



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

Date: 4/26/2005

GAIN Report Number: PL5007

Poland

Cotton and Products

Annual update

2005

Approved by:

Charles Rush
U.S. Embassy

Prepared by:

Natalia Koniuszewska, Agricultural Specialist

Report Highlights:

The 2004 increase in imports and consumption of cotton in Poland suggests an improvement in the Polish cotton industry's situation, which may be attributable to Poland's accession to the EU in May 2004.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Unscheduled Report
Warsaw [PL1]
[PL]

Table of Contents

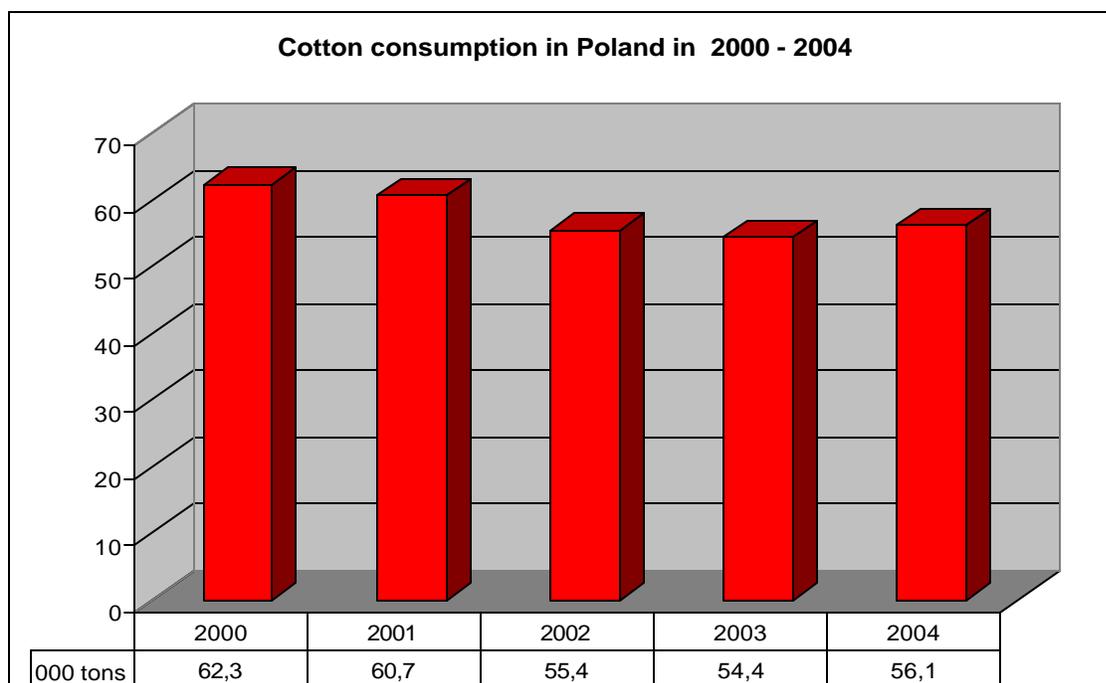
Production/Consumption..... 3
 Cotton – PSD..... 3
Trade..... 4
 Imports of Cotton..... 4
Situation of the Polish cotton industry 5

Production/Consumption

Cotton – PSD

Country	Poland					
Commodity	Cotton					
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		08/2003		08/2004		08/2005
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Beginning Stocks	5225	4007	5661	2950	8491	2942
Production	0	0	0	0	0	0
Imports	49859	53681	63141	56834	0	58000
MY Imp. from U.S.	0	51	0	54	0	55
TOTAL SUPPLY	55084	57688	68802	59784	8491	60942
Exports	435	310	435	790	0	800
USE Dom. Consumption	48988	54428	59875	56052	0	57200
Loss Dom. Consumption	0	0	1	0	0	0
TOTAL Dom. Consumption	48988	54428	59876	56052	0	57200
Ending Stocks	5661	2950	8491	2942	0	2942
TOTAL DISTRIBUTION	55084	57688	68802	59784	0	60942

