

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/8

17 June 1974

Special Distribution

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notifications Under Article 2, Paragraph 1

Attached is a notification received by the Textiles Surveillance Body from Sri Lanka in accordance with paragraph 1 of Article 2 of the Textiles Arrangement. As required by the provisions of this paragraph the TSB is circulating this notification to participating countries in the Arrangement for their information. A summary tabulation of this notification prepared by the secretariat is also attached.

It is to be noted that the TSB, in the light of paragraph 11 of COM.TEX/2, is continuing to examine the notifications received in order to ensure the completeness and adequacy of the information, and is requesting the supply of additional information wherever necessary. Any additional information thus received will also be circulated.

It is, of course, open to any party to the Arrangement to request the TSB or the secretariat to seek any further information or clarification they may wish to have from the parties concerned, or to supply any additional information of relevance. Such information will also be circulated.

Letter No. 1

25 March 1974

Arrangement Regarding International
Trade in Textiles

In terms of Article 2 of the above-mentioned Arrangement, I have the honour to inform you of the import régime in Sri Lanka with respect to textiles.

Imports are limited to utility cotton textiles at present in view of the grave foreign exchange situation. They consist mainly of poplin, fabric and drill. A ceiling value of rupees 3.00 per yard c.i.f. is fixed for such textiles. Imports are effected by the Sri Lanka State Trading (Textiles) Corporation. However, manufacturers of garments are also allowed to import their requirements on the basis of foreign exchange allocations granted to them by the Ministry of Industries and Scientific Affairs.

Requirements of cotton and synthetic yarn for the textiles industry in Sri Lanka are made by the Weaving Supplies Corporation on the basis of annual foreign exchange allocations. Persons who manufacture textiles for export, as well as industries that require specialized yarn are granted direct user licences.

Restrictions in force are regularly notified to the GATT secretariat in connexion with balance-of-payments consultations under Article XVIII of the General Agreement. They are justified on balance-of-payments grounds.

Letter No. 2¹

15 May 1974

I have the honour to acknowledge receipt of your letter of 3 May 1974 and to provide the following additional information, to the extent possible, as requested by you.

1. The bulk of the textiles imported into Sri Lanka comes under BTN heading 55.09 - other woven fabrics of cotton.

Imports are also made under BTN heading 56.07 - woven fabrics of man-made fibres (discontinuous or waste).

It is not possible to furnish further identification to the four-digit level.

Imports of other textiles are not permitted.

2. The Sri Lanka rupee value of total annual imports of textiles are as follows:

1970 - Rs.	124,000,000
1971 - Rs.	103,000,000
1972 - Rs.	48,000,000
1973 - Rs.	55,000,000

3. Sri Lanka also permits imports of BTN item 51.01 - yarn of man-made fibres (continuous), as well as BTN item 55.05 - cotton yarn. Separate statistics of imports for each of these items are not immediately available. However the foreign exchange allocation granted for imports in 1973 for both cotton and synthetic yarn was Rs. 12,000,000. The allocation for 1974 is Rs. 50,000,000.

4. Imports are made depending on the availability of Foreign Exchange.

5. Import measures have been taken since 1965 and will remain as long as Sri Lanka has balance-of-payments problems.

¹Letter received in response to the secretariat's request for the details in terms of the Textiles Committee's decision (see COM.TEX/2, paragraph 11) found to be lacking in the previous notification.

Notification to the Textiles Surveillance Body Under Article 2(1) by SRI LANKA

Date of notification	BTN number ^{1/}	Product description	Type of measure applied	Country affected	Levels of imports affected		Effective date of entry	Expiry date	Remarks
					Quantity	Value			
25.3.1974	-	Poplin, fabric and drill, with a ceiling value of Rs 3.00 per yard c.i.f.	Subject to import licensing in the light of foreign exchange situation.	All sources	-	-	-	See remarks column	Restrictions in force are regularly notified and justified to GATT in connexion with balance-of-payments consultations under Article XVIII.
	-	Garments	Subject to import licensing in the light of foreign exchange situation.	"	-	-	-		Imports are made depending on the availability of foreign exchange.
	-	Cotton and synthetic yarn	Subject to foreign exchange allocations with direct user licences.	"	-	-	-		This tabulation summarizes the original notification and the details subsequently received in response to the secretariat's request.

^{1/} The bulk of the textiles imported into Sri Lanka falls under BTN 55.09 (other woven fabrics of cotton). Imports are also made under BTN 56.07 (woven fabrics of man-made fibres, discontinuous or waste). Imports of other textiles are not permitted. Sri Lanka also permits imports of BTN 51.01 - yarn of man-made fibres (continuous) and 55.05 cotton yarn.