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The Polish Textile Sector and its Competitiveness on the Single European Market, with Special Emphasis on Blankets, Travelling Rugs and Towels

Abstract

The aim of the paper is an analysis of the Single European Market based on selected products: cotton and man-made blankets and travelling rugs, towels and kitchen cloth. The analysis is prepared on the basis of international statistical sources with special reference to: Eurostat and UNCTAD data bases. The period of time covered by the analysis is connected with the accession of the New Member States to the European Union and with some changes in the Common Foreign Trade Policy of the EU within the WTO.

Key words: European Single Market, blankets and travelling rugs, towels and kitchen cloth.

Consequences of market liberalisation within the European Union and the WTO

In the early 1990s, products exported by the Polish textile and clothing industry showed the best cost competitiveness rates on the single European market compared with exports from other labour-intensive industries, because the wages paid in our country were lower than in Western Europe.

The direct export of textiles and clothing products which the Treaty on European Union classified as 'sensitive' goods was granted duty-free and non-quota access to the EU market as late as 1998. However, products exported from Poland to the EU under so-called outside processing were exempted from import restrictions as early as 1995, and they played a very important role among EU imports. Empirical research on the German market even shows that between 1992 and 1995 such products topped the list of imports first was woven ladieswear and second woven menswear [1] in Germany, as Poland's main trading partner which placed most orders for clothing production in our country. Empirical research also reveals that 1998 was the first year when Poland started gradually losing her previously high comparative advantage in the export of textiles and clothing articles to western European countries, including the EU. The main reason was the heavy burden of

non-wage costs imposed on enterprises' payrolls, but the situation was aggravated by the increasing competition of exports flowing to Western European markets from Southeast Asia, mainly China and India, but also other countries, mainly in the Mediterranean Basin (e.g. Tunisia, Morocco), which were granted preferential access to the Community's market.

Despite the situation and the declining volume of textiles and clothing articles exported to the EU over the next years, Polish exports still show relatively high rates of cost competitiveness (see Table 1), as a result of considerably lower wages in Poland than in the rest of the EU, and of the country's geographical proximity, which makes it a more preferable supplier than countries in Southeast Asia. Another important factor is the huge experience of Polish manufacturers and workers operating in the textile and clothing industry,

combined with the high quality of their products and services, as acknowledged by the award of numerous certificates.

Most textiles and clothing articles manufactured in Poland meet EU norms and standards as regards product quality, environmental safety and consumer safety [2]. In the Community, three directives regulate the textile market:

- Council Directive 73/44/EEC of 26 February 1973 on the approximation of the member states' laws concerning the quantitative analysis of ternary fibre mixtures. The Directive provides for sampling rules, identifies the quantitative analysis methods which serve the determination of the fibre composition of ternary textile fibre mixtures, and presents examples of calculating the percentage content of components in some ternary textile fibre mixtures;

Table 1. Ranking of revealed comparative advantages in the Polish export of textiles and clothing articles to EU between 2001 and 2002, according to CPA (Classification of Products by Activity) operated in the EU. **Source:** calculated by the author, based on GUS (Central Statistical Office) data. **Note:** A positive rate indicates the comparative advantage of Poland's export over EU's export; commodity groups with advantage have been bolded.

CPA code	Products	RCA rate in years	
		2001	2002
1821	Workwear	4.30	3.93
1740	Made-up textile articles, except clothing	3.56	3.79
2470	Man-made fibres	2.07	1.94
1710	Textile yarn and thread	0.31	1.74
1754	Other textiles and other products	1.34	0.96
1752	Cordage, rope, twine and netting	0.34	0.31
1823	Underwear	-0.04	-0.06
1751	Carpets and rugs	-0.59	-0.58
1760	Knitted or crocheted fabrics	-0.17	-0.17
1772	Knitted and crocheted pullovers, cardigans and similar articles	-0.20	-0.65
2111	Pulp	-1.03	-1.24
1824	Other wearing apparel and accessories	-1.37	-1.33
2614	Glass fibres	-2.61	-2.54

- Council Directive 96/74/EC of 16 December 1996 on textile names that defines the notion of a textile article, prescribes the allowed tolerance for 'pure' products (100%), provides for the marking (labelling) of textile articles, and modifies Directive 73/44/EEC with respect to new analytical methods for the binary and ternary textile articles offered by the technological progress. This Directive has Annexes including:
 - a table of textile fibres,
 - agreed allowances used to calculate the mass of fibres contained in textile products,
 - products that cannot be made subject to mandatory labelling or marking,
 - products to which inclusive labelling or marking can be applied, and
 - a list of amendments introduced by Directive 96/74/EC to the previously operative directives on textile products.
- Directive 97/37/EC of 19 June 1997 introducing three new fibres to the Annexes of Directive 96/74/EC.

