

4 EU Denim Products Trade¹

4.1 EU DENIM PRODUCTS TRADING

OVERVIEW

Denim products in Europe have a history of only about half a century, though denim itself, according to many different sources, originated in Nimes—a French city.

The end of WWII started the jeans presence on the European continent. Official imports from the US are unavailable due to the disorder of the post-war period. Sefranek's (founder of Mustang) first 300 pairs of jeans were produced in Germany in 1949, imitating the pattern of American jeans with a coarse blue drill instead of indigo denim. "Made in America" denim was widely supplied since the late 1950s and European mills established specialist mills for local denim production in the early 1970s [4].

Having recognized the importance of this new growing denim market, American brands rushed to open European offices in the early 1960s, with Levi's and Wrangler in 1961 and Lee in 1963 [4]. The mid-1970s witnessed rapid development of denim and jeans, growing into a defined force in the textile and jeans sector. Total jeans sales in ten European countries² jumped from 47 million units in 1970 to 170 million in 1977 [1, p12]. However, denim jeans suffered a sudden decline in the first half of the 1980s due to over production and the emergence of other casual wear items. Sales slumped from 250 million units in 1980 to 150 million in 1985 [2]. During the second half of the 80s, denim consumption began to pick up. In 1991, denim production in Europe was 228.7 million square meters and it rose to 241 million square meters in 1995 [1, p16].

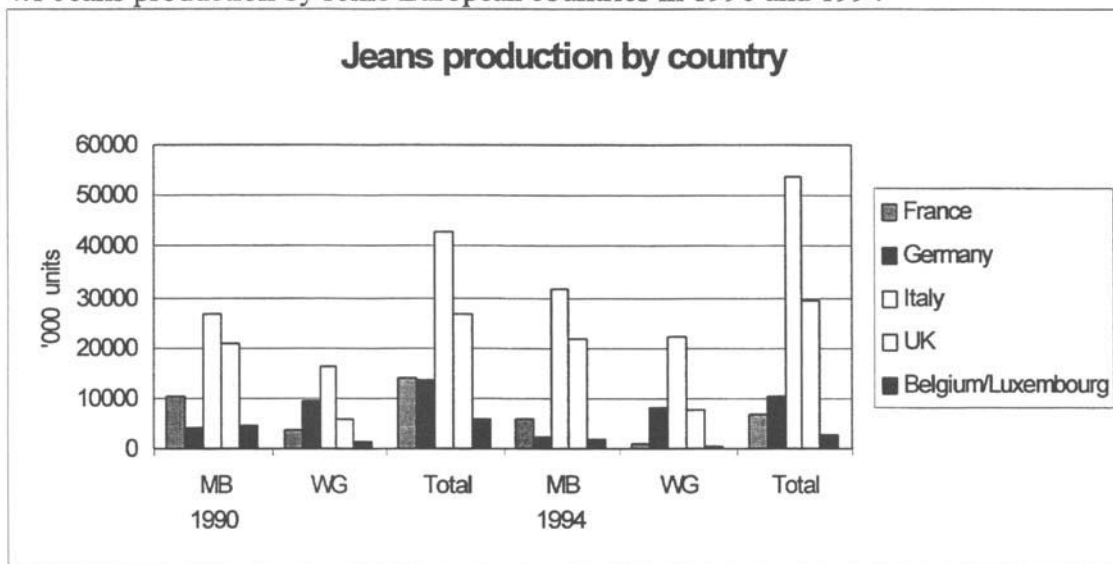
Nowadays, the EU is the second largest denim market in the world, accounting for 23.3% of global denim fabric consumption [3]. Some European labels are widely welcomed in the world market, such as Mustang, Ge Pa Fin, and Pepe. Figure 4-1 shows the jeans production in some European Countries. It indicates that jeans production experienced a healthy growth in the Italian and British markets.

Denim product imports from the world (not including intra-EU trade) increased from 1.1 billion Euro in 1994 to 1.5 billion Euro in 1997 with a growth rate of about 6.1% per year. When compared with the import market, the export market is relatively small and experiencing a downward trend. There were 537 million Euro worth of denim product exports to the world in 1994 but it went down to 481 million Euro in 1997. The average dropping rate was about 2.9% per year. The trade gap

¹ Data in this part is from EUROSTAR, accessed around July 1998.

²The ten countries include France, Germany, Italy, Austria, Switzerland, Sweden, the Netherlands, Belgium, the UK and Spain.

4.1 Jeans production by some European countries in 1990 and 1994³



(Source: CITH, from [1, p27])

(imports - exports) was 613.8 million Euro in 1994 but in 1997, the figure became 1 billion Euro, increasing by 10.3% per year.

The trade gap for denim fabric was -18.2 million Euro in 1994 and -79.7 million Euro in 1997, growing at an annual rate of 19.3%. The jeans trade gaps were 632 million Euro and 1.1 billion Euro during the same period and the growth rate was about 11% per year. These figures indicate that the EU was a net denim fabric exporter and denim jeans importer, a trend becoming more significant during recent years.

4.1.1 Imports

Almost a half (51.8%) of the EU imported denim products came from other EU members. Figure 4.2 shows different countries' (including the EU itself) contributions toward EU imported denim in a geographic picture.

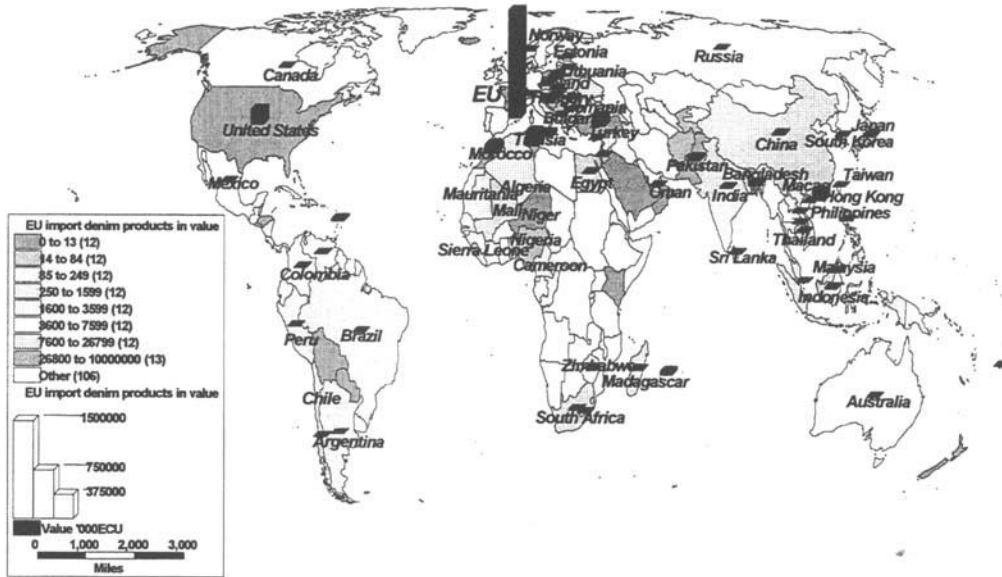
Apart from internal trading within EU itself, the Union also has extensive trading connections with other European and North African countries, such as Tunisia, Turkey, Morocco, Malta, Poland, and Croatia. For example, EU denim product imports from Tunisia, Turkey, Morocco, Malta, Poland and Hungary represented 20.8% of the total EU imports as well as 43.1% of the total imports from non-EU countries. Denim product exports from EU to Tunisia, Switzerland, Morocco, Turkey, Poland, Malta, Hungary, Croatia and Israel accounted for 14.6% of the EU's total exports. If viewed in relation to exports to the non EU countries alone, the ratio jumps 77.1%.

The US and Hong Kong were relatively important to the EU denim market as their market shares were 7.3% and 4.5% respectively.

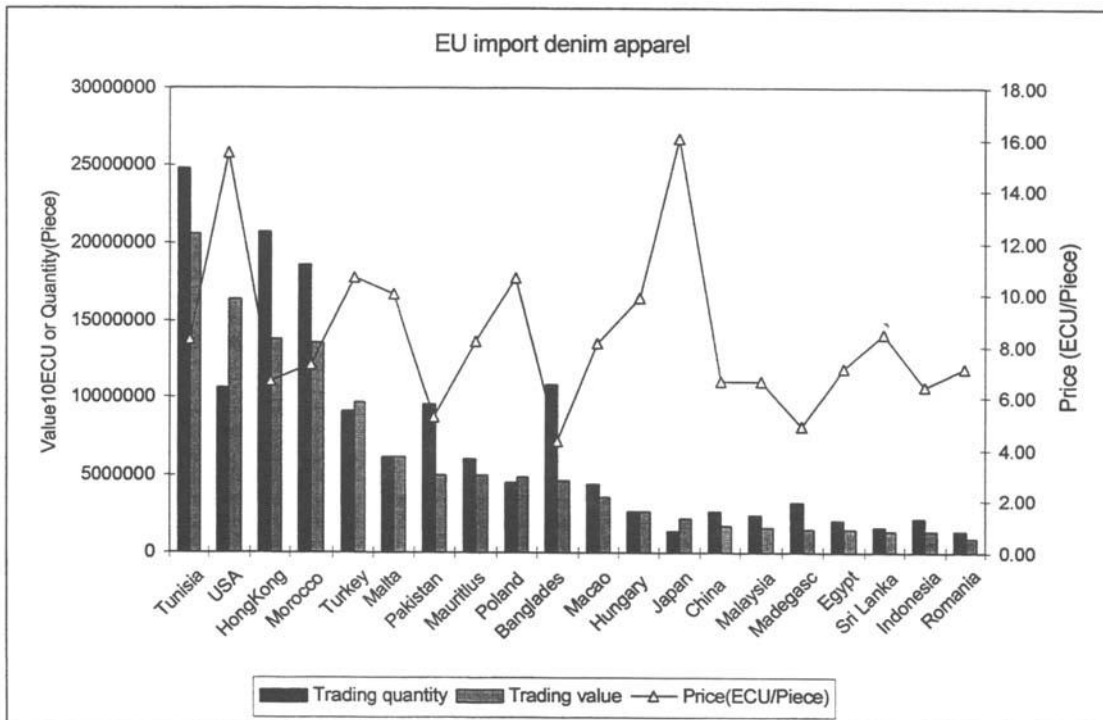
Figure 4.3 shows that high-price denim jeans came from the United States and Japan; while less expensive goods were mainly from Hong Kong, Morocco, Pakistan and Bangladesh.

³ MB = Men's or boy's; WG = Women's or girl's

4.2 Different countries' contributions toward EU denim product imports in value.



4.3 EU imported denim jeans market share



4.4 EU Import Denim Fabric

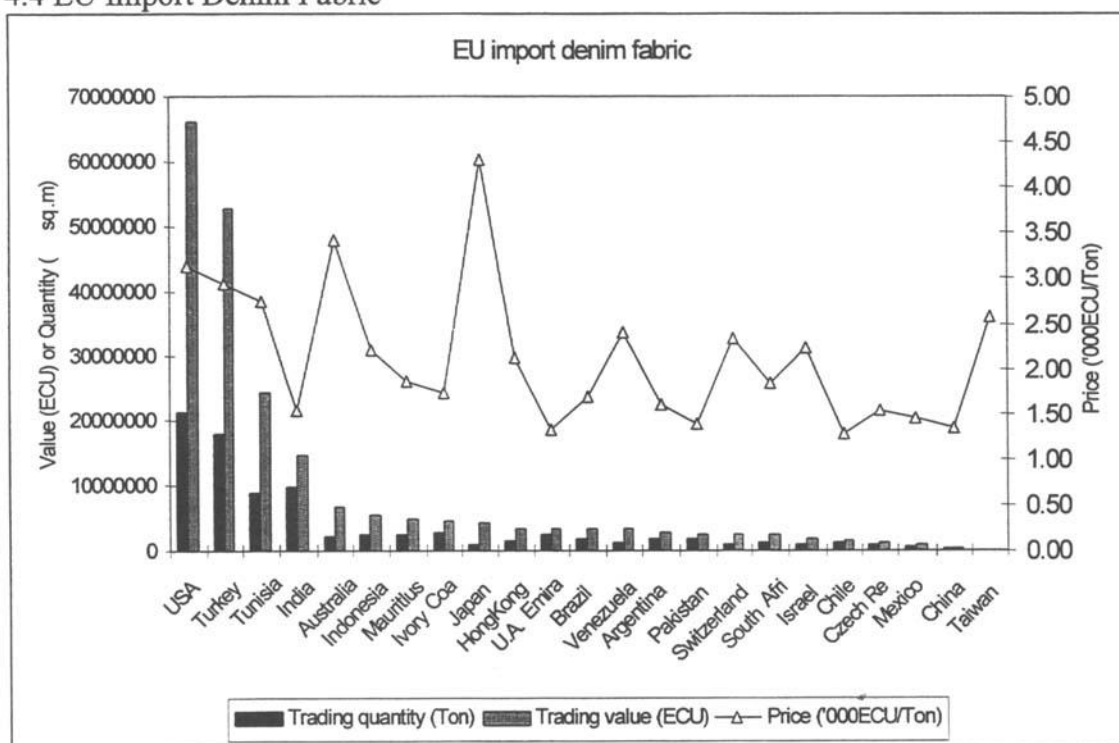


Figure 4.4 shows that higher price denim fabrics were from the United States, Australia, Turkey, Tunisia and Japan while lower price denim fabrics were imported from India, U.A. Emira, Pakistan, Chile, Mexico and China.

4.1.2 Exports

As with the import market, EU members dominated the denim product export market, as illustrated in Figure 4.8. In 1997, the EU exported about 81.1% of its denim products to its members; while non-EU countries imported 481 million Euro worth of denim products from the EU. Among these non-EU importers, Tunisia had the largest share of about 18.5% of the total exports to the non-EU countries, with an import value amounting to 81.7 million Euro. Morocco, with 60.0 million Euro and a market share of 13.6%, was the No. 2 importer. Switzerland and Turkey came third and fourth with import values of 50.3 million and 39.0 million Euro respectively. Hong Kong was in 14th place, with an import value of 5.6 million Euro. Fashion leaders the US and Japan came 6th and 15th. Figure 4.5 shows the market share of individual countries based on the export value from the EU.

Countries with an import value lower than 3.0 million Euro are defined as 'Others' and there are 121 countries within this group. China, ranking 90th, was in this group with an insignificant import value of 71 thousand Euro. Three countries didn't import EU denim products into their countries. They were Bolivia, Ecuador and E. Guinea. There were 22 non-EU countries with an import value over 3.0 million Euro in 1997, ranging from 3.14 million Euro to 81.7 million Euro with a mean of 17.8 million Euro.

4.5 Pie Chart of EU denim product exports to individual non-EU countries

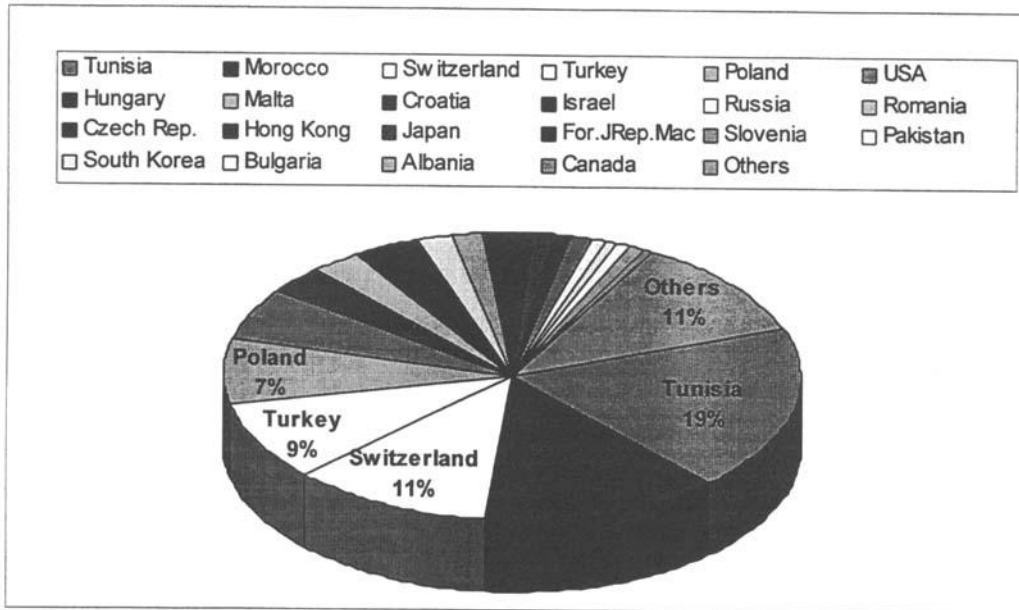
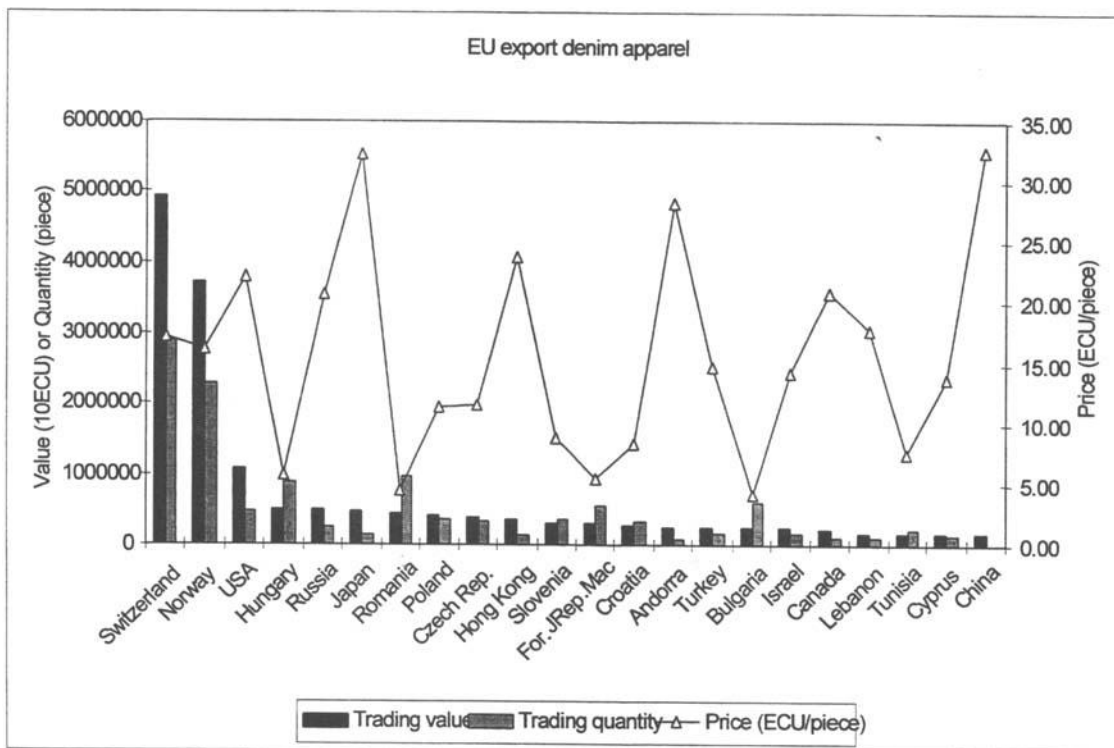


