

74th Plenary Meeting, Mumbai (India)
(December 6-11, 2015)

**REPORT OF THE PRIVATE SECTOR ADVISORY PANEL
(PSAP)**

Honorable Union Minister of State for Textiles, Chairman, distinguished delegates, observers and guests, it is my pleasure to present the report of the thirty-fourth meeting of the Private Sector Advisory Panel.

In its meeting on Sunday, December 6, the PSAP emphasized the need for the ICAC to give the highest priority to increasing the competitiveness of cotton in relation to competing fibers, with special attention to polyester.

For this purpose, the PSAP recommended that ICAC members:

- Take steps to make labels on textile products more visible, in order to allow consumers to make informed choices;
- Encourage the use of the results of instrument testing in the trading of cotton;
- Divulge the environmental and social consequences of the use of polyester;
- Introduce measures to promote the use of cotton by consumers; and
- Approach the cotton sector in a holistic manner, by implementing measures to encourage an increased diversification of the uses of cotton and a wider use of cotton by-products throughout the value chain.

The PSAP recommended that the Secretariat conduct a study on the economic factors underlying the growth of polyester production and demand, thus enabling Members to better understand the dynamics of competition among fibers. In its next meeting, the PSAP will discuss in greater detail the contents of this study.

The PSAP noted the need to reduce “trade friction” by harmonizing the documentation involved in the trade of cotton. In particular, the PSAP urged the ICAC to raise awareness within the World Trade Organization of the need for the standardization of phytosanitary certificates. The PSAP also noted that requirements for fumigation of cotton varied widely among countries and requested the Secretariat to obtain further information on possible ways in which to reduce these differences.

The PSAP expressed its satisfaction with the progress being made to permit the accession of the European Union to the ICAC. Once this process was concluded, the ICAC should make further efforts to expand membership, especially in Asian countries that were becoming increasingly important in the spinning and weaving of cotton. PSAP members expressed their willingness to support a drive to attract more members through their contacts with private sector associations in countries that were possible candidates for membership and by contacting directly the governments of potential members.

PSAP members noted that the eventual accession of the European Union might require changes in the terms of reference of the Panel, which would be the responsibility of the Standing Committee. If such changes were to be implemented, they recommended that every effort should be made to preserve the diversity of viewpoints that currently existed within the PSAP.

In order to reduce bureaucracy, it was also recommended that the terms of PSAP members should be made unlimited and extend until notice to the contrary be received from the nominating Member.