

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/637
29 January 1981

Special Distribution

Textiles Surveillance Body

REPORT OF THE TWENTIETH MEETING (1980)^{1/}

1. The TSB held its twentieth meeting of 1980 on 11 and 12 December. The following members, or alternates replacing members, were present: Messrs. Bajwa ^{2/}, Beck, Kujirai, Lee ^{2/} / Chau^{2/}, Pullinen/Hobson, Santos-Neves, Shepherd.
2. The report of the nineteenth meeting was approved and has been circulated as COM.TEX/SB/632.

Review of notifications

Article 7: Switzerland/Hong Kong

3. The TSB had received from Switzerland, under Article 7 of the Arrangement, a notification of a memorandum of understanding between Switzerland and Hong Kong concerning an administrative arrangement relating to exports of certain textiles from Hong Kong to Switzerland. This arrangement provides, inter alia, for the issuance of export authorizations and export licences by Hong Kong on the products covered by the arrangement, and for the free entry into Switzerland of all such products. The arrangement also includes a special consultation mechanism.

4. The TSB took note that the consultation mechanism had not to date been invoked, and understood that any consultations as provided for in the arrangement would be duly notified. The TSB concluded that the arrangement was in conformity with the provisions of the MFA, and agreed to transmit the notification to the Textiles Committee (COM.TEX/SB/633).

Articles 7 and 8:

(a) United States/People's Republic of China

5. The TSB had received from the United States under Articles 7 and 8 of the Arrangement a notification of a bilateral textile agreement and administrative visa system with the People's Republic of China. The bilateral agreement covers the period 1 January 1980 to 31 December 1982. The TSB took note of this notification and transmitted it to the Textiles Committee (COM.TEX/SB/634).

(b) Sweden/Mauritius

6. The TSB had received from Sweden, under Articles 7 and 8 of the Arrangement, a notification of a bilateral agreement with Mauritius covering the period 1 January 1980 to 31 December 1981. The TSB took note of this notification and transmitted it to the Textiles Committee (COM.TEX/SB/635).

^{1/} Hundred-and-fifteenth meeting overall.

^{2/} Part attendance.

Article 11: Israel and Macao

7. The TSB took note of two notifications received from Israel and from Portugal on behalf of Macao concerning restrictions maintained on imports of textile products, and transmitted them to the Textiles Committee as Addenda 27 and 28 to COM.TEX/SB/605.

Article 4: Sweden/Brazil

8. The TSB received a notification from Sweden concerning a new Article 4 bilateral agreement concluded with Brazil covering clothing items, bed linen, table linen and towels for the period from 1 September 1980 to 31 August 1982. In reviewing this agreement the TSB noted that the base levels for most of the groups subject to restraint were considerably higher than the rollback levels; in this respect, the TSB noted that on account of its past performance, Brazil might be considered as a small supplier of clothing to the Swedish market.^{1/} The growth rates for the second agreement year were limited to 0.5 to 1 per cent. There was no provision for swing in this agreement. The agreement provided for 5 per cent carryover and 5 per cent carry forward, but the cumulative use of these was limited to 5 per cent.

9. When reviewing this agreement, the TSB took into consideration that the parties to the agreement had specifically cited, as a basis for the agreement, Articles 1:2 and 4 of the MFA, and the Protocol of Extension.

10. After its review, the TSB had agreed to transmit this agreement to the Textiles Committee (see COM.TEX/SB/636).

^{1/} According to data in value terms provided in GATT document COM.TEX/W/78, Brazil's share of imports of clothing into Sweden in 1970 was 0.2 per cent, and for textiles 0.63 per cent.