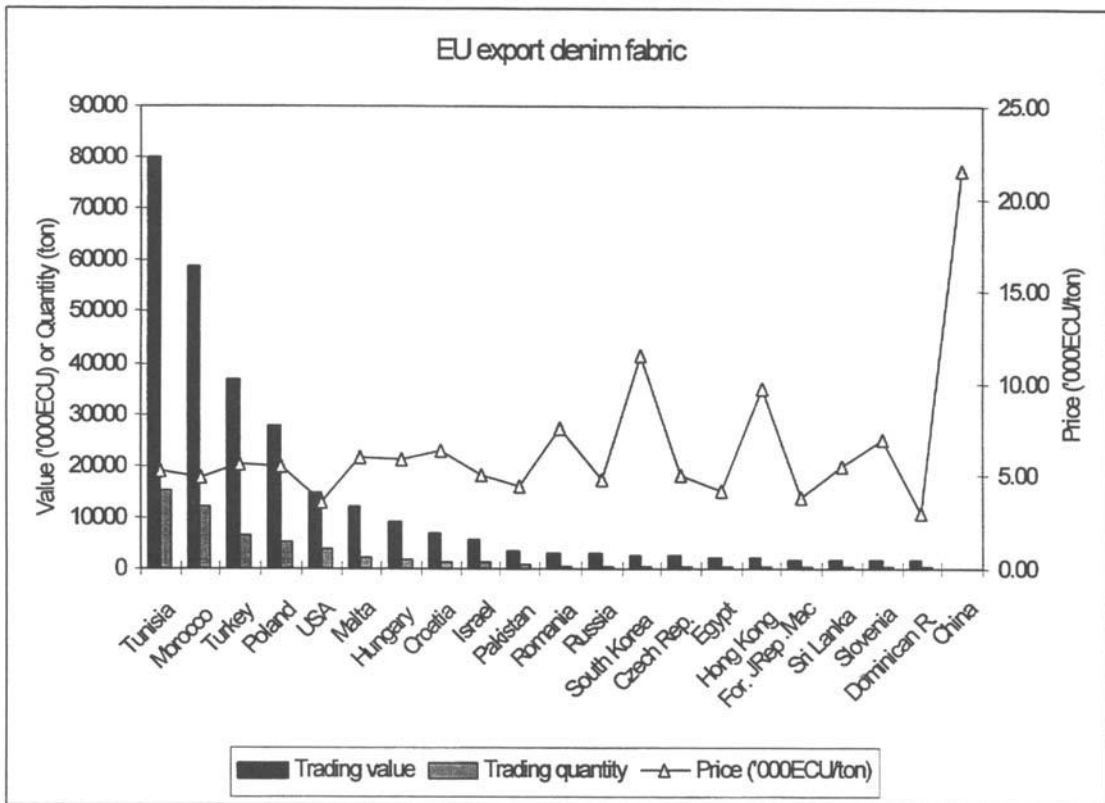
Figure 4.6 shows how EU countries exported various grades of denim products to the non-EU countries. The higher price denim jeans were destined mainly for the US, Russia, Japan, Hong Kong and Andorra, while lower price ones were exported to Hungary, Romania and Bulgaria.

Figure 4.7 shows that the more expensive denim fabrics, priced around 7 to 23 thousand Euro per ton, were destined for Romania, South Korea, Hong Kong and China. Lower price denim fabrics, about 3.5 thousand Euro per ton, were exported to the United States.

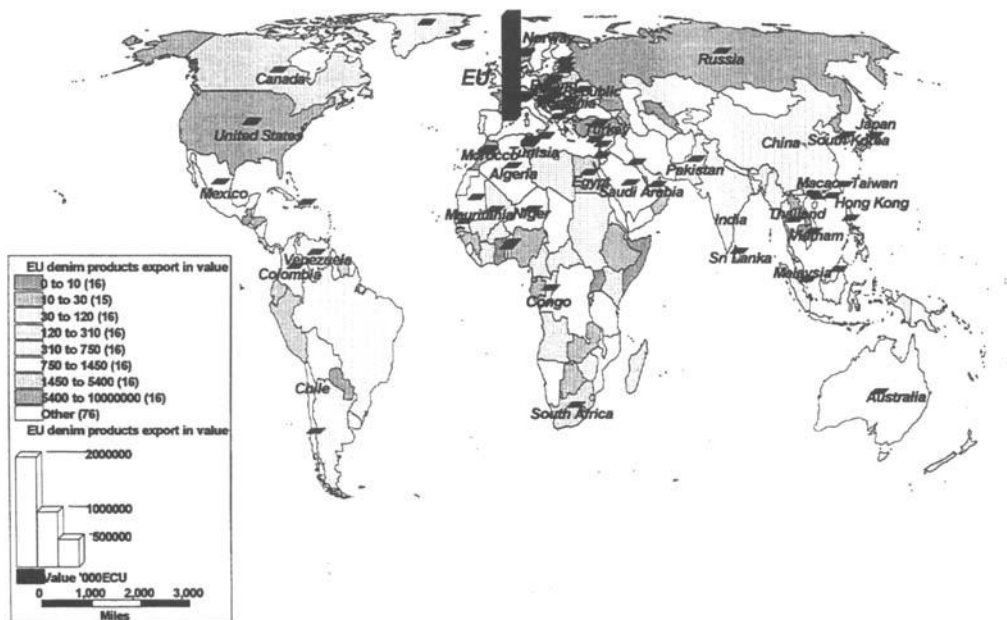
4.6 EU denim jeans exports to non-EU countries



4.7 EU denim fabric exports to non-EU countries



4.8 Different countries' contributions toward EU denim product exports in value



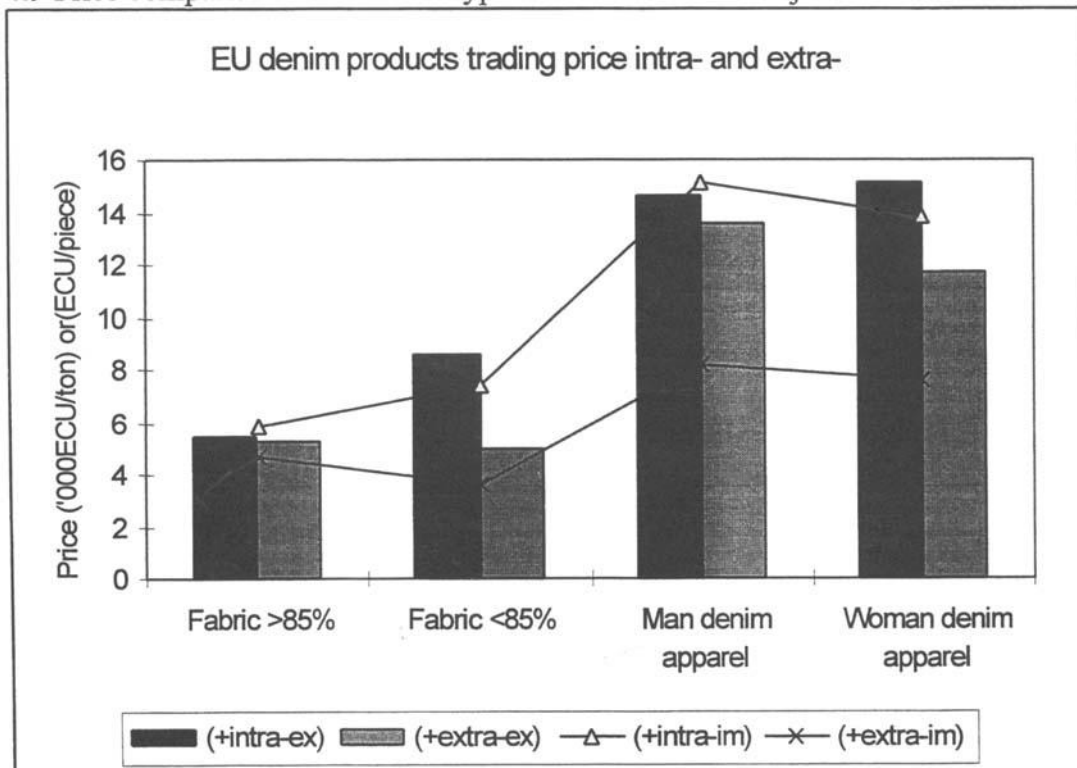
4.1.3 Comparison of the trade prices between intra-EU and extra-EU

As an important world denim market, the EU denim market has its own unique characteristics. For example, denim jeans in Europe has always been perceived more as a fashion item with a higher price and status, but lower consumption rate, as distinct from the US market [3]. The EU denim trading market partly embodied this feature. According to Figure 4.9, we can see that the prices of denim items were different in the internal and external markets. The price of internal denim trading within EU is higher than that of the external trading with non-EU countries. Figure 4.9 shows the price differences of various kinds of denim fabric and jeans between EU internal and external trade.

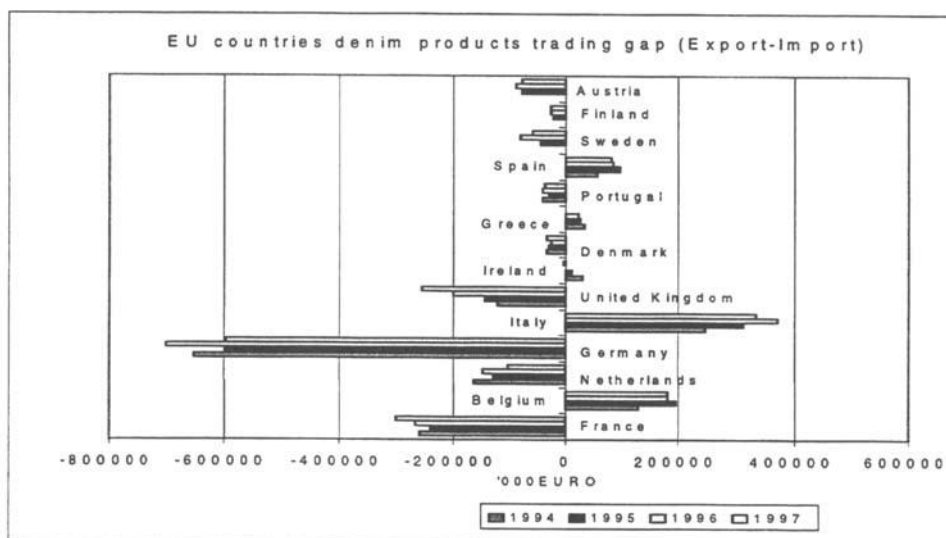
The above analysis clearly shows that EU denim product trading is concentrated on the Europe continent, especially between EU members. Such a trading pattern is attributed not only to their similar culture and geographic proximity, but also to the aim of the EU and the new concept of EU, which is 'Make Europe Together' and 'Enlarge EU' [5]. As a result, trading within European countries is promoted and developed into a new level. Denim trading well reflects this trend, which will be explained in detail in the following pages.

The EU is composed of 15 member states. It has been a Single Market since 1992, with free movement of production factors. However, each country has its own features and market situation despite economic integration, which makes the EU denim product market much more complicated and diversified. The next section will deal with imports and exports on a country-to-country basis.

4.9 Price comparison for different types of denim fabric and jeans



4.10 Denim products trade gap



4.2 EU DENIM PRODUCTS TRADING (WITHIN EU)

OVERVIEW

In general, more than a half of the traded denim products were jeans; denim fabrics only represented a small proportion for all EU countries. The market was concentrated on other EU countries, and Belgium, Italy and Germany were the three most powerful EU countries in the denim-related industry.

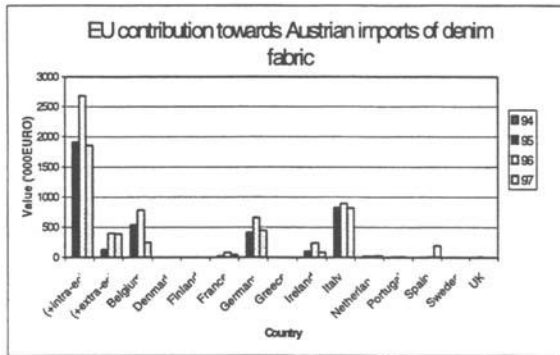
As regards imports, Germany absorbed one quarter of the EU imported denim product imports in 1997, with an import value of 813 million Euro. The United Kingdom, Belgium and France had similar market sizes, each importing 439, 437 and 430 million Euro worth of denim products respectively, about 13%-14% of the total import market.

Among all EU countries, Italy and Belgium were the market leaders in the denim product export market. The total export value of Italy was 651 million Euro and that of Belgium was 613 million Euro. Germany ranked third with 216 million Euro worth of exports.

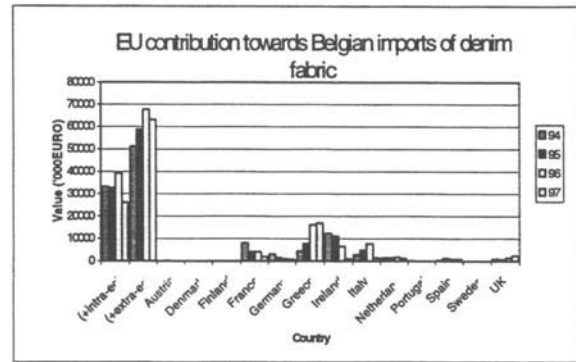
Figure 4.10 shows that nine EU members--Austria, Denmark, Finland, France, Germany, Netherlands, Portugal, Sweden and United Kingdom--had trade deficits, indicating that they relied more on denim product imports.

Germany had the largest trade deficit, followed by France, United Kingdom and Netherlands. The British trading deficit increased sharply at an annual rate of 27.3% between 1994 and 1997, while that of Belgium increased by 9.7 % per year. In contrast, the trade gaps of Germany and Netherlands narrowed at the annual rate of 2.1% and 9.1% respectively between 1994 and 1997.

Italy enjoyed the largest positive trade balance, followed by Belgium, Spain, Greece, and Ireland. The Italian trade gap increased at the rate of 8.9% each year from 1994 to 1997, and those of Belgium and Spain increased by 9.7% and 11.3% respectively.



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The remaining countries had relatively insignificant trading gaps, indicating that there was not much difference between their denim product importation and exportation.

4.2.1 Imports

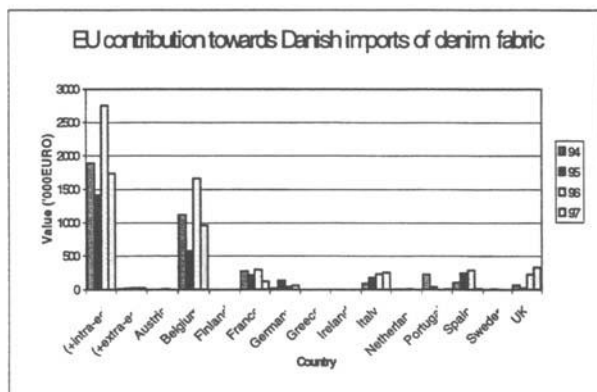
4.2.1.1 Denim fabric

Austria (See Fig. 4.11)

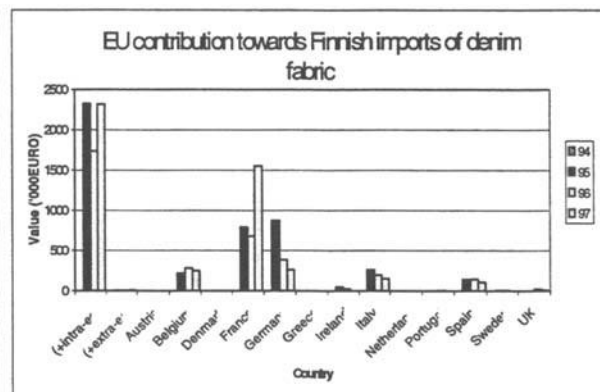
- Austria was not admitted into the EU until the year 1995. Therefore, trade data for 1994 was not available.
- In the Austrian denim fabric import market, an average of 88% of denim fabric imports came from other EU countries in the last 3 years.
- Denim fabric imports from EU members reached a peak in 1996 with turnover about 2.68 million Euro.
- The main suppliers were Belgium, Italy and Germany. Other suppliers included Ireland, France and Netherlands. All these countries registered their record sales in 1996.
- Spain has the potential to grow into one of the important suppliers in the future.

Belgium (See Fig. 4.12)

- Belgium merits special attention in that imports from non-EU countries played an important role in the Belgian denim fabric import market. Between 1994 and 1996, the average market share of non-EU imports was 63%, but in 1997 the ratio increased to 70%.
- Within the EU market, there were about 8 major suppliers, including Greece, Ireland, Italy, Netherlands, France, Germany, Spain and the United Kingdom. Members such as Austria, Denmark and Finland also exported their denim fabric to Belgium but the value was relatively small in comparison with the major suppliers.
- Most of the suppliers experienced a downward trend since 1995, except for Greece and the United Kingdom. Although the market share of France underwent a significant increase from 1995 to 1996, it dropped again in 1997.
- In 1994 and 1995, Ireland had the biggest market share of 37% and 34% respectively. In 1996 and 1997, Greek denim fabric dominated the Belgium import market, accounting for 41% and 65% respectively.



