items, the following criterion was picked: it was decided to include those items in the sample which had a share of either greater or equal to 0.2 percent in at least one of the three years: 1995, 1999 or 2004, in total imports from Pakistan by the EU-15. The idea behind choosing these years as the benchmark years was that they would, to an extent, capture the variation in the data since they were the end and middle points of the sample period covered in the study. This criterion gave us 105 items at 6-digit level out of 493, 507 and 599 items in the three years, respectively. Although the criterion might appear subjective, note that these 105 selected items accounted for more than 90 percent of imports by the EU-15 from Pakistan in each year of the entire sample period.

The fourth issue was how to determine Pakistan's export competitors in the European markets. There were 155 countries that supplied textile and clothing items to the European markets over the selected sample period. Of these, top 20 countries were identified on the basis of their total value of exports of textile and clothing to the EU-15 in 2004. These 20 countries were further narrowed down to 15 countries on the grounds that: 1) they were Pakistan's major competitors in the selected 105 textile and clothing items in the EU-15 markets; 2) they represented various regions like South Asia, Southeast Asia, China, Africa and Europe (some located far from and some near to the EU-15 countries); and 3) some of these countries enjoyed the status of 'quota-exempted countries,' which gives greater variation in the data and helped identify the potential effects of quota removal for Pakistan-EU trade.

Based on the above choices, the study ended up with the following sample of the panel data set: a period of ten years (1995 to 2004), 105 textile and clothing items at 6-digit level of HS Code and 16 countries in the EU-15 import market (Pakistan and its 15 competitors which include: Bulgaria, Bangladesh, China, Czech Republic, Hong Kong, India, Indonesia, Morocco, Poland, Romania, South Korea, Sri Lanka, Thailand, Tunisia and Turkey).

The data on tariffs are the Most Favoured Nations (MFNs) tariff rates applied by the EU-15 countries on imports from developing countries. These data for the selected 105 items at 6-digit HS Code were obtained from the World Integrated Trade Solution (WITS), developed by the World Bank (WB) in collaboration with United Nations Conference on Trade and Development (UNCTAD). The information on quotas imposed by the EU-15 was obtained from the Director General Trade, European Commission. They, however, use their own classification system to manage the data on quotas. The product categories they provide are defined by type of fiber in case of textiles (e.g., cotton yarn, woven fabrics of cotton, woven fabrics of synthetic fibers) and are defined quite broadly in case of clothing (e.g., men's or boys' shirts, women's or girls' dresses of

wool, of cotton or of man-made fibers). This could have been a potential problem but, fortunately, the Director General Trade, European Commission, provided the list of their product categories that correspond to the HS Code classification at 6-digit level. Using that list, these product categories and the data on quotas that match with them were then mapped on to that of the HS Code system.

2.2 TEXTILE AND CLOTHING IMPORTS OF THE EU-15

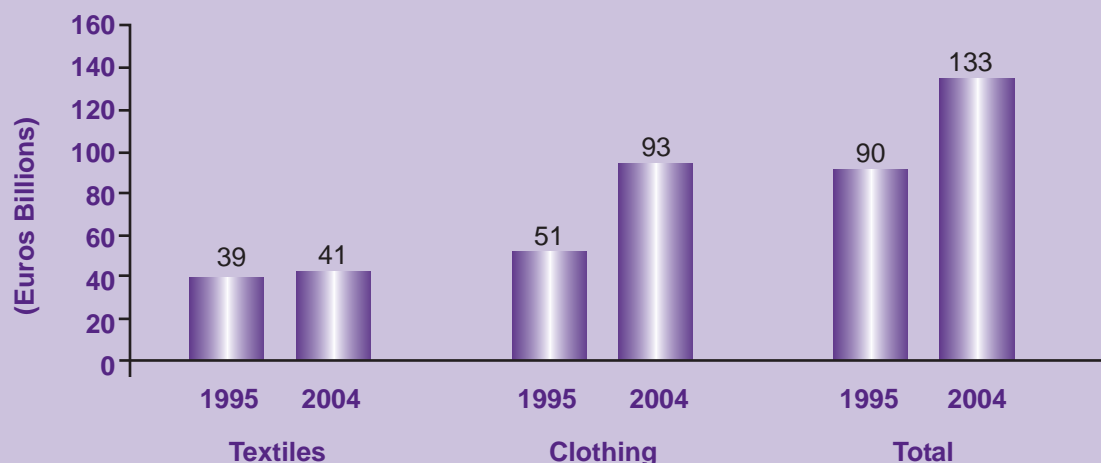
This section looks at the total imports of textile and clothing by the EU-15. Trade statistics given at the 2-digit of HS Code is the broadest classification of the HS Code system where the HS Code of each category is called a "chapter." Textile and clothing imports by the EU-15 under this classification are shown in Table 2.1 with the aggregates shown in Chart 2.1. As can be seen from Chart 2.1, the EU-15 imported items of textile and clothing worth €133 million from the world in 2004. Of these, items worth €41 million come under the category of textiles and items worth €93 million were under the category of clothing. Compared to 1995, imports of clothing items increased substantially by 82 percent while those of textile items increased by 4.8 percent only, as of 2004. Among clothing items, as can be seen from Table 2.1, remarkable growth of 109 percent occurred in "other made-ups of textile articles," followed by 100 percent growth in "articles of apparel and clothing accessories, knit/crochet."

Table 2.1
Textile and Clothing Imports of the EU-15

HS Code Chapter		<i>(Euros Million)</i>		
		1995	2004	Growth (%)
Textile		38,748	40,597	4.8
50	Silk (includes Yarn and Fabrics)	602	542	-9.9
51	Wool, Fine or Coarse Animal Hair, Horsehair Yarn	4,598	3,573	-22.3
52	Cotton (includes Cotton, Cotton Yarn, Cotton Fabrics)	7,375	6,604	-10.5
53	Other Vegetable Text. Fibres, Paper Yarn and Wov. Fabrics	685	1,037	51.3
54	Man-Made Filaments	7,588	8,057	6.2
55	Man-Made Staple Fibres	6,572	5,851	-11.0
56	Wadding, Felt And Non-wovens; Special Yarns	2,363	3,912	65.6
57	Carpets and other Textile Floor Coverings	3,489	3,927	12.6
58	Special Woven Fabrics; Tufted Textile Fabrics	1,340	1,734	29.4
59	Impregnated, Coated, Covered or Laminated Textile Fabrics	2,476	3,346	35.2
60	Knitted or Crocheted Fabrics	1,658	2,013	21.4
Clothing		51,154	92,900	81.6
61	Articles of Apparel and Clothing Accessories, Knit/Croch.	19,179	38,295	99.7
62	Articles of Apparel and Clothing Accessories, Not Knit/Croch.	27,849	45,968	65.1
63	Other Made Up Textile Articles (includes bedwear)	4,126	8,636	109.3
Total		89,902	133,497	48.5

Source: Eurostat, European Community

Chart 2.1
Textiles and Clothing Imports of the EU-15



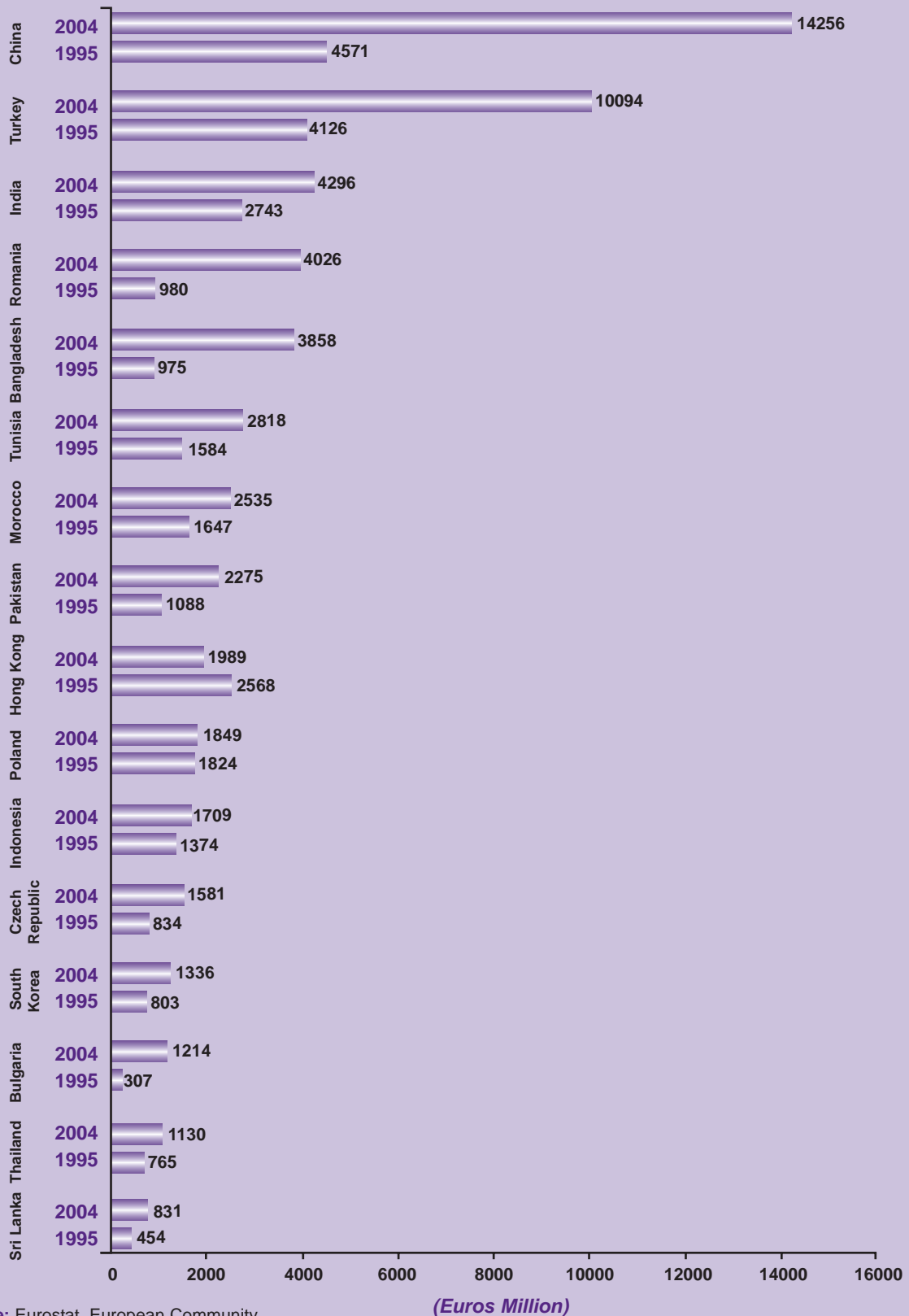
Source: Eurostat, European Community

2.3 THE EU-15 IMPORTS BY SPECIFIC COUNTRY

As discussed earlier, the study identified 15 other countries that are Pakistan's competitors in the EU-15 market. A comparison is made of the value of textile and clothing imports by the EU-15 from these countries and from Pakistan. Chart 2.2 gives this information for 1995-2004. It illustrates that during this period, China has been the major supplier of textile clothing items to the EU-15 market. In 1995, imports from China amounted to €4.6 billion, which increased to €10 billion in 2000 (not shown in the Chart) and to €14 billion in 2004. The next major suppliers are Turkey and India, from where imports by the EU-15 were worth €4 billion and €2.7 billion, respectively in 1995. This value increased to €10 billion for Turkey and €4.3 billion for India in 2004. Imports from Pakistan have also increased but from a small base, moving up from €1.2 billion in 1995 to €1.7 billion in 2000 (not shown in the Chart) and then to €2.3 billion in 2004.

Chart 2.3 depicts the share of each country in the total imports from these countries, which present useful insights. In 1995, the share of imports from China constituted 17 percent and by 2004 it had increased to nearly 27 percent. This is followed by Turkey, whose share in total imports increased from 15 percent to 18 percent over the same period. Although India has remained the third major supplier, its share in imports of the EU-15 countries declined from 10 percent in 1995 to 7.7 percent in 2004. The share of imports from Hong Kong also declined massively from almost 10 percent to nearly 4 percent. This could be because of its reunion with China. Even though, the share of imports from Pakistan, which stood at 4 percent in 1995, remained the same in 2004, however, the country's position improved slightly, moving up to being the top eighth supplier in 2004 from being the top ninth supplier in 1995.

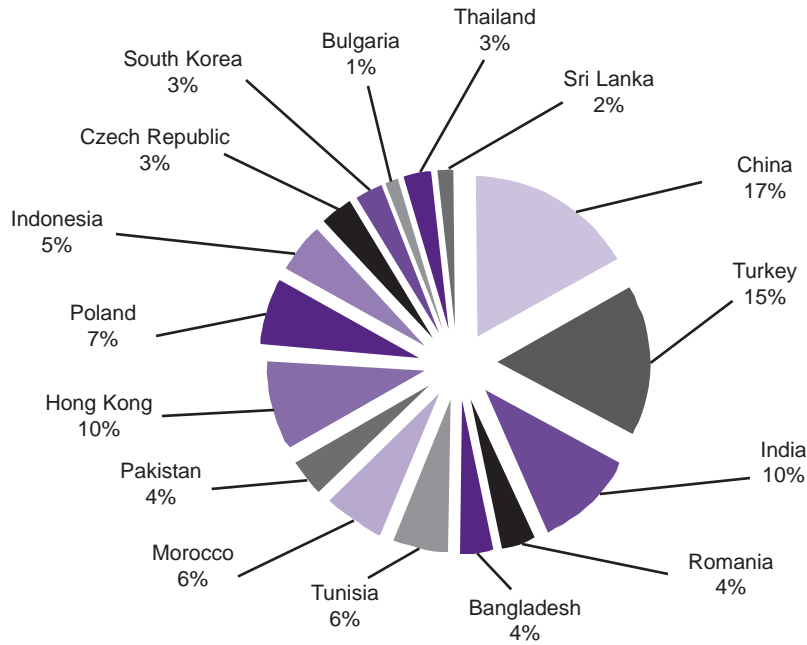
Chart 2.2
Pakistan and its Competitors in the EU-15 Market



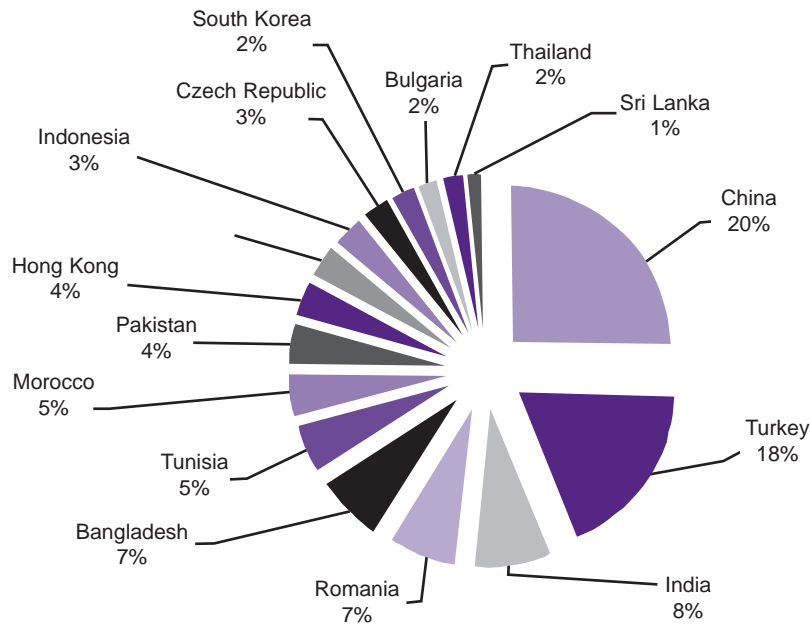
The Elimination of Textile Quotas and Pakistan-EU Trade

Chart 2.3
Shares of Pakistan and its Competitors in the EU-15 Imports of Textile and Clothing

1 9 9 5



2 0 0 4



Source: Eurostat, European Community

Table 2.2
Pakistan and its Competitors in the EU-15 Imports of Textiles

	1995			2004		
	No. of Items	Value (million €)	Share (%)	No. of Items	Value (million €)	Share (%)
China	370	787.8	16.4	517	1894.0	22.5
Turkey	379	758.0	15.8	519	1560.9	18.5
India	411	933.6	19.4	479	1226.2	14.6
South Korea	341	394.2	8.2	395	709.7	8.4
Czech Republic	409	307.5	6.4	486	682.0	8.1
Pakistan	254	436.4	9.1	318	636.1	7.6
Poland	375	138.9	2.9	456	427.0	5.1
Indonesia	292	456.7	9.5	343	353.8	4.2
Thailand	294	212.0	4.4	359	238.5	2.8
Romania	271	44.6	0.9	428	205.1	2.4
Bulgaria	220	54.0	1.1	353	142.7	1.7
Tunisia	231	76.9	1.6	336	132.8	1.6
Morocco	256	88.8	1.8	348	103.6	1.2
Hong Kong	292	43.5	0.9	306	48.0	0.6
Bangladesh	54	31.5	0.7	98	42.7	0.5
Sri Lanka	125	38.4	0.8	118	18.1	0.2
Total		4802.8	100.0		8421.3	100.0

Source: Eurostat, European Community

The picture becomes clearer by looking separately at imports of textiles and clothing from these countries as shown in Table 2.2 and Table 2.3. This information enables us to assess the comparative picture of Pakistan vis-à-vis its competitors in the EU-15 market. As Table 2.2 shows, in 1995, India was the largest supplier of textile items to the EU-15 markets followed by China and Turkey. The share of imports from India constituted 19 percent of EU-15 imports, while the share of China and Turkey was roughly 16 percent each. However, China dominated the EU market in supplying textile items by 2004, with a share of 22.5 percent. Turkey and India became the second and third leading suppliers with a share of 18½ percent and 14½ percent, respectively. Pakistan's position fell from the fifth largest supplier in 1995 to the sixth largest supplier in 2004, with its share of imports declining from 9 percent to 7½ percent in the EU-15 market. South Korea and Czech Republic also developed a considerable stake in the EU-15 market, with each having a share of about 8 percent in 2004.

In case of clothing items, China and Turkey have remained the two largest suppliers to the EU-15. Table 2.3 shows that China's share in EU-15 imports increased from 17 percent in 1995 to 26 percent in 2004, while that of Turkey increased from 15 percent to 18 percent over the same period. The situation appears to be somewhat different in case of other countries in the sample. Notably, Hong Kong, which used to be a significant supplier after China and Turkey with a market share of 11½ percent in 1995, saw its share go downwards to just 4 percent by 2004. Similarly, the performance of India and Poland has also weakened, which is evident from a decline in their import shares. Another noteworthy phenomenon is the growing importance of Romania and Bangladesh in the EU-15 market. Their import shares have moved up from about 4 percent each in 1995, to

Table 2.3
Pakistan and its Competitors in the EU-15 Imports of Clothing

	1995			2004		
	No. of Items	Value (million €)	Share (%)	No. of Items	Value (million €)	Share (%)
China	289	3782.9	17.32	294	12361.6	26.09
Turkey	271	3368.0	15.42	293	8532.7	18.01
Romania	237	935.7	4.28	289	3821.2	8.07
Bangladesh	188	943.9	4.32	254	3815.1	8.05
India	278	1809.2	8.28	291	3070.1	6.48
Tunisia	259	1506.8	6.90	285	2685.3	5.67
Morocco	268	1558.1	7.13	284	2431.3	5.13
Hong Kong	279	2524.7	11.56	291	1940.6	4.10
Pakistan	239	651.7	2.98	281	1639.3	3.46
Poland	282	1684.7	7.71	289	1421.5	3.00
Indonesia	254	917.6	4.20	282	1355.2	2.86
Bulgaria	215	253.0	1.16	278	1071.3	2.26
Czech Republic	274	526.8	2.41	284	898.7	1.90
Thailand	272	552.6	2.53	288	891.9	1.88
Sri Lanka	218	415.3	1.90	245	812.5	1.72
South Korea	250	409.2	1.87	265	626.6	1.32
Total		21840.1	100.0		47374.9	100.0

Source: Eurostat, European Community

about 8 percent each in 2004. As for Pakistan's share in clothing imports, it has increased slightly from about 3 percent in 1995 to about 3½ percent in 2004.

One may also note another interesting trend from Tables 2.2 and 2.3. Over the 1995-2004 period, the countries whose shares in EU textile imports had increased were China, Turkey, South Korea, Czech Republic, Poland, Romania and Bulgaria, while those whose shares had increased in clothing imports were China, Turkey, Romania, Bangladesh, Pakistan and Bulgaria. Of these, five are located relatively near the EU, which shows that imports by the EU have increased from countries located near it.

2.4 BREAKDOWN OF PAKISTAN'S EXPORTS TO THE EU-15

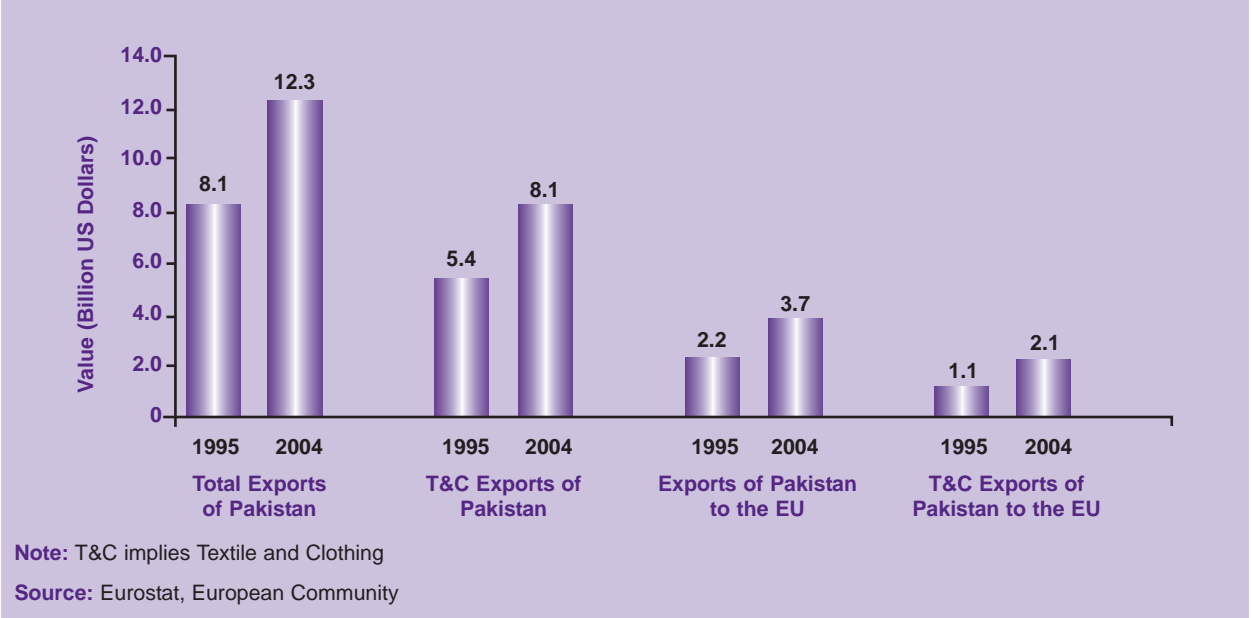
After having looked at where Pakistan ranks in the EU-15 market, the study now gives the scenario of Pakistan's exports to the EU-15. In this regard, it investigates the share of exports to the EU-15 in Pakistan's total exports, the trend of the major items of textile and clothing it exports and where it stands compared to its competitors with regard to exports of the major items.

2.4.1 Comparison of Pakistan's Exports to the EU with its Total Exports

Chart 2.4 shows the values of Pakistan's total exports as well as textile and clothing exports to the world. It also shows Pakistan's total exports as well as textile and clothing exports to the EU. It is apparent from Chart 2.4 that during 1995-2004, Pakistan's total exports to the EU increased by 1¾ times while textile and clothing exports by twice. This

The Elimination of Textile Quotas and Pakistan-EU Trade

Chart 2.4
Exports of Pakistan to the World and to the EU



implies that the increase in Pakistan's exports to EU was brought largely by the increase in exports of textile and clothing over this period. Chart 2.5 shows that textile and clothing exports have remained in the range of 62 to 69 percent of the total exports of Pakistan, of which 20 to 37 percent were destined to the EU market.