Even though Polish enterprises usually meet all the above requirements, quality certificates recognised by the Single Market are a key to the enterprises' internationalisation, a process which has been quite limited in Poland so far [3].

Polish small- and medium-sized enterprises can apply for assistance offered under EU structural funds, for instance from the sectoral programme 'Improvement of Enterprise Competitiveness in the Years 2003-2006' and from PHARE 2 pre-accession programmes. In the late 1990s, the textile and clothing industry export from the Łódź region lost its dynamics, but the industry has retained its major role in the industrial structure in Łódź and the surrounding region. Nevertheless, the industry has to boost its marketing activities, both on the local markets and in the Community, by launching intensive campaigns advertis-

ing branded products and promoting the best brands on the EU market, as well as setting up its own stores/boutiques in other member states and/or outlets in international retail chains. Another effective option, particularly for the SMEs, is e-commerce development and the establishment of online stores offering limited lines of products meeting the needs of more sophisticated individual customers.

On 1 May 2004, Poland implemented the EU external customs tariff, which increased the competitive pressures of third-country imports on our market, as the tariff prescribes lower duties on such goods. For the same reason, however, the country will be better protected against unfair foreign competition, such as dumping, subsidised imports or so-called excessive import, because the common trade policy that Poland is part of as an EU member state ensures a more effective enforcement of EU customs regulations.

Following Poland's entry into the EU customs union, the average rate charged on manufactured goods on Poland's external border was considerably reduced (by more than half). The reduction of customs duties also affected textiles and clothing, especially products included in PCN Chapters 61 and 62 (duties on knitwear fell by c. 70%, and on other clothing by c. 80%). In Chapter 53 ("other vegetable textile fibres"), the number of adjusted rates was the lowest, and in Chapter 60 ("knitted or crocheted fabrics") it was the highest.

Almost all customs rates on silk products were reduced, but the group has only 4 product items whose import share is estimated at more than €20,000 euro. Customs rates were raised only for some selected items in PCN Chapters 54, 55, 56 and 59. These are man-made staple fibres and filaments; wadding; felt and non-wovens; special yarns, twine, cordage, ropes & cables and articles thereof, and impregnated, coated, covered or laminated & textile articles suitable for industrial use¹.

The reduction in customs rates on most textiles and clothing articles actually means that many ready-made products (particularly clothing, including knitwear) are exposed to stronger competition on our domestic market, and also that cheaper intermediate goods can be purchased from third countries, particularly China and other Southeast Asian countries.

On the other hand, rules governing the harmonisation of textiles and clothing articles with the GATT/WTO regulations required all products in categories such as yarn, fabrics, ready-made textile products and apparel to conform with GATT 1994 rules after 1 January 2005. All restrictions imposed by the Multifibre Agreement (MFA) were transferred to the new Agreement on Textiles & Clothing (ACT). The decade-long harmonisation process was broken down into four stages. 16% of textile and clothing articles were subjected to the ACT rules by 1 January 1995, another 17% were harmonised by 1 January 1998, still another 18% by 1 January 2002 and the remaining 49% of products were covered by the ATC by 1 January 2005 [5].

An analysis of the Single European Market based on selected products – cotton and man-made blankets and travelling rugs, towels and kitchen cloth.

From Eurostat and UNCTAD data, it appears that between 1992 and 2003 (a period of 11 years) the global output of the examined products increased considerably; it almost doubled with respect to toilet linen and kitchen linen, quadrupled for cotton blankets and travelling rugs, and it grew almost sevenfold in the case of man-made blankets and travelling rugs. The reason was the extraordinary expansion of China into the world markets, including the EU market, but definitely most strongly into the US market. Various Third World countries,

Table 2. Global output and shares in 1992 and 2003.