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Denmark (See Fig. 4.13)

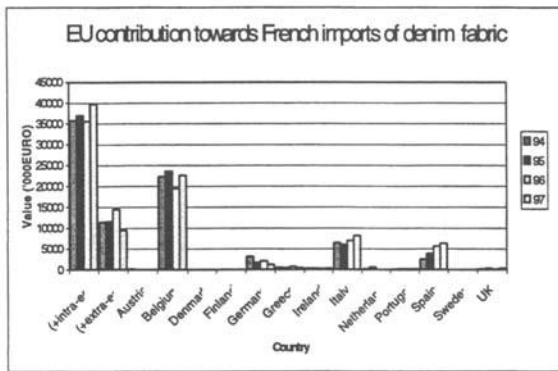
- The denim fabric import market in Denmark was very dependent on other EU countries. On average, 99.2% of the imported denim fabric came from the EU members between 1994 and 1997.
- The market for denim fabric imported from the EU reached its peak in 1996 with a turnover around 2.8 million Euro. In 1997, it dropped back to 1.7 million Euro.
- Belgium was the leading supplier. Other exporters included France, Germany, Italy, Spain, United Kingdom and Portugal.
- Most of the suppliers had no clear increasing or decreasing trend except Italy and the UK. The former enjoyed favorable increases since 1994 and the latter has grown since 1995.

Finland (See Fig. 4.14)

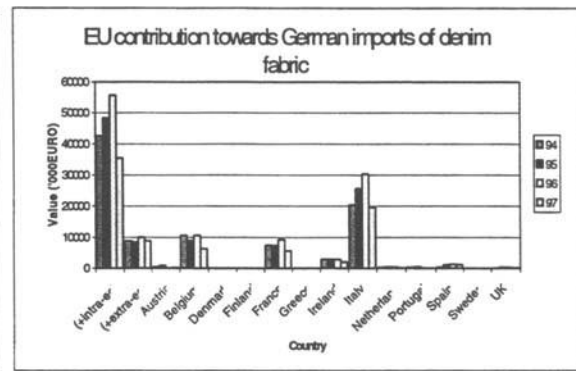
- Finland did not join the EU until 1995. Therefore, only 3 years data are available.
- The import situation is the same as Denmark. About 99.5% of denim fabric imports were from other EU members in 1997. Except for the year 1996 when the import value from EU suppliers hit the lowest level of 1.7 million Euro, EU denim fabric imports into Finland in 1995 and 1997 were almost the same, reaching 2.3 million Euro.
- The major suppliers included Belgium, France, Germany, Italy and Spain.
- Germany held the biggest market share of 37.5% in 1995. France was fairly close with 33.9%. In 1996 and 1997, France replaced Germany as the leading supplier with a share of 39.1% and 66.7% in the two years.
- Germany, Italy and Ireland had a clearly decreasing trend in recent years.
- Though most of the suppliers exported less in 1997 than in 1996, the overall Finland import value in 1997 was still higher than that in 1996, mainly due to the sharp increase from the French market.

France (See Fig. 4.15)

- Between 1994 and 1997, the average market share from the EU was 75.9%, hitting a low in 1996 with 71.1% and a high in 1997 with 80.8%.
- Corresponding with these import ratio indications, imports from the EU reached its highest level of 39.1 million Euro in 1997, while imports from non-EU markets registered record sales in 1996 with 14.5 million Euro.
- The leading supplier was Belgium with approximately 60% of the total denim fabric imports. Other suppliers included Italy, Spain Germany, Greece, Ireland



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and the United Kingdom. Imports from Denmark, Finland and Sweden were relatively small compared with other EU countries.

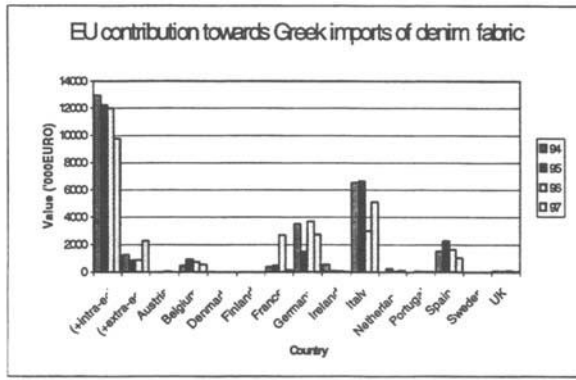
- Germany had a decreasing trend except in 1996. By contrast, Spain had a very clearly increasing trend. Trends in other countries are unclear with up-and-down variations.

Germany (See Fig. 4.16)

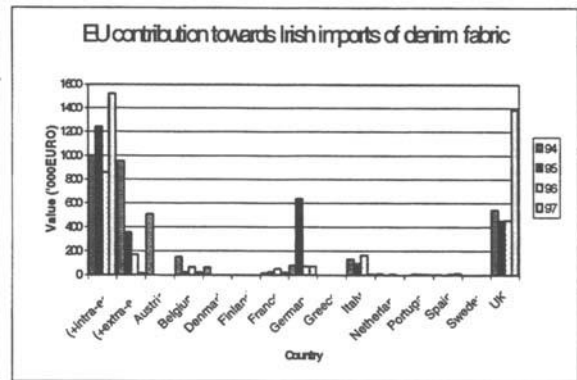
- The EU members played the key role in Germany's denim fabric import market. About 84.8% (55.7 million Euro) of the denim fabric was imported from the EU in 1996 but this share declined to 80.0% (35.5 million Euro) in 1997. The largest market share from EU members appeared in 1995, accounting for 85.2%.
- During the investigation period, total imports from the EU and non-EU countries as well as that from most individual members reached their record level in 1996.
- Within the EU market, Italy contributed the most, followed by Belgium and France. The other EU suppliers included Ireland, Spain, Netherlands, Portugal and the United Kingdom.
- Finland made no contribution to the German denim fabric import market. Exports from Denmark, Greece and Sweden were trivial and unstable. For example, imports from Sweden only occurred in 1995 and 1997.

Greece (See Fig. 4.17)

- Imports from EU members accounted for the lion's share of its denim fabric import market. This was 93.2% in 1996 but slumped to 81.0% in 1997. Imports from the EU had a decreasing trend with a peak value of 13 million Euro in 1995.
- In 1994, 1995 and 1997, Italy was the largest supplier within the EU, accounting for more than half (average of 52.4%) of the imports from EU members. But in 1996, Germany was the leading supplier instead of Italy. It held 30.6% of the market share, 5.5 percentage higher than that of Italy.
- Ireland demonstrated a clear decreasing trend. Belgium and Spain reached their peak in 1995, and then started falling. Others showed no clear trend.
- Imports from France reached the highest level in 1996 when the value was much larger than in other years.
- There were no imports from Finland and Greece only began to import from Sweden in 1997.



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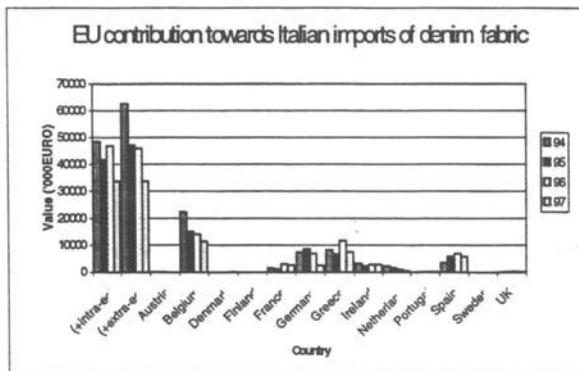
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Ireland (See Fig. 4.18)

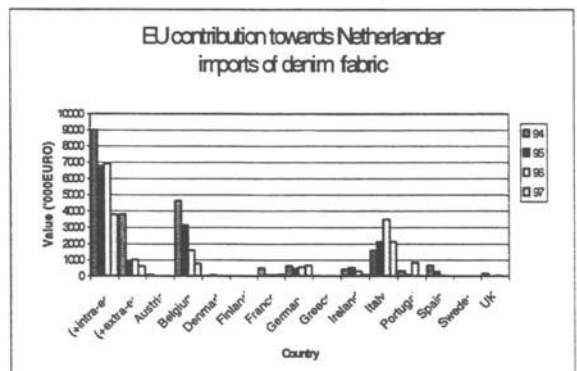
- Imports from non-EU countries decreased rapidly from 0.95 million Euro in 1994 down to 15 thousand Euro in 1997. No trend could be identified as regards the intra-EU trade. Imports from the EU reached a peak in 1997 amounting to 1.5 million Euro with 99% of the total denim fabric imports.
- The top supplier was the United Kingdom. Its exports to Ireland increased from 0.46 million Euro in 1996 to 1.4 million Euro in 1997, a three fold increase. This amounted to 91.2% of the total Ireland denim fabric imports. Other suppliers of consequence included Austria (1994 only), Belgium, France, Germany (especially in 1995) and Italy.
- Finland, Sweden and Greece made no contribution to Ireland's denim fabric imports.

Italy (See Fig. 4.19)

- Imports from the EU and the non-EU countries were of comparable sizes, especially in 1996 and 1997. In 1996, 50.5% and 49.5% of denim fabric imports were from the EU and non-EU countries respectively. In 1997, the difference between the two was even closer, 49.97% for the EU imports and 50.03 for the non-EU imports.
- Imports from both the EU and non-EU countries underwent a decreasing trend.
- Main suppliers included Belgium, France, Germany, Greece, Netherlands and Spain, of which none had an outstanding performance in the Italian import market.
- In 1966, the top four suppliers were Belgium, Greece, Germany and Spain. Their share of the total EU denim fabric import market in Italy were 30.2%, 25.1%,



4.19



4.20

14.4% and 14.5% respectively. In 1997, the top four changed to Belgium, Greece, Spain and Ireland, accounting for 34.1%, 22.2%, 17.1% and 8.5% respectively.

- Imports from Belgium and Netherlands showed a clearly decreasing trend in terms of import value.
- There were no imports from Sweden and those from Finland were almost negligible.

Netherlands (See Fig. 4.20)

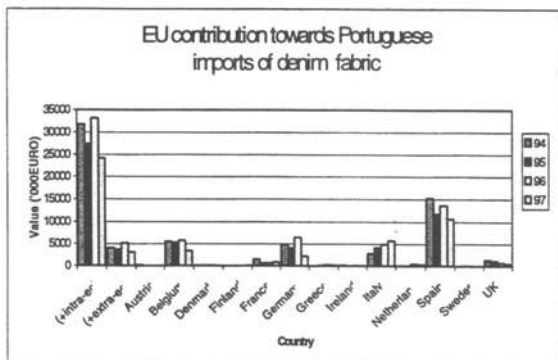
- As with most of the EU countries, imports from the EU were much more significant than those from the non-EU countries. In 1997, 86.0% of the denim fabric imports were sourced in the EU.
- In 1997, the leading supplier was Italy, which held about 56.2% of the EU market share. It was Belgium that ranked first in 1994 and 1995.
- Belgium, Spain and Ireland had a clear decreasing trend, while Germany had an increasing trend at a relatively slow pace.

Portugal (See Fig. 4.21)

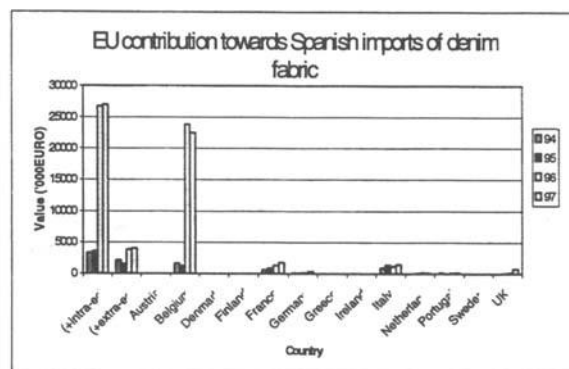
- In 1996 and 1997, 86.6% and 88.7% of the denim fabrics were imported from the EU. Although the EU market share in 1997 was larger than that in 1996, the actual import value dropped drastically from 33 million Euro (38 million in total value) in 1996 to 24 million Euro (27 million Euro in total value).
- Spain was the leading supplier with a similar trade pattern to the overall EU imports. Other suppliers included Belgium, France, Germany, Greece, Italy, Netherlands and the United Kingdom.
- In 1997, Spain had 44% of the total 'intra-EU' market share, followed by Italy with 24% and Belgium with 14%.
- Italy had a very clear increasing trend. In 1994, its exports to Portugal were 2.8 million Euro and doubled to 5.7 million Euro in 1997. By sharp contrast, the exports from the United Kingdom to Portugal shrank from 1.4 million Euro in 1994 to 0.48 million Euro in 1997.

Spain (See Fig. 4.22)

- It is immediately obvious from the graph that the 1994 and 1995 intra-EU import value were very different from the 1996 and 1997 figures. Between 1994 and 1995, the average import value from the EU was 3.5 million but it jumped to 27 million Euro between 1996 and 1997.



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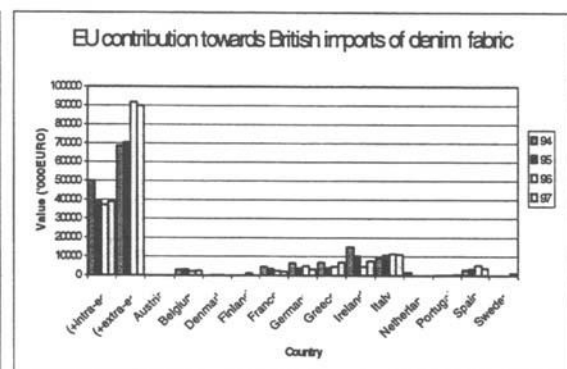
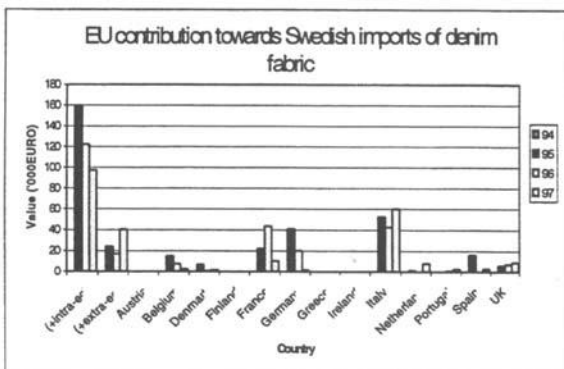
- As a result, the market share of the EU imports rose from 70% (3.6 million Euro) in 1995 to 87% (27 million Euro) in 1997.
- Such a significant change was mainly attributed to the sudden increase in imports from Belgium in 1996. It is now the single most important supplier to Spain, accounting for 83% of the EU market share in 1997.
- France had the second largest market share of 6.5%. The Italian market share was 5.5%, occupying the third place.
- Other suppliers included Germany, Netherlands, Portugal and the United Kingdom.
- Imports from France grew at a fairly constant rate and those from the UK increased significantly in 1997 though their value remains small—from 0.12 million Euro to 0.76 million Euro in 1997.

Sweden (See Fig. 4.23)

- Sweden was not an EU member until the year 1995, so only three years data were available.
- Imports from the EU had a very clear declining trend, from 0.16 million Euro in 1995 down to 97 thousand Euro in 1997. On the contrary, imports from non-EU countries enjoyed a strong growth, reaching 40 thousand Euro in 1997. Therefore, the ratio of EU imports dropped from 87% in 1995 to 71% in 1997.
- The leading supplier was Italy in 1995 and 1997. Although imports from France were larger than those from Italy in 1996, the difference between the two was only 1 thousand Euro.
- Imports from Germany slumped rapidly and significantly in 1996 and 1997. Those from Belgium decreased at a slower rate in the same period. By contrast, imports from the UK increased slowly.
- Other suppliers included Denmark, Netherlands, Portugal and Spain.

The United Kingdom (See Fig. 4.24)

- The UK was one of the few EU members which relied more on non-EU denim fabric imports.
- In 1997, imports from non-EU countries accounted for 70% of the total with a value of 89.7 million Euro. This peaked in 1996 with 91.6 million Euro (71% of the total imports). Imports from EU members peaked in 1994 with 50 million Euro, accounting for 42% of the total imports.



4.23

4.24

- Suppliers included Belgium, France, Germany, Greece, Ireland, Italy and Spain. None of the above countries had very outstanding performance.
- The top three suppliers in 1997 were Italy (29% of the EU imports), Ireland (19%) and Greece (18%). Ireland was the leading supplier in 1994 with 30% of the EU imports, reaching 15 million Euro.
- France had a decreasing trend while Italy had an increasing trend though the value dropped a bit in 1997.

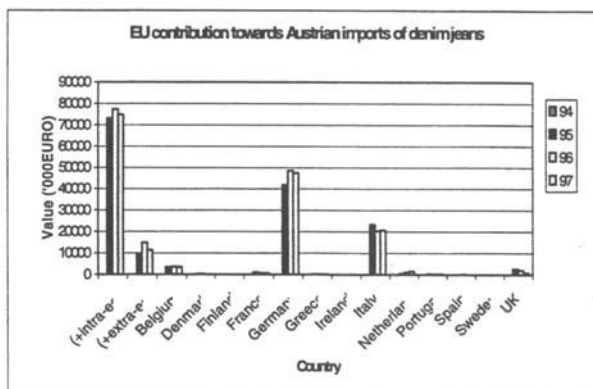
4.2.1.2 Denim jeans

Austria (See Fig. 4.25)

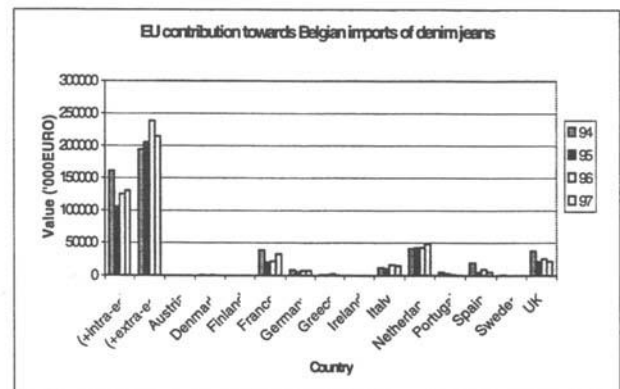
- On the average, 83 million Euro of denim jeans were imported from all sources and about 87.1% (71 million Euro) of them were from the EU between 1995 and 1997.
- A peak occurred in 1996 for imports from both EU and non-EU countries, amounting to 77.2 million Euro and 14.8 million Euro respectively.
- During the observed period, the total import value was between 82.9 million Euro (1995) and 92.1 million Euro (1996).
- The leading supplier was Germany. In 1997, 54.8% of the total EU-originated imports came from Germany. Another key supplier was Italy with 23.9% of the market share. Other suppliers included Belgium, Netherlands, the United Kingdom and France.
- As regards exports from the UK and France, both had a very clear decreasing trend. In contrast, those from Netherlands enjoyed a positive growth.