Chart 2.5
Share of Textiles and Clothing Exports in Total Exports of Pakistan with Proportion of the EU

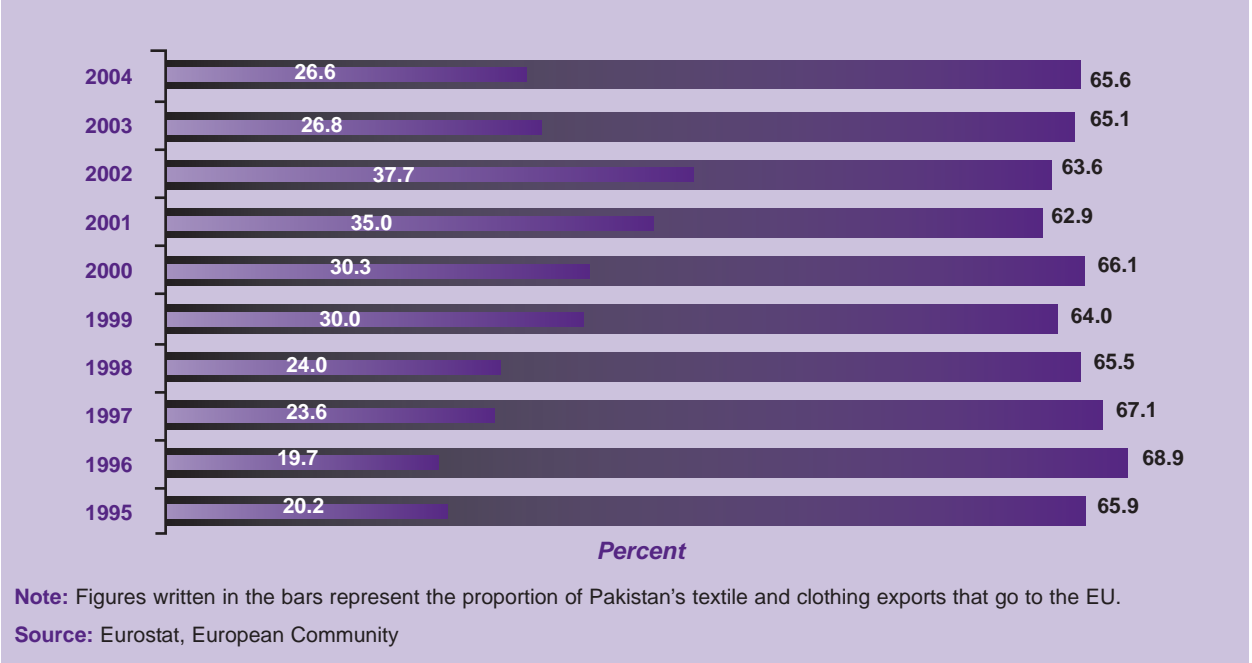
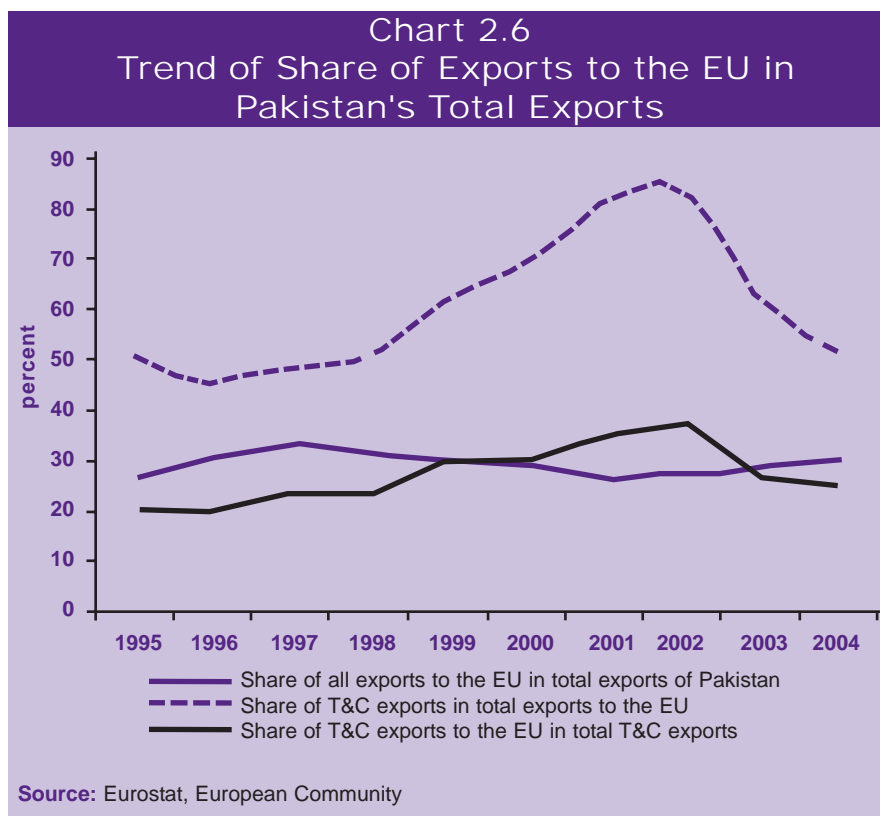


Chart 2.6 depicts the trend of the share of exports to the EU in Pakistan's total exports. Of the value of Pakistan's total exports to the world, the share of exports to the EU remained in the range of 27 to 32 percent over the study period. The trend of this share is portrayed by the coloured smooth line in Chart 2.6, which remained fairly steady during this period. Of the value of Pakistan's textile and clothing exports to the world, on average, 27 percent went to the EU over this period. The trend of



this share is depicted by the black line in Chart 2.6, reflecting that this share persistently increased from 20 percent in 1995 to 38 percent in 2002 and then declined to 26 percent in the subsequent years. The Chart also reveals that of the value of total exports to the EU during this period, more than 50 percent were related to textile and clothing. This is indicated by the dashed line in Chart 2.6, which shows that the share registered a slight decline in 1996 after which (from 50 percent in 1995) it continued to increase and reached its peak of 85 percent in 2002. However, in the subsequent years it declined sharply and reached at 51 percent in 2004. Another finding that can be observed from Charts 2.5 and 2.6 is that while Pakistan's exports of textile and clothing were at their maximum during 2001 and 2002, total exports to the EU declined. This implies that the export of items other than textiles and clothing declined during these years. The reverse of this trend, on the other hand, occurred in 2003 and 2004.

2.4.2 Trend of Total Textile and Clothing Exports to the EU-15

Table 2.4 depicts the value and the number of textile and clothing items at 6-digit HS Code that Pakistan exported to the EU-15 during 1995-2004. In 1995, Pakistan exported 493 items valued at above €1 billion to the EU-15. Of these, 245 items were of textiles valued at €436 million and 239 items of clothing worth €652 million. Taking textile and clothing together, since 1999, the number of items Pakistan exported has continuously been increasing. The value of textile exports (relatively low value-added) has fluctuated, and went through a decline in 1999, 2002 and 2003. By contrast since 1995, the value of clothing exports (relatively high value-added) has increased continuously, although

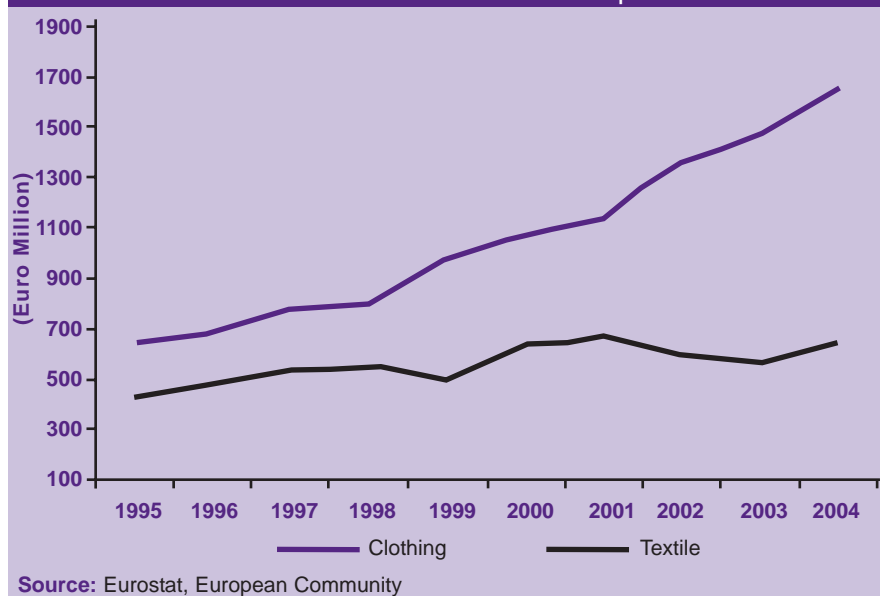
Table 2.4
Pakistan's Exports of Textile and Clothing to the EU-15

	Total Textile and Clothing			Textiles			Clothing		
	No. of Items	Value (million €)	Growth (%)	No. of Items	Value (million €)	Growth (%)	No. of Items	Value (million €)	Growth (%)
1995	493	1088.1		254	436.4		239	651.7	
1996	497	1185.3	8.9	252	492.5	12.9	245	692.8	6.3
1997	481	1322.0	11.5	242	545.1	10.7	239	776.9	12.1
1998	527	1356.2	2.6	275	553.1	1.5	252	803.1	3.4
1999	507	1493.9	10.2	259	516.6	-6.6	248	977.3	21.7
2000	533	1717.6	15.0	276	646.9	25.2	257	1070.7	9.6
2001	540	1811.3	5.5	279	665.0	2.8	261	1146.3	7.1
2002	546	1959.0	8.2	283	598.7	-10.0	263	1360.3	18.7
2003	585	2038.3	4.0	316	573.8	-4.2	269	1464.5	7.7
2004	599	2275.4	11.6	318	636.1	10.9	281	1639.3	11.9

Source: Eurostat, European Community

the growth rate has fluctuated. This trend in the value of exports is clearly discernible in Chart 2.7. In 2004, Pakistan exported a total of 599 items of textiles and clothing to the EU-15, amounting to €2.3 billion, of which 318 items amounting to €636 million were textile items and 281 items amounting to €1.6 billion, came under the clothing category.

Chart 2.7
Trend in the Value of Exports



2.4.3 Trend of Top 25 Textile and Clothing Exports

We now focus on those specific 6-digit HS Code items that constituted Pakistan's major exports to the EU-15 over the period 1995-2004. For textile exports, top 25 items in each of the selected years are shown in Table A-2.1 (the letter A in numbering of Tables denotes Annexure and will apply throughout this report)². These items have accounted for more than three-fourths of total textiles exports to the EU-15 from Pakistan in each selected year. Note, that there are 15 items (highlighted in the Table) which Pakistan exported consistently to the EU-15 over the specified period. Of these items, 2 are

related to cotton and yarn each, 1 to carpets and 9 items to fabrics. Moreover, among these 15 items, there are only 6 items whose export value increased over time while for the remaining 9 items the value of exports, after increasing until 2000, has continued to decline since then. In 2004, 'plain woven fabric of polyester staple fibers unbleached or bleached (HS Code 551311)' was the top export item followed by 'carpets and other floor covering (HS Code 570110),' 'plain woven fabrics of cotton (HS Code 520812)' and 'yarn containing predominantly polyester staple fibers (HS Code 550953).' In the earlier years too, these items were in the list of top exports.

Table A-2.2 presents the 25 items for Pakistan's top clothing exports for each of the selected years³. These items constituted at least 80 percent of the total clothing exports to the EU-15 in each of the selected years. The highlighted 18 items are ones that Pakistan has been continuously exporting to the EU-15. Of these 18 items, 8 are related to readymade garments, 4 to bed-sheets, 3 to accessories, 2 to toilet linen and 1 item to curtains. Also, among these, there are 12 items whose value of exports increased consistently over time. The Table also shows that in each year 'men's or boys' trousers, bib and brace overalls, breeches (HS Code 620342)' and 'printed bed-linen of cotton (HS Code 630221)' remained the top two export items. Besides these, 'women's or girls' trousers, bib and brace overalls, breeches (HS Code 620462),' 'printed bed-linen of man-made fibers (HS Code 630222),' 'bed-linen, knitted or crocheted (HS Code 630210),' 'toilet linen and kitchen linen of terry toweling (HS Code 630260)' have also been the major export items for Pakistan.

2.4.4 Top 25 Exports of Textile and Clothing vis-à-vis Competitors

How have Pakistan's competitors performed in exports to the EU-15 of the same items that constitute the top 25 export items of Pakistan? Table A-2.3 presents the comparative picture of top 25 textile exports of Pakistan with the corresponding exports of its competitor's for the year 2004. Among these items, although the value of Pakistan's exports are high in 11 items compared to its competitors (see highlighted items), Pakistan has a clear-cut advantage in 3 items only. In these three items, which are 'plain woven fabric of polyester staple fibers, unbleached or bleached,' 'plain woven fabric of polyester staple fibers, printed' and 'woven fabric of synthetic staple fibers, unbleached or bleached,' Pakistan does not appear to face much competition. The major competitors of Pakistan in top 25 exports of textiles, as evident from Table 2.7, have been Turkey, India and China.

Table A-2.4 depicts a similar picture in case of top 25 clothing exports of Pakistan. Among these items, the value of Pakistan's exports, although, high in 5 items compared to its competitors (see highlighted items), seems to beat all its competitors in absolute magnitude in 3 of these items. These are 'printed bed-linen of man-made fibers,' 'bed-linen of man-made fibers,' and 'men's and boys' jackets and blazers of cotton.' In the other 2 of the 5 items that Pakistan has high exports of - 'printed bed-linen of cotton' and 'toilet and kitchen linen of cotton' - it faces immense competition from Turkey. In the remaining 20 items, the value of Pakistan's exports is far less than those of its competitors, suggesting stiff competition.

2.5 PROFILE OF PAKISTAN'S EXPORTS TO THE EU-15 VIZ-A-VIZ ITS COMPETITORS IN 105 COMMON ITEMS

So far, the study has focused on the profile of Pakistan's and its competitors' exports to the EU-15 based on the top 25 items that Pakistan exports. But what is the comparative picture of Pakistan vis-à-vis its competitors more broadly i.e. including those items that other countries may have a larger market in. Recall that earlier, 105 items were narrowed to focus on empirical work, which constituted more than 90 percent of the value of total exports of textile and clothing by Pakistan to the EU-15. These items were selected for Pakistan and for its competitors and hence, were common in all the 16 countries (Pakistan and its competitors). Among these 105 selected items, 40 items are related to textiles and 65 items to clothing. In this section, the report analyses the comparative picture of Pakistan and its competitors in these common items.

2.5.1 Selected 40 Common Items of Textile

Chart 2.8 presents a comparative picture of Pakistan and its competitors regarding these 40 common textile items that the EU-15 imports from these 16 countries, which shows the share each country acquires of these items in the value of EU-15 imports. Compared to its competitors, the share of import of these common items from Pakistan was the highest at 27 percent in 2004, followed by Turkey (19.6 percent), India (14 percent) and China (13.4 percent)⁴. However, the situation was somewhat different in 1995, when India held the highest share at 24.4 percent, while the share of Pakistan was slightly lower at 23.9 percent.

There is no doubt that Pakistan was able to maintain its share in the EU market for its main textile exports during 1995-2004, in which the ATC with its gradual quota reduction was in effect. However, the vastly better performance of Turkey and China compared with Pakistan's is a cause for concern. This is evident from Table 2.5, which gives the value of exports of these items by each country and Average Compound Growth Rate (ACGR) of these exports in each country during 1995-2004. Specifically, the value of the EU-15 imports of these items from Pakistan increased from €368 million in 1995 to €528 million in 2004, an ACGR of 3.7 percent per year. On the other hand, the value of imports from Turkey increased from €250 million to €381 million, a growth of 4.3 percent per annum

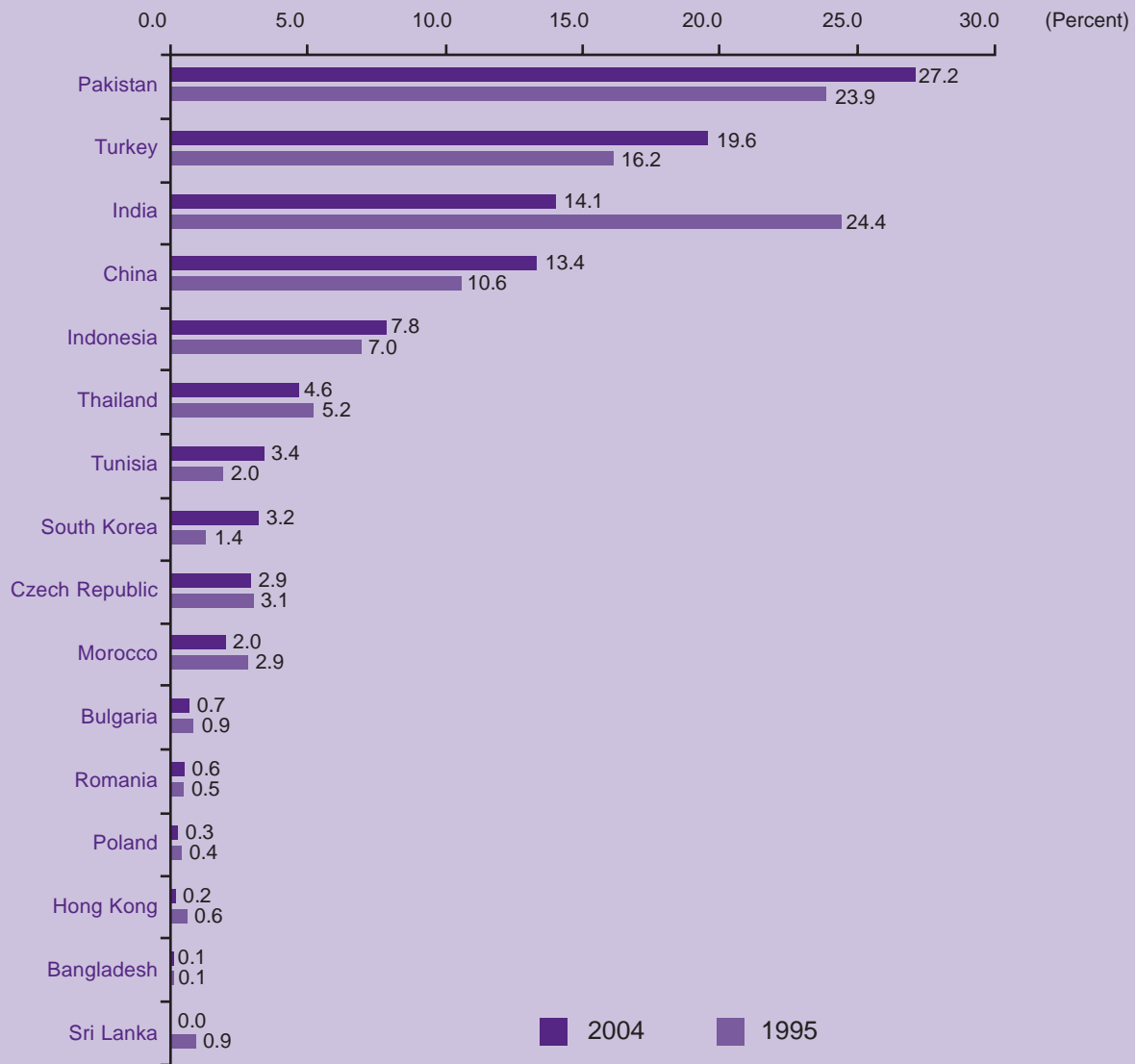
Table 2.5
Comparative Picture of Pakistan and its Competitors in 40 Common Textile Items
(Euros Million)

Country	1995	2004	ACGR*
Pakistan	368.3	528.2	3.7
Turkey	250.3	381.3	4.3
India	377.0	273.9	-3.1
China	163.2	259.8	4.8
Indonesia	107.8	152.7	3.5
Thailand	80.9	89.7	1.0
Tunisia	30.5	66.2	8.1
South Korea	21.1	62.2	11.4
Czech Republic	47.4	56.6	1.8
Morocco	44.5	39.5	-1.2
Bulgaria	13.3	13.4	0.1
Romania	7.6	11.4	4.2
Poland	6.0	5.0	-1.8
Hong Kong	9.9	3.7	-9.4
Bangladesh	0.9	1.1	3.0
Sri Lanka	14.5	0.5	-28.3
Total	1543.1	1945.2	

*Annual Cumulative Growth Rate.

Source: Eurostat, European Community

Chart 2.8
Share of Pakistan and its Competitors
in 40 Common Textile Items



Source: Eurostat, European Community

and from China it increased from €163 million to €260 million, a growth of 4.8 percent per year during the period under review. Similarly, some other countries, such as South Korea, Czech Republic, Romania and Indonesia, have also displayed growth in their export of these items, although starting from a low base.

Thus other countries have made inroads in Pakistan's traditionally strong items even in textiles, suggesting that Pakistan's future position in these products may not be guaranteed. However, it should also be noted that Pakistan had not at least lost its market share up to 2004 like in the case of India, Morocco and Hong Kong.

Exports of Textiles Covered by Quota Restrictions

We now look at a breakdown of these 40 items, considering each one separately for each country. Data on the quota fill rate of these items are also provided.

At the outset, it should be mentioned that the EU did not maintain quota restrictions on imports from all the 16 countries included in the sample. The EU had granted preferential treatment status (and thereby no quota restrictions) on imports from Bangladesh, Morocco, Tunisia and Turkey during 1995-2004. In addition, quota restrictions on imports from Bulgaria, Czech Republic, Poland and Romania were removed after 1997. As for imports from Sri Lanka, very few items were covered under these restrictions during 1995-2000, which later were completely removed after 2000. However, imports from Pakistan, India, China, Hong Kong, Indonesia, South Korea and Thailand were subjected to substantial quota restrictions over the study period.

Of the selected 40 textile items, at the 6-digit level of HS Code, the EU-15 maintained quota restrictions on the imports of 33 items from 7 countries that are mentioned above. Table A-2.5 and Table A-2.6 presents the value of exports of these 33 items by these countries to the EU-15 quota fill rate of these items for 1995 and 2004, respectively. The value of exports of these 33 items by another 9 countries, where exports have been granted a preferential status, is also reported in these Tables.

As can be seen from Table A-2.5, of the 27 items where quota was assigned to Pakistan, it met 100 percent of its quota in all the items, except two in 1995. For China, 28 items were subjected to quota restrictions, of which it realized 100 percent quota in 20 items. Likewise, India out of 28 items, met 100 percent quota in 5 items while in 13 items its quota realization was 91 percent; Indonesia out of 30 items, met 100 percent quota in 7 items while in 13 items its quota realization was 91 percent; South Korea out of 31 items, met 100 percent quota in 3 items while in 5 items its quota realization was 94 percent; Thailand out of 28 items, did not meet 100 percent quota in any item while in 26 items its quota realization was in the range of 90-94 percent. In 2004 (see Table A-2.6), the quota realization went down slightly for the items where Pakistan and China realized 100 percent quota in 1995, as indicated by the lower fill rates in 2004. Yet, in Pakistan there were 20 items where the value of its exports increased in 2004 compared to that in 1995. However, in India, Indonesia, South Korea and Thailand, the quota fill rates declined considerably in the majority of items.

Considering all the 16 countries, in 1995 Pakistan competed in 11 items out of the 33 shown in terms of highest value of its exports compared to other 15 countries⁵. India competed in 8 items, Indonesia in 4 items and China, Thailand and Turkey in 3 items each. In 2004, the situation changed considerably, when Pakistan had an edge in 19 items, Turkey in 6 items, China in 4 items and India, Indonesia and Thailand in 1 item each. Recall that these are items chosen where Pakistan has been a significant player, so what must be taken from the above is how Pakistan's strong position has been moving over time. There are of course, many other items in textiles and clothing, where Pakistan may not be a big player but the other countries might be.

Another noteworthy feature that can be seen from these Tables is that Pakistan has been assigned the highest quota in a majority of the items. This can be observed by comparing the quota fill rates along with the value of exports for all the countries. For example, in items where Pakistan and other countries used to have 97 or 98 percent quota fill rate, the value of Pakistan's exports was significantly higher compared to other countries. In addition, with the exception of Turkey, exports were not significant from countries where they were not subject to quota restriction. And perhaps, among other things, these could also be the external factors that contributed towards Pakistan's strength in these items in the EU-15 market.

Exports of Textiles Exempted from Quota Restrictions

The study also considers exports of the remaining 7 items, which were not subjected to quota restrictions during 1995-2004. Table A-2.7 gives the value of exports of these items by 16 countries. In 1995, the major exporters of these items were in the order: Pakistan, India, Turkey and China⁶. In 2004, this order got reshuffled to Turkey, China, India and Pakistan. Out of these 7 items in 1995, Pakistan and India had an advantage in 3 items, whereas, Turkey in 1 item. By 2004, China came into the scene with having an advantage in exporting 2 items. Turkey became a leading exporter in 2 items, while India in 1 item.

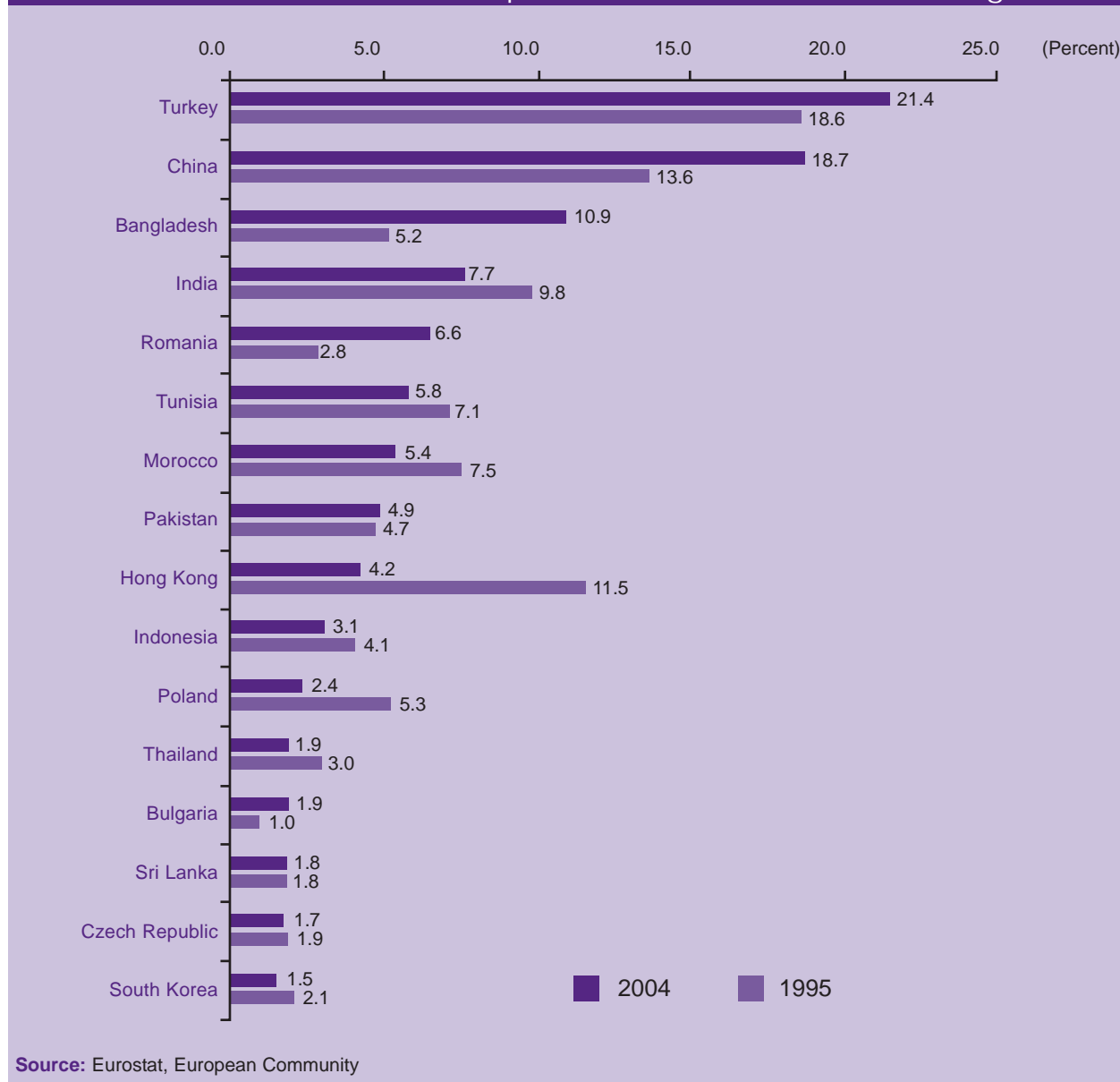
2.5.2 Selected 65 Common Items of Clothing

Chart 2.9 depicts the comparative picture of Pakistan and its competitors in 65 selected clothing items in the EU market. Of the total value of imports of these items from 16 countries, the share of the value of imports from Pakistan was slightly below 5 percent during in 1995 and 2004⁷. Among these countries, Pakistan ranks at number 8 in terms of imports of these 65 items by the EU-15. Turkey remained the EU-15's top most importer of these items, with a share of 18.6 percent in 1995 and 21 percent in 2004. Next, was China, with a share of 13.6 percent in 1995 and 19 percent in 2004. In addition, Bangladesh and Romania rapidly crept into the EU market during 1995-2004. The share of clothing imports from Bangladesh in these 65 items went up from 5 percent in 1995 to 11 percent in 2004 and that from Romania, 3 percent to 6.6 percent. Besides these countries, India, Tunisia and Morocco also had a higher share in the EU imports compared to that of Pakistan.

