EURATEX

THE EUROPEAN APPAREL AND TEXTILE CONFEDERATION

A complete recovery is still uncertain, despite some positive signals

Data of the third quarter of 2020 show a partial recovery compared to the second quarter. Nevertheless, production is still negative, and signs of a full recovery are yet to be seen. EURATEX is calling the EU for an active engagement in crucial area like circular economy, digitisation and level playing field.

After an unprecedented T&C activity plunge in the second quarter of 2020, the third quarter showed clear improvements.

During the 3rd quarter of 2020, the EU **turnover** partially recovered as compared to the previous quarter, and "***retail sales*** *of textiles, clothing, footwear and leather goods in specialised stores*" increased +62% compared to the second quarter. The EU27 **production** experienced also a rebound compared to the previous quarter with +25% in textiles and +33% in clothing.

However, the EU output reported a negative quarterly growth as compared with the same period of the previous year. The decline in the clothing industry was -15%, while for the textile, it was -7%. Spain and Italy recorded again the worst performances in textiles, with production drops reaching -16.5% on average during the 3rd quarter, while Romania and Austria were severely hit in the clothing sector with respectively -25% and -31%.

Such data tells that the signs of recovery, noticed since May, are now slowing down, due most probably to the reintroduction of stricter measures in European countries. Faced with dramatic forecasts, EURATEX reiterates its calls to the European Union to work on 4 critical areas, which can be found also in the conclusion of the EU Council on 16 November:

- Turn sustainability and circularity into an opportunity for business.
- Invest in upskilling the T&C labour market, developing new curricula which meet today's needs around digital production or technical textiles.
- Promote access to external markets and ensure level playing field on the EU Internal market.
- Invest in innovation, to digitalise production chains and techniques and develop new sustainable materials.

"*The agreement on the MFF and recovery package on 18 December is an excellent news for everybody, from industry to citizens. Such an achievement can restore confidence in a quick recovery across Europe*" says Dirk Vantyghem. "*Therefore, we cannot sit on our laurels: we need to grab the moment and develop an ambitious textile strategy for a sustainable and digital industry*".

About EURATEX

As the voice of the European textile and clothing industry, EURATEX works to achieve a favourable environment within the European Union for design, development, manufacture and marketing of textile and clothing products.

The EU textile and clothing industry, with around 160,000 companies employing 1.5 million workers, is an essential pillar of the local economy across many EU regions. With over € 61 billion of exports, the industry is a global player successfully commercializing high added value products on growing markets around the world.

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Working together with EU institutions and other European and international stakeholders, EURATEX focuses on clear priorities: an ambitious industrial policy, effective research, innovation and skills development, free and fair trade, and sustainable supply chains.

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