

Brazil Is World's 6th Textile Producer But 42nd Exporter

Contributed by Alana Gandra
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The director of the Brazilian Textile and Clothing Industry Association (Abit), Fernando Pimentel, is optimistic about the prospects of the Brazilian textile sector.

In his view, the end of the Textile and Clothing Agreement with trade blocs representing the rich countries, such as occurred in the European Union in December, 2004, opens new opportunities for Brazil to seek markets.

The world textile and clothing market was regulated for four decades by quota systems imposed by the developed countries in an attempt to protect their industries.

The goal of the Abit is to endeavor to get Brazil back up to at least a 1% share of the world textile market, as against 0.5% in 2004.

According to Pimentel, even though Brazil's textile industry is the world's sixth largest in size, its position among exporters is 40th or 42nd.

"We want to increase the share of exports in the industry's overall earnings. Last year this share was around 8.5%," he informed.

National textile exports hit record levels last year, reaching US\$ 2.080 billion, 108% more than the US\$ 1 billion exported in 1999 and 26% more than in 2003.

For 2005, Pimentel believes that, provided the GDP grows around 4%, as is forecasted, accompanied by the generation of employment and income, the textile sector is expected to perform well on the domestic market, with growth of 5-6%.

The earnings of the Brazilian textile sector last year totaled US\$ 25 billion, with investments of US\$ 1.2 billion.

The approximately 115 thousand establishments that sell clothing goods generated 82 thousand formal job positions in the country during the period.

The textile chain, made up of 30 thousand firms, accounted for 1.5 million job positions.

Translation: David Silberstein

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