Belgium (See Fig. 4.26)

- Similar to its import pattern for denim fabrics, Belgium imported more denim jeans from non-EU countries. During the observed period, 54.7%, 66.1%, 65.7% and 62.3% of denim jeans imports were from non-EU countries.
- For imports from the EU, a peak appeared in 1994 with a value of 161 million Euro; imports from non-EU countries reached the highest level in 1996 with a value of 238 million Euro.
- EU Suppliers included France, Germany, Italy, Netherlands, Portugal, Spain and United Kingdom. France had the biggest market share in 1994 but for the other years, Netherlands was the leading supplier with a positive growth in 1996 and 1997.



4.25



4.26

- Imports from Portugal underwent a downward trend during these years.

Denmark (See Fig. 4.27)

- Imports from the EU countries had a clear fast-growing trend, with the import value up from 34 million Euro in 1994 to 60 million Euro in 1997. The biggest 'jump' appeared between 1994 and 1995, increasing by 44.7%. About 80% of the denim jeans imports came from other EU countries in 1997.
- Denmark imported from a wide range of EU countries, including Italy, Netherlands, Sweden, the United Kingdom, Belgium, France, Germany and Greece. Imports from Italy and Netherlands were on the rise while those from Greece and the United Kingdom were decreasing.
- In 1997, Italy had the biggest share of 37% of the total imports from the EU, followed by Sweden with 20%, Netherlands with 15% and the United Kingdom with 11%.

Finland (See Fig. 4.28)

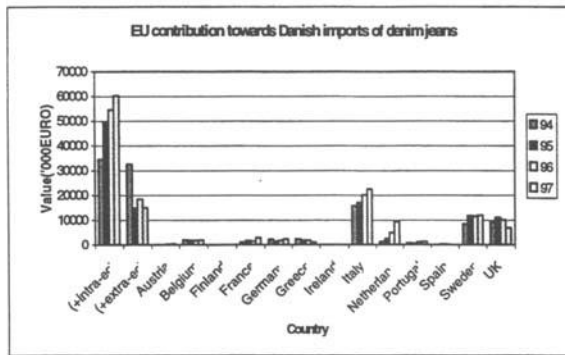
- Imports from the EU reached 21.3 million Euro in 1997, accounting for 86% of the total denim jeans imports. The market share of the EU imports was growing at the expense of the non-EU imports.
- Main contributors included Sweden, Denmark, Italy, Germany, Portugal and the United Kingdom. Sweden was the leader with the largest market share in the past few years. In 1997, for example, 55% of imported EU denim jeans came from Sweden. Italy came second with 18%.
- Imports from Italy and Sweden peaked in 1997, and those from Germany, Denmark and the United Kingdom peaked in 1996.

France (See Fig. 4.29)

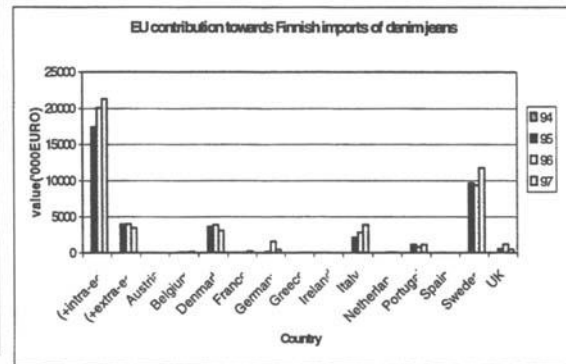
- French denim jeans imports showed a different perspective from its denim fabric imports, with the non-EU suppliers having the larger share. They accounted for 66% of the total denim jeans imports in 1994, dropping to 60% in 1996 and 1997.
- In terms of import value, imports from the EU peaked in 1997 with 152 million Euro and those from non-EU suppliers peaked in 1994 with 237 million Euro.
- Belgium was the leading exporter, taking an overwhelming share in the French market. It held about 62% of the imports from all the EU suppliers. Except in 1995, it enjoyed a healthy growth in the French import market. Other major suppliers included Germany, Italy, Netherlands, Spain and the United Kingdom.

Germany (See Fig. 4.30)

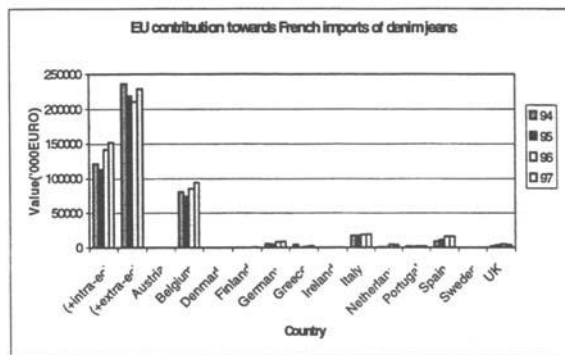
- Imports from EU suppliers took a downturn despite the good performance in 1996. Conversely, those from outside suppliers enjoyed a favorable growth except for the year 1995. As a result, the gap (imports from the EU-imports from the non-EU countries) narrowed from 172 million Euro in 1994 to 50 million Euro in 1997.
- The two significant EU suppliers were Belgium and Italy, accounting for 39% and 38% respectively in 1997, followed by Netherlands and the United Kingdom with 6%, Denmark and France with 3.3%.
- Imports from Belgium peaked in 1994 and then started to decrease. Those from Italy peaked in 1996 but dropped significantly in 1997.



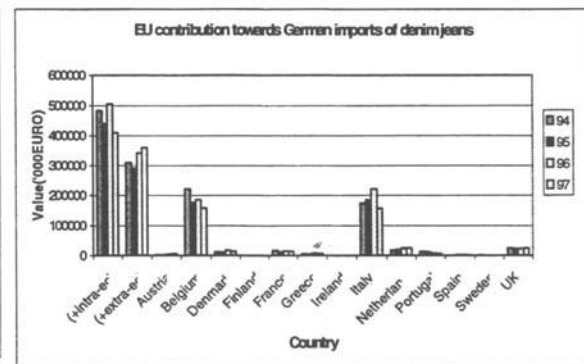
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Greece (See Fig. 4.31)

- Imports from EU suppliers remained at almost the same level between 1994 and 1997 except for a slump in 1995. The average import value from the EU in these three years was 20 million Euro whereas it was only 15 million Euro in 1995.
- Although non-EU suppliers' export value underwent a remarkable increase, its market size was still much lower than that of the EU suppliers, only accounting for 29% of the total denim jeans imports in 1997.
- Belgium and Italy were of great importance to the Greek denim jeans import market. In 1997, about 58% (11.4 million Euro) of denim jeans imports came from Belgium and 25% (4.9 million Euro) came from Italy. Imports from Belgium slumped sharply in 1995 and then climbed at a relatively fast speed.
- Other EU exporters included France, Germany, Netherlands, Spain and the United Kingdom each with a similar export performance. The average market share of these countries was 3.3%.

Ireland (See Fig. 4.32)

- Denim jeans imports concentrated upon EU members, which accounted for 94% of the total imports. Both EU and non-EU exporters have increased their supplies to Ireland since 1994, though the latter's value was much less significant.
- The total import value was 66.2 million Euro, of which 90.6% (60 million Euro) were imported from the United Kingdom. The average annual growth rate of UK imports was 5.8% between 1994 and 1996, jumping to 26.7% between 1996 and 1997.

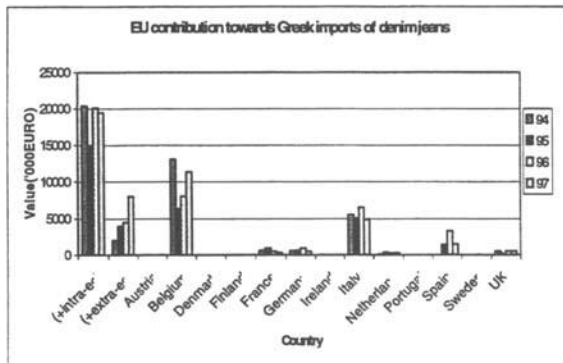
- Other EU countries including Denmark, France, Germany, Italy and Netherlands share the remaining 9.4%.

Netherlands (See Fig. 4.33)

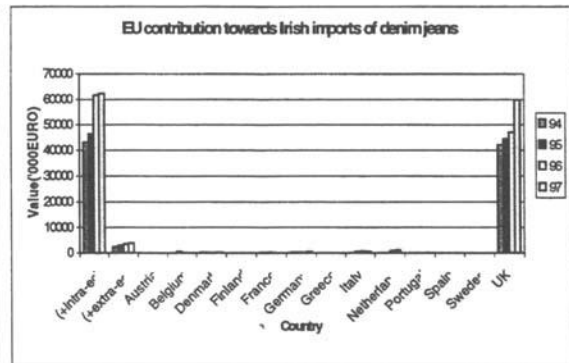
- Imports from EU suppliers shrank continuously whereas those from non-EU countries increased. Consequently, the EU suppliers' market share dropped from 65% (158 million Euro) in 1994 to 51% (116 million Euro) in 1997.
- Belgium was the leading supplier, accounting for 64% of the total imports from the EU. Its export value peaked in 1996 with 87 million Euro.
- Other notable EU suppliers included France, Germany, Italy and the United Kingdom. Their export pattern had something in common--all of their exports to the Netherlands peaked in 1994.
- Another point worth mentioning is that imports from France dropped significantly from 20 million Euro in 1995 to 2 million Euro in 1996.
- Imports from Italy also experienced a downturn while those from the United Kingdom have picked up since 1995.

Italy (See Fig. 4.34)

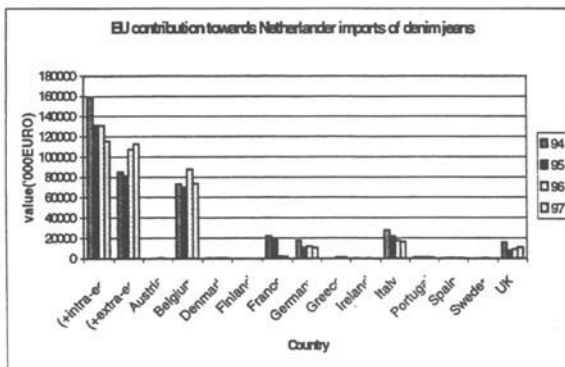
- Denim jeans imports into Italy amounted to 248 million Euro in 1997. About 52.2% (129 million Euro) came from EU suppliers, decreasing from 62.6% (139 million Euro) in 1994.
- Though Belgium still had the largest share, which was 46.2% in 1997, its exports to Italy shrank very quickly. It once accounted for 80.2% in 1994.



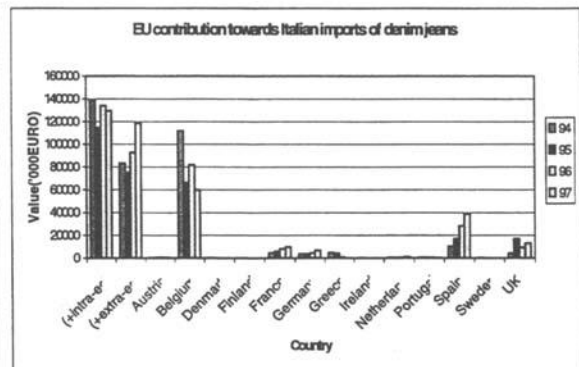
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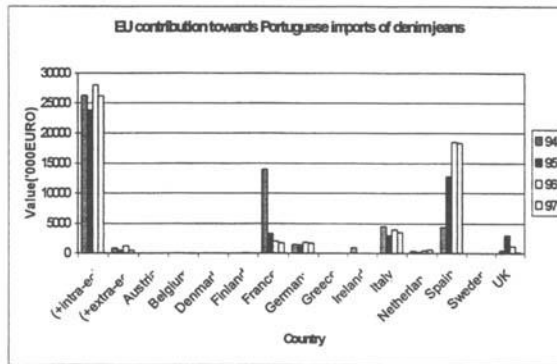
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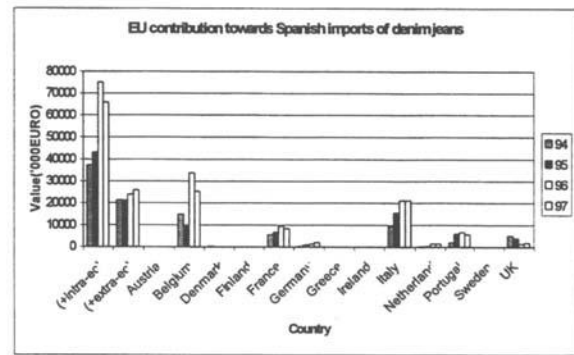
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- Italy has imported more and more denim fabrics from the United Kingdom (peaked in 1995), France, Germany and Spain. Spain was the second most important supplier with 30% of the total imports from the EU, followed by the United Kingdom, France and Germany with 9.9%, 7.5% and 5.2% respectively.
- Other EU countries included Austria, Denmark, Netherlands and Portugal, holding 0.27% of the market share.

Portugal (See Fig. 4.35)

- Imports from EU suppliers dominated the domestic import market, though import value change patterns were identical between the EU and non-EU imports. On the average, 97% of the imported denim jeans came from EU countries and in 1997, the EU suppliers' share was up to 98%.
- France was the leading supplier in 1994. However, it was replaced by Spain as the most important exporter to the Portuguese market since 1995. In 1996 and 1997, Spain exported 28 million Euro (66% of the total EU supplies) and 26 million Euro (70%) worth of denim jeans to Portugal respectively. Under such heavy competition from its Spanish counterparts, imports from France shrank significantly from 14 million Euro in 1994 to 3.3 million Euro in 1995.
- Portugal also imported from other EU countries, including Germany, Italy Netherlands and the United Kingdom.

Spain (See Fig. 4.36)

- As with most of the EU countries, Spanish importers focused more on EU suppliers, reaching 75 million Euro (76% of total denim jeans imports) and 66 million Euro (72%) in 1996 and 1997 respectively.
- As regards imports from the EU members alone, Belgium and Italy were the top two suppliers, capturing 39% and 32% of the import market in 1997. Other exporters included France, Germany Netherlands, Portugal and the United Kingdom, together holding 29%.
- Italy, Netherlands and Germany increased their exports to the Spanish market while the United Kingdom found its market share dropping very quickly.

Sweden (See Fig. 4.37)

- In 1995, 53% of the imported denim jeans came from EU countries but in 1996 and 1997, this figure jumped to 77%.
- Italy was the leading EU exporter in 1995 with a market share of 68%. However, in 1996 and 1997, the United Kingdom suddenly overtook Italy, capturing 61%

and 52% of the total EU supplies. During the same period, the Italian share dropped to 30% and 26%.

- Other notable EU suppliers included Belgium, Denmark, Germany and Portugal.

The United Kingdom (See Fig. 4.38)

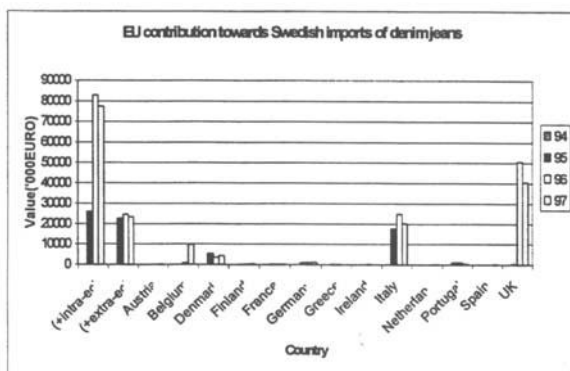
- As with its denim fabric import pattern, the UK imported more from the outsiders of the EU, which accounted for 59% of the total 310 million Euro imports in 1997. Imports from both EU and non-EU suppliers demonstrated strong growth since 1994 except for a relatively lackluster performance in 1995.
- The market share was quite evenly spread over Belgium, France, Ireland, Italy and the Netherlands, most of which experienced an upturn since 1994, except Italy. Imports from Netherlands increased sharply from 1 million Euro (1.7% of the total EU supplies) in 1994 to 33 million Euro (26%) in 1997. Other suppliers included Denmark, Germany, Greece, Portugal, Spain and Sweden.

4.2.1.3 Denim products

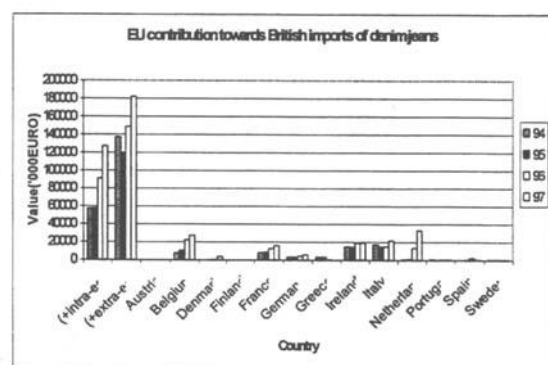
The previous sections discussed the import market of individual EU countries for denim fabrics and denim jeans in separate pictures. This section will combine the two to get some insight into the overall denim product importation in each EU member's market, including the import pattern, the leading partner and the product mix.

Austria (See Fig. 4.39)

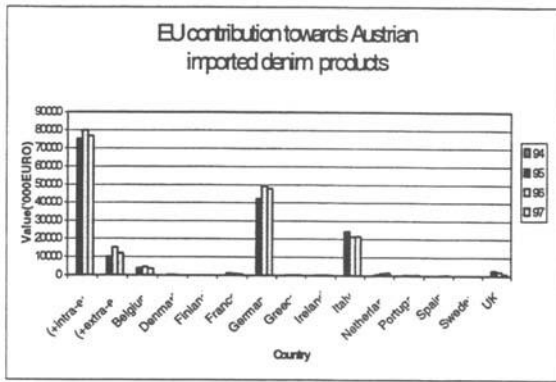
- Although denim product imports from EU and non-EU suppliers had similar development patterns in Austria, their figures were very different. 77 million Euro (86% of the imported denim products) worth of denim products came from other EU suppliers whereas only 12 million Euro (14%) worth of denim products came from non-EU countries in 1997.
- 98% and 97% of the denim products imported from the EU and non-EU countries in 1997 were jeans.
- Most of the denim products came from Germany, accounting for about 63% of the total EU supplies, followed by Italy with 30%.
- As regards the small suppliers, France and the United Kingdom exported less since 1995 while Netherlands increased their exports to Austria.



