

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Textiles Committee  
Sub-Committee on Adjustment

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INFORMATION RECEIVED BY THE TECHNICAL SUB-GROUP  
IN RESPONSE TO GATT/AIR/UNNUMBERED A AND B

EEC

Additional Information

Council Regulation No.219/84 gives details on the introduction of a special regional development measure for areas affected by the restructuring of the textiles and clothing industry.

Under the quota-free section of ERDF the Community has introduced a specific Community regional development measure which will contribute to the development of new economic activities in areas adversely affected by restructuring of the textiles and clothing industry. In the Regulation instituting this measure (Regulation No.219/84 of 18 January 1984) reference is made to the Community's obligations under the MFA in relation to adjustment policies. It is intended that the special programme will help in the renovation of such areas by modernizing and converting disused industrial buildings, in preparing analyses on potential markets for small and medium undertakings (SMU's), in helping SMU's to change or adapt to new conditions, in creating development and consultancy firms, and common services in providing easier access for SMU's to risk capital, and in the promotion of innovation in industry and services. This measure implements a clear strategy for structural change. The total amount available from Community Funds over the period 1984-1989 inclusive is 260 million ECU.

INVESTMENTS AT CURRENT PRICES AND RATES<sup>1</sup>

ECU million

CODE NACE	1976		1977		1978		1979		1980		1981		1982	
	43	453	43	453	43	453	43	453	43	453	43	453	43	453
CEE 9	1.626,9	353,6	1.534,9	357,7	1.605,9	402,9	1.934,7	455,0						
D	413,0	116,9	421,6	113,2	424,2	125,4	509,5	133,1	512,2	111,0				
F	330,8	75,1	253,7	67,0	249,8	74,0	316,6	85,2	356,4	86,3	303,6	74,4		
I	427,6	62,9	378,6	70,2	403,9	67,8	470,6	78,6	572,7	99,4	603,8	102,1		
NL	54,6	12,0	56,0	14,4	50,2	17,9	55,6	19,0	59,3	15,7	46,6	9,9		
B	84,4	14,5	88,3	15,5	94,8	18,5	100,3	16,8	124,1	21,7	111,7	13,9		
UK	250,3	57,4	262,9	62,6	317,7	85,1	343,3	108,1	307,2	105,1				
IRL	32,7	2,3	49,9	5,0	50,1	6,6	118,4	7,0						
DK	32,7	12,4	23,9	9,1	15,0	7,7	18,2	7,2	20,3	5,8	18,1	7,5		

\* Estimate

<sup>1</sup> Undertakings employing twenty persons or more

Source: SOEC

TOTAL TURN-OVER<sup>1</sup>

ECU million

CODE NACE	1976		1977		1978		1979		1980		1981		1982	
	43	453	43	453	43	453	43	453	43	453	43	453	43	453
CEE 9	38.386	16.794	40.613	18.137	41.525	19.215	46.105*	21.490*	47.805*	23.180*	48.894	23.089*	51.393*	24.227*
D	10.854	5.750	11.419	6.244	12.022	6.821	12.683	7.122	12.943	7.323	12.896*	7.100	13.526*	7.247*
F	8.297	3.660	8.570	3.913	8.668	4.137	9.682	4.530	10.403*	4.903	10.628*	4.982*	10.916*	5.323*
I	7.354	2.724	8.022	3.086	8.041	2.940	10.041	3.880	10.943	4.634	11.550*	4.570	12.893*	5.011*
NL	1.550	682	1.612	661	1.506	686	1.510	643	1.475*	635*	1.393*	575*	1.494*	600*
B	2.424	875	2.456	911	2.472	905	2.647	917	2.794*	938*	2.919*	951*	2.958*	935*
UK	7.124	2.727	7.688	2.926	7.930	3.310	8.614	3.974	8.415	4.350*	8.665*	4.546*	8.755*	4.725*
IRL	303	130	366	144	419	164	426*	154*	319*	134*	270*	110*	215*	102*
DK	479	246	477	248	466	248	500	269	512	263	573	255	636*	282*

