

## WTO Agreement on Textiles and Clothing (ATC)

The World Trade Organization (WTO) Agreement on Textiles and Clothing (the Agreement) provided for the phased liberalization and elimination over the transition period of quotas on textiles and apparel imported from WTO member countries. The Agreement was approved as part of the Uruguay Round Agreements Act by the U.S. Congress in December 1994. The Agreement went into effect on January 1, 1995.

Article 2 of the Agreement states that product integration, including the phase out of Multi-Fiber Agreement (MFA) quotas and the acceleration of quota growth rates for products not yet integrated into the WTO, is to occur over 10 years, in three stages. ("Integrated" products are removed from the universe of textile products subject to MFA-type quotas.)

- [Integration](#)
- [First Integration of Textile and Apparel Products into GATT 1994](#)
- [Final List of Products for Second, Third and Final Phase Integration of Textile and Apparel Products into GATT 1994](#)
- [Quota Growth Rates](#)
- [Agreement on Textiles and Clothing \(ATC\)](#)

### Uruguay Round Tariff (Duty) Rate Reductions

Under the Uruguay Round Agreement, the U.S. agreed to phased reductions in tariff rates for textiles and apparel products. The average reduction in textile and apparel tariffs provided for is a trade weighted average of 11.6%. Tariffs on textile and apparel products will decline from a trade weighted average of 17.2% ad valorem to a trade weighted average of 15.2 percent ad valorem. The majority of these reductions will be phased over the 10 years.