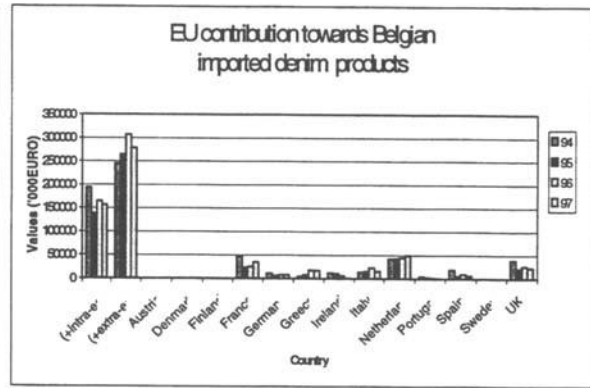
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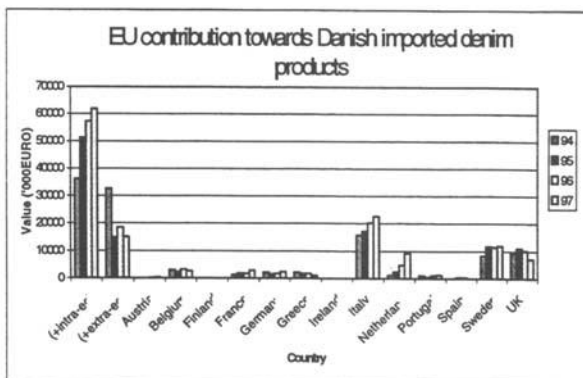
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Belgium (See Fig. 4.40)

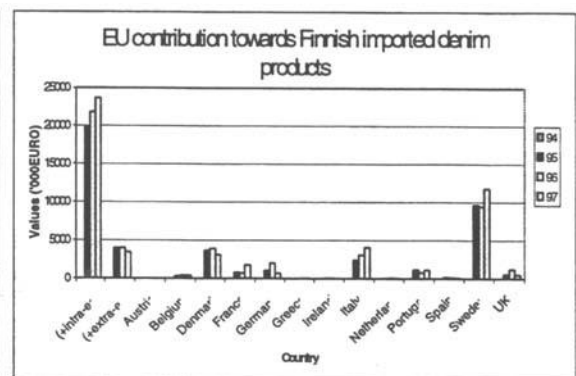
- The import pattern in Belgium is very different from that of most of the EU members. Between 1994 and 1997, its denim product imports from non-EU countries took a larger share than those from the EU, increasing from 56% in 1994 to about 65%.
- Imports from the non-EU markets reached their peak in 1996 with 306 million Euro and then dropped to 278 million Euro in 1997, a similar market share to that of 1996.
- 83% and 77% of the denim products from the EU and non-EU suppliers in 1997 were denim jeans.
- As regards EU suppliers, the French had the biggest market share in 1994 with 24% (46 million Euro), followed by Netherlands with 22% (42 million Euro). But in the next three years, the French share dropped to 17% and 15% and 22% while Netherlands's shares increased to 31%, 27% and 32%, replacing France as the leading exporter to Belgium.
- Other EU suppliers included the United Kingdom, Spain, Italy, Ireland, Greece, Germany and Portugal.

Denmark (See Fig. 4.41)

- 53% (36 million Euro) of the imported denim products came from other EU members in 1994 but this share increased to 81% (62 million Euro) in 1997.
- In 1997, 97% of the denim products imported from the EU were jeans, while imports from non-EU countries were almost exclusively denim jeans.



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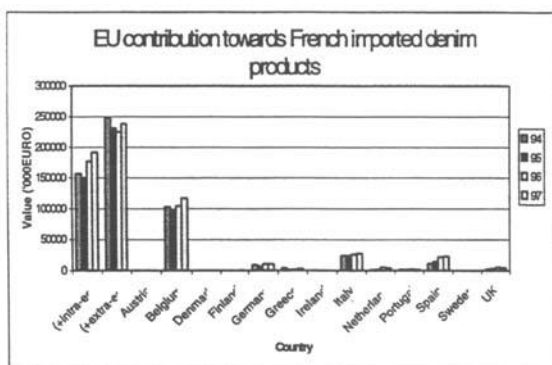
- Italy, Sweden and Netherlands were the top EU suppliers with market shares of 37%, 19% and 15% respectively in 1997. Austria, Belgium, France, Germany, Greece, Portugal and Spain together shared another 17% of the EU market.
- Imports from Italy and Netherlands increased rapidly, especially those from Netherlands, with a growth rate of 89% from 1996 to 1997.

Finland (See Fig. 4.42)

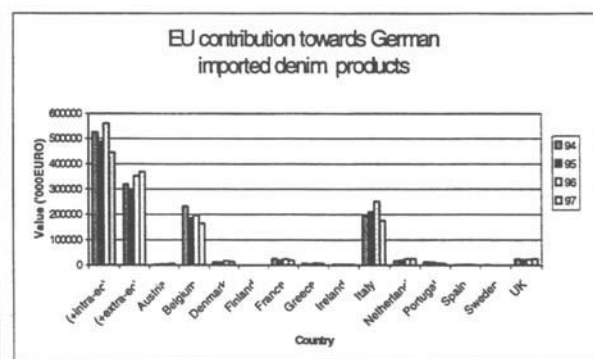
- EU suppliers held an overwhelming share of 87% of the total denim product imports, amounting to 24 million Euro in 1997, the result of also took an upward trend since 1995.
- 90% and 100% of the denim products imported from EU and non-EU suppliers in 1997 were denim jeans.
- Half of the imported denim products, valued at about 12 million Euro, came from Sweden in 1997. Denmark and Italy had shares of 13% and 17% respectively. Although imports from Italy have gone up continuously since 1995, it still has a long way to catch up with Sweden.
- Imports from the United Kingdom and Germany peaked in 1996 with 5.6% and 9.3% of the total imports from the EU countries, then dropping to 2% and 3% respectively in 1997.
- French market size increased significantly from 0.7 million Euro in 1996 to 1.8 million Euro in 1997, or 8% of the market.
- Other EU suppliers included Belgium, Portugal and Spain, together capturing another 7%.

France (See Fig. 4.43)

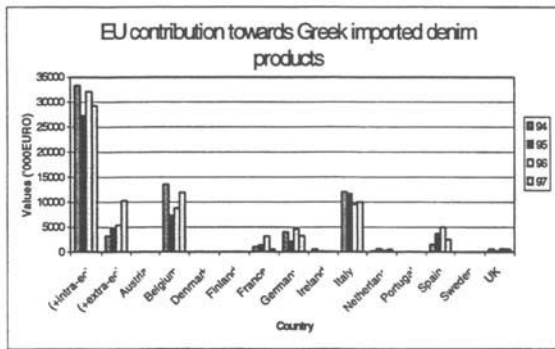
- Though non-EU suppliers exported more denim products to France than EU suppliers, their share dropped from 61% in 1994 to 55% in 1997.
- 79% of the imported EU denim products and 96% of the imported non-EU denim products were denim jeans.
- Belgian was the leading exporter, accounting for 61% of the imported EU denim products. Italy came second with 14%.
- Denim product imports from Spain, the third leading supplier, increased from 11 million Euro in 1994 to 23 million Euro in 1997.
- EU suppliers holding much smaller market shares included Germany, Greece, Netherlands, Portugal and the United Kingdom.



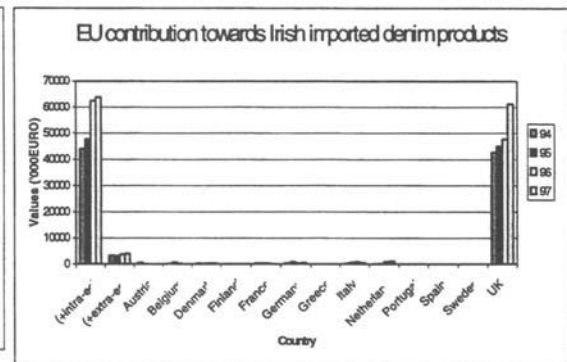
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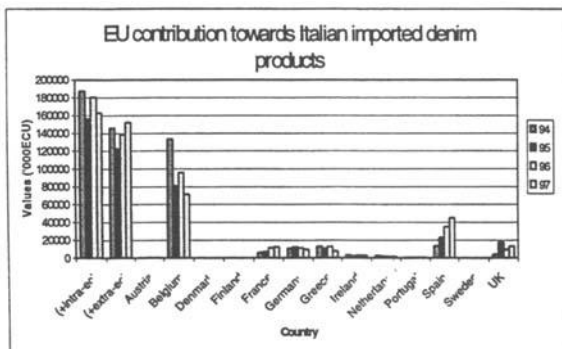
4.46

Germany (See Fig. 4.44)

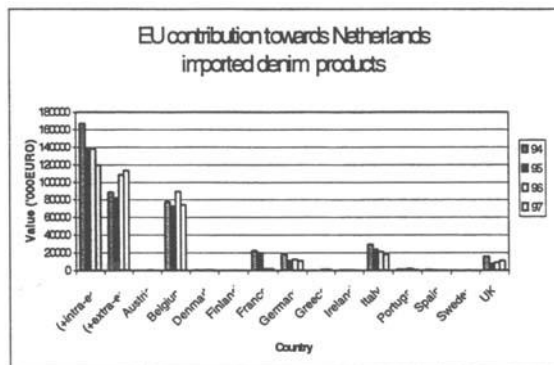
- Though Germany still imported more denim products from other EU countries, the gap between the two markets (EU suppliers and non-EU suppliers) became smaller. The EU market share had decreased from 62% in 1994 to 55% in 1997.
- Imports from EU suppliers peaked in 1996 with 560 million Euro and those from non-EU suppliers peaked in 1997 with 368 million Euro.
- 92% and 98% of the denim products imported from EU countries and non-EU countries were denim jeans.
- Italy and Belgium were the two key EU suppliers, accounting for 77% of the total EU supplies in 1997, Italy having 40% and Belgium 37%.
- Other EU exporters included Austria, Denmark, France, Greece, Ireland, Netherlands, Portugal, Spain and the United Kingdom. Netherlands and the United Kingdom each had 5.5%, followed by France with 4.3% of the market.

Greece (See Fig. 4.45)

- The EU countries' market share dropped from 91% in 1994 to 74% in 1997. Although non-EU suppliers thus gained a more notable presence in the Greek import market, it will be difficult for them to attain the same export level as their EU counterparts within the next few years.
- In 1997, 67% and 78% of the EU and non-EU supplies were denim jeans.
- As in Germany, Belgium and Italy were very important suppliers to the Greek denim product import market, accounting for 75% of the total EU supplies in 1997, of which Belgium held 41%. This share was two percentage points lower than in 1994, due to the drop of Italian exports from 36% in 1994 to 34% in 1997.



4.47



4.48

- Germany and Spain ranked third and fourth with 11% and 9% respectively.
- Other EU exporters included France, Netherlands and United Kingdom. It is worth noting that imports from France slumped from 10% in 1996 to 1.7% in 1997.

Ireland (See Fig. 4.46)

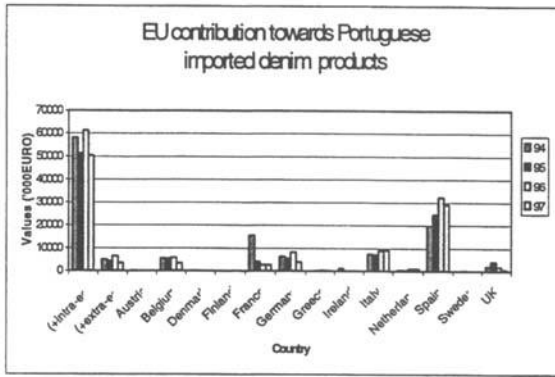
- On average, 94% of the imported denim products in Ireland came from other EU countries. The EU market size enlarged significantly in 1996, increasing from 48 million Euro in 1994 to 62 million Euro.
- In 1997, 98% of the denim products imported from the EU were denim jeans. Imports from non-EU suppliers were almost all denim jeans.
- The United Kingdom was the single most important force in the Irish import market, capturing about 96% of the total EU supplies. It enjoyed a very fat growth rate of about 30% between 1996 and 1997.
- Netherlands and Germany came second and third with 1.9% and 0.85% in 1997 respectively.

Italy (See Fig. 4.47)

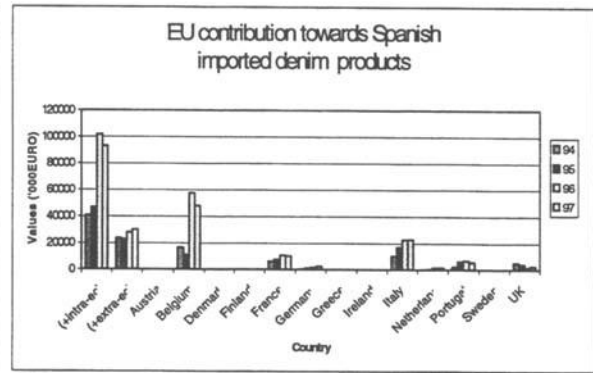
- EU and non-EU supplies almost equally divided the Italian denim product import market. The market share of the EU suppliers decreased from 56% in 1994 to 52% in 1997.
- 79% and 78% of the denim products imported from EU and non-EU suppliers were denim jeans.
- Belgium was still the leading exporter despite its less significant performance since 1995. Its market share was 71% in 1994 but this dropped rapidly to 44% in 1997. On the other hand, Spain quickly emerged as the second leading supplier to Italy with a 27% market share in 1997, and the export value growing from 13 million Euro (7%) to 45 million Euro. Imports from France enjoyed a steady growth as well, from 5.9 million Euro (3%) in 1994 up to 12 million Euro (8%) in 1997.
- The market shares of German, Greek and British exports ranged from 5% to 8%. Imports from Ireland and Netherlands accounted for 2% and 1% respectively.

Netherlands (See Fig. 4.48)

- Imports from EU suppliers dropped from 167 million Euro in 1994 to 119 million Euro in 1997 while those from the non-EU suppliers increased to 113 million Euro.
- 97% of the imported denim products from EU countries and 99% from non-EU countries were denim jeans.
- Belgium was the No. 1 supplier to the Netherlands. In 1994, for example, its market size was 78 million Euro, capturing 47% of the total EU supplies. Italy came second with 29 million Euro and an 18% market share. However, in 1997, imports from Belgium, though declining to 75 million Euro, accounted for 62% of the total EU supplies, indicating the overall decreasing trend in other EU exporters.
- Imports from France experienced the most drastic decrease by 89% from 1995 to 1996. Those from Germany and the United Kingdom also declined significantly from 1994 to 1995, 40% for Germany and 53% for the UK. Nevertheless, UK



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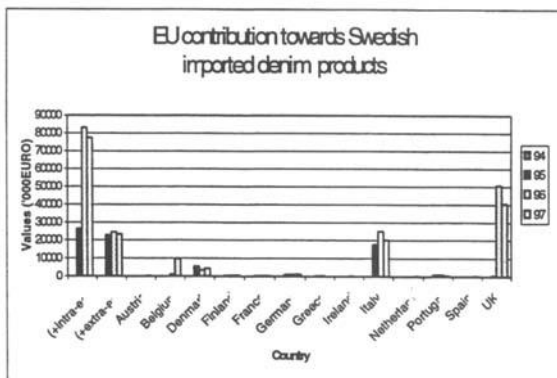
- exports recovered progressively since 1996, accounting for 19% of the total EU supplies.

Portugal (See Fig. 4.49)

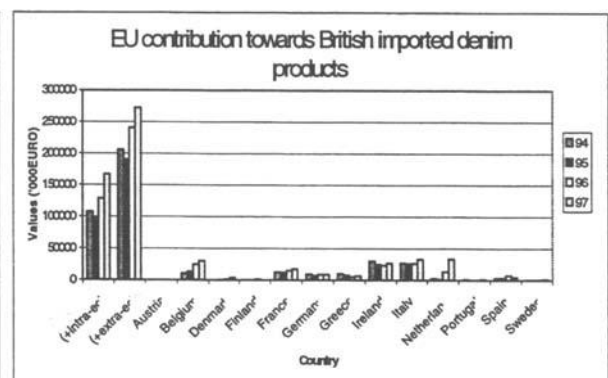
- On average, 92% of the imported denim products came from other EU countries and a peak appeared in 1996 with 61 million Euro.
- Within the EU market, 45% to 52% of the denim product imports were denim jeans but for the non-EU market, the figure was 12% to 20%.
- Spain was the leading supplier with a market share increasing from 34% in 1994 to 58% in 1997, although the 1997 value was 3 million Euro less than that of the previous year.
- Others EU suppliers included Belgium, France, Germany, Italy, Netherlands and United Kingdom. The French market share dropped significantly between 1994 and 1995, from 16 million Euro to 4 million Euro.

Spain (See Fig. 4.50)

- Imports from EU suppliers increased rapidly between 1995 and 1996. In 1994, their market size was 41 million Euro, but in 1996 it jumped up to 102 million Euro and then dropped a little to 93 million Euro in 1997. As a result, their share increased from 63% to 79% in 1996 and fell to 76% in 1997.
- Unlike other EU countries, denim jeans imports from the EU countries slumped heavily from 92% to 71% while those from outside countries fell from 91% to 87%.



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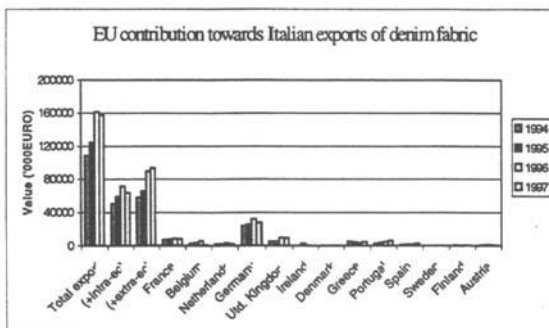
- A sharp increase from the Belgian market, which was up from 11 to 58 million Euro, helped explain the sudden growth of the total EU supplies in 1996
- Italy was the second most important exporter, accounting for 24% of the total EU supplies in 1997.
- Other EU suppliers included France, Germany, Netherlands, Portugal and the United Kingdom.

