

07/22/2004 16:09 2089215

Attn. Mr. Peter Craig



**Minister of Foreign Affairs, International Trade and Regional Co-operation
Republic of Mauritius**

Dr. Supachai Panitchpakdi
Director General
WTO
Rue de Lausanne 154
CH-1211 Genève 21

Dear Dr. Panitchpakdi

I am writing to present our serious concerns regarding the unintended negative consequences for vulnerable economies, that are being caused by the impending the Multi-Fibre Arrangement (MFA) quotas on textiles and apparel, effective 1 January 2005. This issue was raised at the meeting of African Caribbean and Pacific Ministers in Mauritius on 11th July, 2004.

As you are well aware, the elimination of the MFA quotas on textiles and apparel, pursuant to the Uruguay Round Agreement on Textiles and Clothing (ATC), is widely regarded as a positive step in the development of LDCs and other vulnerable economies by increasing access to the major importing markets for these products. With the final phase-out of the quotas now just five months away, it is becoming clear that quite a number of the textile and apparel producing countries are poised to capture the vast preponderance of the market access opportunities to be created by the quota phase-out. In the process, existing trade by LDCs and other vulnerable economies will almost certainly be displaced, displacing thousands if not millions of jobs in those countries that can least afford it. This burden seems likely to fall especially hard on the LDCs of Africa, most of which have only begun to export textiles and apparel in the past few years.

Accordingly, may I request that the WTO should convene an emergency meeting of the Council on Goods at the earliest possible date (and preferably in August) to examine the unintended consequences of the MFA quota phase-out and to explore ways to protect LDCs and other vulnerable economies from the loss of these trade and employment opportunities upon which their fragile economies depend. I stand personally ready to work with you to find reasonable solutions to these very serious problems.



J.K. Cuttareo
Minister