

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

RESTRICTED

COM.TEX/SB/733/Add.4/Suppl.1

3 February 1982

Special Distribution

Textiles Surveillance Body

Original: Spanish

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Reports on the status of restrictive measures,
as requested by the TSB in accordance with Article 11

EL SALVADOR

Supplement

The TSB has received from El Salvador two letters giving information on restrictions on textile products covered by the MFA, supplementary to that contained in COM.TEX/SB/733/Add.4.

The TSB is circulating these letters to participants in the Arrangement for their information. ^{1/}

^{1/}The document referred to in Letter No. 2, entitled "Foreign Trade and the Economy of El Salvador in 1980", is available in Spanish and English in the secretariat, for consultation.

LETTER TO CHAIRMAN, TSB, FROM PERMANENT MISSION OF EL SALVADOR

(No. 1)

Geneva, 24 September 1981

Sir,

I have the honour to refer to your letter of 6 August 1981 (reference TS/140-1) requesting information on restrictions introduced or maintained on textile products covered by the MFA.

In this connexion, I have pleasure in transmitting the following information received from my Government:

Under Decision 927 of the Ministry of the Economy, dated 6 November 1980 (Official Gazette 211, volume 269 of 10 November 1980), extended by Decisions Nos. 76 of 3 February 1981, 331 of 5 May 1981 and 597 of 30 July 1981, imports of non-essential goods have been prohibited, including the following textile products:

<u>Nauca No.</u>	<u>Description</u>
656-02-00-09	Tarpaulins, tents, awnings, sails and other articles made from canvas
656-03	Bed blankets, travelling rugs and blankets, counterpanes and bedspreads, of materials of any kind
656-04	Bed-linen, table-linen, towels and similar toilet-linen, and kitchen cloths
656-05	Curtains and hangings, made-up and other made-up textile articles for use in the home, n.e.s.

Accept, Sir, etc.

(signed) José Luis Lovo Castelar
Ambassador
Permanent Representative

LETTER FROM PERMANENT MISSION OF EL SALVADOR TO CHAIRMAN, TSB

(No. 2)

Geneva, 27 October 1981

Sir,

I beg to reply to your inquiry into the reasons which have prompted the Government of El Salvador to impose restrictions on imports of textiles.

In general terms I may tell you that my country is passing through a grave economic crisis which has necessitated the adoption of emergency measures of a temporary nature to protect the balance of payments.

I am sending you herewith a document entitled "El Comercio Exterior y la economía salvadoreña en 1980" /Foreign Trade and the Salvadorian Economy in 1980/, which has been prepared by the Ministry of Foreign Trade of El Salvador and in which you will find figures and analyses relating to the country's economic situation and, inter alia, on the balance of payments.

The measures were adopted by Resolution 927, which is based on the Marketing and Price Regulation Act, and have been extended until 10 April 1982.

I quote below the preamble to the above-mentioned Resolution:

"Considering

- "(1) That exchange measures have been adopted for the purpose of strengthening our balance of payments and that it is therefore necessary for the same purpose to adopt direct measures relating to imports;
- "(2) That imports of luxury goods have attained significant levels in the past and that it is therefore advisable to restrict such imports temporarily;
- "(3) That there is a strong demand for foreign exchange to meet national emergency needs and that in order to satisfy that demand the use of the slender resources of foreign currency must be rationalized;
- "(4) That owing to our country's integrationist policy no measures to restrict export from other Central American countries or from Panama are to be applied."

In conclusion, the justification for the measures lies in the defence of the balance of payments and the national emergency.

Accept, Sir, etc.