

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/18

2 July 1974

Special Distribution

---

## Textiles Surveillance Body

### REPORT ON THE MEETING HELD ON 7-8 JUNE 1974

1. The Textiles Surveillance Body (TSB) held its third meeting on 7-8 June at the Villa Le Bocage.
2. The TSB approved the report on its second meeting which was subsequently circulated to the Textiles Committee in document COM.TEX/SB/9.
3. The TSB reverted to the suggestion made at the previous meeting that new bilateral agreements and new restrictions imposed on non-participants should be provided by parties to the Arrangement simply as information voluntarily supplied, and without other consequences. While recognizing that paragraph 3 of Article 8 contained no explicit obligation for the reporting of such measures, the TSB requested all parties to the Arrangement to supply this information pending discussion of the matter in the Textiles Committee.
4. The TSB's attention was again drawn to the question of the participation of countries involved in a dispute before the TSB in its deliberations, particularly when one of the countries concerned had a member on the TSB. There was already a general view held on the TSB that when a country had a member on the TSB its case should be presented by another national of that country and it had been agreed that all countries appearing before the TSB, whether members or non-members, should be treated equally. The discussion continued at this meeting on how such equal treatment could best be assured. In particular, the question was discussed as to whether or not, the participation both by the TSB member concerned and the representative of the non-member should continue throughout the discussion up to, and including, the formulation of the TSB's recommendations, or whether the member should withdraw or, alternatively, remain present without participating in the formulation of these recommendations. Attention was drawn to the problem of ensuring that the representative balance of the TSB was not distorted, especially having regard to the problem of alternates of nationality different from that of the member. Reference was also made to the provisions of Article 11(6) regarding the participation of all directly affected parties. The TSB recognized the legitimate concerns of participating countries, and their desire to know what sort of procedure was to be followed by the TSB in these respects. It was agreed that both the

./.

Chairman and members of the TSB would continue their exchange of views with parties to the Arrangement on this important matter. Following these consultations, the matter would be further discussed at a subsequent meeting with a view to reaching a decision.

5. On the question of the scope and type of restrictions required to be notified under paragraph 1 of Article 2 it was generally felt, in the light of the views expressed, that it would not be useful to pursue the discussion at this stage, and that any exploration in depth of this question should be deferred until such time as it was specifically raised before the TSB, or brought to its attention by any member in connexion with a particular notification.

6. The TSB continued its review of the notifications so far received from participating countries. It had before it all the details received, or clarifications sought, from certain participating countries; it was noted that additional information was still awaited from others. Further questions were put by members, and the secretariat was requested to seek this additional information from the countries concerned.

7. It was decided that all notifications received should be circulated after their processing by the secretariat. The notifications would be circulated with a cover note indicating that the TSB, in the light of paragraph 11 of COM.TEX/2, was continuing to examine these notifications to ensure the completeness and adequacy of the information, and was requesting the supply of additional information wherever necessary. Any additional information received would also be circulated. It was open to any party to the Arrangement to request the TSB or the secretariat to seek any further information or clarification they might wish to have from the parties concerned, or to supply any additional information of relevance. Such information would also be circulated.

8. It was agreed that the next meeting of the TSB would be held on Thursday and Friday, 27 and 28 June 1974.