Geographic region	63013090 – cotton blankets				63014090 – man-made blankets				63026000 – toilet linen and kitchen linen			
	1992		2003		1992		2003		1992		2003	
	Output, millions of units	Share, %	Output, millions units	Share, %	Output, millions of units	Share, %	Output, millions of units	Share, %	Output, millions of units	Share, %	Output, millions of units	Share, %
WORLD	44	100.0	167	100.0	100	100.0	685	100.0	3570	100.0	5895	100.0
incl.: China	18	40.9	70	41.9	6	6.0	250	36.5	2350	65.8	4200	71.2
EU-25	6	13.6	7	4.2	34	34.0	185	27.0	130	3.6	195	3.3

being unable to catch up with their competitors in high-tech industries, also decide to boost the production of textiles manufactured using technologies that are easier to apply.

Global output estimates in the years 1992 and 2003 are given in Table 2.

Table 2 shows that the production of man-made blankets expanded substantially. Between 1992 and 2003, China enlarged her production by around 40 times, and her participation in the global output increased from 6.0 to 36.5%. In the same period, the EU's output dropped from 34.0% to 27.0% of the global output, even though its production grew fivefold.

The output of cotton blankets showed a smaller increase (c. 4 times). China slightly improved her contribution to the global output, from 40.9 to 41.9%, i.e. by one percentage point. Although the EU's output grew by c. 15%, it was disproportionately low compared with the average growth in the world; as a result, EU market's share decreased from 13.6% to 4.2%.

Regarding the production of toilet linen and kitchen linen, China is an all-time monopolist and has maintained her market share within 65 - 70% of the global output. Additionally, China has been slightly increasing her share from year to year. In the period in question, the EU's production expanded by 50%, but its contribution to the global output somewhat dropped, from 3.6 to 3.3%.

Among developing countries, we can distinguish many states that are already important global players today, and which are generally continuing their expansion. In particular, the group includes Far-East countries such as Pakistan, South Korea., Thailand, Indonesia, and Vietnam, and in other parts of the world Turkey, Egypt, Syria, Brazil, Columbia and Israel.

Assessment of the competitive positions of the 25 EU member states within the market volume, years 2000 and 2005 (market volume calculated as production + import-export)

Examination of the EU market volume of cotton blankets and travelling rugs reveals its clearly declining trend throughout the period 2000 - 2003. The

Table 3. European Union – volume of the blankets and travelling rugs' market and its structure (CN63013090); Source: calculated as Table 1.

Country	Market volume, thousands of euro				Market volume structure, %			
	2000	2001	2002	2003	2000	2001	2002	2003
EU/25/	72939.7	62435.0	57500.9	49492.2	100.0	100.0	100.0	100.0
France	6203.6	8505.4	5175.5	7215.4	9.5	13.6	9.0	14.6
Netherlands	1668.6	1094.5	1218.3	2638.9	2.3	1.8	2.1	5.3
Germany	22185.9	17653.4	17829.6	12412.5	30.4	28.3	31.0	25.1
Italy	11200.7	8861.4	10200.0	4674.6	15.4	14.2	17.7	9.4
UK	6456.3	7672.2	6983.2	5418.5	8.9	12.3	12.1	10.9
Ireland	885.5	722.7	687.9	1018.5	1.2	1.2	1.2	2.1
Denmark	717.3	798.9	1152.6	756.3	1.0	1.3	2.0	1.5
Greece	729.3	854.3	1224.2	2259.3	1.0	1.4	2.1	4.6
Portugal	-3225.0	-4905.9	-4059.5	-4553.0	-4.4	-7.9	-7.1	-9.2
Spain	5055.6	4648.8	4492.8	3393.2	6.9	7.4	7.8	6.9
Belgium	1427.8	1399.6	1798.6	1657.4	2.0	2.2	3.1	3.3
Luxembourg	120.5	246.3	215.4	169.4	0.2	0.4	0.4	0.3
Sweden	1775.7	1058.9	1556.5	783.5	2.4	1.7	2.7	1.6
Finland	3203.9	375.7	383.7	417.8	4.4	0.6	0.7	0.8
Austria	3698.5	2559.2	3613.3	4119.1	5.1	4.1	6.3	8.3
Malta	88.3	82.5	117.5	61.7	0.1	0.1	0.2	0.1
Estonia	2157.2	2970.8	662.2	2742.6	3.0	4.8	1.2	5.5
Latvia	195.2	284.1	217.2	284.0	0.3	0.5	0.4	0.6
Lithuania	24.5	26.7	-306.8	-576.8	0.0	0.0	-0.5	-1.2
Poland	577.0	1060.1	343.1	1897.9	0.8	1.7	0.6	3.8
Czech Republic	146.5	153.7	244.7	88.3	0.2	0.2	0.4	0.2
Slovakia	63.9	22.0	16.5	136.0	0.1	0.0	0.0	0.3
Hungary	463.8	512.8	642.5	833.8	0.6	0.8	1.1	1.7
Slovenia	7008.5	5721.6	3005.6	1576.0	9.6	9.2	5.2	3.2
Cyprus	110.6	55.8	86.2	67.3	0.2	0.1	0.1	0.1

Table 3a. European Union - volume of the blankets and travelling rugs' market and external exporters' shares (CN63013090); Source: calculated as Table 1.