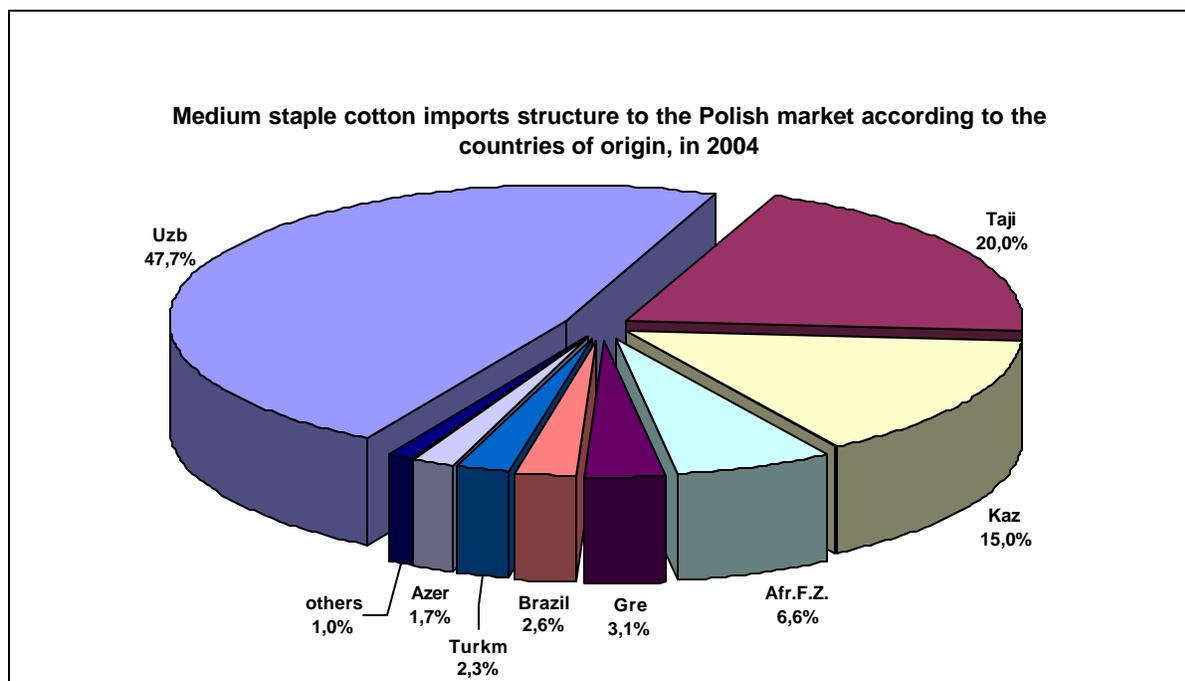
According to the estimates of the Gdynia Cotton Association, imports as well as consumption improved in 2004 compared to previous years. Imports increased by 6 percent, while the consumption rose by 3 percent compared with the results of 2003. It was the first increase in five years.



Trade Imports of Cotton

Country	Poland		
Commodity	Cotton		
Time Period	Jan-Dec	Units:	000MT
Imports for:	2003		2004
U.S.		U.S.	
Others		Others	
Uzbekistan	22	Latvia	30
Tajikistan	9	Uzbekistan	7
Kazakhstan	8	Tajikistan	6
Greece	2	Kazakhstan	2
Chad	2	Germany	1
Turkey	1	Brazil	1
Turkmenistan	1	France	1
Azerbaijan	1	Pakistan	1
		Chad	1
		Turkey	1
Total for Others	46		51
Others not Listed	3		5
Grand Total	49		56

Exports were 105 metric tons in 2003, and about 130 metric tons in three quarters of 2004, according to the National Statistical Office of Poland. EU member states, as well Russia, Serbia and Montenegro.



Central Asian cottons still dominate the Polish market. Cotton from other regions constitutes only 13.3 percent of the fiber processed in Poland. Last year, Uzbekistani cotton retained leadership position on the Polish market with 47.7 percent share, although over the past several years this percentage has continued to shrink. It was 52.7 percent in 2003 and as high as 76.6 percent in 1998. In 2004 imports from Tajikistan and Kazakhstan increased 20 percent and 15 percent respectively. Popular varieties from Africa and Greece were imported in smaller volumes than in past years.

Situation of the Polish cotton industry

The financial situation of the Polish cotton industry continues to worsen. The worsening financial situation is in a part the result of the increased flow of foreign textile products and garments that are cheaper. In addition, the strength of the Polish PLN against the U.S. dollar favoured cotton importers, whereas the strength of the Polish PLN against the Euro limited Polish cotton product exports to the EU market.

Restructuring of the cotton sector in Poland is underway and the share of private cotton processing companies is constantly growing. In 1998 it was 13 percent, and in 2004 – about 77 percent.

In December 2004, a Polish Technological Platform of Textile Industry was created. There are also plans to create the European Platform of Textiles and Clothing Industry, which could have a big influence on the development of the European Modern textile industry and on the increase of its competitiveness against the Chinese and other Asian countries production. The aim of the Platform activities would be a promotion of the European cotton industry, research for new cotton applications, and switch from mass production to the customization.