



## WTO appears distancing itself from the Textiles Study

Apparently in the face of persistent criticism, the WTO Secretariat appears to be distancing itself from its textiles study "The Global Textile and Clothing Industry post the Agreement on Textiles and Clothing" (available on the WTO website as discussion paper No. 5). It is now counseling caution when reading the study.

2. At the time that the study was first released on 12 August 2004, the WTO announcement read as follows:

"This paper assesses the likely impact of trade liberalization in the textiles and clothing sector with the end of import quotas on 1 January 2005, when the sector will become subject to the rules the General Agreement on Tariffs and Trade."

3. In introducing the study, the WTO website now carries the following qualifications:

"This [discussion] paper, written under the exclusive responsibility of a member of the WTO Secretariat in a personal capacity, assesses *some of the possibilities* with respect to the potential impact of trade liberalization in the textiles and clothing sector with the end of quotas on 1 January 2005. The paper *reproduces simulation estimates* of the effects on trade flows of quota removal, using standard general equilibrium modelling techniques. It then argues that the estimates thus derived *tend to ignore* certain industry characteristics and policy factors. The paper does not purport to reflect a comprehensive list of such factors. The paper ends by offering an alternative estimation technique. *The fluidity of the commercial and policy environments affecting trade in this sector, and the consequent difficulty in assessing the impact of trade liberalization, should be borne in mind when reading this paper*" (emphasis added).

4. Additionally, the following disclaimer has now been added to the title page of the discussion paper (as it appears on the website).

"Discussion Papers are presented by the authors in their personal capacity and opinions expressed in these papers should be attributed to the authors. They are not meant to represent the positions or opinions of the WTO Secretariat or of its Members and are without prejudice to Members' rights and obligations under the WTO. Any errors or omissions are the responsibility of the authors.

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Geneva, 30 November 2004

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