Geographic region or country	Market volume, thousands of euro				Shares, %				
	2000	2001	2002	2003	2000	2001	2002	2003	
EU market volume	72939.7	62435	57500.9	49492.2	100	100	100	100	
incl.: Internal producers (in EU-15)	40659.9	26886.6	22872.9	13409.1	55.7	43.1	39.8	27.1	
incl.: Non-EU producers	32279.8	35548.4	34627.9	36083.1	44.3	56.9	60.2	72.9	
A. in EU-10	16408.4	17430	18362.3	17438.2	22.5	27.9	31.9	35.2	
incl.: Poland	1476.1	2101.8	1093.2	1286.7	2.0	3.4	1.9	2.6	
B. Non-EU	15871.4	18118.4	16265.6	18644.9	21.8	29.0	28.3	37.7	
incl.:	1. India	4218.6	4193.9	3658.6	4437.0	5.8	6.7	6.4	9.0
	2. Turkey	1414.3	1683.4	3137.9	3365.0	1.9	2.7	5.5	6.8
	3. China	2506.6	3445.2	2937.1	3234.1	3.4	5.5	5.1	6.5
	4. Pakistan	823.0	846.5	1555.2	2287.7	1.1	1.4	2.7	4.6
	5. USA	1679.9	1786.5	503.4	587.7	2.3	2.9	0.9	1.2
	incl.: 6. Brazil	592.2	514.8	790.6	463.7	0.8	0.8	1.4	0.9
	7. Switzerland	1079.5	587.7	292.0	245.7	1.5	0.9	0.5	0.5
	8. Croatia	403.0	445.1	334.3	205.8	0.6	0.7	0.6	0.4
	9. Egypt	208.1	384.8	82.2	191.0	0.3	0.6	0.1	0.4
	10. Romania	49.0	423.4	232.9	134.4	0.1	0.7	0.4	0.3
	11. Indonesia	172.9	130.4	160.3	121.3	0.2	0.2	0.3	0.2

competitive positions of the 25 member states within the market volume indicate that **Germany** was the leader in 2003 (with around 25% of the share), but the country's position had evidently deteriorated compared with 2000, when its share was approximately 30%. **France** was second (accounting for 14.6% of the

market volume in 2003) and her position had clearly improved in relation to the earlier years covered by the analysis. The **United Kingdom** was ranked third, and even though the country's 2003 share (amounting to c. 11%) was somewhat lower than in the previous two years, it was still better than in 2000. The next

Table 4. European Union – volume of the man-made blankets and travelling rugs market and its structure (CN63014090) Source: calculated as Table 1.