Now, consider the growth in the value of imports from Pakistan and from those countries whose share was higher than that of Pakistan. Table 2.6, illustrates that the highest growth of almost 19 percent per annum occurred in imports from Romania and of 17.4 percent per annum from Bangladesh. The reason for this high growth could be the preferential treatment in quotas given to these countries by the EU. Next to these countries, was the growth in imports from China, Turkey and Pakistan, respectively.

In case of China, increase in imports was from €1.8 billion in 1995 to €5.9 billion in 2004 (a growth of 12.5 percent per annum). The EU-15 imports from Turkey rose from €2.5 billion to €6.7 billion (a growth of 10.6 percent per annum) and imports from Pakistan rose from €619 million to €1.5 billion (a growth of 9.4 percent per annum). Compared to Pakistan,

Chart 2.9
Share of Pakistan and its Competitors in 65 Common Clothing Items



the value of imports from countries like India, Tunisia and Morocco remained higher but they grew at a rate lower than that from Pakistan during this ten-year period.

Exports of Clothing Covered by Quota Restrictions

Considering the situation of the 65 clothing items, there are 51 items where the EU-15 maintained quota restrictions. Table A-2.8 and Table A-2.9 give the value of exports of these items for Pakistan and its competitors for 1995 and 2004, respectively. They also report quota fill rate of the respective country applied by the EU on the imports of clothing items. According to Table A-2.8, in 1995, Pakistan met its assigned quota more than 90 percent in 10 items, where 30 items of its exports were covered under quota restrictions. In comparison, China realized its assigned quota above 90 percent in 35

items where all 51 items were subjected to quota. Besides these, Hong Kong fulfilled more than 90 percent of its allotted quota in 13 items, out of 43 items that were subjected to quota while India and Indonesia met assigned quota in 2 items out of 16 items.

Since 1995-2004 was the period of gradual phasing out of quotas for items that were earlier covered under quantitative restrictions, the gradual reduction of quotas occurred differently for different countries. For 4 items (HS Code 620711, 620791, 620821 and 620891) these restrictions were removed across the board, as is apparent from Table 2.15. Given this

scenario, the number of items covered under quota restrictions reduced to 26 for Pakistan, 36 for China, 25 for Hong Kong, 14 for Indonesia, 30 for South Korea and 21 for Thailand. Surprisingly, in India the number of such items increased to 23 (see Table A-2.9). Of the items that were covered under quantitative restrictions, the number of items where Pakistan and India met more than 90 percent of their assigned quota increased to 14, for Indonesia to 11 items and for China to 30 items. South Korea and Thailand also met more than 90 percent of their allotted quota in 4 and 2 items, respectively.

In 1995, among the 51 items with quota restrictions, Turkey was the leading exporter in 17 items, China in 14 items, India in 8 items, Hong Kong in 5 items, Pakistan in 4 items, Tunisia in 2 items and Bangladesh in 1 item. In 2004, the situation of China changed significantly. In spite of having quota restrictions on these items, it succeeded in penetrating the EU market. In 2004, the number of items in which it had an edge (in terms of being the leading exporter) increased to 21. The situation for other countries also changed to an extent by 2004. For example, the number of items where Pakistan had an advantage of being the lead exporter increased to 5 and for Bangladesh it increased to 2, while Romania also had a lead in 2 items. However, in case of Turkey, India and Tunisia, the number of items where they had an advantage in, declined to 16, 4 and 1, respectively.

Table 2.6
Comparative Picture of Pakistan and its Competitors in 65 Common Clothing Items
(Euros Million)

Country	1995	2004	ACGR*
Turkey	2450.1	6707.7	10.6
China	1798.3	5863.4	12.5
Bangladesh	685.9	3420.3	17.4
India	1291.9	2394.8	6.4
Romania	365.5	2054.4	18.8
Tunisia	936.2	1813.3	6.8
Morocco	987.9	1677.2	5.4
Pakistan	619.3	1524.0	9.4
Hong Kong	1521.0	1326.8	-1.4
Indonesia	537.1	967.2	6.1
Poland	693.4	755.6	0.9
Thailand	390.2	598.2	4.4
Bulgaria	134.1	595.0	16.1
Sri Lanka	239.5	575.6	9.2
Czech Republic	244.9	543.2	8.3
South Korea	279.0	481.4	5.6
TOTAL	13174.3	31298.1	9.0

*Annual Cumulative Growth Rate.

Source: Eurostat, European Community

The items where Pakistan was the leading exporter in 1995 and in 2004 were 'printed bed-linen of cotton,' 'printed bed-linen of man-made fibers,' 'bed-linen of man-made fibers' and 'toilet linen and kitchen linen of cotton.' Not only was the value of Pakistan's exports the highest in these items when compared to other countries, it also increased over time. In these items Pakistan had been facing competition from Turkey, China and India. As far as quota realization in these items is concerned, Pakistan realized 96 percent to 99 percent and China realized 93 percent of its assigned quotas. Note, that for items such as bed-sheets, table and toilet linen, there were no quota restrictions in 1995 on exports by India as well as by Hong Kong, Indonesia and South Korea. In subsequent years, the exports of these items by India were also assigned certain quota of which it met 78 percent in case of bed-sheets and above 80 percent in case of toilet and table linen in 2004.

Exports of Clothing Exempted from Quota Restrictions

Now turning towards the remaining 14 of the 65 selected clothing items where exports remained exempted from quantitative restrictions during 1995-2004. Table A-2.10 presents the value of these exports by all the 16 countries. In 1995, China was competitive in 4 items and its position strengthened further in 2004, making it the lead exporter in 9 items. Besides China, Turkey, India and Pakistan were the other top exporters of these items without quota restrictions. In 1995, out of these 14 items, Turkey and Pakistan had an advantage in 3 items, India in 2 items, Poland and Tunisia in 1 item each. However, by 2004, for Turkey and Pakistan the items in which they were leading exporters declined to just 1, whereas for India they increased to 3.

2.6 CONCLUSION

The purpose of this chapter was to provide a detailed profile of Pakistan's exports of textiles and clothing as well as the exports of Pakistan's international competitors to the EU countries over the period of the gradual quota reductions in effect under the ATC from 1995 to 2004 period. This was done by studying the trade patterns at the aggregate levels of textiles and clothing categories and the detailed by-product trade classified according to the 6-digit level of the HS Code trade classification. The motivation for studying the trade patterns in detail was to establish some stylized facts and understand the nature of the trade and highlight the most important developments in this regard before proceeding to the more formal econometric work.

This chapter began by establishing that since by far the bulk of Pakistan's exports to the EU are concentrated in the EU-15 countries, it would not be an egregious injustice to the data to confine our analysis to the EU-15 only for the questions we are ultimately interested in, which relate to implications of quota removal for Pakistan-EU trade. Concentrating on total EU-15 imports, it was found that during 1995-2004, the growth in the value of textile imports has been rather modest but the growth of imports of clothing items has been remarkable.

Next, it ascertained who Pakistan's major competitors for its textiles and clothing exports to the EU-15 were, and their trade with the EU compared to Pakistan's trade, at the relatively aggregated levels of total textiles and total clothing trade. Pakistan's major competitors were found to be the following fifteen countries: Bulgaria, Bangladesh, China, Czech Republic, Hong Kong, India, Indonesia, Morocco, Poland, Romania, South Korea, Sri Lanka, Thailand, Tunisia and Turkey. Of these, Bulgaria, Czech Republic, Poland, and Turkey are located relatively nearer to the EU market while the rest are more distant like Pakistan.

Looking at the sum of textiles and clothing exports to the EU-15 among Pakistan's competitors, China, Turkey and India have had the largest share of the EU-15 market over the considered ten-year period. Pakistan's share of the market has held fairly steady at an average of 4 percent and from 1995 to 2004 Pakistan had moved up one notch to become the 8th largest supplier. Considering the exports of only the textile items, in 2004, China came to dominate the market with a market share at 23 percent of the EU-15, followed by Turkey with a share of 19 percent, whereas the market share of India and Pakistan decreased during the study period (India's share fell from 19 percent in 1995 to 14½ percent in 2004, while that of Pakistan's from 9 percent to 7½ percent). In clothing too, China and Turkey remained big players throughout the study period, with a market share of 26 and 18 percent, respectively in 2004. The emergence of Romania and Bangladesh over the period is also evident. Pakistan's share of the EU-15 clothing market went slightly up from 2.3 percent in 1995 to 3.5 percent in 2004.

The chapter also wanted to compare the relative importance of the EU countries as a trading partner of Pakistan as compared to Pakistan's other markets. The EU clearly emerged over the period as an important market for Pakistan until 2002. Pakistan's textile and clothing exports constituted 64 percent of total exports of Pakistan in 2002 and of these textile and clothing exports, 38 percent were destined for the EU-15 markets. However, in 2004 Pakistan's textile and clothing exports constituted 66 percent of total exports of Pakistan in 2002 and of these textile and clothing exports, only 27 percent were marketed to the EU-15.

In looking at trade by each item, the study started by considering for each year those 25 items at the 6-digit HS code level in each of the two broad categories of textiles and clothing that Pakistan had the most exports to the EU-15 in. It then compared Pakistan's performance of these items in which it appears to have at least some sort of "niche" in comparison to those of its major competitors. The following salient features emerged:

- The top 25 items of textile exports for Pakistan in 2004 were: Plain woven fabrics of polyester staple fibers, unbleached or bleached; Carpets and other textile floor coverings, of wool or fine animal hair; Plain woven fabrics of cotton, unbleached; Yarn containing of polyester staple fibers mixed with cotton; Woven fabrics of

cotton, unbleached; Plain woven fabrics of polyester staple fibers, printed; Plain woven fabrics of polyester staple fibers, dyed; Cotton waste; Denim cotton; Single cotton yarn of combed fibers; Plain woven fabrics of cotton, printed; Cotton, neither carded nor combed; Woven fabrics of polyester staple fibers, unbleached or bleached; Single cotton yarn, of uncombed fibers, containing cotton; Plain woven fabrics of cotton, bleached; Woven fabrics of cotton, unbleached; Plain woven fabrics of cotton, unbleached; Multiple folded cotton yarn; Woven fabrics of yarn of synthetic filament unbleached or bleached; Woven fabrics of yarn of synthetic filament dyed; Plain woven fabrics of polyester staple fibers, unbleached or bleached; Woven fabrics of cotton, unbleached; Woven fabrics of synthetic staple fibers, unbleached or bleached; Woven fabrics of yarn of synthetic filament printed; Woven fabrics of cotton, unbleached.

- The top 25 items of clothing exports for Pakistan in 2004 were: Men's or boys trousers of cotton; Printed bed-linen of cotton; Women's or girls trousers of cotton; Printed bed-linen of man-made fibers; Bed-linen, knitted or crocheted; T-shirts, singlets and other vests of cotton; Toilet linen and kitchen linen of terry toweling or terry fabrics of cotton; Bed-linen of man-made fibers; Bed-linen of cotton; Jerseys, pullovers, cardigans of cotton; Curtains of synthetic fibers; Curtains of cotton; Full-length or knee-length stockings; Toilet linen and kitchen linen of cotton; Women's or girls trousers of cotton, knit or crochet; Men's or boys jackets and blazers of cotton, knit or crochet; Men's or boys shirts of cotton, knitted or crochet; Men's or boys singlets, dressing gowns of cotton; Women's or girls blouses, shirts and shirt-blouses of cotton; Gloves, mittens and mitts, coated/covered with plastics/ rubber; Gloves, mittens and mitts, of cotton, knit/crochet; Floor-cloths, dish-cloths, and similar cleaning cloths; Jerseys, pullovers, cardigans, waistcoats of man-made fibers; Table linen of cotton; Made-up articles of textile materials.
- Pakistan seems to have captured the market share relative to its competitors in 3 items of textiles; 'plain woven fabric of polyester staple fibers, unbleached or bleached,' 'plain woven fabric of polyester staple fibers, printed' and 'woven fabric of synthetic staple fibers, unbleached or bleached.'
- Pakistan's major competitors in its top 25 items of textile exports are Turkey, India and China.
- In clothing, Pakistan appears to have had a niche in the items; 'printed bed-linen of man-made fibers,' 'bed-linen of man-made fibers,' 'men's and boys' jackets and blazers of cotton.' 'printed bed-linen of cotton' and 'toilet and kitchen linen of cotton'. Turkey was its major competitor in these items.
- In other clothing items, Pakistan faces quite tough competition.

The study also considered a broader list of 105 common items of textiles (40 items) and clothing (65 items) to go beyond the 25 items and incorporated those items which Pakistan exports significantly but is not a major player in. Pakistan's position in these

items relative to other countries was also examined. These 105 items constituted over 90 percent of Pakistan's exports to the EU-15. The following main features were noted:

- Pakistan maintained and even gained market share during 1995-2004 in all of the 40 textile items added together but performance of some key competitors like China and Turkey over the same period has been stronger.
- Pakistan was granted high quotas in the textile items and was able to meet a majority of these quotas, measured at a fill rate of 90 percent or greater.
- Pakistan is much less of a player in supplying clothing items to the EU-15, with its market share of the 65 items being considered at 5 percent in 2004.
- However, there is some evidence that Pakistan has been increasing its share in these 65 clothing items and thus making some inroads in moving up the value chain to clothing items from textile items.
- Pakistan had a clearly strong niche in exports of bed linen to the EU-15 over the period under review.

This was the detailed picture established in this part of where Pakistan stood over the period of the ATC in exports of textiles and clothing to the EU-15 markets vis-à-vis its competitors. With this picture in mind, one can proceed to the next chapter to the formal empirical analysis of the implications of complete elimination of textile quotas, starting from January 1, 2005.

ENDNOTES

¹Countries included in the EU-15 are Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden and United Kingdom, and refers to these countries wherever the EU-15 is used in the report.

²Top 25 items were considered in each of the selected years and it was found that in the years subsequent to 1995, the export of some items was discontinued and some new items were introduced. Thus, when 25 items for all the selected years were put together in a table, the number of items totaled more than 25. And so, there appear 38 items in Table 2.5.

³See endnote 2.

⁴Note that this is not a complete reflection of the entire items of textiles exported by Pakistan and the selected 15 competitors, but of those 40 items that were common in exports of Pakistan and its competitors.

⁵One thing needs mentioning here. The item "woven fabrics" (HS Code 540761) was not imported by the EU, at all, in 1995 while its import had a significant value in 2004.

⁶One thing needs mentioning here. The item 'fabrics, knitted or crocheted (HS Code 600242)' which had a considerable value of import in 1995 was not entirely imported by the EU in 2004. Given this, the remaining items reduced to 6 in 2004.

⁷Note again that this is not a picture of the entire items of clothing exported by Pakistan and the selected 15 competitors, but a picture of those 65 items that were common in exports of Pakistan and its competitors.

3

Empirical Analysis of the Effects of Quota Removal on Pakistan-EU Textile Trade

Most analyses of the potential effects of quota removal on textile trade have focused on simulations from Computable General Equilibrium (CGE) models¹. While this procedure can be very useful, it does have the important limitation that it does not build upon the actual experiences and actual environment of textile trade that countries have faced. There has been relatively little analysis in this area based on projections from the actual disaggregated textile trade data by country and by product. This study attempts to fill this gap for Pakistan by undertaking empirical analysis of the effects of quota removal on Pakistan-EU trade, based on the disaggregated data set that is put together and that was discussed in detail in the previous chapter.

As it was observed from an examination of the data in the period up to 2005 when textile quotas were in place, while some countries and some products faced import quotas for goods being exported to the EU, others did not. Moreover, the extent to which countries were able to fill their assigned quotas also differed from country-to-country and from product-to-product. Additionally, under the ATC in 1995, quotas were to be gradually relaxed on a pre-scheduled timetable and were removed altogether from every textile product at the end of 2004.

This study uses all this and other information available in the data to conduct a thorough econometric analysis in this chapter. The central motivation is that by projecting from differences between countries and products which had quotas and those that did not, from differences among products when countries are able to fill their quota and when they are not and from the effects of the gradual relaxing of quotas over time under the ATC, a lot of information can be gleaned about the potential effects of the quota removals that became effective on January 1, 2005. In particular, the empirical analysis of this study uses this methodology to quantify two things: (1) the potential effects on Pakistan's exports of various textile and clothing items to the EU-15 in the new environment of quota-free trade, and (2) the broader implications of the quota removals for import prices in the EU-15, to gauge the size of gains for consumers in the EU.

This chapter is organized as follows. In section 1, we set out the main issues and hypotheses to be tested. Section 2 provides a review of existing empirical literature. Section 3 lays out the empirical methodology that is employed to estimate and quantify the various effects. Section 4 reports the results from the econometric work, including the implications of quota removal. Finally, Section 5 concludes, including a discussion on policy implications of the empirical results.

3.1 MAIN ISSUES

Before 2005, trade in textiles and clothing had been substantially distorted by protection for many decades, much more so than trade in most other types of products. Besides the tariff protection that typically exists for many traded goods, industrial countries imposed a complex system of bilateral quotas on imports of textile-related products from developing countries in 1974, under the Multi-Fiber Agreement (MFA).

Effective 1995, the MFA was replaced by the ATC, which called for a gradual phase-out of the quantitative restrictions over a ten-year period. The phasing out of the textile quotas occurred in several stages; at the beginning of 1995, 1998, 2002 and 2005, with a greater fraction of specific goods and products becoming quota-free at each stage, ending finally with the elimination of the quotas altogether, starting on January 1, 2005. At each phase, the goods that became quota-free were incorporated into the WTO rules, which do not allow quantitative restrictions. Since there was a choice on which goods to integrate first, not surprisingly, many countries chose to integrate those goods first where utilization rates were low. Thus, in practice, the bulk of the liberalization was back loaded and significant quotas were still present until the beginning of 2005.

The elimination of quotas can have big implications for the Pakistan-EU trade. Exports of textiles and clothing constitute 66 percent of Pakistan's total exports and the EU is a big trading area for Pakistan with a share of 26 percent in its exports of textiles and clothing.

According to economic theory, the movement away from free trade and the introduction of distortions, including quantitative restrictions in the form of quotas, can prevent the proper allocation of resources and thus lead to inefficient outcomes. A key effect is that the presence of quotas can prevent consumers from obtaining goods at the lowest possible prices and, therefore, the removal of quotas should benefit consumers of textile-related products all over the world, including in the EU, in the form of lower prices.

Among the producers, there will be both gainers and losers when the quotas are removed. Producers in those developing countries who can produce textile products more cheaply and are able to utilize and fill their quotas fully would be expected to benefit. Taken together as a group, the potential producers in these countries would gain, even though those few producers who actually held the licenses in the quota-regime would lose. The aggregate gains to the potential producers in those countries who can produce textile goods cheaply would be expected to come at the expense of producers of textiles in industrial countries, where production costs of such products are relatively higher, and also come at the expense of those producers in developing countries who could not meet their quotas - that is, where quotas were non-binding. Indeed, this is generally regarded as the main reason for the imposition of the quotas by countries in the first place - to protect their domestic producers and follow a policy of import substitution.

The situation gets a bit more complicated because the relative position of those countries, which were able to easily meet their quotas before and how competitive they were with respect to each other in terms of price and quality also matters a lot. When quotas are eliminated, a particular country which was meeting its quotas in the environment with quantitative restrictions might still lose out to other countries which were also meeting their quotas before, if it is not as efficient as others are in the quota - free environment.

One main objective of this chapter is to clarify our understanding of the implications of elimination of textile quotas and to quantify the effects on Pakistan's exports of textiles to the EU-15. Another major objective, as stated earlier, is to quantify the effect on prices that the EU consumers face for textile goods on the elimination of quotas, in order to get some idea of how large the welfare gains to the EU consumers in terms of lower prices might potentially be.

The chapter also deals with the effects of tariffs. While the effects of changes in tariff rates are well understood in qualitative terms, there are not many studies for Pakistan estimating the size of these effects. An additional contribution of this chapter, therefore, is to quantify the effects of tariffs on Pakistan's textiles exports to the EU.

More specifically, the empirical analysis will examine whether the very large and disaggregated data set that has been put together supports the following four hypotheses:

Hypothesis 1: *Import tariffs by the EU lower their volume of textile imports by raising the effective (inclusive of tariff) price paid by the EU consumers and by lowering the effective (exclusive of tariff) price received by producers in the exporting countries.*

Hypothesis 2: *Geography matters, but less so for goods that are likely to have a lower share of total costs being transportation costs (that is, a higher value-to-weight ratio). In other words, goods that have a lower value-to-weight ratio (heavier goods) are more likely to be imported from countries that are nearer to the importing countries in the EU .*

Hypothesis 3: *Import quotas on textile products by the EU that prove to be binding have a negative effect on the volume of exports to EU of these products.*

Hypothesis 4: *Import quotas on textile products by the EU that prove to be binding lead to these products becoming more expensive to the EU consumers.*

Quantifying the effects and testing these hypotheses using the methodology described in the next section, will help to understand the implications of the results for the effects of quota removals on Pakistani textile exporters and the EU consumers of these products.

3.2 REVIEW OF THE LITERATURE

The literature in this area is quite vast. In this section, papers that are most relevant to this study in three different areas are discussed: models which compute export tax equivalents of quotas, models which emphasize the increased demand for timely delivery of some type of products, e.g. high fashion clothing, and Computable General Equilibrium (CGE) models. Representative papers for each area are discussed below.

3.2.1 Models Computing Export Tax Equivalents

For the exporting country, a quota can be regarded as similar to an export tax in terms of its restrictive impact on exports. Thus, many studies consider the effects of the export quotas by computing an export tax equivalent that would have the same implications as the quota. Here one such representative study is discussed that is targeted towards the experience of South Asian countries, Kathuria et al (2001). Export tax equivalents are computed in the study by taking the ratio of the difference between the price in the restricted (with quotas) and unrestricted (without quotas) markets to the unit value of exports. Thus, it gives the quota premium as a percentage of the unit value of exports.

The results of the study suggest that, for India, the export tax equivalents of the quotas had increased in the period after 1999 to an average of 40 percent in India's U.S. markets and 20 percent in India's EU markets. This means that barriers to Indian exports increased substantially after 1999, and that there was excess demand for Indian products in these markets. Thus, according to the results of the study, India has the potential to benefit substantially from the abolition of quotas in terms of increased market access, employment and output growth as well as productivity gains.

The limited evidence from South Asia analyzed in this study shows that altogether the region would gain from the abolition of quotas. However, the gains were found to vary across countries. The study also pointed out that reforms in domestic policies to raise productivity in the industry would enhance these gains.

3.2.2 Models Emphasizing Increased Demand for Timely Delivery

A study by Evans and Harrigan (2003), focuses on the importance of timely delivery in determining trade patterns. In a general equilibrium framework of the demand for timeliness and its implications for global specialization in trade, they model the idea that time is money and distance matters. The authors base their analysis on the experience of the global textile and apparel industry, which observed two simultaneous trends during the 1990s. The first trend was the rise of 'lean retailing,' a set of business practices made possible by advances in information technology that allow retailers to hold small inventories and still respond rapidly to fluctuations in consumer demand. The second trend was a shift in location of production away from the lower wage environment of Asia towards higher-wage locations in Mexico and the Caribbean.

They argue that the two trends are related to each other: lean retailing created the demand for timeliness, which could only be met by producers located near the US (United States) market. They test this hypothesis using a unique dataset that combines product-level information from departmental store chain in the US with detailed information on trade flows and trade barriers.

The results of the study show that products where timely delivery is important are produced near the source of final demand. As a result, wages tend to be higher in the nearer source countries and tend to be lower in distant source countries that specialize in products where timeliness is less important. An implication of their model is that the shift in the US imports of apparel to nearby countries-Mexico and the Caribbean-are disproportionately concentrated in goods where timeliness is important. We will incorporate their idea of nearer markets being different from distant markets for certain types of goods in our empirical work.

In a follow-up study also incorporating the idea of importance of timely delivery, Evans and Harrigan (2004), analyse the effects of MFA on the sources and prices of the US apparel imports, with particular emphasis on imports from the East Asian countries. Specifically, for sources of imports, they test the hypothesis that imports of products where rapid replenishment is essential grow from nearby countries whereas lighter products (low value- to-weight ratio) can also come from distant countries.

In order to test this hypothesis, they estimated an equation for the US import growth using detailed product level data from various importing countries for the 1991 to 1998 period. Their results showed that, although apparel exports of East Asian countries to the US had increased because of trade liberalization, the formation of the North American Free Trade Agreement (NAFTA) and the Caribbean Basin Initiative (CBI) as well as technological change and increased demand for rapid replenishment of some products, worked against these countries and led to trade being diverted to Mexico and the Caribbean. Thus, the total elimination of textile quotas in the case of capturing the US markets may work to the advantage of countries located near the US, and it would be less likely for trade patterns to return to the trend they were before NAFTA and the CBI.

