



March 10, 2014

The Honorable Michael Froman
U.S. Trade Representative
Office of the U.S. Trade Representative
600 17th Street, NW
Washington, DC 20508

Karel De Gucht
Commissioner for Trade
Member of the European Commission
BE-1049 Brussels

Dear Ambassador Froman and Commissioner De Gucht,

We are writing to express our strong support for immediate and reciprocal duty-free provisions for ALL apparel and textile in the proposed Transatlantic Trade and Investment Partnership (T-TIP) Free Trade Agreement. As an early harvest and as a demonstration of the commitment of the two parties to making an agreement that enables, and encourages, European and U.S. apparel industry to work and grow together, we urge the two sides to announce at the end of this negotiating round your agreement to eliminate ALL apparel and textile duties, with no exclusion or exception, on Day 1 of T-TIP agreement.

The European Apparel and Textile Confederation (EURATEX) main objective is to create an environment within the European Union which is conducive to the manufacture of textile and clothing products. EURATEX is the political voice of 180,000 companies prominently SMEs active in the textile and clothing industry with a turnover of more than €168 billion employing more than 1,730,000 workers. The € 4.5 billion U.S. market represents the 2nd largest market for European textile and clothing companies in 2012. Counting just apparel, the United States represents the 3rd largest destination for European clothing exports.

Representing more than 1,000 world famous name brands, the American Apparel & Footwear Association (AAFA) is the trusted public policy and political voice of the apparel and footwear industry, its management and shareholders, its four million U.S. workers, and its contribution of \$350 billion in annual U.S. retail sales. The EU market, historically one of the largest markets for textiles and apparel, represents more than \$2.5 billion in U.S. exports annually (including \$730 million of U.S. clothing exports).

Collectively, our members produce, distribute, and sell product throughout Europe and the United States.

It is our hope and firm belief that the T-TIP has the potential to help the European and U.S. apparel industries grow, and create thousands of new jobs in Europe and the United States to support that growth. Tariffs, however, act as a huge impediment to achieving this goal. Just the opposite, tariffs prevent the U.S. and European industry from working together to accomplish this goal.

In order to realize success, the T-TIP must embody rules that make it as easy to sell apparel across the ocean as it is to sell apparel across the street. The T-TIP must eliminate duties on ALL apparel and textiles products, immediately upon implementation of the T-TIP agreement. As referenced in our December 13, 2013 letter, this also means the T-TIP must harmonize and simplify the myriad of rules and regulations that govern apparel trade in Europe and the United States thus providing ground for a greater industrial complementarity between the two partners also considering the important differences existing in the industrial structure across the Atlantic.

We again urge both sides to commit now to remove one the biggest impediments to trade by agreeing to the immediate elimination of ALL apparel and textile duties, with no exceptions.

We look forward to working with you this week, during the 4th round of trade talks in Brussels, as well as in the coming months to address these and other issues in the T-TIP.

Please accept our best wishes,

Sincerely,

A handwritten signature in black ink, appearing to read 'Steve Lamar'.

Steve Lamar
Executive Vice President
American Apparel & Footwear Association (AAFA)

A handwritten signature in black ink, appearing to read 'Francesco Marchi'.

Francesco Marchi
Director General
European Apparel and Textile Confederation (EURATEX)



December 13, 2013

The Honorable Michael Froman
U.S. Trade Representative
Office of the U.S. Trade Representative
600 17th Street, NW
Washington, DC 20508

Karel De Gucht
Commissioner for Trade
Member of the European Commission
BE-1049 Brussels

Dear Ambassador Froman and Commissioner De Gucht,

We are writing to offer joint comments on selected regulatory issues in the context of the Trans-Atlantic Trade and Investment Partnership (T-TIP).

By way of background, the European Apparel and Textile Confederation (EURATEX) main objective is to create an environment within the European Union which is conducive to the manufacture of textile and clothing products. EURATEX is the political voice of more than 181.000 companies active in the textile and clothing industry with a turnover of more than €165 billion million employing 1.780.000 workers. The € 4.5 billion U.S. market represents the 2nd largest market for European textile and clothing companies in 2012. Counting just apparel, the United States represents the 3rd largest destination for European clothing exports.

Representing more than 1,000 world famous name brands, the American Apparel & Footwear Association (AAFA) is the trusted public policy and political voice of the apparel and footwear industry, its management and shareholders, its four million U.S. workers, and its contribution of \$350 billion in annual U.S. retail sales. The EU market, historically one of the largest markets for textiles and apparel, represents more than \$2.5 billion in U.S. exports annually (including about \$730 million of U.S. clothing exports).

Collectively, our members produce, distribute, and sell product throughout Europe and the United States.

It is our hope and firm belief that the T-TIP can bring about harmonization and/or mutual recognition for a variety of regulatory challenges affecting our industry. Those challenges include, but not exclusively:

- Diverse labelling requirements for textiles and apparel. – Among others, care labelling for which requirements for apparel in the U.S. are mandatory while those in the European Union are voluntary. Care symbols, which are intended to provide a common set of instructions to avoid language barriers, are slightly different in the U.S. and the EU.

- Diverse product safety requirements – Both the U.S. and the EU maintain diverse approaches to flammability that results in differing standards with respect to test methods, fabrics, product coverage and so forth. Similarly, U.S. and EU standards on phthalates treat certain garments (primarily children’s sleepwear) differently, subjecting them to different standards.

In addition to industry specific concerns, our members face added costs and burdens because of diverse, conflicting, and burdensome approaches in other areas that also affect other industries. These include, but not exclusively:

- Conflict minerals reporting requirements for which we would like to receive more clarifications in terms of impact
- Customs procedures, such as those relating to tariff classification and trusted trader programs, and
- Chemical management regimes such as mutual recognition, pre-emption of sub-national (in U.S.)/sub-EU safety rules, etc.

In addition design, creativity and innovation are at the core of our companies’ strategies and we rely on the authorities to clarify and improve coordination mechanisms on Intellectual Property Rights (IPR) in order better safeguard our companies’ creativity. Maintenance of an appropriate framework of intellectual property protection and effective enforcement of intellectual property rights is vital for individual brands and companies in the context of the T-TIP.

We also believe that the T-TIP should establish an on-going regulatory cooperation council (akin to that which is in operation between the United States and Canada) to assess on an on-going basis those items that are ripe for regulatory harmonization and alignment.

We look forward to working with you next week, during the 3rd round of trade talks in Washington, as well as in the coming months to address these and other issues in the T-TIP.

Please accept our best wishes,

Sincerely,



Kevin M. Burke
President and CEO
American Apparel & Footwear Association (AAFA)



Francesco Marchi
Director General
European Apparel and Textile Confederation (EURATEX)