Country	Market volume, thousands of euro				Market volume structure, %			
	2000	2001	2002	2003	2000	2001	2002	2003
EU-25/	175045.6	173444.7	196860.7	224795.9	100.0	100.0	100.0	100.0
France	5894.0	7523.0	11958.6	12734.2	3.4	4.3	6.1	5.7
Netherlands	5860.5	3884.6	4815.0	5544.3	3.3	2.2	2.4	2.5
Germany	39184.5	41811.8	37526.5	33174.2	22.4	24.1	19.1	14.8
Italy	2342.5	-3685.4	2818.1	2346.5	1.3	-2.1	1.4	1.0
UK	34684.3	30621.2	25891.4	33885.4	19.8	17.7	13.2	15.1
Ireland	804.7	681.9	731.8	1046.8	0.5	0.4	0.4	0.5
Denmark	1396.8	2179.6	1540.1	1781.8	0.8	1.3	0.8	0.8
Greece	6450.8	5158.8	6386.4	10376.2	3.7	3.0	3.2	4.6
Portugal	1224.5	-214.0	3419.1	-828.8	0.7	-0.1	1.7	-0.4
Spain	14558.9	11076.5	13318.2	16402.0	8.3	6.4	6.8	7.3
Belgium	25995.9	36632.8	49683.5	51357.6	14.9	21.1	25.2	22.8
Luxembourg	740.8	176.7	108.6	167.3	0.4	0.1	0.1	0.1
Sweden	3065.0	3897.0	4166.3	3777.9	1.8	2.2	2.1	1.7
Finland	185.9	484.3	802.8	1014.4	0.1	0.3	0.4	0.5
Austria	5701.5	6372.4	5851.7	5821.5	3.3	3.7	3.0	2.6
Malta	34.5	28.1	42.3	81.3	0.0	0.0	0.0	0.0
Estonia	6997.7	8062.5	13390.0	32338.0	4.0	4.6	6.8	14.4
Latvia	477.0	228.9	135.8	140.2	0.3	0.1	0.1	0.1
Lithuania	132.6	193.8	157.7	185.8	0.1	0.1	0.1	0.1
Poland	12462.8	10094.8	5570.3	2859.5	7.1	5.8	2.8	1.3
Czech Republic	2853.5	3198.9	2864.4	5775.8	1.6	1.8	1.5	2.6
Slovakia	1680.9	1969.1	2774.1	2429.8	1.0	1.1	1.4	1.1
Hungary	974.1	1114.2	1301.1	1392.0	0.6	0.6	0.7	0.6
Slovenia	811.3	1211.6	932.9	183.2	0.5	0.7	0.5	0.1
Cyprus	530.7	741.5	674.0	809.0	0.3	0.4	0.3	0.4

Table 4a. European Union – volume of the man-made blankets and travelling rugs market and shares of non-EU exporters (CN63014090); Source: calculated as Table 1.

Geographic region or country	Market volume, thousands of euro				Shares, %			
	2000	2001	2002	2003	2000	2001	2002	2003
EU market volume	175045.6	173444.7	196860.7	224795.9	100	100	100	100
incl.: Internal producers (in EU-15)	85173.6	73874.8	85144.9	90826.9	48.7	42.6	43.3	40.4
Non-EU producers	89872.0	99570.0	111715.8	133969.1	51.3	57.4	56.7	59.6
A. in EU-10	36001.7	41615.1	38670.8	44965.5	20.6	24.0	19.6	20.0
incl.: Poland	1430.5	1487.9	768.8	1292.8	0.8	0.9	0.4	0.6
B. Non-EU	53870.3	57954.9	73045.0	89003.5	30.8	33.4	37.1	39.6
incl.: 1. China	16258.8	22872.5	39963.3	54559.9	9.3	13.2	20.3	24.3
2. India	2896.5	6037.4	5488.0	8610.8	1.7	3.5	2.8	3.8
3. Turkey	6050.6	5659.0	7566.4	5692.8	3.5	3.3	3.8	2.5
4. Thailand	64.0	247.9	872.5	1810.9	0.0	0.1	0.4	0.8
5. Syria	33.2	1.0	10.4	1094.5	0.0	0.0	0.0	0.5
incl.: 6. Croatia	3785.0	2480.6	1478.3	1064.4	2.2	1.4	0.8	0.5
7. Egypt	1038.7	537.7	1397.0	904.0	0.6	0.3	0.7	0.4
8. South Korea.	1392.2	804.5	857.0	640.9	0.8	0.5	0.4	0.3
9. Pakistan	49.6	32.0	249.5	555.4	0.0	0.0	0.1	0.2
10. Switzerland	1108.6	811.8	436.8	418.9	0.6	0.5	0.2	0.2
11. Indonesia	1285.0	341.8	523.1	327.4	0.7	0.2	0.3	0.1

three positions (5th, 6th and 7th) were occupied by **Italy, Austria and Spain** (holding, respectively, shares of 9%, 8% and 7%). Among the new member states, in 2003 **Estonia** (5.5%) and **Poland** (3.8%) were the biggest players for the commodity group here examined (see Table 3).

Table 3a illustrates that although in the first year of the period 2000 - 2003 the Community's market volume was dominated by internal suppliers (representing 56% of the market volume), and non-EU suppliers accounted for around 44%, in 2003 the situation reversed and external suppliers grew to 73%, while the share of

the intra-Community suppliers dropped to 27%. Among the external suppliers, in 2003 **India** was most important for the EU internal market (9%), then **Turkey** and **China** (holding around 7% and 6.5% shares respectively, which in the analysed period showed a strong upward trend – see Table 25), **Pakistan** (4.6%) and **USA** (a 1.2% share characterised by a downward trend in recent years). Other third countries' shares in the EU market were below 1% in 2003.

