Erhvervsudvalget (2. samling) ERU alm. del - Bilag 259 Offentligt



Secretary of State Alan Johnson Department of Trade and Industry 1 Victoria Street London SW1H OET

MINISTER FOR ECONOMIC
AND BUSINESS AFFAIRS

1 6 AUG. 2005

Dear Mr Johnson,

I am writing to you concerning the situation in relation to the Chinese textile exports. In Denmark – as well as in many other countries – the new quota system causes many problems for importers and retailers.

Many importers are now suffering from lack of goods that are stocked due to the excess of the quotas. Subsequently they are not able to fulfil contracts with retailers or their own distribution networks resulting in loss of turnover and profit making and ultimately also loss of jobs and business.

As you know Denmark did not support the protective textile measures imposed on Chinese exports this summer. I have repeated this position and the reasoning behind to Commissioner Mandelson in a letter dated the $9^{\rm th}$ of August, which I enclose for your information.

The situation as of today is very critical for specific textile products covered by the MoU between EU/China. It is my firm belief that immediate action is needed in order to find a flexible and pragmatic solution on the transitional problem of blocked textiles within the existing framework.

Given the seriousness and urgency of the current situation I call for a meeting with the Commission and you, as acting Presidency, in order to find a solution as soon as possible. I hope that you are willing to commit your self to support and facilitate a quick solution and make arrangements for a meeting as soon as possible. I know that my request is supported by a number of other Member States.

In this process I am at your disposal and we will work constructively together with the Presidency, the Commission and all other interested parties in order to achieve this goal.

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A solution could be based on the possibility for a flexible approach to quotas and at the same time respecting contracts concluded before the entry into force of the system in July. That would be a pragmatic model, which at the same time have the merit of reinstalling a stable legal frame work.

Yours sincerely,

Bendt Bendtsen