Sweden (See Fig. 4.51)

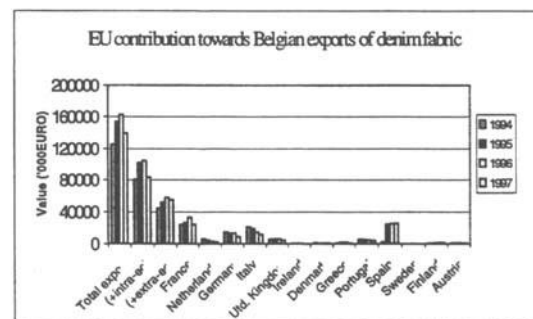
- As in Spain, imports from the EU suppliers experienced a sudden growth in 1996, jumping to 83 million Euro. Therefore, the EU countries' market share increased from 54% in 1995 to 77% in 1996 and 1997. The import value dropped a little to 76 million Euro in 1997.
- The denim product imports, either from EU and non-EU suppliers, were composed almost exclusively of denim jeans.
- A sudden increase from the UK market contributed a lot to the good performance of EU exports. It grew from 0.4 million Euro in 1995 to 51 million Euro in 1996 taking 61% of the total EU supplies. However, in 1997, its market share dropped to 52%.
- The other important supplier was Italy, which accounted for 30% of the EU supplies with a value of 25 million Euro in 1996. Belgian exports grew rapidly as well, from 0.9 million Euro in 1996 to 9.8 million Euro in 1997.
- 5.6% of the EU supplies were attributed to Denmark. Germany and Portugal also exported to Sweden but their value was insignificant.

The United Kingdom (See Fig. 4.52)

- The UK importers sourced more from non-EU suppliers, reaching 272 million Euro in 1997 comparing with the 167 million Euro of the EU suppliers. However, the EU market share increased from 34% in 1994 to 38% in 1997. Both markets had similar behavior, peaking in 1997 and hitting the lowest in 1995.
- Denim jeans played an important role in both markets--77% in the EU market and 67% in the non-EU market in 1997.
- In terms of sizes of market share, no EU country held a dominant role. Suppliers such as Belgium, Italy and Netherlands each had about 20% of the EU supplies. Ireland had 16%, France 11% and Germany 6%. Denmark, Greece and Spain shared the rest of the import market.



4.53



4.54

4.2.2 Exports

4.2.2.1 Denim fabric

Italy (See Fig. 4.53)

- Italy was the most important denim fabric exporter among EU countries. Its export value increased sharply in the past few years, growing from 108 million Euro in 1994 to 158 million Euro in 1997 at an average growth rate of 11.3% each year.
- Exports to non-EU countries accounted for 59.4%, increasing at an annual rate of 15.2% between 1994 to 1997. At the same time, exports to the EU market also grew from 50 million Euro in 1994 to 64 million Euro in 1997.
- Germany, the most important consumer for the Italian denim fabric industry, imported 17.8% of Italian denim fabrics in 1997 and its import value increased by 4.0% per year between 1994 to 1997.
- Other important consumers included the United Kingdom, France, Portugal and Greece with 6%, 5.3%, 3.9%, and 3.0% market share respectively in 1997.

Belgium (See Fig. 4.54)

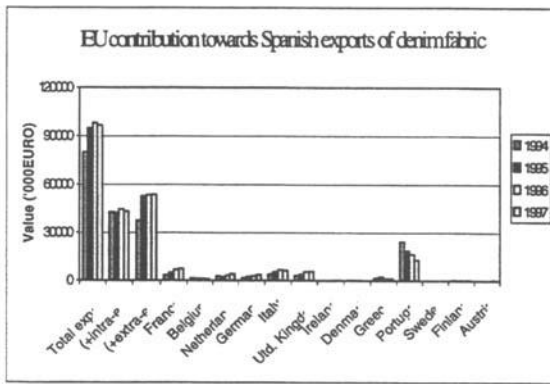
- 139.0 million Euro worth of denim fabrics were exported in 1997 with an average annual growth rate of 2.78% between 1994 to 1997.
- More than 60% of exported denim fabric went to other EU countries although the actual value fluctuated between 1994 to 1997.
- Exports to non-EU countries grew at the rate of 6% per year between 1994 to 1997.
- The most important customer was Spain which imported 18.3% of Belgian denim fabric exports in 1997, with the average import value around 25 million Euro.
- Others importers included France (17.4%), Italy (8.4%) and Germany (6.4%) in 1997.

Spain (See Fig. 4.55)

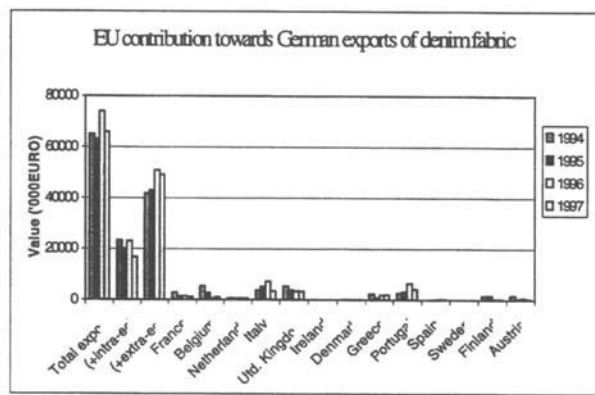
- Spain was an important denim fabric exporter among EU members with an export value of 96.7 million Euro in 1997, 16.7 million Euro more than that in 1994.
- In 1997, Spain exported 43 million Euro worth of denim fabric to other EU countries and 53.6 million Euro of denim fabric to non-EU countries.
- The main customers among EU countries were Portugal (imported 13.4% of Spanish exported denim fabric), France (7.7%), Italy (6.6%), Netherlands (4.4%) and Germany (3.7%).
- Exports to Portugal fell from 24 million Euro in 1994 to 13 million Euro in 1997 and its correspondent market share reduced from 30.5% to 13.4%.

Germany (See Fig. 4.56)

- Germany was the fourth largest denim fabric exporter in the EU.
- German denim fabric exports peaked in 1996 and then dropped to 65.9 million Euro in 1997.
- Exports to non-EU destinations accounted for 74.5% of Germany's denim fabric exports in 1997 and the average growth rate was 4.38% per year during the observed period.



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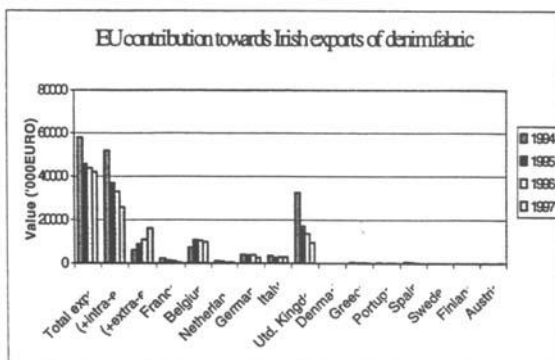
- For the EU countries, Portugal, United Kingdom and Italy were the top three importers, capturing 6.3%, 5% and 5% of Germany's denim fabric exports respectively.

Ireland (See Fig. 4.57)

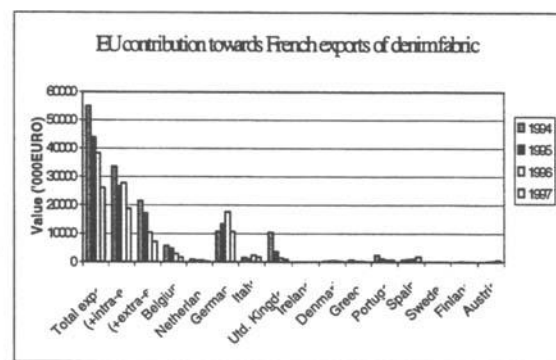
- Denim fabric exports amounted to 58 million Euro in 1994 but in 1997 it went down to 42 million Euro, down by 27.5%.
- Denim fabric exports absorbed by EU countries reduced from 89.6% in 1994 to 61.5% in 1997; while those imported by non-EU countries rose from 6 million Euro in 1994 to 16 million Euro in 1997, growing at the rate of 41.7% per year.
- The United Kingdom was a remarkable importer and attracted 22.9% of Irish denim fabric exports in 1997. However, the import value dropped sharply since 1995 though it still accounted for about 37.1% of the total exports to the EU in 1997.
- Belgium was the leading importer for Irish denim fabric exports in 1997, accounting for 23.3% of the market. Other major importers included Germany and Italy, each importing about 6% of Irish denim fabric exports in 1997.

France (See Fig. 4.58)

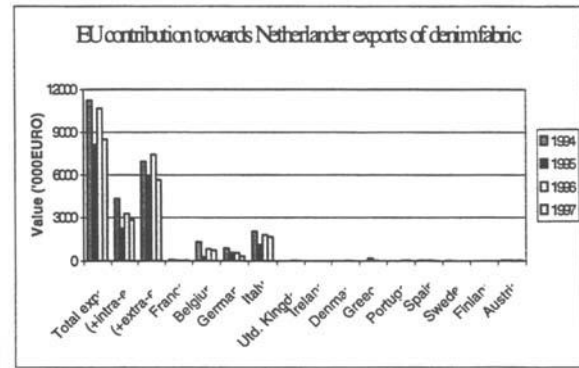
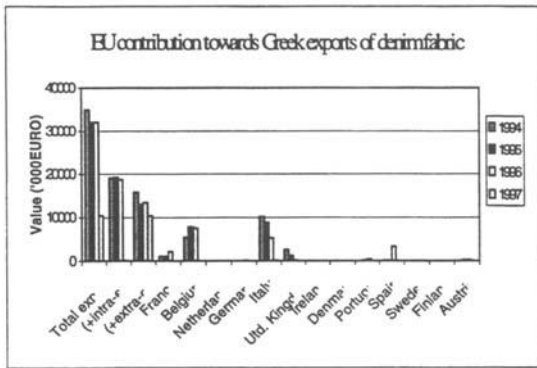
- French denim fabric exports had a very clear downward trend, reducing from 54.9 million Euro in 1994 to 26.0 million Euro in 1997. Poor performance in both the EU and non-EU markets attributed to the quick fall.
- More than 72% of the French denim fabric exports were destined for other EU countries.



4.57



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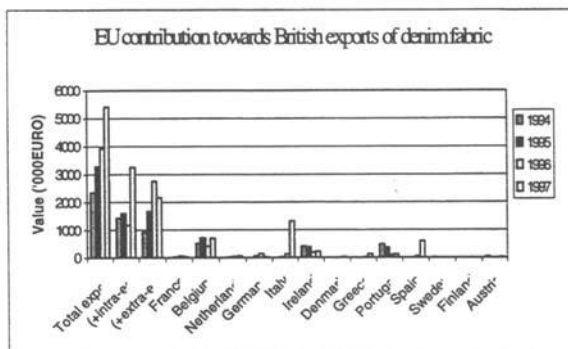
- The leading customer was Germany. The import value rose from 10.8 million Euro in 1994 to 17.5 million Euro in 1996 and fell back to 10.7 million Euro in 1997. Despite the sharp drop in 1997, Germany still accounted for more than 40% of French denim fabric exports. The UK used to be an important destination for French denim fabrics in 1994, but it was reduced to a less significant importer in 1997, having 3.6% of the market.

Greece (See Fig. 4.59)

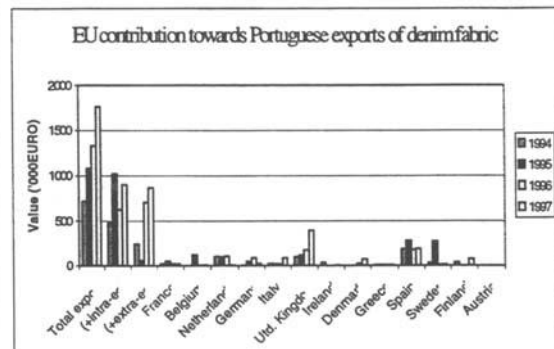
- Greek denim fabric exports peaked in 1994 and then dropped to about 32 million Euro in 1995 and 1996. But in 1997, they suddenly slumped to 10.4 million Euro due to the sharp drop of exports to the EU market.
- Exports to other EU countries accounted for about 60% of Greek exported denim fabric before 1996. But in 1997, about 99.3% of Greek denim fabric exports were absorbed by the non-EU market.
- In 1996, the most important consumer for the Greek denim fabric industry was Belgium (imported 23.3% of exported Greek denim fabric), followed by Italy (16.4%), Spain (10.1%) and France (6.5%).
- The Italian import value decreased significantly between 1994 and 1996. In 1994, Italy was the most important consumer of Greek denim fabric, and accounted for 28.9% of Greek denim fabric export.

Netherlands (See Fig. 4.60)

- The Netherlands exported about 8.5 to 11.3 million Euro worth of denim fabric between 1994 and 1997.



4.61



4.62

- Exports to non-EU countries were about 66.5% of its total denim fabric exports in 1997.
- Italy, Belgium and Germany were the top three leading importers, accounting for 19.8%, 8.5% and 3.9% respectively in 1997.

The United Kingdom (See Fig. 4.61)

- The United Kingdom exported 5.4 million Euro of denim fabric in 1997. The amount grew sharply since 1995 with a growth rate of 32.3% per year.
- Exports to EU countries increased by 31.6% per year and in 1997, 60% of the total denim fabric exports went to EU countries. At the same time, exports to non-EU countries also increased sharply with an average growth rate of 33.5% per year.
- Italy and Spain were the leading importers in 1997, though their import figures were trivial before 1997. They captured 24.5% and 11.0% of the British denim fabric exports respectively in 1997. Another important consumer was Belgium, accounting for another 13.1%.

Portugal (See Fig. 4.62)

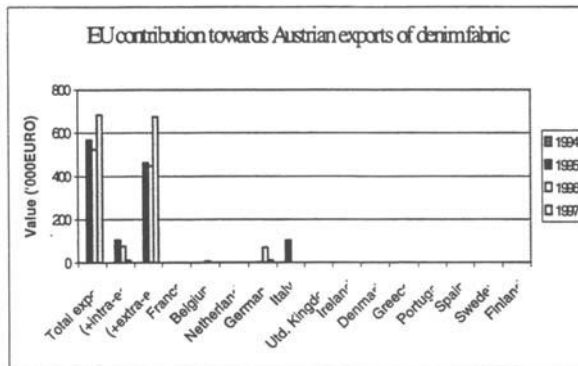
- Denim fabric exports increased from 718 thousand Euro in 1994 to 1.77 million Euro in 1997 with an annual average growth rate of 36.5%.
- In 1997, about 898 thousand Euro of denim fabric were exported to EU countries, accounting for 51% of Portugal's total denim fabric exports. The non-EU countries' market share grew sharply between 1995 and 1996 and became very close to the EU level in 1997, reaching 866 thousand Euro.
- Portuguese denim fabric exports once covered many EU countries, including France, Belgium, Netherlands, Germany, Sweden, Italy, the United Kingdom, Spain, and Finland. But the first five stopped importing denim fabric from Portugal in 1997.
- In 1997, the major consumers amongst the EU members were the United Kingdom (accounting for 22.4% of Portuguese denim fabric exports), Spain (10.7%), Italy (4.9%), Finland (4.2%) and Denmark (4.1%).

Austria (See Fig. 4.63)

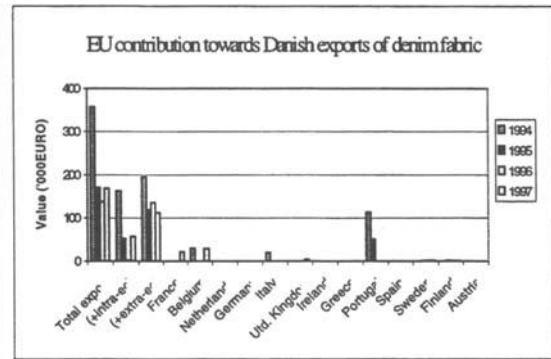
- In 1997, denim fabric exports reached 683 thousand Euro, 140 thousand Euro more than those in 1996.
- About 10 thousand Euro worth of denim fabrics (1.5%) was exported to EU members, other 673 thousand Euro denim fabrics (98.5%) went to non-EU countries.
- Only a few EU countries imported denim fabric from Austria, including Germany and Italy. Germany imported about 70 thousand Euro of denim fabric in 1996, and 10 thousand Euro in 1997. Italy imported 103 thousands Euro of denim fabric in 1995, but did not import from Austria in other years.

Denmark (See Fig. 4.64)

- Denmark's denim fabric exports were 357 thousand Euro in 1994, but they reduced sharply in 1995, slumping to 170 thousand Euro. The exports remained at the same level in 1997.
- Non-EU importers play a critical role in Danish denim fabric exports; about two thirds of them went to non-EU countries.



4.63



4.64

- Portugal was once the most important customer before 1996, accounting for about 30% of the total denim fabric exports. However, since then, Portugal has stopped importing denim fabric from Denmark, and Belgium and France became the most important destinations. They imported 17% and 13% of Danish denim fabric exports respectively.

Finland (See Fig. 4.65)

- Finland exported more than 150 thousand Euro worth of denim fabrics between 1994 and 1996, decreasing to 134 thousand Euro in 1997.
- Nearly all denim fabric exports were headed to non-EU countries.

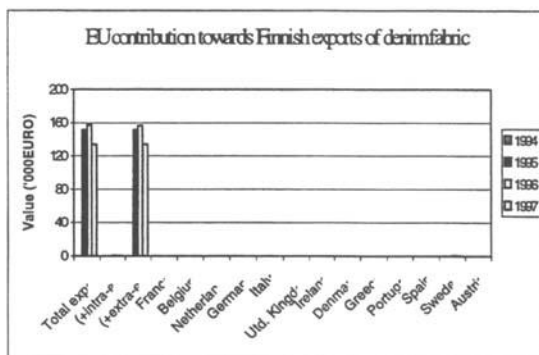
Sweden (See Fig. 4.66)

- Swedish denim fabric exports grew sharply in 1997, up from 33 and 35 thousand Euro in 1995 and 1996 to 82 thousands Euro in 1997.
- Imitating the trade pattern in Finland, almost all the denim fabric exports went to non-EU markets, which accounted for 99.8% of the total Swedish denim fabric exports.