\* Estimate

<sup>1</sup> Undertakings employing twenty persons or more

Source: SOEC

STAFF EXPENDITURE<sup>1</sup>

CODE NACE	1976		1977		1978		1979		1980		1981		1982	
	43	453	43	453	43	453	43	453	43	453	43	453	43	453
CEE 9	10.871,8	5.553,8	11.171,8	5.797,9	11.697,8	6.175,0	6.799,9	7.315*						
D	3.036,4	1.665,7	3.241,9	1.819,1	3.468,6	2.030,3	3.625,0	2.111,9	3.740,8	2.194,5*	3.647,4*	2.145,3	3.713,1*	2.156,0*
F	2.487,6	1.332,3	2.531,2	1.403,9	2.683,6	1.508,4	2.903,6	1.649,8	3.153,0	1.808,8*	3.280,4*	1.925,0*	3.394,1*	2.048,5*
I	2.060,8	956,4	2.139,1	995,4	2.159,4	955,1	2.525,1	1.144,7	2.709,1	1.236,4	2.904,2	1.303,0	2.954*	
HL	465,1	176,4	481,7	179,6	450,4	183,2	435,6	183,9		(184)*				
B	698,1	316,5	703,2	320,6	703,7	324,7	717,3	320,9	708,4	322,6*	699,4	310,3*	671,8*	303,5*
UK	1.795,6	881,9	1.866,7	944,6	2.014,8	1.030,3	2.250,0	1.244,9	2.322,5	1.423,8				
IRL	200,4	131,9	82,8	43,3	98,8	51,0	(100)	(50)*		(50)*				
DK	127,8	92,7	125,2	91,4	118,5	92,0	124,5	93,8	1.233,0	95,4	127,8	80,0	138,7*	82,7*

ECU million

\* Estimate

<sup>1</sup> Undertakings employing twenty persons or more

Source: SOEC

NUMBER OF PERSONS EMPLOYED<sup>1</sup>

'000 persons

CODE NACE	1976		1977		1978		1979		1980		1981		1982	
	43	453	43	453	43	453	43	453	43	453	43	453	43	453
CEE 9	1.567,3	1.021,4	1.493,0	976,0	1.434,3*	941,5	1.378,7	919,4*	1.279,6*	870,7*	1.181,5*	807,2*	1.101,6*	763,7*
D	337,8	240,1	322,5	232,8	315,9	234,4	306,9	229,3	300,2	223,0	280,0*	207,0*	257,0*	188,0
F	320,6	208,1	301,2	203,3	294,4	197,0	284,3	194,3	272,2	186,0	255,7*	175,2*	250,0*	175,6*
I	334,5	189,2	319,3	177,0	306,7	164,1	300,7	162,2	290,4	154,3	274,2	147	256,7*	145*
NL	45,0	22,9	40,5	20,7	35,2	18,9	31,6	17,9	29,2*	16,5*	25,8*	13,8	23,3	12,3*
B	78,4	47,6	70,3	42,4	64,3	39,2	60,6	36,9	58,0	34,2*	54,0*	31,2*	51,2*	29,5*
UK	420,8	290,1	410,0	276,9	389,7	266,6	365,4	256,9	301,9	237,0*	266,4*	214,0*	239,7*	196,0*
IRL	16,8	11,9	17,3	12,1	17,4	12,2	18,4	12,2*	17,3	11,4*	15,8*	10,4*	13,5*	9,6*
DK	13,5	11,6	12,1	10,7	10,7	10,0	10,9	9,9	10,5	9,0	10,2	7,8	10,3*	7,7*

\* Estimate

<sup>1</sup> Undertakings employing twenty persons or more

Source: SOEC

VALUE-ADDED AT FACTOR COST<sup>1</sup>

ECU million

CODE NACE	1976		1977		1978		1979		1980		1981		1982	
	43	453	43	453	43	453	43	453	43	453	43	453	43	453
CEE 9	14.096	6.719	14.516	7.101	15.078	7.452	16.625	8.296	16.608*	8.766*	16.968*			
D	3.940	2.132	4.031	2.246	4.422	2.455	4.609	2.480	4.621	2.508	4.576*	2.841*	4.653*	2.520
F	3.064	1.573	3.244	1.733	3.303	1.796	3.722	1.993	3.966	2.146	4.069*	2.184*	4.175*	2.333*
I	2.760	1.085	2.902	1.153	2.858	1.097	3.501	1.364	3.865	1.605	3.998	1.711	4.423*	1.760*
NL	573	190	533	194	487	199	489	202		(175)				
B	851	376	855	374	887	379	904	387	971*	381*	1.013*	369	1.026*	362
UK	2.631	1.194	2.672	1.234	2.834	1.364	3.094	1.708	2.908	1.804	3.024	1.899*	3.050*	1.972*
IRL	109	59	124	58	131	59	136*	58	110*	(40)*	98,4		85,2	
DK	165	109	152	107	153	103	169	113	168	107	191	104	209	118*