The authors also use the same panel data set to examine the effects of binding and non-binding quotas on the US import prices. They find that at least those quotas that are binding lead to a significant increase in the US import prices. While more will be discussed in the next section, the work for this study has patterned both the EU import quantities and import price equations after the study of Evans and Harrigan (2004), which pertained to the US data.

3.2.3 Computable General Equilibrium Models

An excellent review of the literature of quantitative studies on the effects of textile and clothing market liberalization, with a view to identify gaps in analytical research in this area, is provided in an OECD (2003) study. The simulations on the effects of

liberalization and reforms discussed in the study rely on differing modeling approaches, base data and structural assumptions consistently indicate considerable shifts in textile production and trade due to the implementation of MFA phase-out and Uruguay round tariff reductions. Not surprisingly, with quota removal, the production of textile and clothing is expected to increase in Asian and other developing countries. At the same time, it is expected to contract significantly in industrialized countries.

Most of the studies reviewed in the OECD paper to assess the global effects of the removal of quotas and tariffs on textile and clothing trade use either static or dynamic CGE models. A prominent CGE model used is the Global Trade Analysis Project (GTAP) model. General equilibrium models, as opposed to partial equilibrium models, take into account the interrelationships between different sectors of the economy and the effect that changes in one sector may have on prices, output and employment and other variables in the other sectors. As it is known that in CGE the equations of the model are not estimated but the key parameters of the model are calibrated and the solutions are computed. The effects of policy changes are then simulated based on how different policies change the computed solutions of the model.

In some cases the researchers assumed perfect competition with constant return to scale while in other cases they assumed monopolistic competition with increasing return to scale. Analyses have also been done by using partial equilibrium model for two sectors - textiles and clothing. These studies generally conclude that the abolition of quota would benefit most countries and result in substantial global welfare gains. For example, a study by the International Monetary Fund (IMF) using the GTAP model estimated that each job saved in a developed country by the imposition of tariffs and quotas costs about 35 jobs in a developing country. The elimination of quotas and tariffs on textile and clothing in developed countries would generate nearly 27 million jobs in developing countries and, of the total welfare gains, about two-third would accrue to developing countries.

Studies have also been conducted to evaluate the impacts of ATC reforms for particular regions. Results of a CGE model for the EU shows that Germany France and the UK (United kingdom) would be the main beneficiaries of ATC reforms. The findings of a partial equilibrium approach indicate that the US is also expected to gain considerably from liberalization of the textile and clothing trade and that protection is apt to be an advantage for mainly the higher income groups who reap most of the protection-inflated industry profits.

For Asian countries, the findings of a GTAP-CGE model suggest that although trade liberalization would accelerate output growth in China it would be largely a result of rapid growth in production of clothing, whereas textile output would be slower. In the Newly Industrialised Economies (NIEs), on the other hand, overall economic growth would tend to decline as these countries would probably face severe competition from China in clothing production. However, the increased textile demand from China and other efficient clothing producing countries is likely to promote increase textile production in the NIEs.

A study used to evaluate the impact on the Bangladeshi economy of the phase-out of textile and clothing quotas using the GTAP model is that of Mlachila and Yang (2004). The analysis in the paper focuses primarily on medium term effects on the trade account, real Gross Domestic Product (GDP) and employment. In the case of Bangladesh, restriction in the form of quotas and tariffs are in effect only in the US markets, while in Bangladesh's other major markets, the restrictions have been removed. Its major competitors, however, faced the restrictions in most of their markets. This has given Bangladesh an edge over its competitors.

The findings from GTAP model simulations reveal that the factors that seemed to have contributed towards Bangladesh's impressive export performance of textile and clothing, in particular for readymade garments in recent years, were low wages, initial Foreign Direct Investment (FDI) flows and generous quotas in the restricted markets, relative to its major competitors. But with the elimination of quotas in their entirety for all countries, Bangladeshi exporters now face much tougher competition. The simulation results showed that Bangladesh's export could fall substantially following quota removal and hence its Balance of Payments (BoPs) position could be weakened. While the readymade garments sector's direct contribution is small in Bangladesh, the impact of quota removal could be amplified through labour market rigidities and indirect effects through backward and forward linkages to the rest of the economy. The resulting pressure on production and employment could be severe. However, reforms in the domestic policy environment, particularly improvement in infrastructure, reduction in lending rates and improvement in labour, environmental and quality standards could help to mitigate the negative effects.

Another study by Nordus (2004), assessing the impact of liberalization of textile and clothing trade emphasizes the technological and managerial development that has taken place in the sector. Nordus also uses the GTAP model to analyze post-ATC trade patterns. But he also attempts to capture the importance of timely delivery to the market, by focusing on the distance to the supplier as well as on trade barriers, using the framework of the gravity model.

Contrary to most of the studies concluding that China and India would likely to dominate the world trade in textile and clothing after removal of quotas, Nordus argued that the earlier estimates told only part of the story, as they were derived by considering changes in the relative prices and cost competitiveness only. Incorporating timely delivery to market, an important factor in fashion clothing these days, he concluded that countries close to the major markets of the US, Canada and the UK would likely be less affected by the competition from China and India. His results showed that Latin America would gain market access to the US at the expense of Asia, while Central and Eastern Europe would gain market share in the EU.

He also computed a vertical specialization index, by taking imported inputs contained in exports as a share of total exports. The notion behind this is that the inputs embodied in the final product cross borders several times and as such trade is very

sensitive to the tariff level. Given this, the outcome of phasing out of quotas will depend by a great deal on the prevailing tariff rates and the preference margins of countries receiving such preferences. The upshot of the analysis was that the small countries were more likely to be engaged in vertical specialization than larger countries and the MFA quota system had a negative impact on vertical specialization.

A study dealing directly with the implications for Pakistan was conducted by the World Bank (2004). It provides a preliminary analysis of the consequences for Pakistan of abolishing the quotas that were in place under the ATC. According to the study, in assessing the likely impact of the removal of quotas, the policy responses that might be undertaken are very important.

The study considered four experiments by using the LINKAGE model maintained at the World Bank (WB), which is based on the GTAP database of the global economy. The first experiment was the abolition of the quotas against Pakistan's export of textile and clothing to the US, the EU and Canada. The second experiment was the abolition of the quotas against all exporters from developing countries who are restricted by these quotas. The third experiment tested the effect of improvement in total factor productivity in Pakistan and other competing countries. And the last experiment combined the quota abolition with the improvement in total factor productivity in both textile and garment sectors.

The findings revealed that whether developing countries as a group gain or lose from abolishing quotas on textile and clothing depends on whether the loss of quota rents associated with the regime outweigh the gains due to increased efficiency in resource allocation and in consumption. It was found that the abolition of quotas in Pakistan and on its export competitors would make Pakistan better off in the export of textiles, but would reduce its competitiveness in exports of clothing.

Thus, the benefits accruing to Pakistan after the complete abolition of quotas would depend on the extent to which exports from Pakistan are restricted relative to exports from other suppliers, the strength of the competitive relationship between the two suppliers and the extent of complementarities associated with global production sharing. At the same time, it is very important to raise productivity in order to take advantage of the opportunities created by the abolition of quotas and to deal with the competitive threats associated with the removal of quotas.

3.3 EMPIRICAL METHODOLOGY

The goal of the empirical work in this study is to examine the likely implications for Pakistani exporters and European consumers of the abolition of textile quotas from January 1, 2005. As mentioned earlier in Chapter 2, a panel data-set would be used for empirical analysis, which involved both cross-section and time-series element. The time-series element is the years and the cross-section elements are countries and products. The results are thus based on estimated equations that incorporate the actual historical experience of textile trade rather than computations based on simulated models².

3.3.1 Modeling the EU-15 Imports of Textiles and Clothing When Quotas are not Binding or no Quotas

First, we specify an import volume equation, using those observations in the sample where there are no quotas, or the countries are unable to meet the quotas fully so that the quotas are not binding. The basic idea is to try to characterize what imports look like in the absence of quotas, so that the effects of the removal of quotas can be projected.

There are two main features that the estimated EU equation for imports of textiles, (estimated without the binding quota observations), is intended to capture:

1. The higher the tariff rate imposed by the EU, the less imports there will be
2. Goods that are lighter and, therefore, have lower transportation/freight costs will be subject to stiffer export competition even from faraway countries

These features are embodied in the following estimated equation:

$$\ln M_{cit} = \mu_t + \mu_{ci} + \beta_1 \ln(1 + \tau_{cit}) + \beta_2(dist_c \times v_{cit}) + \varepsilon_{cit} \quad [1]$$

where,

\ln represents the natural logarithm of a variable,

M_{cit} = volume of the EU-15 imports from country c of textile product i in year t ,

τ_{cit} = tariff rate on imports from country c of good i at time t .

v_{cit} = value-to-weight ratio of imports of product i from country c in year t ,

$dist_c$ = indicator variable that takes on the value 1 if the exporting country c is close to the importing EU-15 countries, 0 otherwise,

ε_{cit} = the error term of the import equation, capturing effects on imports that are not modeled,

and $\mu_t, \mu_{ci}, \beta_1, \beta_2$ are the effects to be estimated.

Note that μ_t represent time-fixed effects, which reflect factors that might make a particular year's imports of all goods from all exporting countries high or low (e.g. a strong or weak global economy). The number of estimated time-fixed effects would be equal to the number of years in the sample, one for each year. Similarly, the μ_{ci} represent country/good-fixed effects that might make a particular product's imports from a particular country high or low in all time periods (e.g. attributes affecting the quality of the good or trade agreements). The number of such estimated effects would be equal to the number of product-country pairs in the sample.

We would expect that $\beta_1 < 0$ under our hypothesis 1, which states that tariffs discourage imports. In fact, with the variables expressed in logarithms, this estimated effect has a very intuitive interpretation - a 1 percentage point increase in the tariff rate (say from 10 percent to 11 percent) would lead to a decrease of the magnitude of β_1 percent in imports.

Under our hypothesis 2, we would expect that $\beta_2 < 0$ also. Note, that the term involving this effect in equation (1) comes into play only for those exporting countries that are near the importing EU-15 countries, since the variable *dist* has a value of 0 for more distant countries. When the effect is negative, this means that for goods with a higher value-to-weight ratio (i.e. lighter goods), exporting countries near the EU will face competition even from farther places, so in general, imports of lighter goods into the EU-15 from nearer countries would be lower, other things equal.

Although the exact functional form is different, equation (1) is very similar in spirit to the specification used by Evans and Harrigan (2004), for modeling the US imports of textiles from China and the East Asian countries. Here we are applying the same arguments to the EU-15 imports of textiles from Pakistan and its competitors.

3.3.2 Predicting the Potential Effects on Pakistan's Exports to the EU-15 of Quota Removal

The effects of the quota removal on Pakistan's textile exports to the EU-15 are obtained by comparing the actual EU-15 imports of various textile items from Pakistan with the predicted imports implied by the estimated imports equation [equation (1) above], which is applied when the quotas are not there or are not binding. The detailed steps are given below:

First, let us note that the first difference of the logarithm of a variable is approximately its growth rate. So, the growth rate of imports can be written as:

$$\Delta \ln M_{cit} = \ln M_{cit} - \ln M_{ci, t-1} \quad [2]$$

We will use the expression on the left hand side above as a short hand notation for the right hand side, which just represents the growth rate of the variable.

Second, since equation (1) utilizes only those observations where the quotas were not binding or there were no quotas, the fitted values from this equation can be used to compute what export growth to the EU-15 from Pakistan would have looked like in the absence of any quotas, but with other things like tariffs as they were. Denote these simulated growth rates for Pakistan's exports to the EU-15 (which are the same as the EU-15 imports from Pakistan) as $\Delta \ln \hat{M}_{iit}$, where, without loss of generality, Pakistan has been labeled as the first country, so that $c = 1$, are those observations pertaining to Pakistan.

Third, for each textile good, get average amount by which import growth by EU-15 from Pakistan over the sample period would have been higher, had there been no binding quotas. We will call this the quota removal average growth potential for Pakistani exports to the EU-15 of good *i*. Specifically, this is computed by subtracting the actual growth rate of imports from the simulated growth rate:

$$\bar{q}_i = \frac{1}{10} \sum_{t=1995}^{2004} [\Delta \ln \hat{M}_{1it} - \Delta \ln M_{1it}] \quad [3]$$

where there are 10 years in the sample from 1995 to 2004. Note that, for those goods where quotas were never binding, there should be no effect on the potential for exports when the quotas are removed. For such goods, each of the summation terms in equation (3) should in principle be zero. However, in practice, actual values will always differ from fitted values because there are demand and supply shocks hitting the system. Sometimes these shocks will be positive and sometimes negative and the idea of taking the sample average is that such shocks might cancel out over time, leaving us the effect of the quota removal alone.

Finally, from these computations, those specific textile goods will be identified that have a high potential for an increase in Pakistan's exports to the EU-15 with the removal of the quotas.

3.3.3 Modeling the EU-15 Import Prices of Textile and Clothing

The EU import price estimated equations for various textile goods will help identify how much these prices might change as a result of quota removals (for all countries and not just for Pakistan). This will provide an idea of the potential welfare gains to consumers in the EU from elimination of the quotas. While economic theory makes strong qualitative predictions in this regard, we are attempting to quantify the magnitudes here.

True price data at a disaggregated level are not readily available and, therefore, generally researchers have used unit values as proxies for the true prices. Unit values are constructed from the raw data on the value and volume of the EU-15 imports from various countries as follows:

$$p_{cit} = \frac{\text{Value of imports}_{cit}}{\text{Volume (Quantity) of imports}_{cit}} = \frac{V_{cit}}{M_{cit}} \quad [4]$$

Note that these prices, proxied by unit values, are not inclusive of tariffs.

The estimated equation for the EU import prices is intended to capture the following two key features:

1. An increase in tariffs will generally raise the price inclusive of tariffs and reduce the price exclusive of tariffs. In other words, the burden of the tariff being paid to the government will, in equilibrium, be shared by the consumers (who will pay a higher effective price inclusive of tariffs, $p_{cit} (1 + \tau_{cit})$) and by the producers (who will receive a lower actual price exclusive of tariffs, p_{cit}).
2. Generally, when there exist quotas and they are binding constraints, the import prices will be higher. This is because the presence of binding quotas means that the full extent of the demand for imports cannot be satisfied by the most efficient producers because they face a quota limit.

The following specification of import prices - which includes all the observations both when quotas are binding and when they are not, or when there are no quotas - incorporates the above features:

$$\ln p_{cit} = \mu_t + \mu_{ci} + \alpha_1 \ln(1 + \tau_{cit}) + \alpha_2 binding_{cit} + \varepsilon_{cit} \quad [5]$$

where,

\ln represents the natural logarithm of a variable,

p_{cit} = unit value of the EU-15 imports from country c of textile product i in year t ,

τ_{cit} = tariff rate on imports from country c of good i at time t .

$binding_{cit}$ = indicator variable that takes on the value 1 if there is a binding quota for imports of product i from country c in year t , 0 otherwise,

ε_{cit} = the error term of the equation, capturing effects on import prices that are not modeled,

and $\mu_t, \mu_{ci}, \alpha_1, \alpha_2$ are the effects to be estimated, with the first two being time-fixed and country/good-fixed effects of the same type as discussed before.

We expect that $\alpha_1 < 0$, is consistent with the part of hypothesis 1 that states that tariffs should decrease the price exclusive of tariffs. Moreover, the magnitude of this negative effect would be between zero and unity - this must hold for the part of hypothesis 1 that states that the price inclusive of tariffs should rise to be true.

We also expect that $\alpha_2 > 0$, implying that import prices will, in general, be higher for those goods and for those countries and in those periods when quotas are binding. Given that the price on the left hand side is expressed as a logarithm, has the interpretation that it is the average percent amount by which the price is higher with a binding quota than without.

Again, the estimated price equation (5) is very similar in spirit to the import price equation for the US imports of apparel from China, modeled by Evans and Harrigan (2004).

3.3.4 Predicting the Potential Effects of Quota Removal on the EU-15 Import Prices

This is done by getting fitted values from equation (5), both with the quota effects in there and then without the quota effects. Details are as follows:

First, get fitted values from the estimate of equation (5), and label these as $\ln \hat{p}_{cit}$. This is what the model predicts the import prices to be with the quotas and tariff rates as they were in the sample. Second, from the estimated equation, compute what prices would have been without quotas. This is obtained by getting fitted values from equation (5) after setting $binding_{cit} = 0$. Label these fitted values as $\ln \bar{p}_{cit}$. Note, that for those

observations where there were no binding quotas, the variable, *binding*, would be zero anyway, so that the two fitted values would be the same. This makes sense, because if there were no binding quotas, they could not have had an effect on the price. In general, with binding quotas it is likely that $\hat{p}_{cit} > \tilde{p}_{cit}$ (that is, the price would be predicted to be higher with binding quotas than without).

Next, compute the average predicted percent change in the price for each product *i* as a result of the quota removal on all the countries as follows:

$$\Delta \bar{\rho}_i = \frac{1}{10 \times 16} \sum_{c=1}^{16} \sum_{t=1995}^{2004} [\ln \tilde{p}_{cit} - \ln \hat{p}_{cit}] \quad [6]$$

where, 16 is the number of countries (Pakistan and fifteen of its competitors in textile exports) and 10 is the number of years in the sample. The expression in (6) will generally be negative for those products for which there has been a binding quota on at least some countries in some time periods, indicating that the removal of the quota would lower the price. If the product has never been subject to a binding quota for any country during the entire sample period, the expression will have a value of zero.

Having quantified the effects of quota removal on the EU import prices in this way, we will identify those textile and clothing items where the quota removal can be expected to have a particularly large lowering effect on prices. These will be items for which quota restrictions have been particularly severe in the past.

3.4 ESTIMATION RESULTS AND THEIR INTERPRETATION

The empirical results obtained from estimating equations (1) and (5), along with their interpretation, are discussed in this section. The potential effects of removal of quotas on Pakistan's textile and clothing exports to the EU-15 and on import prices of the EU-15 are also discussed here.

3.4.1 Results of the EU-15 Import Volume Equation

Recall that in equation (1) the dependent, (or left hand side), variable consists of those observations of the import volume of textile and clothing by the EU-15 from 16 exporting countries included in the sample where either there were no quotas or the quotas were not binding. The independent (or right hand side) variables are the rate of tariff for the corresponding import volume observations and a dummy variable for countries close to the EU, weighted by the value-to-weight ratio. In a panel setting, the estimation utilizes annual data for the ten-year period from 1995-2004, 16 countries and 105 items of textile and clothing at 6-digit of HS Code. This results in the total number of observations in the data set being 16,800, of which, recall, that those where the quotas were binding are not used in estimating the import equation.

Table 3.1 reports the estimated results of the import volume equation. Since all the variables are in logarithmic form, the estimated coefficients give the elasticity of the respective variable. The estimated coefficient of tariff rate variable is negative and 1.24 in magnitude; it is statistically significant at the 5 percent level of significance. These results imply that a 1

Independent Variable	Coefficient	t-statistic
$\ln(1+\tau_{cit})$	-1.24	-2.7
$dist_c \times v_{cit}$	-0.046	-17.9
$R^2 = 0.87$	No. of observations = 13571	

Note: The regression includes time-fixed effects for each year and cross-section fixed effects for each country-product pair in the sample.

percentage point increase in the tariff rate lowers the quantity of imports of textile and clothing by the EU-15 of about 1.24 percent. This result thus supports the first hypothesis, which stated that the imposition of an import tariff by the EU on a particular product should lower the volume of textile and clothing imports of that item.

The coefficient attached to the dummy (or indicator) variable weighted by value-to-weight ratio is negative and statistically significant at a 1 percent level of significance. As mentioned earlier, the indicator variable is non-zero only for exporting countries near to the EU markets and has a value of 0 for more distant countries. Accordingly, the estimated coefficient indicates that imports of goods having a higher value-to-weight ratio (i.e. lighter goods with a lower share of the costs being transportation costs) are lower from nearby countries. In other words, goods that are lighter in weight and which have lower transportation costs are more likely to be imported from countries that are further from the EU-15 in distance compared to goods that are heavier. Thus, the results support the second hypothesis which stated that geography matters, but less so for goods that are lighter in weight having a lower share of total costs being transportation costs³.

Effects of Quota Removal on Pakistan's Exports

The study then used these coefficients to compute the predicted potential effects of quota removal on Pakistan's exports to the EU-15, by going through the steps described in detail in the earlier section. Results of these computations are given separately for textiles (Tables 3.2 and 3.3) and clothing (Tables 3.4 and 3.5).

Table 3.2 gives the textile items with binding quotas where the computations based on the estimated import equation show the potential effects of quota removal to be positive on Pakistan's exports. Of the 25 textile items in which Pakistan had binding quotas (i.e. met more than 90 percent of its assigned quota), only six items are showing up in this Table. In other words, according to the predictions of the estimated EU-15 import equation, Pakistan could increase its exports after quota removal in only the seven items shown, namely 'plain woven fabrics of cotton, dyed' with the highest potential of an increase in growth of 28.5 percentage points to 'single cotton yarn of

Table 3.2
Potential Effects of Removal of Quotas on Pakistan's Textile Exports to the EU-15 on Items with Binding Quota

HS Code	Commodity	Average increase in Growth of Exports (%points)
520832	Plain woven fabrics of cotton, weighing > 100 g to 220 g/m, dyed	28.5
520919	Woven fabrics of cotton weighing > 200 G/M unbleached	17.5
551419	Woven fabrics of synthetic staple fibres, mixed with cotton, unbleached or bleached	15.6
521011	Plain woven fabrics of cotton mixed with man-made fibres unbleached	12.4
520512	Single cotton yarn of uncombed fibres with a linear density of 232,56 decitex to < 714,29 decitex > mc 14 to mc 43	7.4
520523	Single cotton yarn of combed fibres with a linear density of 192,31 decitex to < 232,56 decitex > mc 43 to mc 52	7.0
520513	Single cotton yarn of uncombed fibres with a linear density of 192,31 decitex to < 232,56 decitex > mc 43 to mc 52	5.0

Source: SPDC estimates.

uncombed fibres' with the lowest potential of a 5 percentage points increase in growth. For the other 18 items in which Pakistan historically was able to meet its assigned quotas, it would appear that this was a result of higher demand for these products, rather than Pakistan having an efficiency edge over the other countries.

On the other hand, Table 3.3 reveals that for the 15 textile items not covered under quota restrictions or where the quotas for Pakistan were not met, the potential for growth in exports is positive in 9 of those items, where the model suggests that Pakistan could export more to the EU-15 than it has done historically. of these 9 items, the top 5 items are 'shorn wool, degreased, non-carbonised, neither carded nor combed,' 'fabrics of cotton, knitted or crocheted,' 'woven fabrics of yarn containing non-textured polyester filaments,' 'fabrics, knitted or crocheted' and 'woven fabrics of yarn of synthetic filament printed.'

Table 3.3
Potential Effects of Removal of Quotas on Pakistan's Textile Exports to the EU-15 on items not Covered by Quota or Quota not Binding

HS Code	Commodity	Average increase in Growth of Exports (%points)
510121	Shorn wool, degreased, non-carbonised, neither carded nor combed	54.4
600242	Fabrics, knitted or crocheted, warp knit, of cotton, of a width of > 30 cm	39.8
540761	Woven fabrics of yarn containing non-textured polyester filaments	28.2
600292	Fabrics, knitted or crocheted	26.3
540784	Woven fabrics of yarn of synthetic filament printed	26.0
580631	Narrow woven fabrics of cotton	17.5
540751	Woven fabrics of yarn containing textured polyester filaments, unbleached or bleached	17.4
520100	Cotton, neither carded nor combed	8.7
540781	Woven fabrics of yarn of synthetic filament unbleached or bleached	1.5

Source: SPDC estimates.

Table 3.4
Potential Effects of Removal of Quotas on Pakistan's Clothing Exports to the EU-15 on Items with Binding Quota

HS Code	Commodity	Average increase in Growth of Exports (%points)
630260	Toilet linen and kitchen linen of terry towelling or terry fabrics of cotton	31.7
620469	Women's or girls' trousers, bib and brace overalls, breeches and shorts of textile materials (excl. Wool, cotton or synth fib.)	5.8
620343	Men's or boys' trousers, bib and brace overalls, breeches and shorts of synthetic fibres	1.4
630221	Printed bed-linen of cotton (excl. Knitted or crocheted)	0.1

Source: SPDC estimates.

Table 3.4 gives the clothing items with binding quotas where the computations based on the estimated import equation show the potential effects of quota removal to be positive on Pakistan's exports. Of the 65 total clothing items in the study, Pakistan had binding quotas in 14 of them. Of these, the model is showing only 4 to be the ones in which Pakistan could maintain or increase its export growth - namely 'toilet linen and kitchen linen of terry toweling or terry fabrics of cotton' with the highest potential gain of an extra 32 percentage points of growth and 'printed bed-linen of cotton (excluding knitted or crocheted)' with the lowest potential gain of an extra 0.1 percentage point of growth added to what was seen historically.

On the other hand, of the 51 remaining clothing items in which Pakistan did not have quota restrictions or was not able to meet its assigned quota, as many as 26 are shown in Table 3.5. This again shows that if we look at the potential for export based on the predicted value from the model, there are a number of items in which Pakistan's predicted exports are greater than its actual exports, suggesting high export potential. Some of the items having growth of more than 40 percentage points are; 'women's or girls' dresses of cotton,' 'men's or boys' underpants and briefs of cotton,' and 'men's or boys' jackets and blazers of cotton.'

The findings do not appear to indicate a significant growth in exports, (after the abolition of quotas), of those textile and clothing items where quota utilization rate was above 90 percent. However, it should be noted that these results are heavily based on the particular estimated equation for imports. The idea was to give a start in quantifying the possible effects of quota removal in the absence of any such estimates based on the historical experience. But obviously, sensitivity to alternative specifications of the import equation needs to be examined. In particular, we have enough observations to estimate separate import equations for particular category of goods, such as clothing and textiles, separately or even a further break down into different groupings. Such estimations should be pursued in further work to determine the robustness of the results.