In that period, Poland enlarged her market share among intra-Community suppliers from 2 to 2.6%. The share was largest in 2001, when it reached the level of 3.4% (see Table 3a).

Analyses of the market volume of **man-made blankets and travelling rugs** show that the volume **clearly expanded** during the years in question. A closer look at the competitive positions held by the 25 member states indicates that in 2003 **Belgium** held the largest share (c. 23%). The country improved her position compared with the year 2000. The **UK** ranked second (its 15% share was lower than in 2000, when it amounted to c. 20%); **Germany** (a downward trend) and **Estonia** (an upward trend) attained 14% shares each. **France** (c. 6%), **Greece** (c. 4.5%) and the **Czech Republic** (2.6%), **which maintained their growing trends**, were important players as well. **In that period Poland showed a very strong declining trend**, evidenced by the falling competitive position of Polish manufacturers with respect to the market volume from 7.1% in 2000 to 1.3% in 2003 (see Table 4).

According to the data in Table 4a, at the beginning of the investigated period the intra-Community suppliers were slightly less important for the EU market volume than the external ones were (49% against 51%). At the end of the period, i.e. in 2003, the disproportion grew even larger: the EU suppliers retained a c. 40% share, whereas the third-country suppliers increased their participation in the Community market to around 60% (see Table 4a).

Among the external suppliers, **China** was definitely the most important player. In the period in question, the country substantially enlarged her share in the Community market from 9.3% to 24.3%; **India** and **Turkey** (their 2003 shares were 3.8% and 2.5% respectively) followed **China**. In 2003, other suppliers from the

Table 5. European Union – volume of the toilet linen and kitchen linen market and its structure (CN63026000); Source: calculated as Table 1.

Country	Market volume, thousands of euro				Market volume structure, %			
	2000	2001	2002	2003	2000	2001	2002	2003
EU-25	1181163.8	1182790.4	1122696.8	1132365.7	100.0	100.0	100.0	100.0
France	178997.1	197065.6	165248.7	160033.3	15.2	16.7	14.7	14.1
Netherlands	32472.0	33302.9	33717.4	37826.6	2.7	2.8	3.0	3.3
Germany	257696.0	243838.1	210525.4	214890.9	21.8	20.6	18.8	19.0
Italy	202777.8	232648.5	212465.3	227702.6	17.2	19.7	18.9	20.1
UK	197231.6	202952.7	192479.1	190808.9	16.7	17.2	17.1	16.9
Ireland	3211.0	3377.5	4915.7	13719.6	0.3	0.3	0.4	1.2
Denmark	19113.2	16401.5	18853.7	14878.4	1.6	1.4	1.7	1.3
Greece	27122.0	27456.9	27866.7	26921.2	2.3	2.3	2.5	2.4
Portugal	-22221.8	-7478.8	-6585.2	-37673.3	-1.9	-0.6	-0.6	-3.3
Spain	105391.1	106374.2	107096.2	117147.9	8.9	9.0	9.5	10.3
Belgium	38324.5	36466.7	41717.9	41438.6	3.2	3.1	3.7	3.7
Luxembourg	1935.9	1561.7	1787.0	2126.4	0.2	0.1	0.2	0.2
Sweden	26063.7	24395.9	19009.8	20880.7	2.2	2.1	1.7	1.8
Finland	12796.0	13190.4	11115.2	13070.4	1.1	1.1	1.0	1.2
Austria	25899.0	34689.2	39035.5	31437.6	2.2	2.9	3.5	2.8
Malta	1.3	0.7	-4.2	1.1	0.0	0.0	0.0	0.0
Estonia	-7263.6	-7008.5	-5156.2	-4556.1	-0.6	-0.6	-0.5	-0.4
Latvia	32807.5	18256.8	12932.0	12657.7	2.8	1.5	1.2	1.1
Lithuania	545.2	876.3	774.5	1451.1	0.0	0.1	0.1	0.1
Poland	22493.9	17286.8	27043.1	42279.0	1.9	1.5	2.4	3.7
Czech Republic	25794.7	-14138.9	4188.0	3222.3	2.2	-1.2	0.4	0.3
Slovakia	2383.4	3358.9	3838.3	4070.5	0.2	0.3	0.3	0.4
Hungary	-613.0	1205.0	978.8	-1000.2	-0.1	0.1	0.1	-0.1
Slovenia	-1797.7	-3292.8	-687.4	-972.4	-0.2	-0.3	-0.1	-0.1
Cyprus	3.0	3.3	-458.3	2.7	0.0	0.0	0.0	0.0

Table 5a. European Union – volume of the toilet linen and kitchen linen market and shares held by external exporters (CN63026000); Source: calculated as Table 1.