\*Estimate

<sup>1</sup>Undertakings employing twenty persons or more

Source: SOEC

NUMBER OF UNDERTAKINGS<sup>1</sup>

CODE NACE	1976		1977		1978		1979		1980		1981		1982	
	43	453	43	453	43	453	43	453	43	453	43	453	43	453
CEE 9 <sup>1</sup>	10.499	9.605	10.266	9.423	9.969	9.122	9.697	8.983	9.620	8.983	9.620	8.983	9.620	8.983
D	1.801	2.195	1.762	2.220	1.712	2.193	1.676	2.143	1.620	2.104	1.620	2.104	1.620	2.104
F	1.980	1.853	1.949	1.918	1.938	1.967	1.917	2.019	1.916	1.984	1.916	1.984	1.916	1.984
I	3.270	1.801	3.203	1.830	3.161	1.573	3.113	1.544	3.061	1.514	3.030	1.473	2.988	1.489
NL	289	307	279	289	228	258	204	240	240	240	240	240	240	240
B	630	613	609	576	576	545	543	514	514	514	514	514	514	514
UK	2.222	2.550	2.162	2.437	2.057	2.236	1.959	2.127	1.820	2.077	1.820	2.077	1.820	2.077
IRL	126	160	124	162	134	164	124	162	162	162	162	162	162	162
DK	181	206	178	191	163	186	161	185	155	170	148	143	143	143

\* Estimate

<sup>1</sup> Undertakings employing twenty persons or more

Source: SOEC

DENMARK

Amounts of aid received by textiles and clothing companies

		('000 DKr)		
		<u>1980</u>	<u>1981</u>	<u>1982</u>
Law 145	Export Credit Act	1,397	1,067	781
Law 261	Act on Energy Saving	6,000	1,100	400
Law 470	Product Improvements Act	2,236	1,198	1,723
Law 142	Technological Services Act	3,794	3,999	4,579
Law 142+ 251	Public support consultants	<u>746</u>	<u>1,054</u>	<u>1,324</u>
	TOTAL	14,173	8,416	8,807
	('000 ECU)	1,880	1,062	1,080

In addition to the above amounts of aid, loans were provided under Law 219 and Law 211 to the following amounts:

Law 219	Regional Development	9,909	5,780	19,942
Law 211	Act for Artisans	870	8,075	15,165

On outward processing no licences have yet been issued but it is expected that some trade will eventually take place, as Denmark has outward processing quotas with Portugal, Yugoslavia and Poland.



FEDERAL REPUBLIC OF GERMANY

The value of imports of textiles and clothing under outward processing arrangements into the Federal Republic during 1983 amounted to DM 3,510 million. This represents 5.6 per cent of the total turnover of the German textile and clothing industry.

There were no programmes operating in the Federal Republic for employment or industrial restructuring.

IRELAND

(a) IDA Aid

	<u>Amount (mio IR £)</u>			<u>Number of firms</u>	
1979	10.1	41	Textile	99	clothing/ footwear
1980	16.5	41	"	98	"
1981	12.0	32	"	98	"

(b) Outstanding Foir Teoranta Loans

<u>At the end of</u>	<u>Mio IR £</u>	<u>Number of firms</u>
1979	1.9	23
1980	2.7	27
1981	3.7	25

(c) The Industrial Training Authority operated a number of training schemes for these industries at a total cost of IR £ 4.4 mio during the period 1970-1981.

(d) The IDA has acquired shares in the following textile companies

1. Asahi Spinning Co Ltd (15%)
2. Asahi Synthetic Fibres Co Ltd (15%)
3. Snia (Ireland) & Co Ltd (8%)
4. Wellman Incorporated (Boston) (10%)

It has not been possible to identify changes in product specialization or design.

ITALY

Further Explanations on Italian Law 675/77

- The procedure for granting aids was set in motion at the beginning of 1983.
- Projects are submitted for approval to the Inter-Ministerial Committee for Industrial Production (CIPI).
- After approval by the CIPI, certain projects are referred for examination to the services of the Commission on the basis of two lists:
  - \* List of products excluded from aids in principle, except in exceptional cases: Categories 5-7-12-24-50-70;
  - \* List of products subject to prior notification: Categories 3-6-13-17-22-32-48-59-66.
- Aid is granted towards the payment of interest, on average to the extent of 12 per cent on an average normal rate of 22 per cent.
- This same Law 675 envisages both re-structuring and reconversion but does not indicate towards which sectors reconversion should be made.

UNITED KINGDOM

Below is a table which shows the estimated amounts of aid received by the U K textile and clothing industries from various general industrial measures. It should be noted that the figures cover four years (annual figures are not available), and that they are estimated from various official sources, and should therefore be treated as a realistic indication rather than an absolutely precise figure.

1. Labour Measures:

Temporary Short Time Working Compensation Scheme	Textiles Clothing	60 38
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2. Regional Measures:

(a) Regional Development Grants	Textiles Clothing	48 17
(b) Regional Selective Assistance	Textiles Clothing	19 7

3. Research and Development	Textiles) Clothing)	13
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4. Modernization and Rationalization Schemes (National Selective Assistance)	Textiles Clothing	3 1
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Note: There is no published data on the numbers of firms or workers benefiting from these measures.

Assistance under the Temporary Short Time Working Compensation Scheme ended in March 1979 and the last payments under this scheme were made in March 1980.