Even as they stand though, the results do not paint a completely pessimistic picture for Pakistan. Many of the items where exports were not restricted by quotas showed a considerable potential for an increase in growth of exports from Pakistan (i.e. the model

Table 3.5
Potential Effects of Removal of Quotas on Pakistan's Clothing Exports to the EU-15 on items not covered by quota or quota not binding

HS Code	Commodity	Average increase in Growth of Exports (%points)
610442	Women's or girls dresses of cotton, knitted or crocheted	45.4
620711	Men's or boys underpants and briefs of cotton (excl. Knitted or crocheted)	43.8
620332	Men's or boys jackets and blazers of cotton (excl. Knitted or crocheted, and wind-jackets and similar articles)	42.6
611420	Special garments for professional, sporting of cotton, knitted or croc	35.3
621600	Gloves, mittens and mitts, of all types of textile materials (excl. Knitted or crocheted and for babies)	32.6
610422	Women's or girls ensembles of cotton, knitted or crocheted	29.0
610831	Women's or girls nightdresses and pyjamas of cotton, knitted or crocheted	19.9
620452	Women's or girls skirts and divided skirts of cotton (excl. Knitted or crocheted and petticoats)	15.3
610721	Men's or boys nightshirts and pyjamas of cotton, knitted or crocheted	13.6
620821	Women's or girls nightdresses and pyjamas of cotton (excl. Knitted or crocheted)	12.9
620322	men or boys ensembles of cotton (excl. Knitted or crocheted, ski ensembles and swimwear)	11.3
610463	Women's or girls trousers, bib and brace overalls, breeches and shorts of synthetic fibres, knitted or crocheted	10.8
621133	Men's or boys track suits and other garments of man-made fibres	9.5
610990	T-shirts, singlets and other vests of textile materials, knitted or crocheted (excl. Cotton)	7.6
620193	Men's or boys anoraks, incl. Ski-jackets, wind-cheaters, wind-jackets of man-made fibres	7.4
620630	Women or girls blouses, shirts and shirt-blouses of cotton (excl. Knitted or crocheted)	7.0
611211	Track-suits of cotton, knitted or crocheted	6.7
620520	Men's or boys shirts of cotton	5.9
620920	Babies garments and clothing accessories of cotton (excl. Knitted or crocheted and hats)	5.2
630493	Articles for interior furnishing of synth fib. (excl. Blankets, travelling rugs, bed-linen, other linen, curtains)	5.1
620442	Women's or girls dresses of cotton (excl. Knitted or crocheted and petticoats)	4.2
610711	Men's or boys underpants and briefs of cotton, knitted or crocheted	3.7
621143	Women's or girls track suits and other garments of man-made fibres	2.3
631010	Used or new rags, scrap twine, cordage, rope and cables and worn out articles	2.1
611610	Gloves, mittens and mitts, impregnated, coated or covered with plastics or rubber	1.7
611120	Babies garments and clothing accessories of cotton, knitted or crocheted	0.1

Source: SPDC estimates.

predicts a higher growth in export of items not restricted by quota in several categories, many of them are in clothing). Are these results inconsistent with those in the WB (2004) study, which concludes that Pakistan can benefit only from an increase in textile exports but is likely to suffer losses in exports of clothing?

Not necessarily, since one must think about why Pakistan was not living up to its potential that the model is indicating in items where it was not constrained by the quotas. The main reasons to which this can be attributed are rising cost of production, declining productivity and concentration of exports in a few items. The WB (2004), points out that the decline in export growth may result because of increased competition from countries that have higher productivity in this sector as compared to Pakistan. Ara (2004), also shows that the input price index (or cost of production) has grown at a rate faster than that of export price index during 1973-2003. She further documents that although the growth in total factor productivity has been offsetting the negative impact of the growth in input prices, it does not fully offset the extent to which the increase in input prices have outpaced the increase in export prices.

As for concentration in exports, the data show that Pakistan's exports of textile and clothing are concentrated as compared to those of its competitors. For example, the number of items that Pakistan exports to the EU-15 are 599, whereas Turkey exports 812 items, China exports 811 items, India and Czech Republic export 770 items, Romania exports 717 items, and so forth. Further, the 105 common items, which represent 90 percent of the value of Pakistan's exports to the EU market, account for 43 percent of the value of China's exports to the EU-15, 70 percent of the value of Turkey's exports, 38 percent of the value of Czech Republic's exports and so forth (see Table 3.6). The WB (2004), also advocates the diversification in the textiles and clothing exports of Pakistan.

Table 3.6
Selected 105 Items in Textile and
Clothing Exports to the EU-15
(Percentage Share)

Country	1995	2000	2004
Pakistan	90.8	92.5	90.2
Bangladesh	70.4	79.2	88.7
Bulgaria	48.0	54.8	50.1
China	42.9	38.5	43.0
Czech Republic	35.0	31.2	38.0
Hong Kong	59.6	61.6	66.9
India	60.8	57.8	62.1
Indonesia	46.9	53.8	65.5
Morocco	62.7	64.9	67.7
Poland	38.4	44.8	41.1
Romania	38.1	48.6	51.3
South Korea	37.4	37.9	40.7
Sri Lanka	56.0	63.7	69.4
Thailand	61.6	63.4	60.9
Tunisia	61.0	65.1	66.7
Turkey	65.4	68.2	70.2

Source: Eurostat, European Community.

In the light of these reasons it can be said that quotas might have provided a cushion to Pakistan exports in the EU-15 market. In the absence of this protection and in an environment with greater competition, Pakistan may have a potential for enhancing exports in the post-quota environment, but it cannot be realized without developing a competitive edge against potential competitors, such as China and India. Concerns about the international competitiveness of Pakistan's industrial sector have been noted

in several studies (Lasll and Weiss, 2003, SPDC 2004, Ara 2004 and Martin 2004, among others). To address these concerns in the context of the textile sector, would require not just the investment in machinery and equipment that has taken place, but also investment in on-the-job training and skill up-gradation of workers and technological advancement as well as supportive government policies.

It should be worth emphasizing that another development that has been occurring simultaneously with the removal of quotas is the promotion of regional trade. Results in Table 3.1 show that imports of items with a higher content of transportation costs are more from nearby countries. Other studies discussed in the literature review have also emphasized the increased demand for timely delivery. The data collected for this study and discussed in detail in Chapter 2 support this notion. It is evident from this data, for example, how countries that are closer to the EU-15, particularly Turkey, are penetrating its markets. The elimination of textile quotas in all developing countries would thus provide the nearby countries with enhanced access to the EU-15 market. Given this scenario, it is also wise for Pakistan to develop better access to its nearby export markets, including India.

3.4.2 Results of the EU-15 Import Price Equation

The results from the estimation of equation (5), the import price equation should now be discussed. This equation is based on unit values (proxies for import prices) of the EU-15 imports from 16 countries as the dependent (right hand side) variable, with the tariff rate and an indicator variable for binding quotas being right hand side variables. As with the import volume equation, the estimation is done in a panel setting, using annual data for the 1995-2004 period.

Table 3.7 presents the estimate of the import price equation. The negative and statistically significant coefficient of the tariff rate variable implies that an increase in tariffs decreases the import price, exclusive of tariff. The estimate implies that a 1 percentage point increase in the tariff rate leads the price (exclusive of tariff) to fall by 0.94 percent. This means that the price inclusive of tariffs rises by 0.06 percent. These results are consistent with the price effects postulated earlier as part of hypothesis 1.

The presence of binding quotas raises the price of a good, as revealed by the positive and significant coefficient of binding, the indicator (or dummy) variable which takes the value of 1, if the quota is binding. The magnitude of the estimated coefficient implies that the

Independent Variable	Coefficient	t-statistic
$\ln(1+\tau_{cit})$	-0.94	-5.5
binding	0.089	5.5
$R^2 = 0.84$	No. of observations = 15317	
Note: The regression includes time-fixed effects for each year and cross-section fixed effects for each country-product pair in the sample.		

presence of a binding quota raises the import price of a product in the EU-15 market by an average of 8.9 percent. This is a rather large effect and is strongly supportive of our fourth hypothesis that import quotas on textile products by the EU that prove to be binding, increase the import price of respective textile and clothing products and make them more expensive to consumers in the EU. Thus, large gains in the economic welfare of the EU-15 consumers from the removal of the textile quotas are suggested by these results.

Effects of Quota Removal on the EU Import Prices

The fitted values from equation (5) with and without binding quota, as explained in section 3.3.4, are used to compute the predicted potential effects of quota removal on the EU-15 import prices. The average change in prices as a result of these effects are shown separately for textiles and clothing items that had binding quotas for at least some countries in some time period in Tables 3.8 and 3.9, respectively. For items that never had a binding quota for any country in any time period, the predicted price effects of quota removal would be zero, since there were no quotas to raise the price in the first place.

Table 3.8 depicts the percentage change in import price of textile items for the EU-15 consumers in the event of no quota and Table 3.9 portrays the effects of quota removal on the import price of clothing items. As expected, the Tables show that the imports price of all the products that have been subjected to quota - at least in some countries for some periods - decline after removal of quotas. However, the percentage by which these import prices decline is different for different products. The extent of the decline will depend on how many countries had a binding quota imposed on them by the EU and for how many years. For any product, the greater the number of years for which binding quotas were in place and the greater the number of countries on whom binding quotas were imposed, the greater will be the price reduction occurring for that product when the quotas are eliminated.

As can be seen from Tables 3.8 and Table 3.9, the predicted decline in the import price of items related to textile products that had a binding quota is in the range of 1.4 percent to 2 percent for items related to textiles and in the range 0.9 percent to 3.4 percent for items related to clothing. The analysis predicts that the greatest decline of 3.4 percent each will be in 'Jerseys, pullovers, cardigans, waistcoats of cotton' and 'Jerseys, pullovers, cardigans, waistcoats of man-made fibres'.

One may conclude from these results that, keeping other things constant, the removal of quotas from textile and clothing items would make the import of these items significantly cheaper for the EU consumers. This would in turn, improve the economic welfare of the consumers of these imports in the EU, reflecting part of the gains that are generally thought to accrue from freer trade.

Table 3.8
Potential Effects of Removal of Quotas on the EU-15
Import Prices for Textile Items with Quota

HS Code	Commodity	Average Price Reduction (%)
520812	Plain woven fabrics of cotton weighing > 100 g to 200 g/m, unbleached	-2.12
520813	Woven fabrics of cotton weighing <= 200 g/m unbleached	-2.12
520819	Woven fabrics of cotton weighing > 200 g/m, unbleached	-2.12
520821	Plain woven fabrics of cotton weighing <= 200 g/m, unbleached	-2.12
520822	Plain woven fabrics of cotton weighing > 100 g to 200 g/m, bleached	-2.12
520832	Plain woven fabrics of cotton, weighing > 100 g to 220 g/m, dyed	-2.12
520911	Plain woven fabrics of cotton weighing > 200 g/m, unbleached	-2.12
520912	Woven fabrics of cotton weighing > 200 g/m, incl. cross twill, unbleached	-2.12
520919	Woven fabrics of cotton weighing > 200 g/m unbleached	-2.12
521011	Plain woven fabrics of cotton mixed with man-made fibres unbleached	-2.12
521021	Plain woven fabrics of cotton mixed principally or solely with man-made fibres, bleached	-2.12
521031	Plain woven fabrics of cotton mixed principally or solely with man-made fibres, dyed	-2.12
521051	Plain woven fabrics of cotton mixed principally or solely with man-made fibres, printed	-2.12
551311	Plain woven fabrics of polyester staple fibres, weigh<=170 G/M unbleached or bleached	-1.50
551319	Woven fabrics of synthetic staple fibres mixed with cotton, unbleached or bleached	-1.50
551321	Plain woven fabrics of polyester staple fibres mixed with cotton, dyed	-1.50
551341	Plain woven fabrics of polyester staple fibres, printed	-1.50
551411	Plain woven fabrics of polyester staple fibres, weigh>170 G/M, unbleached or bleached	-1.50
551412	Woven fabrics of polyester staple fibres mixed with cotton cross twill, unbleached or bleached	-1.50
551419	Woven fabrics of synthetic staple fibres, mixed with cotton, unbleached or bleached	-1.50
520512	Single cotton yarn of uncombed fibres with a linear density of 232,56 decitex to < 714,29 decitex > mc 14 to mc 43	-1.39
520513	Single cotton yarn of uncombed fibres with a linear density of 192,31 decitex to < 232,56 decitex > mc 43 to mc 52	-1.39
520522	Single cotton yarn of combed fibres with a linear density of 232,56 decitex to < 714,29 decitex > mc 14 to mc 43	-1.39
520523	Single cotton yarn of combed fibres with a linear density of 192,31 decitex to < 232,56 decitex > mc 43 to mc 52	-1.39
520532	Multiple folded cotton yarn, of Uncombed Fibres Of Cotton	-1.39
540751	Woven fabrics of yarn containing textured polyester filaments, unbleached or bleached	-0.67
540761	Woven fabrics of yarn containing non-textured polyester filaments	-0.67
540781	Woven fabrics of yarn of synthetic filament unbleached or bleached	-0.67
540782	Woven fabrics of yarn of synthetic filament dyed	-0.67
540784	Woven fabrics of yarn of synthetic filament printed	-0.67
520852	Plain woven fabrics of cotton weighing > 100 G to 200 G/M, printed	-0.45
520942	Denim cotton, made of yarn of different colours	-0.45
550953	Yarn containing of polyester staple fibres mixed with cotton	-0.17

Source: SPDC estimates.

Table 3.9
Potential Effects of Removal of Quotas on the EU-15
Import Prices for Clothing Items with Quota

HS Code	Commodity	Average Price Reduction (%)
611020	Jerseys, pullovers, cardigans, waistcoats of cotton, knitted or crocheted	-3.40
611030	Jerseys, pullovers, cardigans, waistcoats of man-made fibres, knitted or crocheted	-3.40
620342	Men's or boys trousers, bib and brace overalls, breeches and shorts, of cotton	-2.78
620343	Men's or boys trousers, bib and brace overalls, breeches and shorts of synthetic fibres	-2.78
620462	Women's or girls trousers, bib and brace overalls, breeches and shorts of cotton	-2.78
620463	Women's or girls blouses, shirts and brace overalls, breeches and shorts of synthetic fibres	-2.78
620469	Women's or girls trousers, bib and brace overalls, breeches and shorts of textile materials (Excl. wool, cotton or synth fib.)	-2.78
610510	Men's or boys shirts of cotton, knitted or crocheted	-1.56
610520	Men's or boys shirts of man-made fibres, knitted or crocheted	-1.56
610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	-1.56
610990	T-shirts, singlets and other vests of textile materials, knitted or crocheted (excl. Cotton)	-1.56
610610	Women's or girls blouses, shirts and shirt-blouses of cotton, knitted or crocheted	-1.39
620630	Women's or girls blouses, shirts and shirt-blouses of cotton (excl. Knitted or crocheted)	-1.39
620520	Men's or boys shirts of cotton	-1.23
630221	Printed bed-linen of cotton (excl. Knitted or crocheted)	-1.06
630222	Printed bed-linen of man-made fibres (excl. Knitted or crocheted)	-1.06
630231	Bed-linen of cotton (excl. Printed, knitted or crocheted)	-1.06
630232	Bed-linen of man-made fibres (excl. Printed, knitted or crocheted)	-1.06
630260	Toilet linen and kitchen linen of terry towelling or terry fabrics of cotton	-0.89
610711	Men's or boys underpants and briefs of cotton, knitted or crocheted	-0.84
610332	Men's or boys jackets and blazers of cotton, knitted or crocheted	-0.72
611420	Special garments for professional, sporting of cotton, knitted or croch	-0.72
610442	Women's or girls dresses of cotton, knitted or crocheted	-0.67
620442	Women's or girls dresses of cotton (excl. Knitted or crocheted and petticoats)	-0.67
630251	Table linen of cotton (excl. Knitted or crocheted)	-0.56
630291	Toilet linen and kitchen linen of cotton	-0.56
611592	Full-length or knee-length stockings, socks and other hosiery	-0.50
620192	Men's or boys anoraks, incl. Ski-jackets, wind-cheaters, wind-jackets of cotton	-0.50
620193	Men's or boys anoraks, incl. Ski-jackets, wind-cheaters, wind-jackets of man-made fibres	-0.50
621132	Men's or boys track suits and other garments of cotton (excl. Knitted or crocheted)	-0.50
621133	Men's or boys track suits and other garments of man-made fibres	-0.50
621142	Women's or girls track suits and other garments of cotton	-0.50
621143	Women's or girls track suits and other garments of man-made fibres	-0.50
610342	Men's or boys trousers, bib and brace overalls, breeches and shorts of cotton, knitted or crocheted	-0.39
610462	Women's or girls trousers, bib and brace overalls, breeches of cotton, knit or croch	-0.39
610463	Women's or girls trousers, bib and brace overalls, breeches and shorts of synthetic fibres, knitted or crocheted	-0.39
611211	Track-suits of cotton, knitted or crocheted	-0.33
611212	Track-suits of synthetic fibres, knitted or crocheted	-0.33
620422	Women's or girls ensembles of cotton (excl. Knitted or crocheted, ski overalls and swimwear)	-0.33
620711	Men's or boys underpants and briefs of cotton (excl. Knitted or crocheted)	-0.33
620791	Men's or boys singlets and other vests, bathrobes, dressing gowns of cotton	-0.33
620821	Women's or girls nightdresses and pyjamas of cotton (excl. Knitted or crocheted)	-0.33
620891	Women's or girls singlets and other vests, briefs, panties, nógligús, bathrobes	-0.33
610721	Men's or boys nightshirts and pyjamas of cotton, knitted or crocheted	-0.28
610831	Women's or girls nightdresses and pyjamas of cotton, knitted or crocheted	-0.28
611120	Babies garments and clothing accessories of cotton, knitted or crocheted	-0.22
611610	Gloves, mittens and mitts, impregnated, coated or covered with plastics or rubber	-0.22
611692	Gloves, mittens and mitts, of cotton, knitted or crocheted	-0.22
611693	Gloves, mittens and mitts, of synthetic fibres, knitted or crocheted	-0.22
620322	Men's or boys ensembles of cotton (excl. Knitted or crocheted, ski ensembles and swimwear)	-0.22
620920	Babies garments and clothing accessories of cotton (excl. Knitted or crocheted and hats)	-0.22

Source: SPDC estimates.

3.5 CONCLUSION

This chapter empirically tested four different hypotheses regarding the EU-15 import of textile and clothing from Pakistan and its export competitors. These hypotheses related to the effects of tariffs and quotas on quantities and prices of the EU-15 imports and of the importance of proximity of importing countries for goods with high transportation costs. In order to test the key hypotheses, we estimated an EU-15 import volume equation and an EU-15 import price equation in a panel data framework with 105 products at 6-digit HS Code, 16 countries and a time period from 1995 to 2004.

Both the estimated equations provide a good fit and also have other good statistical properties. They also provide results that are quite intuitive and interpretable, and in line with the predictions of economic theory.

The results from estimation of the import volume equation indicate that: (1) imposition of tariffs by the EU lowers their volume of textile and clothing imports with an elasticity of about 1¼ percent; and (2) goods that are lighter in weight and, thus have lower transportation costs, are more likely to be imported from countries that are more distant to the EU-15.

Our results from estimation of the import price equation also lead to two main findings: (1) imposition of tariff reduces the price exclusive of tariff by about 0.9 percent and raises the price inclusive of tariffs by roughly 0.1 percent; and (2) import quotas on textile products by the EU that prove to be binding, increase the import price of textile and clothing by an average of 8.9 percent, thus making these goods considerably more expensive to the EU consumers.

Using the estimated equations, we also attempted to predict the effects of abolition of quantitative restriction on Pakistan's exports of textile and clothing to the EU-15 and on the import prices that the EU-15 consumers face for textile and clothing products. Out of 105 items included in the sample which constitute 90 percent of the value of total exports to the EU-15, there were 25 items related to textiles and 14 items related to clothing, where exports were restricted by quotas and these quotas were binding (having a fill rate of over 90 percent). Our findings reveal that exports from Pakistan to the EU-15 would potentially be higher after quota removal in only a relatively few number of those items. Of the 25 textile items, growth of exports from Pakistan is predicted to be higher after quota removal in only seven items (namely, 'plain woven fabrics of cotton, dyed,' 'woven fabrics of cotton , unbleached,' woven fabrics of synthetic staple fibres,' plain woven fabrics of cotton, unbleached,' two different types of 'single cotton yarn of uncombed fibres,' and 'single cotton yarn of combed fibres'). Similarly, of the 14 clothing items that had quotas which proved to be binding for Pakistan, export growth would be higher with quota removal for only 4 of those items ('toilet linen/kitchen linen of terry toweling cotton,' women's/girl's trousers of textile material other than cotton or synthetic fibres,' men or boys' trousers of synthetic fibres,' and printed bed-linen of cotton').

On the other hand when we compare predicted values of Pakistan's export growth (based on the estimated model) to actual export growth for those items with no quotas or where the quotas were not binding, a rather different picture emerges. Of the 15 textile items with no quotas or quotas that were not binding, in 9 of those items Pakistan's predicted export growth is greater than its actual growth rate, indicating some potential for further export growth. And, of the 51 items with no quotas or non-binding quotas in the clothing category, Pakistan's predicted export growth is greater than its actual export growth in 26 (or more than half) of the items, again indicating scope for further export expansion.

It should be emphasized that the above results are illustrative only. First, they are based on a particular model and robustness to alternative specifications and alternative models should be examined in further work. Second, finding potential for higher exports based on predicted values from the model merely indicates that in principle such potential exists. What is needed to realize that potential is a different matter which needs to be considered further.

No doubt, Pakistan's export performance in the post-quota world in which other potential exporters, such as China and India, also stand to gain from the quota removal, will depend on how competitive Pakistan will prove to be, relative to these countries. In this regard, according to the Global Competitiveness Report, Pakistan ranks behind India, Thailand, China, Turkey and Indonesia in global competitiveness⁴. The likely factors attributed for low relative competitiveness of Pakistan's exports are the high cost of production, cumbersome sales tax rebates, low productivity, inadequate technological up-gradation and investment in worker training and skill enhancement, poor quality of lint, concentration of exports in a few items, lack of innovation in design and style, insufficient infrastructure facilities, delays in shipment and deliveries of consignments, less reliable and uncompetitive modes of transport, and inefficient custom procedures.

Only firms having potential in promptly meeting changing patterns of consumer demand in style and design, offering better quality of products at competitive prices and timely shipment and delivery of orders can make inroads into capturing the international market. The role of government in this regard is to facilitate firms and industries in achieving international competitiveness with supportive policies. This, in turn, requires the government to design a broader and more meaningful investment policy, and to promote an investment-friendly business environment which can foster competitive strength. While progress has been made on this front in some dimensions, the overall investment-to-GDP ratio at 17 percent for Pakistan remains low, compared to its competitors such as China (38 percent), Thailand (36 percent), India (24 percent).

According to what we have heard from leading experts within the textile and clothing industry, it is likely that Pakistan would become a supplier of raw materials to China and India in the post quota regime, given its competitiveness in low value-added items and in certain end products. The government policies did not provide any support to the value-added sector, according to these experts. The growth in textiles would have been

much higher had the incentives been provided at a time when competition was about to start. The textile experts feel that it is required that the Government of Pakistan (GoP) formulate textile policy by studying the textile policies that Pakistan's competitors are pursuing in order to provide a level playing field to local producers. They recommended that cotton growing and ginning, the value-added sector and human development are the areas where massive investment is needed⁵.

According to the WB, increase in productivity of local firms is a prerequisite for increase in output and hence in exports. In a report related to Pakistan's growth and export competitiveness⁶, the Bank emphasized microeconomic fundamentals of competitiveness, such as enhancement in total factor productivity and an appropriate investment climate that accelerates productivity. They illustrate how this climate could affect efficiency and competitiveness at the level of firms. The report states: "In today's highly dynamic global markets under much reduced protection levels, competition is increasingly shaped by cost-competitiveness advantages. Pakistan needs to improve its microeconomic fundamentals to boost export competitiveness and promote export diversification. Given the relatively small size of its domestic economy, strong export performance will continue to be critical to sustaining higher growth."

With regard to the effects of quota removal on the import prices faced by the EU-15 consumers, the results of this study (based on the particular specification that has been used) predict that the import prices in the EU-15 of all products subjected to quotas that proved to be binding in at least some countries for at least some time period, would decline once these quantitative restrictions are abolished. Thus, keeping other things fixed, European consumers should accrue substantial welfare gains with the elimination of textile quotas, according to the study estimates.

ENDNOTES

¹Some examples of these models will be discussed in the literature review in Section 3.2.

²The two approaches should be viewed as complementary rather than substitutes.

³In this study, countries that are considered near to the EU-15 include Bulgaria, Czech Republic, Poland, Romania and Turkey.

⁴See Global Competitiveness Report (2005-06) of the World Economic Forum.

⁵See SPDC (2006).

⁶See World Bank (2006).