Geographic region or country	Market volume, thousands of euro				Shares, %			
	2000	2001	2002	2003	2000	2001	2002	2003
EU market volume	1181163.8	1182790.4	1122696.8	1132365.7	100	100	100	100
incl.: Internal producers (in EU-15)	235936.5	200378.0	182995.1	152601.4	20.0	16.9	16.3	13.5
Non-EU producers	945227.3	982412.4	939701.8	979764.4	80.0	83.1	83.7	86.5
A. in EU-10	387768.9	385156.5	366754.3	366600.6	32.8	32.6	32.7	32.4
incl.: Poland	10181.8	8087.8	6472.4	6078.8	0.9	0.7	0.6	0.5
B. Non-EU	557458.3	597255.9	572947.5	613163.8	47.2	50.5	51.0	54.1
incl.: 1. Turkey	210951.4	223215.2	214270.3	253228.0	17.9	18.9	19.1	22.4
2. Pakistan	59241.3	63774.3	74447.0	76518.9	5.0	5.4	6.6	6.8
3. China	50440.1	54417.3	51230.1	54045.5	4.3	4.6	4.6	4.8
4. India	53554.0	56778.6	45757.1	46044.8	4.5	4.8	4.1	4.1
5. Brazil	41313.3	37281.3	39767.5	39076.4	3.5	3.2	3.5	3.5
incl.: 6. Egypt	26171.3	26325.4	24590.2	27950.1	2.2	2.2	2.2	2.5
7. Israel	10287.2	16860.2	18693.9	18140.9	0.9	1.4	1.7	1.6
8. Columbia	12784.9	14629.9	13792.7	13013.7	1.1	1.2	1.2	1.1
9. Indonesia	12587.4	11334.7	12775.1	9548.3	1.1	1.0	1.1	0.8
10. Bangladesh	7387.5	10382.4	9870.5	9282.6	0.6	0.9	0.9	0.8
11. Bulgaria	3144.1	2732.7	3374.4	4162.9	0.3	0.2	0.3	0.4

third countries, such as **Thailand, Syria, Croatia, Egypt, South Korea, Pakistan** and **Indonesia** generally held shares within 1%, but Croatia suffered a serious loss (see Table 4a).

Poland's participation in the market of intra-Community suppliers declined in the analysed period from 0.8% to 0.6% (see Table 4a).

Regarding **toilet linen and kitchen linen**, an investigation into their market volume reveals its declining trend in 2003 compared with 2000. Trend analysis made on a member state basis indicates that **Italy improved her competitive position** in the period (from 17.2% to 20.1%), likewise **Spain** (from 8.9% to 10.3%), **the Netherlands** (from 2.7%

to 3.3%), **Austria** (from 2.2% to 2.8%) and **Poland** (from 1.9% to 3.7%). The following countries **deteriorated their competitive positions**, although in relative terms they remained high: Germany (from 21.8% to 19.0%), **France** (from 15.2% to 14.1%), and **Latvia** (from 2.8% to 1.1%). Throughout the period **Greece** (with her c. 2.5% share), **Sweden** (c. 2%) and **Denmark** (c. 1.5%) continued to be important market players (see Table 5).

Data in Table 5a indicate that at the outset of the period the intra-Community suppliers were already considerably less important for the EU market volume than the third-country suppliers were (20% against 80%). At the end of the period, the disproportion had even increased, because the internal suppliers had managed to retain only a 13% share in the EU market, whereas suppliers established in the third countries had increased their slice to around 85% (see Table 5a).

In the latter group Turkey was the major player, steadily enlarging her EU market share, followed by Pakistan, China, India, Brazil, Egypt, Israel, Columbia, Indonesia, Bangladesh and Bulgaria (see Table 5a).

In the years in question, Poland's share in the market of intra-Community suppliers declined from 0.9% to 0.5% (see Table 5a).

Editorial Note

1) Developed on the basis of [4].

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