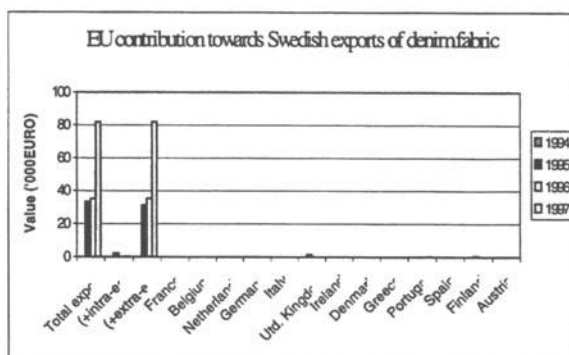
4.2.2.2 Denim jeans

Italy (See Fig. 4.67)

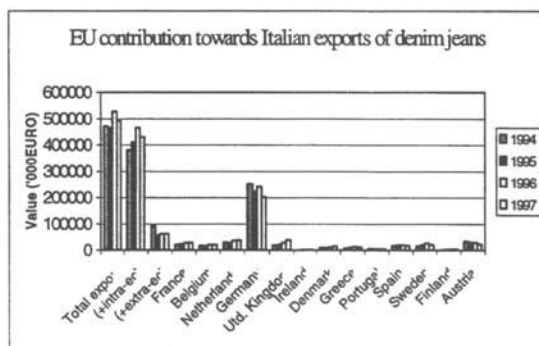
- Italy was the No. 1 denim jeans exporter among the EU members, growing at the annual average rate of 1.1% from 1994 to 1997. In 1997, its total denim jeans export value reached 493.1 million Euro.
- Exports to EU markets increased at 3.3% per year and peaked in 1996. In 1997, Italy exported 430.7 million Euro of denim jeans to EU members, accounting for 87.4% of Italian denim jeans exports.
- Exports to non-EU markets remained at 62 million Euro in 1996 and 1997, a drop of 30 million Euro from the export peak in 1994.
- Germany was the most important consumer, accounting for 41.0% of Italian denim jeans exports, but its market size decreased since 1994 at the average rate of around 4.9% per year. Other EU members, such as the United Kingdom, Netherlands, France, Austria and Belgium, held shares of 7.9%, 7.6%, 5.9%, 4.8% and 4.3% respectively. Except for Austria and Germany, the rest of the EU consumers increased their imports from Italy in the past few years.



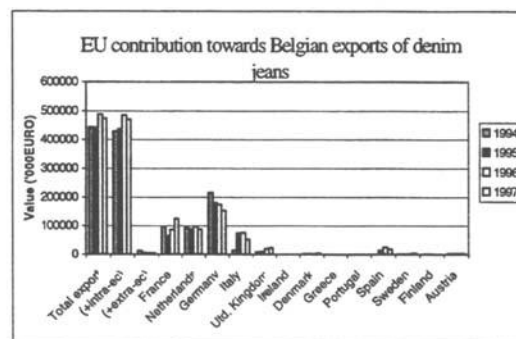
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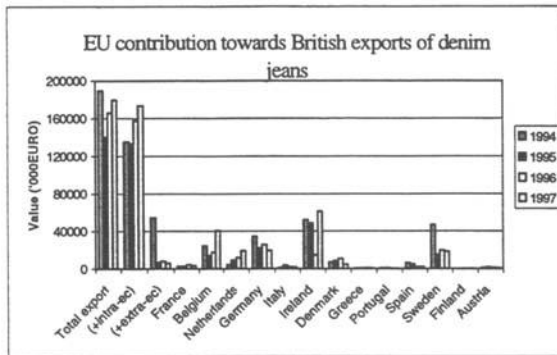
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Belgium (See Fig. 4.68)

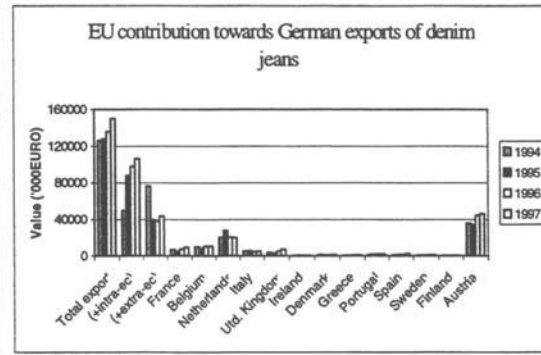
- Belgium exported more than 473.7 million denim jeans in 1997, ranking as the second most important exporter within the EU. The average growth rate of the export value was 1.73% per year between 1994 to 1997.
- Most of the Belgium exported denim jeans went to other EU countries, accounting for 97% or above since 1994.
- In 1997, Belgium's important EU consumers included Germany (32.2%), France (26.3%), Netherlands (18.6%), Italy (11.0%), the United Kingdom (4.9%) and Spain (3.9%).
- Between 1994 and 1997, exports to Germany decreased at the rate of 7.2% per year but those to France increased at an annual rate of 7.23%.

The United Kingdom (See Fig. 4.69)

- British denim jeans exports peaked in 1994 with 189.6 million Euro, slumping to 139.4 million Euro in 1995 and rising to 179.8 million Euro in 1997.
- Exports to EU members accounted for 96.5% of the total denim jeans exports, growing at 7.1% annually from 1994 to 1997. By sharp contrast, exports to non-EU markets were much smaller, decreasing fast to 6.3 million Euro in 1997.
- The top two importers were Ireland and Belgium with market shares of 34.0% and 22.7% respectively. Netherlands, Germany and Sweden each imported around 10%. Exports to Ireland, Belgium and the Netherlands, though fluctuating in some years as regards the former two countries, enjoyed an overall growth from 1994 to 1997 at the rate of 4.0%, 16.5%, and 8.3% respectively. On the contrary, exports to Germany and Sweden decreased from 1994 to 1997.



4.69



4.70

Germany (See Fig. 4.70)

- Germany exported 127.4 million Euro worth of denim jeans in 1997. Between 1994 and 1997, the average growing rate was 4.73% per year.
- Exports to EU destinations increased quickly, growing from 49.4 million Euro in 1994 to 106.2 million Euro in 1997 at the rate of about 28.7% per year. By sharp contrast, those to non-EU importers shrank by 10.8% each year, dropping to 43.6 million Euro in 1997.
- Austria was the most important importer, capturing 30.8% of Germany's denim jeans export with an annual growth rate of 7.3% between 1994 and 1997. Other major customers included Netherlands, Belgium, France, the United Kingdom and Italy. The former three imported 13.6%, 7.0% and 6.3% of German denim jeans respectively in 1997.

Netherlands (See Fig. 4.71)

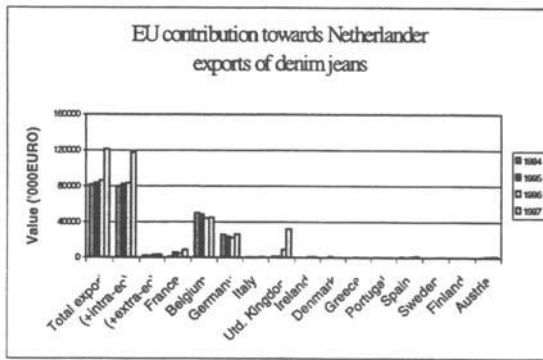
- Denim jeans exports were quite steady before 1997, ranging from 81.9 million Euro to 83.8 million Euro from 1994 to 1996. The year 1997 saw a sharp increase of the value of denim jeans exports, growing to 121.2 million Euro.
- More than 97% of the denim jeans exports went to other EU countries.
- The denim jeans exports concentrated on three EU countries, namely Belgium, the United Kingdom, and Germany. They imported 37.2%, 26.5% and 21.6% of Netherlands' jeans exports respectively in 1997. The sharp rise of UK imports in 1997 was the main reason for the sudden jump in the total EU exports from the Netherlands.

Spain (See Fig. 4.72)

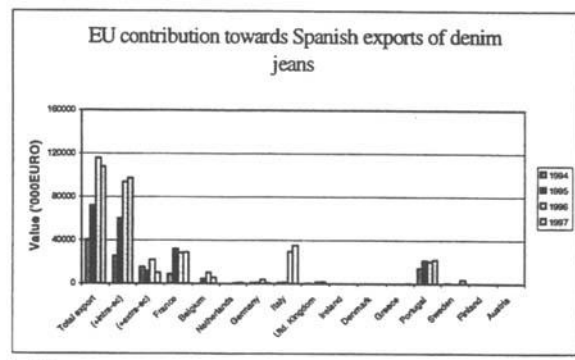
- Denim jeans exports amounted to 108 million Euro in 1997, almost a two fold increase from 1994. The annual growth rate was 41.8% between 1994 and 1997.
- About 90.5% of Spanish denim jeans exports went to other EU members. The major importers included Italy (32.8%), France (26.7%), and Portugal (20.1%) in 1997.
- Exports to Italy were not significant before 1996. However, it emerged as the leading importer in 1996 and 1997, importing 30 and 35 million Euro respectively.

France (See Fig. 4.73)

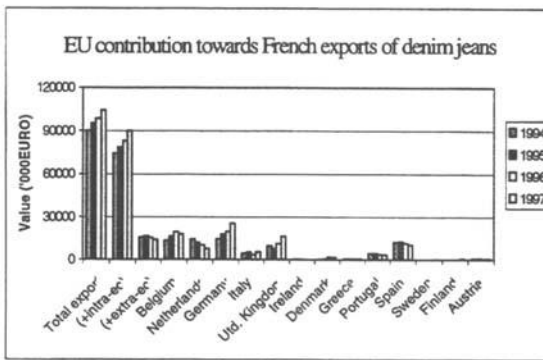
- Denim jeans exports grew from 90 million Euro in 1994 to 104 million Euro in 1997 at the growing rate of 3.92% per year.



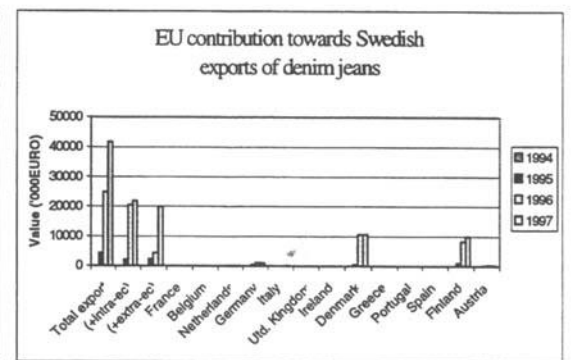
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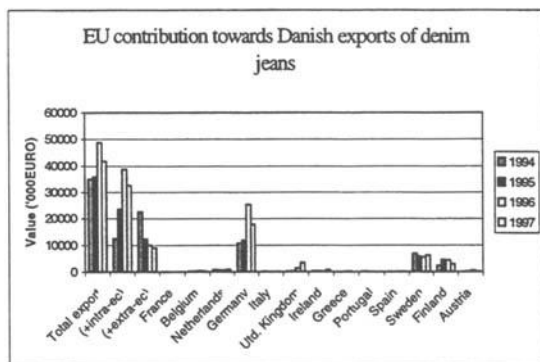
- About 86.3% of French denim jeans were exported to other EU countries.
- The important EU customers were Germany (28.2%), Belgium (19.9%), United Kingdom (18.0%), Spain (11.4%), Netherlands (8.5%) and Italy (6.1%). Exports to Germany experienced strong growth in the past few years and the rate was 18.1% per year from 1994 to 1997.

Sweden (See Fig. 4.74)

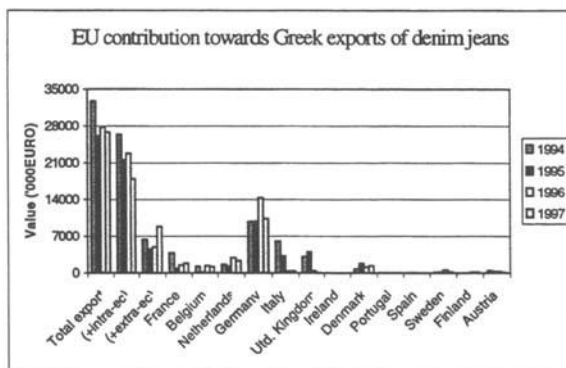
- When Sweden joined the EU in 1995, its denim jeans export value was very low, only about 4.2 million Euro. However, in 1996 and 1997, the export value jumped to 25 million Euro and 42 million Euro respectively.
- Exports to the EU and non-EU markets both increased by a big margin. Those to EU members accounted for 52.6% of the total denim jeans exports.
- The major EU customers were Denmark and Finland, accounting for about a half of the total denim jeans exports. In 1997, Denmark imported 10.7 million Euro worth of denim jeans from Sweden, which was 25.5% of Swedish denim jeans exports. At the same time, Finland imported 10 million Euro, capturing another 23.8%.

Denmark (See Fig. 4.75)

- The export value was 41.7 million Euro in 1997, dropping from the 1996 peak of 48.7 million Euro.
- Exports to EU countries played a more and more important role, accounting for 78.3% of the total denim jeans exports with an average annual growth rate of 40.7% between 1994 and 1997. The non-EU market share, once dominating in the denim jeans export market in 1994, shrank at 15.9% per year.



4.75



4.76

- The most important customer was Germany holding 42.8% of the total denim jeans exports, followed by Sweden (14.9%) and Finland (7.0%).

Greece (See Fig. 4.76)

- Denim jeans exports reduced from 32.7 million Euro in 1994 to 26.8 million Euro in 1997 at the annual rate of 4.6%.
- 82% of Greek denim jeans exports went to other EU countries before 1997 but the proportion fell to 67.1% in 1997. On the other hand, exports to non-EU markets kept growing at the average annual rate of 9.6% between 1994 and 1997, reaching 8.8 million Euro in 1997.
- Germany was the most important destination, importing 38.8% of Greek denim jeans in 1997. Others importers included Netherlands (8.7%), France (6.8%), Denmark (5.0%) and Belgium (4.4%).

Ireland (See Fig. 4.77)

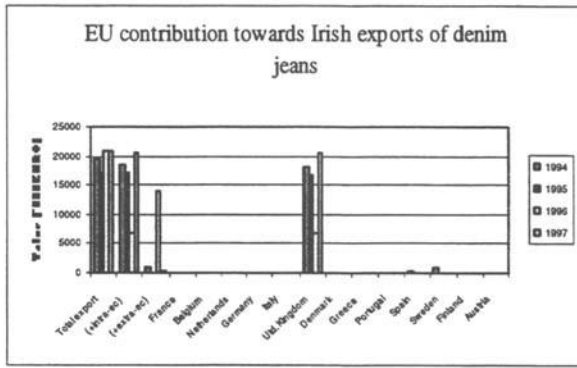
- Denim jeans exports reached 20.5 million Euro in 1997. EU importers dominated this Irish export market (except for the year 1996), taking an overwhelming share of 97.9% of the total denim jeans exports in 1997.
- Most of the exports were absorbed by the United Kingdom, accounting for 97.4% of the total denim jeans exports in 1997.

Portugal (See Fig. 4.78)

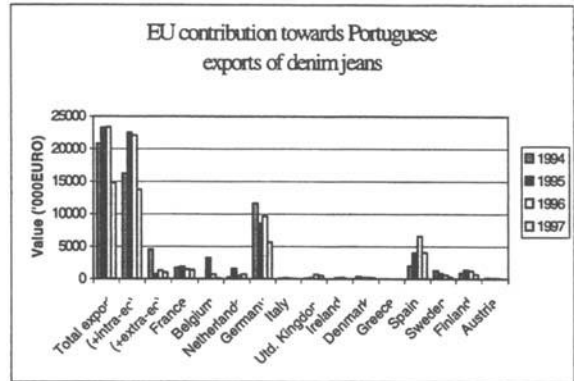
- Denim jeans exports were over 23 million Euro in value in 1996 but suddenly dropped to 14.7 million Euro in 1997.
- The EU was the most important market for Portuguese jeans because it imported around 93% of the denim jeans exports. Amongst these members, Germany had the largest share of 38.2%. Spain came second with 27.7%. France and Finland came third and fourth with 6.3% and 5.0% respectively.
- Although Germany was still the most important consumer for Portuguese jeans, its import value dropped sharply from 1994 to 1997 at the average rate of 12.9%. Sweden and Belgium also showed a clear decreasing trend.

Austria (See Fig. 4.79)

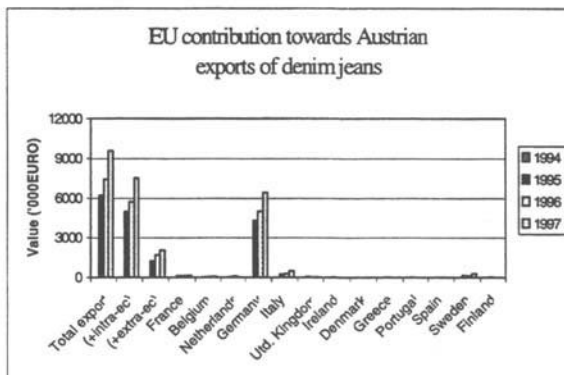
- 9.6 million Euro worth of denim jeans was exported to the world in 1997, increasing from 6.2 million Euro in 1995.
- The EU was the major market for Austrian denim jeans exports, accounting for 78.4% in 1997.



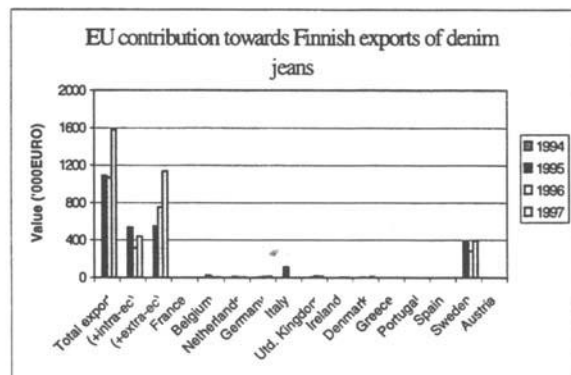
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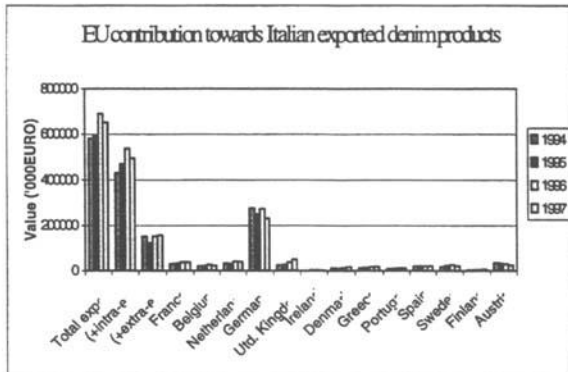
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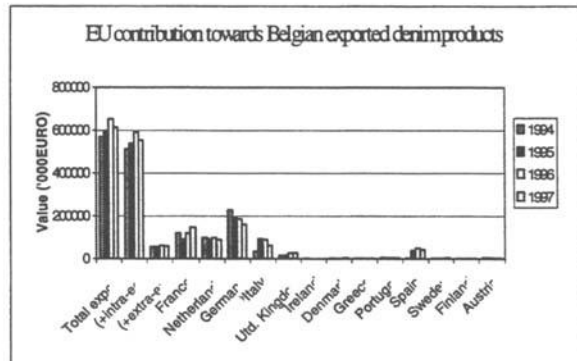
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- Germany was the single key importer, absorbing 6.4 million Euro (67%) worth of Austrian denim jeans in 1997.