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Annexure

Table A-2.1 Major Textiles Exports of Pakistan

(Euros Million)

HS Code	Chapter	1995	1998	2000	2002	2004
510121	Shorn wool, degreased, non-carbonised, neither carded nor combed	5.4	.	.	.	.
520100	Cotton, neither carded nor combed	9.6	13.9	33.2	17.8	12.0
520299	Cotton waste (excl. Yarn waste, thread waste and garnetted stock)	17.3	20.4	26.5	17.5	14.3
520512	Single cotton yarn, of uncombed fibres, containing cotton	15.7	9.7	15.5	14.4	10.9
520513	Single cotton yarn of uncombed fibres with a linear density of 192,31 decitex to < 232,56 decitex > mc 43 to mc 52	3.3	5.5	.	.	.
520522	Single cotton yarn of combed fibres, containing cotton with density of 232,56 decitex	3.9	7.1	7.1	10.8	12.2
520523	Single cotton yarn of combed fibres, containing cotton with density of 192,31	7.0	6.4	.	6.9	.
520532	Multiple folded cotton yarn, of uncombed fibres of cotton	.	5.1	9.3	7.4	8.5
520812	Plain woven fabrics of cotton weighing > 100 g to 200 g/m, unbleached	26.0	11.8	25.5	29.5	47.7
520813	Woven fabrics of cotton weighing <= 200 g/m unbleached	.	.	.	.	6.4
520819	Woven fabrics of cotton weighing > 200 g/m, unbleached	4.1	.	.	.	10.4
520821	Plain woven fabrics of cotton weighing <= 200 g/m, unbleached	.	7.2	.	.	.
520822	Plain woven fabrics of cotton weighing > 100 g to 200 g/m, bleached	.	8.0	6.5	9.6	10.6
520832	Plain woven fabrics of cotton, weighing > 100 g to 220 g/m, dyed	3.7	4.3	5.1	4.6	.
520852	Plain woven fabrics of cotton weighing > 100 g to 200 g/m, printed	11.2	12.8	7.8	11.1	12.1
520911	Plain woven fabrics of cotton weighing > 200 g/m, unbleached	.	.	.	6.0	10.1
520912	Woven fabrics of cotton weighing > 200 g/m, incl. Cross twill, unbleached	7.1	4.9	6.0	14.6	17.4
520919	Woven fabrics of cotton weighing > 200 g/m unbleached	.	.	.	.	5.3
520942	Denim cotton, made of yarn of different colours	.	.	9.5	23.6	13.9
521011	Plain woven fabrics of cotton mixed with man-made fibres unbleached	5.0	20.3	30.7	13.0	.
521021	Plain woven fabrics of cotton mixed principally or solely with man-made fibres, bleached	.	.	4.3	.	.
521031	Plain woven fabrics of cotton mixed principally or solely with man-made fibres, dyed	.	.	4.8	.	.
540751	Woven fabrics of yarn containing textured polyester filaments, unbleached or bleached	.	5.1	.	.	.
540760	Woven fabrics of filament yarn containing non-textured polyester	6.5	.	.	.	.
540761	Woven fabrics of yarn containing non-textured polyester filaments	.	.	4.6	8.3	.
540781	Woven fabrics of yarn of synthetic filament unbleached or bleached	30.0	29.0	16.2	8.8	7.1
540782	Woven fabrics of yarn of synthetic filament dyed	.	.	6.1	6.0	6.6
540784	Woven fabrics of yarn of synthetic filament printed	3.8	6.3	9.1	6.4	5.7
550953	Yarn containing of polyester staple fibres mixed with cotton	43.5	71.7	60.5	36.5	32.0
551311	Plain woven fabrics of polyester staple fibres, weigh<=170 g/m unbleached or bleached	49.2	82.2	108.4	104.3	114.0
551319	Woven fabrics of synthetic staple fibres mixed with cotton, unbleached or bleached	.	.	.	4.6	6.3
551321	Plain woven fabrics of polyester staple fibres mixed with cotton, dyed	12.2	19.4	20.7	20.7	16.5
551341	Plain woven fabrics of polyester staple fibres, printed	10.9	20.6	26.7	23.5	17.3
551411	Plain woven fabrics of polyester staple fibres, weigh>170 g/m, unbleached or bleached	3.5	11.9	10.7	.	6.5
551412	Woven fabrics of polyester staple fibres mixed with cotton cross twill, unbleached or bleached	8.0	6.0	13.4	11.8	11.9
551621	Woven fabrics of artificial staple fibres, unbleached or bleached	5.6	.	.	.	.
570110	Carpets and other textile floor coverings, of wool or fine animal hair	50.4	53.9	81.8	81.9	84.8
600292	Fabrics, knitted or crocheted	11.6	5.8	.	.	.
	Total of above (a)	354.5	449.2	549.9	500.0	500.5
	Grand total (b)	436.4	553.1	646.9	598.7	636.1
	(a) as percent of (b)	81.2	81.2	85.0		

Source: Eurostat, European Community

Table A-2.2
Major Clothing Exports of Pakistan

(Euros Million)

HS Code	Chapter	1995	1998	2000	2002	2004
610332	Mens or boys jackets and blazers of cotton, knitted or crocheted	.	.	.	.	22.1
610442	Women or girls dresses of cotton, knitted or crocheted	7.0	.	.	.	.
610462	Women or girls trousers, bib, brace overalls, breeches of cotton, knit or croch	40.1	30.4	27.2	24.0	30.7
610510	Men s or boys shirts of cotton, knitted or crocheted	11.8	20.3	18.1	18.3	21.7
610610	Women s or girls blouses, shirts and shirt-blouses of cotton, knit or crocheted	.	.	.	.	19.0
610721	Men s or boys nightshirts and pyjamas of cotton, knitted or crocheted	8.0	7.6	.	.	.
610831	Women s or girls nightdresses and pyjamas of cotton, knitted or crocheted	16.2	16.6	14.6	11.4	12.3
610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	23.4	27.1	40.3	47.0	80.7
611020	Jerseys, pullovers, cardigans, waistcoats of cotton, knitted or crocheted	18.3	22.6	28.8	43.5	50.8
611030	Jerseys, pullovers, cardigans, waistcoats of man-made fibres, knit or crocheted	.	.	.	10.5	16.1
611211	Track-suits of cotton, knitted or crocheted	7.2	.	.	.	.
611420	Special garments for professional, sporting of cotton, knitted or crocheted	7.7	.	.	.	.
611592	Full-length or knee-length stockings, socks and other hosiery	11.2	15.6	21.3	17.7	34.8
611610	Gloves, mittens and mitts, impregnated, coated with plastics or rubber	.	.	8.5	11.5	18.4
611692	Gloves, mittens and mitts, of cotton, knitted or crocheted	14.1	16.8	19.1	17.4	17.0
620342	Men s or boys trousers, bib and brace overalls, breeches and shorts, of cotton	58.3	93.0	130.0	179.6	164.3
620462	Women s or girls trousers, bib and brace overalls, shorts of cotton	27.4	39.5	67.7	103.8	111.2
620520	Men s or boys shirts of cotton	19.1	7.5	.	.	.
620791	Men s or boys singlets and other vests, bathrobes, dressing gowns of cotton	11.3	.	11.0	13.8	19.1
620891	Women s or girls singlets and other vests, briefs, panties, nógligús, bathrobes	16.4	11.1	13.7	11.4	.
621133	Men s or boys track suits and other garments of man-made fibres	.	.	9.0	.	.
621142	Women s or girls track suits and other garments of cotton	12.8	7.9	9.4	.	.
621143	Women s or girls track suits and other garments of man-made fibres	.	.	.	8.3	.
630210	Bed-linen, knitted or crocheted	38.1	47.8	62.8	64.2	86.8
630221	Printed bed-linen of cotton (excl. knitted or crocheted)	79.6	88.8	92.7	119.4	134.4
630222	Printed bed-linen of man-made fibres (excl. knitted or crocheted)	14.8	40.2	69.0	85.7	91.4
630231	Bed-linen of cotton (excl. printed, knitted or crocheted)	19.0	35.0	41.9	57.1	58.2
630232	Bed-linen of man-made fibres (excl. printed, knitted or crocheted)	.	10.3	26.6	66.2	64.0
630251	Table linen of cotton (excl. knitted or crocheted)	.	7.1	.	.	16.1
630260	Toilet linen and kitchen linen of terry towelling or terry fabrics of cotton	26.6	40.3	59.2	74.4	79.8
630291	Toilet linen and kitchen linen of cotton	13.3	16.3	21.2	26.2	34.5
630391	Curtains, incl. drapes, and interior blinds, curtain or bed valances of cotton	6.9	15.4	20.9	23.7	44.3
630392	Curtains, incl. drapes, and interior blinds, curtain of synthetic fibres	.	13.0	28.0	44.9	45.9
630710	Floor-cloths, dish-cloths, dusters and similar cleaning cloths	9.9	9.1	10.9	13.0	16.4
630790	Made-up articles of textile materials, incl. dress patterns	.	8.9	11.0	12.2	14.4
	Total of Above (A)	518.6	648.3	863.0	1105.5	1304.3
	Grand Total (B)	651.7	803.1	1070.7	1360.3	1639.3
	(A) as percent of (B)	79.6	80.7	80.6	81.3	79.6

Source: Eurostat, European Community

Table A-2.3
Top 25 Items of Textiles Exports by Pakistan to the EU-15 vis-à-vis Competitors in 2004
(Euros Million)

HS Code	Commodity	Pak	Bang	Bulg	ChinaCz Rep	H Kong	India	Indo	Morocco	Poland	Roma	S Kora	S Lanka	Thai	Tuni	Turk
551311	Plain woven fabrics of polyester staple fibres, weight<=170 g/m unbleached or bleached	114.0	-	0.0	9.1	0.7	0.0	0.7	13.1	0.2	0.0	0.0	0.0	14.0	-	0.3
570110	Carpets and other textile floor coverings, of wool or fine animal hair	84.8	0.0	0.0	9.0	0.0	0.0	88.1	-	9.5	0.0	0.2	0.0	0.4	3.3	15.3
520812	Plain woven fabrics of cotton weight > 100g to 200 gm, unbleached	47.7	0.0	3.2	35.7	3.6	1.5	30.8	24.4	0.1	0.9	0.3	0.7	16.1	7.1	6.1
550953	Yarn containing of polyester staple fibres mixed with cotton	32.0	-	-	0.8	5.1	0.0	32.6	19.4	0.0	-	0.1	-	1.8	0.1	2.1
520912	Woven fabrics of cotton weighing > 200 g/m, incl. Cross twill, unbleached	17.4	0.1	0.6	1.1	2.3	-	3.9	0.5	1.0	0.0	0.0	0.0	0.5	1.7	2.7
551341	Plain woven fabrics of polyester staple fibres, printed	17.3	-	-	0.1	0.0	-	0.1	0.0	0.0	0.0	0.0	-	0.1	0.1	0.2
551321	Plain woven fabrics of polyester staple fibres mixed with cotton, dyed	16.5	-	0.1	1.2	0.1	0.0	0.4	7.1	0.0	0.1	0.1	0.5	6.2	0.0	1.1
520299	Cotton waste (excl. Yarn waste, thread waste)	14.3	-	0.5	0.4	0.5	0.0	4.5	1.8	1.6	0.1	0.0	2.9	0.1	1.4	0.8
520942	Denim cotton, made of yarn of different colours	13.9	0.2	0.2	1.7	0.8	1.2	17.4	9.7	19.8	0.6	0.1	0.0	0.2	24.1	70.3
520522	Single cotton yarn of combed fibres, containing cotton with density of 232,56 decitex	12.2	-	0.0	0.7	1.8	-	10.5	2.7	2.1	0.0	0.1	0.4	2.0	2.2	27.1
520852	Plain woven fabrics of cotton weight > 100g to 200gm, printed	12.1	0.2	1.0	1.6	1.9	0.0	1.1	1.3	0.2	0.8	0.6	2.7	0.2	0.1	4.8
520100	Cotton, neither carded nor combed	12.0	-	0.0	0.9	0.1	-	2.5	-	-	0.1	-	0.1	-	-	40.3
551412	Woven fabrics of polyester staple fibres mixed with cotton cross twill, unbleached or bleached	11.9	-	0.0	0.9	2.7	-	7.0	11.8	0.0	0.0	-	-	8.9	19.1	-
520512	Single cotton yarn, of uncombed fibres, containing cotton	10.9	-	0.2	0.0	9.5	-	3.6	2.9	1.6	0.0	0.1	-	0.2	0.6	37.7
520822	Plain woven fabrics of cotton weighing > 100 g to 200 gm, bleached	10.6	0.1	0.0	10.2	1.7	0.0	3.2	1.6	0.0	0.1	4.0	0.0	0.8	0.0	1.2
520819	Woven fabrics of cotton weighing > 200 gm, unbleached	10.4	0.0	0.1	6.1	6.2	0.3	8.5	2.9	0.1	0.2	0.3	0.1	10.0	1.1	4.3
520911	Plain woven fabrics of cotton weighing > 200 gm, unbleached	10.1	0.3	0.9	0.8	1.8	-	7.1	4.3	0.0	0.0	0.0	0.0	0.5	0.0	4.7
520532	Multiple folded cotton yarn, of uncombed fibres of cotton	8.5	-	0.0	0.0	2.9	-	5.1	0.8	0.0	0.1	-	0.0	0.6	-	4.6
540781	Woven fabrics of yarn of synthetic filament unbleached or bleached	7.1	-	0.1	1.9	0.0	-	0.5	0.9	-	0.0	0.0	0.0	-	-	0.5
540782	Woven fabrics of yarn of synthetic filament dyed	6.6	0.0	0.0	12.6	0.1	0.0	0.2	0.2	0.9	0.1	0.0	1.6	0.0	4.6	1.0
551411	Plain woven fabrics of polyester staple fibres, weight>170 gm, unbleached or bleached	6.5	-	-	0.2	0.4	-	0.6	2.8	-	0.0	0.0	-	0.1	-	0.2
520813	Woven fabrics of cotton weighing <= 200 g/m unbleached	6.4	-	0.1	6.1	0.4	-	1.9	4.0	0.0	-	0.0	-	1.2	1.2	0.3
551319	Woven fabrics of synthetic staple fibres mixed with cotton, unbleached or bleached	6.3	-	-	0.1	0.1	-	0.0	0.9	1.0	-	-	-	0.1	0.0	0.1
540784	Woven fabrics of yarn of synthetic filament printed	5.7	-	0.0	0.5	0.2	-	0.0	0.0	-	0.0	0.0	0.1	-	0.0	0.8
520919	Woven fabrics of cotton weighing > 200 g/m unbleached	5.3	0.1	3.5	4.2	1.7	0.0	1.0	0.8	0.0	0.0	0.1	-	0.4	0.2	1.2

Note:

Pak = Pakistan; Bang = Bangladesh; Bulg = Bulgaria; Cz. Rep = Czech Republic; H Kong = Hong Kong; Indo = Indonesia; Roma = Romania; S Korea = South Korea; S Lanka = Sri Lanka; Thai = Thailand; Tuni = Tunisia; Turk = Turkey

Source: Eurostat, European Community

Table A-2.4
 Top 25 Items of Clothing Exports by Pakistan to EU-15 vis-à-vis its Competitors in 2004
 (Euros Million)

HS Code	Commodity	Pak	Bang	Bulg	China	Cz Rep	H Kong	India	Indo	Morocco	Poland	Roma	S Kora	S Lanka	Thai	Tuni	Turk
620342	Men s or boys trousers, bib and brace overalls, breeches and shorts, of cotton	164.3	475.6	49.4	130.9	73.4	184.3	53.5	45.8	258.2	131.2	325.9	12.2	59.2	25.8	485.5	536.9
630221	Printed bed-linen of cotton (excl. Knitted or crocheted)	134.4	30.0	5.2	15.8	12.2	0.8	58.5	1.2	0.9	25.7	37.2	0.0	0.0	0.7	1.0	130.2
620462	Women s or girls trousers, bib and brace overalls, breeches and shorts of cotton	111.2	331.3	53.7	146.6	48.7	263.2	63.8	33.5	277.4	72.5	227.0	10.0	70.0	26.2	309.3	639.1
630222	Printed bed-linen of man-made fibres (excl. Knitted or crocheted)	91.4	17.8	0.2	30.7	0.1	1.6	16.1	0.4	6.1	4.4	0.7	-	0.4	0.4	0.3	10.9
630210	Bed-linen, knitted or crocheted	86.8	1.2	0.2	11.1	1.1	0.0	4.2	0.1	2.0	5.4	5.5	0.0	0.9	0.8	4.5	86.7
610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	80.7	824.6	35.2	237.0	19.5	112.3	307.2	74.4	186.4	20.8	84.1	19.9	90.7	57.9	100.4	1543.9
630260	Toilet linen and kitchen linen of terry towelling or terry fabrics of cotton	79.8	14.7	4.6	62.0	12.6	0.3	63.6	11.2	0.5	3.4	0.3	0.3	0.1	1.0	1.5	272.6
630232	Bed-linen of man-made fibres (excl. Printed, knitted or crocheted)	64.0	9.5	0.4	17.5	0.6	0.0	3.3	1.6	0.2	5.3	0.5	0.1	0.1	0.2	1.5	8.3
630231	Bed-linen of cotton (excl. Printed, knitted or crocheted)	58.2	21.4	8.0	35.0	12.1	1.7	40.1	8.6	0.3	20.6	14.2	0.0	0.3	0.4	8.9	59.7
611020	Jerseys, pullovers, cardigans, waistcoats of cotton, knit / crocheted	50.8	329.9	28.4	125.5	43.9	162.8	168.5	135.2	38.1	14.3	75.4	50.4	30.6	89.1	46.8	563.8
630392	Curtains, incl. Drapes, and interior blinds, curtain of synthetic fibres	45.9	0.7	0.5	95.2	16.6	0.2	13.6	0.1	0.8	12.6	26.5	0.2	0.0	2.1	5.4	78.1
630391	Curtains, incl. Drapes, and interior blinds, curtain or bed valances of cotton	44.3	8.0	0.1	31.2	5.3	0.1	62.9	0.1	0.2	19.7	0.9	0.0	0.1	0.9	2.3	9.1
611592	Full-length or knee-length stockings, socks and other hosiery	34.8	1.7	15.8	18.4	6.4	0.8	15.3	37.1	9.8	6.5	8.3	81.2	9.4	12.3	5.5	398.0
630291	Toilet linen and kitchen linen of cotton	34.5	2.3	1.5	3.0	2.4	0.0	15.5	0.1	0.1	1.1	0.9	0.1	0.1	0.2	0.8	32.9
610462	Women s or girls trousers, bib and brace overalls, breeches of cotton, knit or croch	30.7	23.1	2.6	100.5	3.9	2.2	42.4	9.6	12.0	2.8	12.3	1.8	12.6	4.9	7.8	213.5
610332	Men or boys jackets and blazers of cotton, knitt or crocheted	22.1	0.2	0.1	2.3	1.2	0.1	3.5	0.0	0.3	0.0	0.3	0.0	0.3	0.0	0.2	8.1
610510	Men or boys shirts of cotton, knitted or crocheted	21.7	100.3	2.7	50.6	2.8	16.7	38.1	13.2	14.4	0.8	12.5	4.7	13.4	20.4	11.8	106.7
620791	Men or boys singlets and other vests, bathrobes, dressing gowns of cotton	19.1	0.2	0.4	3.4	0.3	0.2	3.4	0.1	0.3	0.1	0.8	0.0	0.3	0.2	0.7	24.5
610610	Women or girls blouses, shirts and shirt-blouses of cotton, knitted or crocheted	19.0	23.5	5.8	16.8	2.8	32.2	46.8	4.3	6.1	10.4	9.1	3.3	4.1	6.2	3.6	110.2
611610	Gloves, mittens and mitts, coated/covered with plastics/ rubber	18.4	0.0	0.0	44.8	3.1	0.4	0.9	0.7	0.9	0.1	-	26.0	42.7	1.7	8.8	0.2
611692	Gloves, mittens and mitts, of cotton, knitted or crocheted	17.0	0.0	0.0	17.3	0.3	0.6	1.7	0.3	0.4	0.4	0.0	1.3	0.4	0.5	0.0	0.7
630710	Floor-cloths, dish-cloths, dusters and similar cleaning cloths	16.4	0.2	0.3	31.0	6.7	0.4	4.5	0.0	0.0	1.8	0.6	24.4	0.0	0.2	6.2	1.0
611030	Jerseys, pullovers, cardigans, waistcoats of man-made fibres, knitted or cr	16.1	614.6	50.0	178.8	33.9	140.7	25.0	192.2	106.9	35.8	193.3	131.9	43.7	109.3	82.1	237.4
630251	Table linen of cotton (excl. Knitted or crocheted)	16.1	1.5	0.4	19.4	13.9	0.0	87.2	0.2	0.1	3.9	2.7	0.0	0.1	0.3	3.6	10.0
630790	Made-up articles of textile materials, incl. Dress patterns	14.4	3.1	1.3	268.7	46.6	6.4	26.1	1.9	3.6	66.1	23.8	3.0	0.9	4.0	11.0	15.2

Note:

Pak = Pakistan; Bang = Bangladesh; Bulg = Bulgaria; Cz. Rep = Czech Republic; H Kong = Hong Kong; Indo = Indonesia; Roma = Romania; S Korea = South Korea; S Lanka = Sri Lanka; Thai = Thailand; Tuni = Tunisia; Turk = Turkey

Source: Eurostat, European Community

Table A-2.5
Scenario of Pakistan's Textile Exports having Quota vis-à-vis its Competitors - 1995
Countries have Quota on these Items (Euros Thousand)

HSCode	Commodity	Pakistan		China		Hong Kong		India		Indonesia		South Korea		Thailand	
		Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value
520512	Single cotton yarn of uncombed fibres, decitex >mc 14	99.7	15698	56.1	1307	0.0	0	99.9	4208	99.9	6648	94.1	225	89.7	2498
520513	Single cotton yarn of uncombed fibres, decitex >mc 43	99.7	3322	56.1	203	0.0	0	99.9	1991	99.9	11403	94.1	873	89.7	1301
520522	Single cotton yarn of combed fibres, decitex >mc 14	99.7	3877	56.1	85	0.0	1	99.9	6303	99.9	1963	94.1	225	89.7	2408
520523	Single cotton yarn of combed fibres, decitex >mc 43	99.7	7021	56.1	174	0.0	0	99.9	11573	99.9	4034	94.1	1784	89.7	528
520532	Multiple folded cotton yarn of uncombed fibres of cotton	99.7	2970	56.1	856	0.0	0	99.9	7138	99.9	1792	94.1	0	89.7	2562
520812	Plain woven fabrics of cotton, unbleached	99.8	26029	100.0	42237	14.9	1429	90.8	37985	90.8	23078	43.3	3264	93.8	10692
520813	Woven fabrics of cotton weighing <= 200 g/m unbleached	99.8	2571	100.0	685	14.9	0	90.8	1970	90.8	3510	43.3	67	93.8	5605
520819	Woven fabrics of cotton weighing > 200 g/m, unbleached	99.8	4058	100.0	3051	14.9	34	90.8	2075	90.8	2178	43.3	1283	93.8	13804
520821	Plain woven fabrics of cotton weigh<=200 g/m, unbleached	99.8	720	100.0	6272	14.9	0	90.8	1029	90.8	699	43.3	20	93.8	662
520822	Plain woven fabrics of cotton weigh>100g to 200g/m, bleached	99.8	2881	100.0	1033	14.9	38	90.8	1673	90.8	3047	43.3	92	93.8	711
520832	Plain woven fabrics of cotton, weigh>100g to 220g/m, dyed	99.8	3738	100.0	2062	14.9	939	90.8	5231	90.8	3604	43.3	462	93.8	1508
520852	Plain woven fabrics of cotton weigh>100g to 200g/m, printed	70.6	11169	69.0	1250	14.0	161	40.7	3409	40.7	401	44.8	1839	34.9	66
520911	Plain woven fabrics of cotton weighing > 200 g/m, unbleached	99.8	2560	100.0	969	14.9	100	90.8	19841	90.8	2345	43.3	82	93.8	490
520912	Woven fabrics of cotton weighing > 200 g/m, unbleached	99.8	7087	100.0	73	14.9	76	90.8	6250	90.8	1422	43.3	39	93.8	301
520919	Woven fabrics of cotton weighing > 200 g/m unbleached	99.8	2045	100.0	205	14.9	35	90.8	6562	90.8	1399	43.3	11	93.8	2853
520942	Denim cotton, made of yarn of different colours	70.6	118	69.0	154	14.0	4399	40.7	5818	40.7	1971	44.8	12	34.9	34
521011	Plain woven fabrics of cotton with man-made fibres unbleach	99.8	4966	100.0	3525	14.9	0	90.8	301	90.8	1607	43.3	1410	93.8	268
521021	Plain woven fabrics of cotton with man-made fibres,bleached	99.8	433	100.0	32	14.9	0	90.8	34	90.8	175	43.3	53	93.8	443
521031	Plain woven fabrics of cotton with man-made fibres, dyed	99.8	70	100.0	549	14.9	0	90.8	60	90.8	5501	43.3	983	93.8	2759
521051	Plain woven fabrics of cotton with man-made fibres, printed	99.8	129	100.0	748	14.9	0	90.8	0	90.8	8	43.3	22	93.8	13
540751	Woven fabrics of yarn, unbleached or bleached	0	2922	0.0	158	0.0	307	0.0	43	100.0	393	100.0	815	0.0	304
540761	Woven fabrics of yarn containing non-text polyester filaments	0	-	0.0	-	0.0	-	0.0	-	100.0	-	100.0	-	0.0	-
540781	Woven fabrics of yarn of synth.filmament unbleached or bleached	0	30042	0.0	175	0.0	1	0.0	477	100.0	49	100.0	-	0.0	18
540782	Woven fabrics of yarn of synthetic filament dyed	0	2194	0.0	125	0.0	78	0.0	47	100.0	30	100.0	42	0.0	66
540784	Woven fabrics of yarn of synthetic filament printed	0	3780	0.0	102	0.0	4	0.0	76	100.0	-	100.0	25	0.0	93
550953	Yarn containing of polyester staple fibres mixed with cotton	0	43459	42.5	-	0.0	1	0.0	12615	0.0	2556	27.8	1892	94.4	965
551311	Plain woven fabrics of polyester staple fib.unbleach or bleach	99.3	49164	99.9	11080	0.2	0	78.3	19751	78.3	12451	27.5	401	92.7	12407
551319	Woven fabrics of synthetic staple fibre, unbleached or bleached	99.3	823	99.9	0	0.2	0	78.3	40	78.3	72	27.5	37	92.7	0
551321	Plain woven fabrics of polyester staple fibres, dyed	99.3	12179	99.9	952	0.2	42	78.3	228	78.3	10657	27.5	2825	92.7	9741
551341	Plain woven fabrics of polyester staple fibres, printed	99.3	10937	99.9	509	0.2	115	78.3	93	78.3	1000	27.5	84	92.7	992
551411	Plain woven fabrics of polyester staple fibres, unbleach or bleach	99.3	3451	99.9	377	0.2	0	78.3	11153	78.3	576	27.5	0	92.7	754
551412	Woven fabrics of polyester staple fibres, unbleached or bleached	99.3	8012	99.9	578	0.2	0	78.3	21982	78.3	303	27.5	6	92.7	1278
551419	Woven fabrics of synthetic staple fibres, unbleached or bleached	99.3	568	99.9	8	0.2	0	78.3	302	78.3	655	27.5	0	92.7	75
	TOTAL		268991		79532		7760		190260		105528		18871		76200

Source: Eurostat, European Community

...Contd.
Table A-2.5
Scenario of Pakistan's Textile Exports having Quota vis-à-vis its Competitors - 1995
Countries do not have Quota on these Items
 (Euros Thousand)

HS Code	Commodity	Bangladesh	Bulgaria	Czech Republic	Morocco	Poland	Romania	Sri Lanka	Tunisia	Turkey
520512	Single cotton yarn of uncombed fibres, decitex >mc 14	-	1776	273	868	104	452	6746	111	37766
520513	Single cotton yarn of uncombed fibres, decitex >mc 43	-	272	198	1229	-	208	2621	48	1905
520522	Single cotton yarn of combed fibres, decitex >mc 14	0.7	44	56	5068	-	-	71	1244	512
520523	Single cotton yarn of combed fibres, decitex >mc 43	-	1	10	5239	-	-	768	4215	1571
520532	Multiple folded cotton yarn of uncombed fibres of cotton	-	75	264	571	-	1681	1153	-	4273
520812	Plain woven fabrics of cotton, unbleached	-	2650	5651	2412	180	506	315	1957	9375
520813	Woven fabrics of cotton weighing <= 200 g/m unbleached	-	34	106	6	10	-	-	-	70
520819	Woven fabrics of cotton weighing > 200 g/m, unbleached	-	97	3462	2485	-	-	16	26	107
520821	Plain woven fabrics of cotton weigh<=200 g/m, unbleached	-	200	697	-	28	53	0	-	61
520822	Plain woven fabrics of cotton weigh>100g to 200g/m, bleached	-	23	5378	86	500	435	-	5	556
520832	Plain woven fabrics of cotton, weigh>100g to 220g/m, dyed	6	50	5113	244	512	599	1	163	6371
520852	Plain woven fabrics of cotton weigh>100g to 200g/m, printed	219	115	12119	100	1681	1621	8	19	10242
520911	Plain woven fabrics of cotton weighing > 200 g/m, unbleached	-	217	631	318	17	4	823	4	10920
520912	Woven fabrics of cotton weighing > 200 g/m, unbleached	-	631	304	131	9	1	530	919	9378
520919	Woven fabrics of cotton weighing > 200 g/m unbleached	-	2562	1861	399	962	-	251	253	5723
520942	Denim cotton, made of yarn of different colours	-	1	797	34	113	-	-	11029	36020
521011	Plain woven fabrics of cotton with man-made fibres unbleach	-	21	181	41	22	37	112	122	8
521021	Plain woven fabrics of cotton with man-made fibres,bleached	-	-	-	-	3	-	-	-	12
521031	Plain woven fabrics of cotton with man-made fibres, dyed	-	21	162	12	33	74	-	11	67
521051	Plain woven fabrics of cotton with man-made fibres, printed	-	-	38	-	0	177	-	-	147
540751	Woven fabrics of yarn, unbleached or bleached	-	-	1125	-	55	35	-	-	610
540761	Woven fabrics of yarn containing non-text polyester filaments	-	-	-	-	-	-	-	-	-
540781	Woven fabrics of yarn of synth.filament unbleached or bleached	-	-	128	4	10	-	-	-	1184
540782	Woven fabrics of yarn of synthetic filament dyed	-	17	37	11	11	25	-	25	1223
540784	Woven fabrics of yarn of synthetic filament printed	-	-	32	6	22	-	363	4	143
550953	Yarn containing of polyester staple fibres mixed with cotton	-	14	74	49	-	-	11	72	1963
551311	Plain woven fabrics of polyester staple fib.unbleach or bleach	-	1433	196	999	290	59	-	-	52
551319	Woven fabrics of synthetic staple fibre, unbleached or bleached	-	-	4	185	2	26	11	-	-
551321	Plain woven fabrics of polyester staple fibres, dyed	-	1365	209	119	115	1	125	21	118
551341	Plain woven fabrics of polyester staple fibres, printed	570	4	92	-	7	34	-	-	32
551411	Plain woven fabrics of polyester staple fibres, unbleach or bleach	-	39	53	-	19	154	119	-	44
551412	Woven fabrics of polyester staple fibres, unbleached or bleached	-	172	3620	-	36	-	134	-	161
551419	Woven fabrics of synthetic staple fibres, unbleached or bleached	-	151	6	-	29	7	-	9	-
	TOTAL	795	11986	42877	20619	4769	6189	14179	20257	140616

Source: Eurostat, European Community

Table A-2.6
Scenario of Pakistan's Textile Exports having Quota vis-à-vis its Competitors - 2004
Countries have Quota on these Items (Euros Thousand)

HSCode	Commodity	Pakistan		China		Hong Kong		India		Indonesia		South Korea		Thailand	
		Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value
520512	Single cotton yarn of uncombed fibres, decitex >mc 14	99.2	10852	29.9	3	0.0	0	95.2	3585	45.6	2865	33.8	73	32.3	241
520513	Single cotton yarn of uncombed fibres, decitex >mc 43	99.7	2790	29.9	34	0.0	0	95.2	2650	45.6	2360	33.8	0	32.3	0
520522	Single cotton yarn of combed fibres, decitex >mc 14	99.7	12170	29.9	748	0.0	0	95.2	10473	45.6	2692	33.8	418	32.3	2033
520523	Single cotton yarn of combed fibres, decitex >mc 43	99.7	5250	29.9	0	0.0	0	95.2	15167	45.6	2935	33.8	404	32.3	3755
520532	Multiple folded cotton yarn of uncombed fibres of cotton	99.7	8540	29.9	22	0.0	0	95.2	5107	45.6	779	33.8	0	32.3	579
520812	Plain woven fabrics of cotton, unbleached	97.2	47668	96.8	35692	10.3	1470	62.4	30753	59.4	24375	15.9	663	68.6	16143
520813	Woven fabrics of cotton weighing <= 200 g/m unbleached	97.2	6442	96.8	6127	10.3	0	62.4	1892	59.4	3957	15.9	3	68.6	1229
520819	Woven fabrics of cotton weighing > 200 g/m, unbleached	97.2	10408	96.8	6119	10.3	258	62.4	8530	59.4	2860	15.9	69	68.6	9981
520821	Plain woven fabrics of cotton weigh<=200 g/m, unbleached	97.2	2596	96.8	4376	10.3	0	62.4	3392	59.4	147	15.9	6	68.6	205
520822	Plain woven fabrics of cotton weigh>100g to 200g/m, bleached	97.2	10575	96.8	10247	10.3	6	62.4	3182	59.4	1622	15.9	2	68.6	837
520832	Plain woven fabrics of cotton, weigh>100g to 220g/m, dyed	97.2	5029	96.8	9846	10.3	226	62.4	11277	59.4	2753	15.9	663	68.6	2152
520852	Plain woven fabrics of cotton weigh>100g to 200g/m, printed	70.4	12057	87.0	1602	11.8	1	46.8	1069	55.5	1327	71.4	2658	70.4	179
520911	Plain woven fabrics of cotton weighing > 200 g/m, unbleached	97.2	10133	96.8	850	10.3	0	62.4	7118	59.4	4284	15.9	4	68.6	513
520912	Woven fabrics of cotton weighing > 200 g/m, unbleached	97.2	17439	96.8	1076	10.3	0	62.4	3857	59.4	516	15.9	26	68.6	462
520919	Woven fabrics of cotton weighing > 200 g/m unbleached	97.2	5338	96.8	4220	10.3	18	62.4	1014	59.4	843	15.9	52	68.6	431
520942	Denim cotton, made of yarn of different colours	70.4	13864	87.0	1666	11.8	1156	46.8	17413	55.5	9675	71.4	5	70.4	212
521011	Plain woven fabrics of cotton with man-made fibres unbleached	97.2	2263	96.8	1431	10.3	0	62.4	152	59.4	11084	15.9	158	68.6	510
521021	Plain woven fabrics of cotton with man-made fibres,bleached	97.2	1184	96.8	194	10.3	0	62.4	294	59.4	43	15.9	38	68.6	384
521031	Plain woven fabrics of cotton with man-made fibres, dyed	97.2	265	96.8	497	10.3	2	62.4	129	59.4	870	15.9	1485	68.6	4641
521051	Plain woven fabrics of cotton with man-made fibres, printed	97.2	1354	96.8	16	10.3	0	62.4	13	59.4	0	15.9	15	68.6	0
540751	Woven fabrics of yarn, unbleached or bleached	0.0	668	0.0	9347	0.0	4	0.0	41	21.6	957	56.9	1718	0.0	535
540761	Woven fabrics of yarn containing non-text polyester filaments	0.0	2758	0.0	114169	0.0	205	0.0	9059	21.6	17086	56.9	48516	0.0	7203
540781	Woven fabrics of yarn of synth.filmament unbleached or bleached	0.0	7074	0.0	1873	0.0	-	0.0	460	21.6	910	56.9	20	0.0	27
540782	Woven fabrics of yarn of synthetic filament dyed	0.0	6568	0.0	12647	0.0	13	0.0	249	21.6	172	56.9	1607	0.0	4613
540784	Woven fabrics of yarn of synthetic filament printed	0.0	5730	0.0	478	0.0	-	0.0	39	21.6	35	56.9	66	0.0	28
550953	Yarn containing of polyester staple fibres mixed with cotton	0.0	32027	51.0	796	0.0	0	0.0	32606	0.0	19441	0.8	-	38.0	1761
551311	Plain woven fabrics of polyester staple fib.unbleach or bleach	98.8	114009	83.8	9081	0.0	26	20.7	672	54.6	13125	5.6	18	77.2	13972
551319	Woven fabrics of synthetic staple fibre, unbleached or bleached	98.8	6270	83.8	139	0.0	0	20.7	42	54.6	916	5.6	0	77.2	86
551321	Plain woven fabrics of polyester staple fibres, dyed	98.8	16467	83.8	1214	0.0	2	20.7	381	54.6	7113	5.6	460	77.2	6178
551341	Plain woven fabrics of polyester staple fibres, printed	98.8	17337	83.8	132	0.0	0	20.7	50	54.6	10	5.6	4	77.2	117
551411	Plain woven fabrics of polyester staple fibres, unbleach or bleach	98.8	6539	83.8	153	0.0	0	20.7	569	54.6	2752	5.6	22	77.2	96
551412	Woven fabrics of polyester staple fibres, unbleached or bleached	98.8	11914	83.8	910	0.0	0	20.7	6982	54.6	11761	5.6	0	77.2	8878
551419	Woven fabrics of synthetic staple fibres, unbleached or bleached	98.8	3230	83.8	211	0.0	0	20.7	181	54.6	566	5.6	1	77.2	0
	TOTAL	416809	235916	3389	178400	150831	59174	87980							

Source: Eurostat, European Community

...Contd.

Table A-2.6
Scenario of Pakistan's Textile Exports having Quota vis-à-vis its Competitors - 2004
(Euros Thousand)
Countries do not have Quota on these Items

HS Code	Commodity	Bangladesh	Bulgaria	Czech Republic	Morocco	Poland	Romania	Sri Lanka	Tunisia	Turkey
520512	Single cotton yarn of uncombed fibres, decitex >mc 14	-	224	9543	1646	22	12	-	645	37717
520513	Single cotton yarn of uncombed fibres, decitex >mc 43	-	-	2767	23	10	49	-	181	20766
520522	Single cotton yarn of combed fibres, decitex >mc 14	-	2	1817	2051	5	57	100	2175	27116
520523	Single cotton yarn of combed fibres, decitex >mc 43	-	14	928	706	1	24	192	2515	29948
520532	Multiple folded cotton yarn of uncombed fibres of cotton	-	8	2895	4	67	-	20	-	4592
520812	Plain woven fabrics of cotton, unbleached	24	3164	3626	118	863	261	25	7122	6081
520813	Woven fabrics of cotton weighing <= 200 g/m unbleached	-	94	377	2	3	-	-	1219	325
520819	Woven fabrics of cotton weighing > 200 g/m, unbleached	34	106	6206	58	219	294	-	1103	4347
520821	Plain woven fabrics of cotton weigh<=200 g/m, unbleached	-	35	97	22	15	138	-	173	285
520822	Plain woven fabrics of cotton weigh>100g to 200g/m, bleached	73	17	1705	10	70	4033	-	28	1210
520832	Plain woven fabrics of cotton, weigh>100g to 220g/m, dyed	59	332	763	262	261	4288	33	294	14592
520852	Plain woven fabrics of cotton weigh>100g to 200g/m, printed	179	976	1929	177	782	585	-	82	4775
520911	Plain woven fabrics of cotton weighing > 200 g/m, unbleached	294	850	1848	2	20	31	3	11	4735
520912	Woven fabrics of cotton weighing > 200 g/m, unbleached	146	641	2343	1004	36	34	24	1712	2724
520919	Woven fabrics of cotton weighing > 200 g/m unbleached	123	3547	1706	8	49	15	-	235	1184
520942	Denim cotton, made of yarn of different colours	197	152	771	19781	636	63	-	24108	70297
521011	Plain woven fabrics of cotton with man-made fibres unbleach	-	55	1126	11	44	49	-	237	1004
521021	Plain woven fabrics of cotton with man-made fibres,bleached	-	-	25	-	9	3	-	-	512
521031	Plain woven fabrics of cotton with man-made fibres, dyed	-	11	33	170	75	45	-	425	3954
521051	Plain woven fabrics of cotton with man-made fibres, printed	-	-	78	1	172	32	-	4	132
540751	Woven fabrics of yarn, unbleached or bleached	-	-	593	25	15	26	-	46	2863
540761	Woven fabrics of yarn containing non-text polyester filaments	12.3	530	4395	71	693	337	5	419	49473
540781	Woven fabrics of yarn of synth.filmament unbleached or bleached	-	88	20	-	32	5	-	-	502
540782	Woven fabrics of yarn of synthetic filament dyed	0.2	22	113	888	75	9	4	30	1030
540784	Woven fabrics of yarn of synthetic filament printed	-	31	168	-	27	1	-	7	811
550953	Yarn containing of polyester staple fibres mixed with cotton	-	-	5081	12	-	53	9	72	2072
551311	Plain woven fabrics of polyester staple fib.unbleach or bleach	-	48	716	224	32	24	49	-	264
551319	Woven fabrics of synthetic staple fibre, unbleached or bleached	-	-	64	1004	-	-	-	6	63
551321	Plain woven fabrics of polyester staple fibres, dyed	-	87	98	28	133	59	-	4	1146
551341	Plain woven fabrics of polyester staple fibres, printed	-	-	19	2	41	3	-	54	210
551411	Plain woven fabrics of polyester staple fibres, unbleach or bleach	-	-	351	-	3	47	-	-	244
551412	Woven fabrics of polyester staple fibres, unbleached or bleached	-	28	2688	31	20	16	-	19073	-
551419	Woven fabrics of synthetic staple fibres, unbleached or bleached	-	-	128	-	81	-	-	8	146
	TOTAL	1142	12555	55016	28339	4511	10592	463	61988	295122

Source: Eurostat, European Community

Table A-2.7
Scenario of Pakistan's Textile Exports without Quota vis-à-vis its Competitors
(Euros Thousand)

HS Code	Czech Republic										South				
	Bangladesh	Bulgaria	Morocco	Poland	Romania	Sri Lanka	Tunisia	Turkey	Pakistan	China	Hong Kong	India	Indonesia	Korea	Thailand
<u>TEXTILES - 1995</u>															
510121	-	557.8	165.0	-	488.5	383.1	18.0	-	615.0	5427.2	91.3	-	20.0	63.0	-
520100	-	170.5	708.9	-	-	30.1	-	-	9328.7	9632.9	1064.5	13.7	7065.3	40.3	20.7
520299	-	438.5	1473.9	65.5	416.1	18.9	109.6	1410.3	25755.0	17251.7	1257.3	942.4	8534.6	2049.3	4335.2
570110	63.03	88.5	23.3	22111.3	18.4	845.3	12.7	8647.9	51261.3	50446.3	59379.9	640.3	147275.9	49.7	2.3
580631	-	2.7	1071.7	6.3	44.5	0.2	5.9	4.1	29.2	2670.0	2537.2	3.2	108.4	0.5	13.7
600242	-	-	257.0	5.0	74.6	32.7	4.9	33.0	11106.1	2292.8	3466.5	57.4	7012.5	-	85.7
600292	0.5	43.1	799.2	167.7	153.5	57.5	21.8	148.3	11619.5	11635.3	15919.6	479.5	16700.4	35.5	89.2

HS Code	Czech Republic										South				
	Bangladesh	Bulgaria	Morocco	Poland	Romania	Sri Lanka	Tunisia	Turkey	Pakistan	China	Hong Kong	India	Indonesia	Korea	Thailand
<u>TEXTILES - 2004</u>															
510121	-	293.94	23.9	-	226.2	-	-	-	8985.6	43.4	10590.8	-	69.8	-	-
520100	-	19.64	94.3	-	81.0	-	-	184.4	40342.8	11966.9	919.9	-	2473.1	-	69.2
520299	-	531.49	546.7	1619.9	86.1	20.1	59.9	792.3	21224.8	14324.3	404.7	12.1	4518.6	1840.8	1366.5
570110	7.78	5.03	28.8	9521.2	8.3	153.0	-	3266.6	15316.0	84802.2	9006.7	43.6	88054.3	-	40.6
580631	-	21.58	898.4	2.0	61.8	589.4	-	0.8	299.5	240.0	3006.1	235.1	398.7	8.9	1.5
600242	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
600292	-	-	-	-	-	-	342.6	-	-	-	-	-	-	-	-

Source: Eurostat, European Community

Table A-2.8 Scenario of Pakistan's Clothing Exports having Quota vis-à-vis its Competitors - 1995 Countries have Quota on these Items (Euros Thousand)

HSCode	Commodity	Pakistan		China		Hong Kong		India		Indonesia		South Korea		Thailand	
		Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value
610332	Mens/boys jackets of cotton, knit/crochet	0	147	42.7	290	57.0	111	0	138	0.0	24	47.1	37	0.0	33
610342	Mens/boys trousers of cotton, knit/crochet	62.5	4310	61.3	11023	0.0	2852	0.0	4945	0.0	2707	79.4	693	0.0	1946
610442	Womens/girls dresses of cotton, knit/crochet	79.1	7048	99.8	3240	76.7	8627	0.0	5486	0.0	3599	6.3	176	57.4	2454
610462	Womens/girls trousers of cotton, knit/crochet	62.5	40102	61.3	33743	0.0	9771	0.0	14115	0.0	8605	79.4	1228	0.0	6685
610463	Womens/girls trousers of synth. Fibres, knit/ crochet	62.5	907	61.3	35356	0.0	6807	0.0	272	0.0	8605	79.4	910	0.0	3476
610510	Mens/boys shirts of cotton, knitted/crocheted	94.2	11833	99.4	42006	73.0	44912	77.1	36610	77.1	14308	53.2	5160	70.0	14158
610520	Mens/boys shirts of man-made fibres, knit/crochet	94.2	1285	99.4	10807	73.0	4034	77.1	411	77.1	13941	53.2	2478	70.0	4923
610610	Womens/girls blouses and shirts of cotton, knit/crochet	62.2	3109	99.3	5791	93.0	16534	79.7	26958	79.7	2418	21.8	640	71.6	3401
610711	Mens/boys underpants of cotton, knit/crochet	0	2564	99.7	102039	42.2	19669	0	9170	0.0	4628	41.2	1603	0.0	5369
610721	Mens/boys nightshirts of cotton, knit/crochet	0	7981	77.5	24023	100.0	4971	0	12405	0.0	3287	11.8	128	40.4	1045
610831	Womens/girls nightdresses of cotton, knit/crochet	0	16198	77.5	41352	100.0	7542	0	51788	0.0	11471	11.8	615	40.4	6506
610910	T-shirts, singlets and vests of cotton, knit/crochet	94.2	23408	99.4	82938	73.0	63293	77.1	119595	77.1	24396	53.2	9582	70.0	22923
610990	T-shirts and singlets of textile materials, knit/crochet	94.2	1327	99.4	23313	73.0	35346	77.1	1278	77.1	9863	53.2	7343	70.0	9045
611020	Jerseys, pullovers, cardigans, of cotton	84.5	18271	99.6	71931	99.9	132978	100.0	55295	100.0	37112	61.8	19614	75.0	27089
611030	Jerseys, pullovers, cardigans of man-made fibres	84.5	1439	99.6	77114	99.9	142742	100.0	7650	100.0	95482	61.8	71220	75.0	49686
611120	Babies garments/clothing accessories of cotton	0	2037	63.8	82185	50.7	16259	0	12124	0.0	10756	39.4	7608	0.0	32117
611211	Track-suits of cotton, knitted or crocheted	0	7184	100.0	13097	45.9	3451	0	791	0.0	4869	6.7	9	55.2	1960
611212	Track-suits of synthetic fibres, knit/crochet	0	1885	100.0	40822	45.9	6118	0	560	0.0	21129	6.7	256	55.2	13183
611420	Special garments for professional of cotton,	0	7731	42.7	21382	57.0	5438	0	15885	0.0	2022	47.1	1513	0.0	2060
611592	Full-length or knee-length stockings and hosiery	0	11172	68.6	6157	24.0	1739	0	6563	0.0	12651	72.6	58674	51.8	5496
611610	Gloves and mittens coated with plastics/rubber	0	4318	74.5	4501	61.7	6280	0	336	0.0	548	38.6	164	23.2	1754
611692	Gloves and mittens of cotton, knit/crochet	0	14126	74.5	4839	61.7	11007	0	1127	0.0	109	38.6	324	23.2	1754
611693	Gloves and mittens of synthetic fibres	0	1248	74.5	14653	61.7	3103	0	88	0.0	2266	38.6	2751	23.2	473
620192	Mens or boys anoraks of cotton	0	1759	99.7	31235	100.0	63060	80.46	11118	80.5	12061	31.1	5576	53.1	20601
620193	Mens or boys anoraks of man-made fibres	0	2851	99.7	100389	100.0	65873	80.46	13299	80.5	82963	31.1	24791	53.1	18073
620322	Mens or boys ensembles of cotton	0	2495	24.6	17662	2.8	476	0	9471	0.0	361	2.6	12	0.0	2290
620342	Mens/boys trousers, bib and brace of cotton	77.4	58292	99.6	90900	96.5	221846	74.0	12149	74.0	18590	13.7	1706	77.0	18582
620343	Mens/boys trousers, bib and brace of synth. Fib.	77.4	902	99.6	29834	96.5	12186	74.0	786	74.0	4393	13.7	3116	77.0	2198
620422	Womens or girls ensembles of cotton	0	4065	59.6	9015	9.2	984	0	7552	0.0	808	7.9	225	0.0	1105
620442	Womens or girls dresses of cotton	79.1	3293	99.8	11214	76.7	21970	0.0	47636	0.0	1890	6.3	30	57.4	5522
620462	Womens/girls trousers, bib and brace of cotton	77.4	27405	99.6	61199	96.5	126106	74.0	30084	74.0	10122	13.7	370	77.0	6981
620463	Womens/girls trousers, bib and brace of synth.fib	77.4	1242	99.6	49572	96.5	15482	74.0	4397	74.0	5052	13.7	1652	77.0	6372
620469	Womens/girls trousers and brace of text materials	77.4	261	99.6	18612	96.5	22277	74.0	21666	74.0	2007	13.7	321	77.0	654
620520	Men s/boys shirts of cotton	95.7	19053	98.9	64883	86.2	245964	83.0	256970	83.0	31613	32.2	36282	64.1	11854
620630	Womens/girls blouses and shirts of cotton	62.2	5523	99.3	15541	93.0	66799	79.7	116420	79.7	3068	21.8	422	71.6	8419
620711	Mens/boys briefs of cotton (excl. Knit/crochet)	55.9	2021	93.8	5057	16.9	2282	0.0	6446	0.0	939	2.8	0	0.0	268
620791	Mens/boys singlet, bathrobes, gowns of cotton	55.9	11266	93.8	1221	16.9	635	0.0	509	0.0	109	2.8	76	0.0	37
620821	Womens/girls nightdresses of cotton (excl. Knit/crochet)	55.9	1697	93.8	8842	16.9	3243	0.0	13365	0.0	3490	2.8	0	0.0	2033
620891	Womens/girls singlets and briefs	55.9	16395	93.8	1794	16.9	655	0.0	2643	0.0	304	2.8	81	0.0	221
620920	Babies garments and clothing of cotton	0	2849	63.8	47003	59.7	19926	0	8374	0.0	3340	39.4	118	0.0	10848
621132	Mens/boys track suits of cotton	0	5463	99.6	20915	37.0	10174	0	13444	0.0	2415	11.4	403	0.0	2445
621133	Mens/boys track suits of man-made fibres	0	3041	99.6	50970	37.0	9738	0	2595	0.0	8749	11.4	1636	0.0	6345
621142	Women s or girls track suits of cotton	0	12819	99.6	20423	37.0	10258	0	23227	0.0	2000	11.4	377	0.0	1714
621143	Womens/girls track suits of man-made fibres	0	4219	99.6	47189	37.0	17505	0	20675	0.0	11426	11.4	2298	0.0	12968
630221	Printed bed-linen of cotton	98.0	79627	96.4	3589	0.0	154	0.0	64601	0.0	3553	0.0	25	45.9	9575
630222	Printed bed-linen of man-made fibres	98.0	14807	96.4	555	0.0	0	0.0	158	0.0	668	0.0	0	45.9	1269
630231	Bed-linen of cotton (excl. Printed, knit/crochet)	98.0	19010	96.4	15947	0.0	127	0.0	23996	0.0	651	0.0	0	45.9	4468
630232	Bed-linen of man-made fibres	98.0	2937	96.4	1327	0.0	14	0.0	302	0.0	328	0.0	214	45.9	252
630251	Table linen of cotton	71.1	3331	96.4	66765	1.3	1041	0.0	35765	0.0	735	0.0	63	0.0	312
630260	Toilet linen/kitchen linen of terry toweling cotton	93.7	26627	56.3	18013	0.0	860	0.0	38600	0.0	11499	0.0	26	0.0	939
630291	Toilet linen and kitchen linen of cotton	71.1	13333	96.4	4702	1.3	26	0.0	6716	0.0	156	0.0	1	0.0	67

Source: Eurostat, European Community

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 Table A-2.8
 Scenario of Pakistan's Clothing Exports having Quota vis-à-vis its Competitors - 1995
 Countries do not have Quota on these Items