Finland (See Fig. 4.80)

- 1.6 million Euro worth of Finnish jeans was exported to the world in 1997, rising sharply from 1.1 million Euro in 1995.
- Finland was the only EU country which exported more to non-EU importers. In 1997, 72.1% of Finnish jeans were exported to non-EU destinations. What's more, the trend was upward after Finland joined the EU in 1995.
- The main EU importer was Sweden, which imported 25% of Finnish denim jeans in 1997. (In terms of EU imports alone, it accounted for 90%.) Other EU

countries' shares were very low--the United Kingdom with 0.9% and Germany with 0.8%.

4.2.2.3 Denim products

Italy (See Fig. 4.81)

- Italy was the most important exporter in the EU, both in terms of denim fabric and jeans exports. The export value grew from 1994 and reached a peak in 1996 of 689 million Euro. In 1997, the value shrank to 650.6 million Euro, accounting for 27.7% of EU members' total exports.
- Denim jeans accounted for 75.8% of the total denim product exports.
- Exports to the EU accounted for 76.0% of Italian total exports, growing at the rate of 3.75% per year.
- Italian denim products had a wide range of export destinations. The most important EU importer was Germany, which imported about 35.4% of Italian denim product exports in 1997. The next three were the United Kingdom (7.5%), Netherlands (6%), and France (6%). The other EU members also imported denim products from Italy, but with a market share less than 3.8%.

Belgium (See Fig. 4.82)

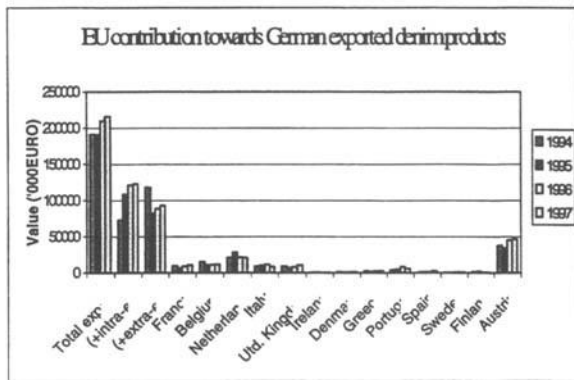
- Belgium was the second most important exporter in the EU denim export market, amounting to 612.7 million Euro in 1997, or 26.2% of EU members' total denim exports.
- Denim jeans exports accounted for 77.3% of all Belgian denim product exports.
- Its export market mainly concentrated on the EU, which captured about 90% of Belgium's denim product exports.
- Germany was again the most important destination, accounting for about 26.3% of the market. France ranked second with 24.3%, followed by Netherlands (14.7%), Italy (10.4%) and Spain (7.2%).

Germany (See Fig. 4.83)

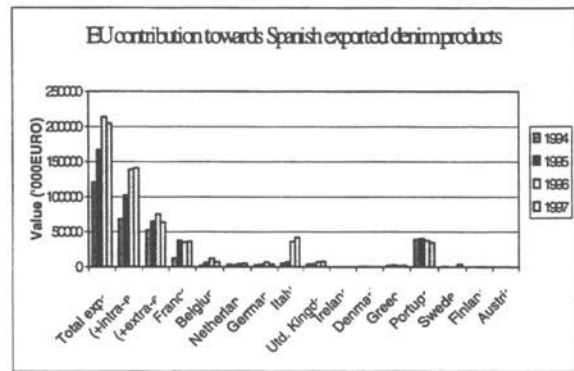
- Though Germany was the No. 3 exporter in the EU market, its export value was only about one third of that of Italy and Belgium. In 1997, the value reached 215.7 million Euro with a growth rate of 3.2% per year between 1994 and 1997.
- Denim jeans constituted 69.4% of the total denim product exports.
- Exports to non-EU importers were larger than those to EU members in 1994. However, with an annual growth rate of 17.3%, the EU importers overtook non-EU importers in the following three years, eventually accounting for 57.0% of German denim product exports.
- Austria was the leading importer, holding 21.5% of the German denim product exports, followed by Netherlands (9.8%), Belgium (5.3%), and France (4.9%) in 1997.

Spain (See Fig. 4.84)

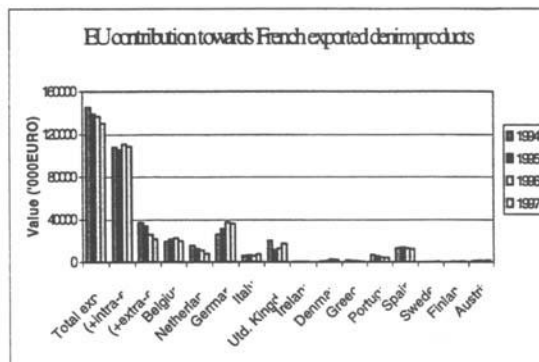
- Denim product exports peaked in 1996 with 213 million Euro and then dropped to 205 million Euro in 1997. The average growth rate was 17.5% every year.
- Denim jeans were responsible for about 52.8% of the total denim product exports.
- The proportion of EU imports from Spain continuously increased from 1994, indicating that the EU market has become more and more important. The



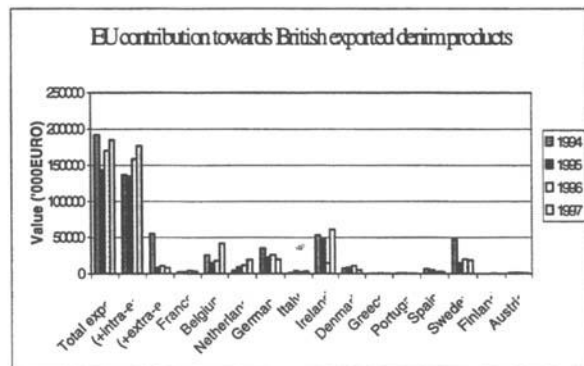
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percentage was 56.4% in 1994, rising to 68.8% at an annual average rate of 26.8%. Exports to non-EU importers also increased, but at a slower speed. Consequently, its market share gave way to that of the EU importers.

- Italy, France, and Portugal were the top three importers in 1997, accounting for 20.4%, 17.7%, and 16.9% of Spanish denim product exports. Exports to Portugal were relatively stable, while those to Italy and France experienced strong growth since 1995.

France (See Fig. 4.85)

- French denim product exports decreased from 145 million Euro in 1994 to 130 million Euro in 1997 with the average reduction rate of 2.55% per year.
- Denim jeans accounted for 80% of the total denim product exports.
- Exports to EU countries played an important role, accounting for 83.5% of French total denim exports. The proportion grew 3.1% per year from 1994 to 1997. On the other hand, exports to non-EU countries diminished faster at the average annual rate of 10.6%.
- The main EU destination was Germany which imported 27.7% of the total denim product exports in 1997, growing at the annual rate of 14.3%. Other EU importers included Belgium (15.1%), the United Kingdom (13.28%), Spain (9.3%), Netherlands (6.1%) and Portugal (3.1%).

The United Kingdom (See Fig. 4.86)

- Denim product exports reached a peak of 191.9 million Euro in 1994 but fell sharply to 143.2 million Euro in 1995. The export performance picked up in 1996 and its 1997 value was close to the 1994 level, amounting to 185.2 million Euro.

- Denim jeans accounted for 97.1% of British denim product exports.
- Exports to the EU took the lion's share, especially from 1995. In 1997, 95.5% of the total exports went to the EU countries. However, exports to non-EU markets slumped in 1995 and then remained at a similar level.
- The most important customers were Ireland (33.9% of British total exports) and Belgium (22.5%). Another three EU members, namely Germany, Sweden and Netherlands, each imported about 10.0% respectively.

Netherlands (See Fig. 4.87)

- The value of denim product exports in 1997 was 129.7 million Euro, an increase of 36.6 million Euro over 1994.
- Denim jeans exports accounted for approximately 93.4% of the total denim product exports.
- More than 90% of Dutch denim products were exported to other EU members.
- The important customers were Belgium, the United Kingdom and Germany, having shares of 35.3%, 24.8%, and 20.4% respectively in 1997.

Ireland (See Fig. 4.88)

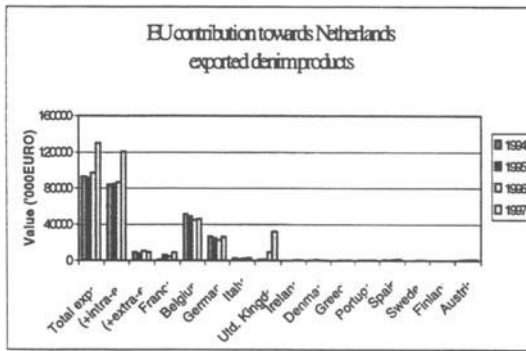
- Irish denim product exports fell from 77.4 million Euro in 1994 to 62.9 million Euro in 1997 at the annual rate of 4.7%.
- Denim jeans accounted for 33.4% of the total denim product exports.
- Irish denim product exports to the EU took a downward trend since 1995, decreasing from 90.1% in 1994 to 73.7% in 1997 at the rate of 8.5% per year. On the other hand, exports to non-EU markets had a steady upward trend at the rate of 34.9% per year.
- The United Kingdom was the leading importer with 47.7% of the market, far exceeding Belgium which was the No. 2 importer with 15.5%.

Denmark (See Fig. 4.89)

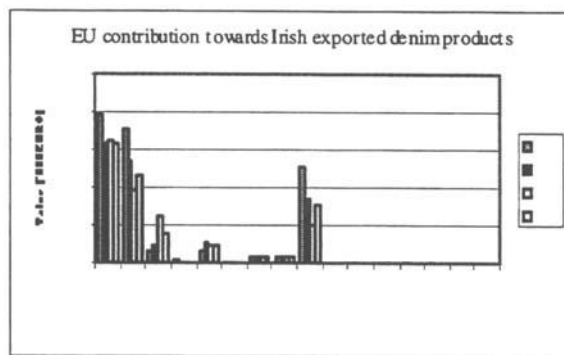
- About 42 million Euro worth of Danish denim products were exported in 1997, 7 million Euro down from the 1996 peak.
- Denim jeans took the overwhelming share of 99.6% of the denim product exports.
- Denim product exports to EU countries increased significantly in the past few years. Their proportion doubled from 35.6% in 1994 to 78.2% in 1997. The export value grew at the rate of 39.9% per year. In contrast, exports to non-EU markets reduced since 1994 at the rate of 15.0% per year.
- In terms of EU importers, a large proportion (42.7%) of Danish denim products were exported to Germany in 1997, followed by Sweden (14.9%), United Kingdom (8.1%) and Finland (7.0%).

Sweden (See Fig. 4.90)

- Denim product exports grew at a very striking rate of 290% after Sweden joined the EU in 1995, amounting to 41.8 million Euro in 1997.
- Just as with Denmark, denim jeans accounted for 99.8% of Sweden's total denim product exports.
- Though exports to EU importers dominated the export market in 1996, they reduced quickly from 82.4% in 1996 to 52.5% in 1997. On the other hand, non-EU importers significantly increased their sourcing from Sweden in 1997.



4.87



4.88

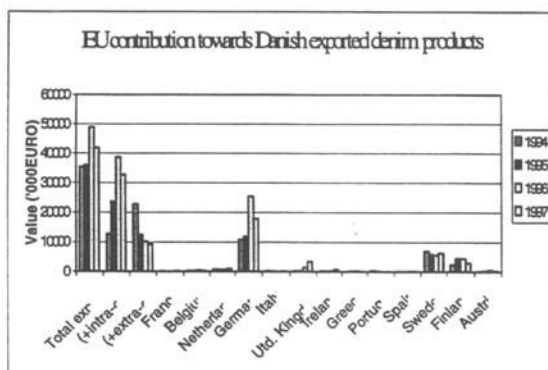
- Denmark and Finland were the leading importers. In 1997, they imported 10.6 and 9 million Euro worth of Swedish denim products respectively.

Greece (See Fig. 4.91)

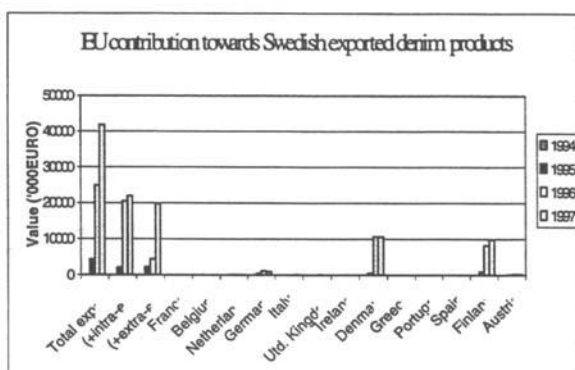
- Greece exported 67.7 million Euro worth of denim products in 1994 but in 1997, the export value decreased sharply to 37.2 million Euro.
- Denim jeans accounted for 72% of the total denim product exports.
- The poor export performance was mainly due to the sudden slump of exports to EU markets, which was only 18 million Euro in 1997. Exports to non-EU countries were relatively stable, and eventually surpassed the EU markets as the more important destinations for Greek denim products, capturing about 51.6% of the market share.
- Denim product exports to EU members mainly concentrated on Germany, Belgium, and Italy. Germany was the leading importer with a market share of 27.9% in 1997.

Portugal (See Fig. 4.92)

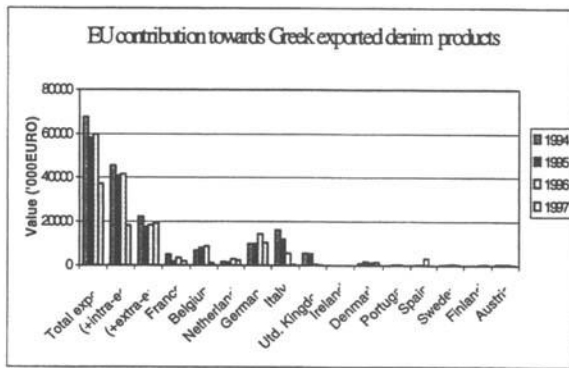
- 21.5 million Euro worth of Portuguese denim products was exported in 1994, reaching a peak in 1996 with 24.7 million Euro. However, the value fell sharply in 1997 to only 16.5 million Euro.
- Denim jeans accounted for 89.3% of the total denim product exports.
- Exports to the EU accounted for 77.6% of the Portuguese denim product exports in 1994, increasing to 96.7% in 1995 and falling to 88.6% in 1997.
- The main EU importers were Germany, Spain, and France. The former imported about 5.7 million Euro (34.3%) worth of Portuguese denim products in 1997.



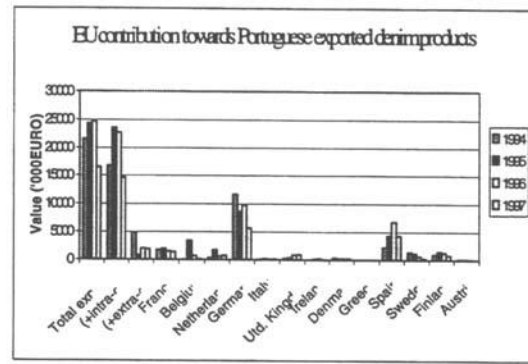
4.89



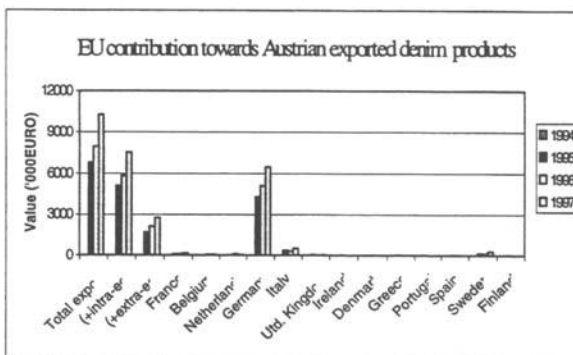
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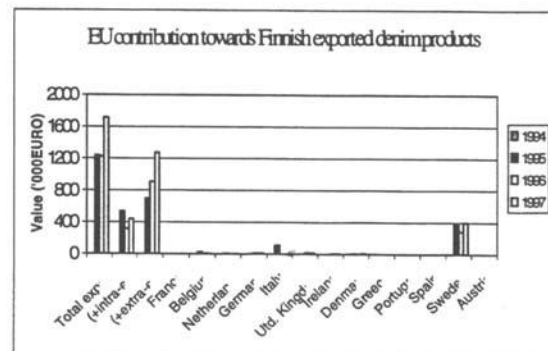
4.91



4.92



4.93



4.94

Austria (See Fig. 4.93)

- Denim product exports were 10 million Euro in 1997. From 1995 to 1997, the annual average growth rate was 17.3%.
- Denim jeans constituted 93.4% of the total denim product exports.
- Exports to EU countries accounted for 73% of the total denim product exports. Both EU and non-EU markets have experienced steady growth since 1995.
- Germany was the single most important destination for Austrian denim products, capturing about 63% of the total denim product exports.

Finland (See Fig. 94)

- Denim product exports were much smaller compared with other EU members, reaching 1.7 million Euro in 1997.
- Denim jeans held about 92.2% of the total denim product exports.
- The export pattern of Finnish denim products was unique in the EU market, with more focus upon non-EU importers. In 1997, exports to non-EU markets accounted for 74.3%.
- As regards EU importers, Sweden was the dominant destination, accounting for more than 95% of the total exports to the EU.

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