HS Code	Commodity	Bangladesh	Bulgaria	Czech Republic	Morocco	Poland	Romania	Sri Lanka	Tunisia	Turkey
610332	Mens/boys jackets of cotton, knit/crochet	114	6	-	111	72	-	1045	24	212
610342	Mens/boys trousers of cotton, knit/crochet	1277	274	316	3312	353	308	1261	1029	17403
610442	Womens/girls dresses of cotton, knit/crochet	1513	387	984	1673	3132	355	1765	1621	59278
610463	Womens/girls trousers of cotton, knit/crochet	1987	1497	4808	5034	9016	637	2859	2239	154973
610510	Mens/boys shirts of cotton, knitted/crocheted	16853	706	2235	17566	10006	2549	10006	6000	10668
610520	Mens/boys shirts of man-made fibres, knit/crochet	15189	420	913	1931	1283	1800	16140	6000	94862
610610	Womens/girls blouses and shirts of cotton, knit/crochet	3554	2082	895	3836	12366	652	1622	720	74730
610711	Mens/boys underpants of cotton, knit/crochet	1164	1415	10427	20337	7654	10882	1098	6832	10903
610721	Mens/boys nightshirts of cotton, knit/crochet	1804	2062	4116	6989	2094	450	1196	2523	28087
610831	Womens/girls nightdresses of cotton, knit/crochet	1870	817	9148	4758	2727	2483	3966	4439	123609
610910	T-shirts, singlets and vests of cotton, knit/crochet	176872	8821	10993	49267	15722	13251	16265	29350	311411
610990	T-shirts and singlets of textile materials, knit/crochet	3877	347	1490	4927	3328	2024	10253	8387	48433
611020	Jerseys, pullovers, cardigans, of cotton	20902	4635	8628	23676	26524	10551	9681	7484	372032
611030	Jerseys, pullovers, cardigans of man-made fibres	70698	17861	9289	79339	32604	43856	19686	16935	70480
611120	Babies garments/clothing accessories of cotton	1497	306	3180	30793	11805	1609	625	15601	40661
611211	Track-suits of cotton, knitted or crocheted	1190	3738	887	3213	1884	1545	1155	933	31933
611212	Track-suits of synthetic fibres, knit/crochet	2055	888	884	21636	2259	2226	1654	4182	1002
611420	Special garments for professional of cotton	759	63	1040	2469	1364	156	7458	3358	42505
611592	Full-length or knee-length stockings and hosiery	1950	936	6436	3910	1692	3946	4483	9849	94331
611610	Gloves and mittens coated with plastics/rubber	-	-	55	77	21	-	2452	46	52
611692	Gloves and mittens of cotton, knit/crochet	-	-	214	372	22	-	1987	2661	91
611693	Gloves and mittens of synthetic fibres	-	3	181	470	72	140	8829	196	20
620192	Mens or boys anoraks of cotton	4970	2835	1037	20426	15502	13747	15281	13489	39678
620193	Mens or boys anoraks of man-made fibres	39235	6206	4161	13108	21623	33676	47	5602	12144
620322	Mens or boys ensembles of cotton	71	29	1180	1545	633	583	789	2582	1047
620342	Mens/boys trousers, bib and brace of cotton	42694	8823	22776	240690	81149	33750	21694	276230	83378
620343	Mens/boys trousers, bib and brace of synth. Fib.	7591	3880	10935	38371	32382	40087	5018	70106	11351
620422	Womens or girls ensembles of cotton	113	359	81	1789	3153	277	1840	2225	3354
620442	Womens or girls dresses of cotton	1091	1929	1738	14265	5640	2585	5434	21098	16551
620462	Womens/girls trousers, bib and brace of cotton	16174	6298	7997	51560	29243	9798	7390	105750	95767
620463	Womens/girls trousers, bib and brace of synth.fib	3435	7733	8714	48451	34464	19548	3931	35723	30650
620469	Womens/girls trousers and brace of text materials	790	3667	4049	20561	29694	11354	1928	17786	30957
620520	Men s/boys shirts of cotton	206690	19620	11720	94953	78684	53326	18213	72787	143075
620630	Womens/girls blouses and shirts of cotton	8761	3008	4037	15492	22529	5354	6690	11636	37154
620711	Mens/boys briefs of cotton (excl. Knit/crochet)	138	83	181	3266	49	342	299	2477	1436
620791	Mens/boys singlet, bathrobes, gowns of cotton	9	122	321	1200	1050	9	14	214	12972
620821	Womens/girls nightdresses of cotton (excl. Knit/crochet)	432	275	1117	5280	435	29	3672	1479	4043
620891	Womens/girls singlets and briefs	54	239	675	2145	2315	138	768	6219	45158
620920	Babies garments and clothing of cotton	2392	618	1640	26811	1727	989	586	32858	6385
621132	Mens/boys track suits of cotton	1797	1477	4840	18716	8866	2660	901	36604	8756
621133	Mens/boys track suits of man-made fibres	4019	2710	3804	18549	16113	6104	1220	23818	4347
621142	Womens or girls track suits of cotton	962	897	2743	5514	8405	2761	4427	10751	17728
621143	Womens/girls track suits of man-made fibres	9294	3441	4024	19166	31369	7215	4782	11290	34658
630221	Printed bed-linen of cotton	1606	1914	3770	411	25684	8486	242	688	45039
630222	Printed bed-linen of man-made fibres	1301	180	-	453	264	48	-	6	198
630231	Bed-linen of cotton (excl. Printed, knit/crochet)	714	619	6723	2522	6500	1297	1	4874	8004
630232	Bed-linen of man-made fibres	114	6	211	2522	2780	1098	-	27	673
630251	Table linen of cotton	20	616	4176	2633	3946	202	26	210	2636
630260	Toilet linen/kitchen linen of terry toweling cotton	1490	2237	11835	434	7395	61	1739	218	73568
630291	Toilet linen and kitchen linen of cotton	66	516	2936	8	1108	786	25	-	1523

Source: Eurostat, European Community

Table A-2.9
Scenario of Pakistan's Clothing Exports having Quota vis-à-vis its Competitors - 2004
(Euros Thousand)
Countries have Quota on these Items

HSCode	Commodity	Pakistan		China		Hong Kong		India		Indonesia		South Korea		Thailand	
		Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value	Fill Rate	Value
610332	Mens/boys jackets of cotton, knit/crochet	22127	92.6	2275	77.2	62	0.0	3476	0	17	91.1	46	0.0	44	0.0
610342	Mens/boys trousers of cotton, knit/crochet	21.2	7476	93.3	31046	0.0	323	0.0	19562	0.0	2768	61.2	340	0.0	870
610442	Womens/girls dresses of cotton, knit/crochet	1.9	2470	90.3	2828	52.8	3812	88.3	16627	0.0	2408	32.1	756	20.0	2373
610463	Womens/girls trousers of cotton, knit/crochet	21.2	30673	93.3	100467	0.0	2173	0.0	42369	0.0	9585	61.2	1757	0.0	4923
610510	Mens/boys shirts of cotton, knitted/crocheted	88.6	21694	97.0	50600	80.3	16719	94.1	38086	92.6	13031	85.2	4739	84.3	8683
610520	Mens/boys shirts of man-made fibres, knit/crochet	88.6	9310	97.0	9092	80.3	2391	94.1	1589	92.6	10806	85.2	3214	84.3	20448
610610	Womens/girls blouses and shirts of cotton, knit/crochet	69.4	18986	96.0	16846	62.4	32194	92.5	46820	61.1	4308	35.6	3321	40.7	6209
610711	Mens/boys undershirts of cotton, knit/crochet	0	6030	98.3	145888	58.2	10912	0.0	44470	0	7047	74.3	1853	0.0	17806
610721	Mens/boys nightshirts of cotton, knit/crochet	0	7535	0.0	51909	0.0	528	0.0	63080	0	4666	0.0	4	0.0	670
610831	Womens/girls nightdresses of cotton, knit/crochet	0	12319	0.0	132705	0.0	995	0.0	118588	0	4666	0.0	67	0.0	2815
610910	T-shirts, singlets and vests of cotton, knit/crochet	88.6	80879	97.0	236967	80.3	112269	94.1	307220	92.6	74375	85.2	19876	84.3	57924
610990	T-shirts and singlets of textile materials, knit/crochet	88.6	6592	97.0	180679	80.3	46592	94.1	131443	92.6	43138	85.2	21338	84.3	43676
611020	Jerseys, pullovers, cardigans, of cotton	96.0	50751	98.8	125462	99.5	162769	94.1	168546	97.2	135176	99.4	50440	97.0	89114
611030	Jerseys, pullovers, cardigans of man-made fibres	96.0	16122	98.8	178844	99.5	140683	94.1	25010	97.2	192227	99.4	131863	97.0	109301
611120	Babies garments/clothing accessories of cotton	0	7934	0.0	484442	0.0	6919	0.0	87377	0	9248	0.0	12359	0.0	22536
611211	Track-suits of cotton, knitted or crocheted	0	5607	0.0	74256	0.0	534	0.0	5273	0	3276	0.0	373	0.0	786
611212	Track-suits of synthetic fibres, knit/crochet	0	5640	0.0	129088	0.0	2001	0.0	1557	0	8245	0.0	258	0.0	3344
611420	Special garments for professional of cotton,	0	4385	92.6	47333	77.2	4072	0.0	45483	0	1821	91.1	528	0.0	1965
611592	Full-length or knee-length stockings and hosiery	0	34815	50.4	18429	1.8	797	0.0	15298	0	37097	82.6	81212	56.0	12301
611610	Gloves and mittens coated with plastics/rubber	0	18429	0.0	44844	0.0	409	0.0	947	0	745	0.0	26016	0.0	1726
611692	Gloves and mittens of cotton, knit/crochet	0	17042	0.0	17269	0.0	599	0.0	1736	0	325	0.0	1296	0.0	505
611693	Gloves and mittens of synthetic fibres	0	5796	0.0	65700	0.0	885	0.0	4562	0	2800	0.0	5585	0.0	426
620192	Mens or boys anoraks of cotton	0	2221	0.0	139257	0.0	6292	0.0	5316	0	7882	0.0	591	0.0	3516
620193	Mens or boys anoraks of man-made fibres	0	4364	0.0	622069	0.0	9476	0.0	8560	0	44841	0.0	4767	0.0	7294
620322	Mens or boys ensembles of cotton	0	2374	85.5	39204	0.0	66	0.0	2732	0	73	0.5	17	0.0	309
620342	Mens/boys trousers, bib and brace of cotton	96.1	164330	97.2	130935	81.3	184276	94.5	53528	91.0	45834	89.4	12166	82.8	25768
620343	Mens/boys trousers, bib and brace of synth. Fib.	96.1	7415	97.2	81313	81.3	18494	94.5	6575	91.0	35247	89.4	8928	82.8	12437
620422	Womens or girls ensembles of cotton	0	9216	97.3	59690	9.5	7186	0.0	17552	0	1087	18.3	949	0.0	3717
620442	Womens or girls dresses of cotton	11.9	2832	90.9	15201	52.8	14900	88.3	49053	0.0	2901	32.1	1111	20.0	2892
620462	Womens/girls trousers, bib and brace of cotton	96.1	111200	97.2	146554	81.3	263243	94.5	63777	91.0	33514	89.4	9992	82.8	26231
620463	Womens/girls trousers, bib and brace of synth.fib	96.1	5815	97.2	131960	81.3	44609	94.5	10346	91.0	33359	89.4	6397	82.8	26954
620469	Womens/girls trousers and brace of text materials	96.1	4609	97.2	229042	81.3	5075	94.5	9405	91.0	1559	89.4	225	82.8	899
620520	Men s/boys shirts of cotton	31.5	6676	93.8	124273	35.8	106988	94.3	202060	59.9	68934	30.2	26179	54.3	19277
620630	Womens/girls blouses and shirts of cotton	69.4	2026	96.0	44361	62.4	60196	92.5	161605	61.1	23846	35.6	2308	40.7	4533
620711	Mens/boys briefs of cotton (excl. Knit/crochet)	0.0	1550	0.0	31694	0.0	512	0.0	6312	0.0	686	0.0	302	0.0	218
620791	Mens/boys singlet, bathrobes, gowns of cotton	0.0	19091	0.0	3362	0.0	154	0.0	3391	0.0	104	0.0	0	0.0	221
620821	Womens/girls nightdresses of cotton (excl. Knit/crochet)	0.0	5152	0.0	43504	0.0	199	0.0	32366	0.0	1276	0.0	90	0.0	702
620891	Womens/girls singlets and briefs	0.0	11547	0.0	11863	0.0	246	0.0	4248	0.0	116	0.0	5	0.0	158
620920	Babies garments and clothing of cotton	0	5016	0.0	205678	0.0	5283	0.0	34678	0	2380	0.0	448	0.0	6885
621132	Mens/boys track suits of cotton	0	6669	81.8	30446	25.6	1846	0.0	7192	0	2361	15.9	616	0.0	690
621133	Mens/boys track suits of man-made fibres	0	5619	81.8	185847	25.6	4677	0.0	9124	0	19654	15.9	3243	0.0	3784
621142	Women s or girls track suits of cotton	0	7197	81.8	29888	25.6	4778	0.0	17211	0	4254	15.9	645	0.0	1666
621143	Womens/girls track suits of man-made fibres	0	7804	81.8	127994	25.6	14693	0.0	15355	0	24935	15.9	2522	0.0	10455
630221	Printed bed-linen of cotton	99.0	134424	92.6	15773	0.0	781	78.0	58493	0.0	1195	0.0	0	1.5	697
630222	Printed bed-linen of man-made fibres	99.0	91405	92.6	30669	0.0	1577	78.0	16130	0.0	417	0.0	0	1.5	357
630231	Bed-linen of cotton (excl. Printed, knit/crochet)	99.0	58176	92.6	60333	0.0	1713	78.0	40063	0.0	8624	0.0	4	1.5	387
630232	Bed-linen of man-made fibres	99.0	64033	92.6	17521	0.0	10	78.0	3311	0.0	1582	0.0	93	1.5	207
630251	Table linen of cotton	96.3	16070	92.6	19427	0.0	8	87.3	87230	0.0	195	0.0	2	0.0	334
630260	Toilet linen/kitchen linen of terry towelling cotton	98.2	79762	92.4	62010	0.0	279	79.8	63582	0.0	11213	2.7	333	0.0	981
630291	Toilet linen and kitchen linen of cotton	96.3	34492	92.6	2983	0.0	48	87.3	15532	0.0	60	0.0	150	0.0	169

Source: Eurostat, European Community

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Table A-2.9
Scenario of Pakistan's Clothing Exports having Quota vis-à-vis its Competitors - 2004
Countries do not have Quota on these Items
 (Euros Thousand)

HS Code	Commodity	Bangladesh	Bulgaria	Czech Republic	Morocco	Poland	Romania	Sri Lanka	Tunisia	Turkey
610332	Mens/boys jackets of cotton, knit/crochet	152	63	1167	284	47	303	120	188	8130
610342	Mens/boys trousers of cotton, knit/crochet	9004	1699	666	8493	247	5818	6184	8913	63861
610442	Womens/girls dresses of cotton, knit/crochet	6676	1990	1816	3006	1167	1740	1157	1768	26031
610462	Womens/girls trousers of cotton, knit/crochet	23081	2594	3922	12006	2798	12269	12593	7763	213505
610463	Womens/girls trousers of synth. Fibres, knit/ crochet	7087	2504	2029	10040	1040	12041	1991	27788	3630
610510	Mens/boys shirts of cotton, knitted/crocheted	100280	2683	2839	14375	777	12529	13413	11784	106742
610520	Mens/boys shirts of man-made fibres, knit/crochet	15368	1473	182	1348	1304	8391	903	1725	8069
610610	Womens/girls blouses and shirts of cotton, knit/crochet	23522	5815	2782	6149	10364	9138	4053	3605	110170
610711	Mens/boys underpants of cotton, knit/crochet	5127	22918	12592	28827	3116	48735	3202	11033	37233
610721	Mens/boys nightshirts of cotton, knit/crochet	4678	2161	559	4211	612	8176	8176	1034	23511
610831	Womens/girls nightdresses of cotton, knit/crochet	9479	3038	5674	6622	3076	5960	12409	9395	66712
610910	T-shirts, singlets and vests of cotton, knit/crochet	824633	35213	19529	186366	20768	84061	90679	100351	1543865
610990	T-shirts and singlets of textile materials, knit/crochet	37067	27991	8946	64756	24565	48341	9966	77969	311114
611020	Jerseys, pullovers, cardigans, of cotton	329925	28431	43870	38107	14273	75409	30609	46847	563805
611030	Jerseys, pullovers, cardigans of man-made fibres	614628	50034	33908	106886	35799	193281	43741	82115	237443
611120	Babies garments/clothing accessories of cotton	15130	3687	292	22845	2613	30767	818	20304	67303
611211	Track-suits of cotton, knitted or crocheted	726	772	124	2170	69	3340	117	737	15296
611212	Track-suits of synthetic fibres, knit/crochet	1566	1178	513	3710	236	1078	1535	1078	6496
611420	Special garments for professional of cotton,	3067	1186	4218	3828	368	1606	9403	3391	24299
611592	Full-length or knee-length stockings and hosiery	1665	15836	6373	9788	6509	8317	42675	5539	398002
611610	Gloves and mittens coated with plastics/rubber	28	0	3054	907	123	6	423	8811	191
611692	Gloves and mittens of cotton, knit/crochet	3	0	261	375	361	-	2709	28	745
620192	Mens or boys anoraks of cotton	6509	4161	303	513	116	244	1857	361	296
620193	Mens or boys anoraks of man-made fibres	14511	7631	11680	6377	5644	15572	3570	11812	19748
620322	Mens or boys ensembles of cotton	150	668	632	1900	11067	42052	40	11709	9409
620342	Mens/boys trousers, bib and brace of cotton	475619	49366	73449	258196	131181	325917	59198	485502	536920
620343	Mens/boys trousers, bib and brace of synth. Fib.	68877	26769	19737	67787	23784	98097	27789	71536	31675
620422	Mens or girls ensembles of cotton	606	674	206	2696	387	1307	10858	1844	5553
620442	Womens or girls dresses of cotton	6414	3750	5364	24486	4562	13049	2753	16642	16482
620462	Womens/girls trousers, bib and brace of cotton	331298	53652	48685	277359	72540	227041	70027	309344	639147
620463	Womens/girls trousers, bib and brace of synth.fib	78528	65824	23033	127579	46484	211233	18904	53104	208345
620469	Womens/girls trousers and brace of text materials	6521	13924	6576	47388	20323	40730	3270	18388	64751
620520	Men s/boys shirts of cotton	191901	56151	15536	74064	36098	172224	8099	87379	209660
620630	Womens/girls blouses and shirts of cotton	31968	20420	11614	59253	24570	70399	12545	18641	88914
620711	Mens/boys briefs of cotton (excl. Knit/crochet)	494	167	285	3074	159	3881	6269	18277	3180
620791	Mens/boys singlet, bathrobes, gowns of cotton	174	375	296	254	77	783	252	684	24537
620821	Womens/girls nightdresses of cotton (excl. Knit/crochet)	1209	435	698	3968	682	467	2660	1522	7462
620891	Womens/girls singlets and briefs	69	889	526	1671	3178	1657	680	6405	66783
620920	Babies garments and clothing of cotton	14982	1771	2009	17605	2534	3612	4845	17247	18101
621132	Mens/boys track suits of cotton	1504	5273	3259	15749	2554	12546	8595	62901	4233
621133	Mens/boys track suits of man-made fibres	7719	18850	39385	39385	6534	18972	474	44585	3991
621142	Women s or girls' track suits of cotton	2439	2135	2380	6574	3738	4865	1592	10299	11093
621143	Womens/girls track suits of man-made fibres	8376	9215	5295	18720	11001	15169	630	25615	9298
630221	Printed bed-linen of cotton	29981	5190	12150	931	25656	37186	28	959	130233
630222	Printed bed-linen of man-made fibres	17815	174	75	6129	4351	748	397	313	10868
630231	Bed-linen of cotton (excl. Printed, kni/crochet)	21385	8012	12137	251	20564	14176	261	8930	59736
630232	Bed-linen of man-made fibres	9471	440	605	165	5258	502	74	1464	8326
630251	Table linen of cotton	1452	414	13928	57	3892	2692	62	3606	10032
630260	Toilet linen/kitchen linen of terry toweling cotton	14745	4581	12643	468	3396	257	81	1504	272597
630291	Toilet linen and kitchen linen of cotton	2255	1495	2375	82	1118	888	130	777	32906

Source: Eurostat, European Community

Table A-2.10
Scenario of Pakistan's Clothing Exports without Quota vis-à-vis its Competitors
(Euros Thousand)

HS Code	CLOTHING - 1995										CLOTHING - 2004					
	Bangladesh	Bulgaria Republic	Czech Republic	Morocco	Poland	Romania	Sri Lanka	Tunisia	Turkey	Pakistan	China	Hong Kong	India	Indonesia	South Korea	Thailand
610422	537.8	101.5	717.0	1658.2	6095.1	633.9	575.2	627.5	13769.8	2364.4	6594.2	239.0	8465.1	682.5	0.8	498.5
620332	1500.2	3420.1	3444.2	7477.5	9670.8	4669.2	147.9	13038.5	6998.1	2512.3	26524.5	5022.3	7989.7	343.0	312.9	430.0
620452	576.7	1027.4	1910.2	10853.8	7641.0	1314.3	3272.6	12442.7	12390.2	1376.4	15300.7	14659.6	36023.4	660.4	49.1	1281.6
621600	0.1	503.4	302.6	380.6	323.8	248.4	-	866.6	91.7	4170.6	59560.3	3598.1	626.9	4310.0	1024.5	3068.9
630210	23.1	46.4	3653.1	6.3	8741.6	28.0	-	443.1	32202.1	38147.3	2286.1	5.2	2233.8	513.5	0.4	25.8
630391	53.6	20.1	685.5	152.9	2807.7	30.8	-	88.8	525.7	6859.4	4943.7	74.6	4680.7	88.2	77.8	209.1
630392	-	-	1496.5	433.4	1291.3	27.5	-	-	8427.9	3512.0	552.2	80.2	47.2	288.6	500.9	2349.5
630399	1.9	-	13.9	10.7	28.3	65.1	20.2	-	256.3	639.1	1471.1	-	74.8	-	1.2	157.7
630419	23.3	10.2	10.1	84.3	96.1	39.8	16.1	17.4	2034.2	818.3	7527.5	36.7	23631.8	145.5	1.2	264.1
630492	41.7	29.7	1206.3	1.1	4064.1	254.6	1.6	-	605.8	4375.6	20754.4	172.5	17918.2	1217.5	44.5	731.4
630493	-	-	287.0	-	3071.5	12.3	4.8	-	1095.4	337.1	2835.2	2.6	499.3	108.5	6.4	2106.2
630710	34.2	163.2	1682.0	-	708.4	14.3	243.4	10.6	54.3	9920.0	4433.0	28.3	3534.9	85.5	1191.0	90.2
630790	552.6	346.5	23625.8	424.0	28967.1	1184.8	5.9	4115.7	2491.8	5861.4	69657.4	3261.2	9966.2	1254.9	3252.0	5813.1
631010	81.1	136.4	418.5	8.3	659.0	57.5	-	2309.9	6455.6	2341.4	973.5	592.4	849.2	190.0	5.8	204.9

HS Code	CLOTHING - 2004										CLOTHING - 2004					
	Bangladesh	Bulgaria Republic	Czech Republic	Morocco	Poland	Romania	Sri Lanka	Tunisia	Turkey	Pakistan	China	Hong Kong	India	Indonesia	South Korea	Thailand
610422	453.3	244.3	266.8	693.4	667.6	2012.0	15569.9	708.6	13228.1	1093.0	44273.5	202.9	10996.8	192.8	254.3	146.1
620332	1274.0	5222.2	4657.9	7207.5	5390.8	37143.6	131.0	13228.4	20815.7	2815.8	32616.7	1531.0	4881.4	423.5	171.1	438.4
620452	20958.8	11378.7	8198.2	61855.0	11004.8	52885.4	13614.9	43505.1	88854.0	9878.6	256372.7	7386.4	60454.0	4724.6	1669.8	4540.5
621600	13.6	67.5	547.6	239.7	292.6	496.0	936.6	356.6	565.8	7935.4	90367.7	2545.7	2256.1	4073.2	1127.8	376.7
630210	1154.5	207.4	1127.3	1965.4	5372.1	5474.7	110.4	4500.6	86660.3	86816.1	11076.8	18.1	4215.1	94.4	26.7	787.3
630391	7952.7	117.0	5346.3	192.9	19749.0	894.1	13.3	2306.0	9063.8	44272.2	31217.6	81.7	62940.4	63.8	27.1	867.3
630392	712.9	504.9	16635.3	827.5	12551.0	26534.6	64.0	5446.1	78081.1	45877.1	95213.9	246.4	13575.6	52.6	179.0	2077.6
630399	2678.5	0.7	457.2	45.5	3093.1	110.6	159.7	12031.4	6260.6	4852.3	15386.7	55.8	4946.8	20.0	1.1	248.6
630419	259.6	67.6	331.4	206.2	2490.3	623.7	24.1	494.3	5059.4	6756.7	28530.8	50.1	53480.4	102.4	10.4	182.4
630492	642.0	1727.8	1339.6	1067.8	6444.5	2797.4	4.4	2918.2	5343.0	9524.0	33659.6	149.1	54611.7	799.5	4.2	870.3
630493	6.2	27.0	1917.7	429.3	7594.5	398.3	6.1	8621.3	3739.2	4875.1	76223.4	207.7	12653.6	991.3	8.1	650.3
630710	178.8	265.0	6657.9	30.5	1776.5	578.5	903.0	6244.5	966.0	16354.1	30962.0	426.1	4538.2	9.5	24406.1	168.9
630790	3142.7	1318.4	46581.9	3633.9	66065.1	23802.6	78.4	11030.6	15163.1	14407.0	268664.4	6380.2	26149.3	1931.9	3015.0	4016.4
631010	1027.5	143.3	857.8	87.8	1834.4	722.7	-	2098.4	7156.7	2179.0	1003.3	25.1	1133.6	553.5	47.8	344.4

Source: Eurostat, European Community.



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