GENERAL AGREEMENT ON TARIFFS AND TRADE

<u>Textiles Committee</u> Working Group on Adjustment Measures

DRAFT REPORT ON THE PROGRESS MADE BY THE WORKING GROUP SINCE THE TEXTILES COMMITTEE'S MEETING IN JULY 1980

1. At its meeting in December 1979, the Textiles Committee decided that "a Working Group of the Textiles Committee be requested to carry out a detailed examination of adjustment measures with reference to the objectives set out in paragraph 4 of Article 1 of the Arrangement".

2. The report prepared by the Working Group in pursuance of this decision was submitted to the Committee at its last meeting in July in COM.TEX/16, Corr.1 and Add.1.

3. The Textiles Committee, following its discussion which is set out in paragraphs 43 to 72 of COM.TEX/17, agreed that the Working Group on Adjustment Measures, together with the Sub-Group established by it, should continue its work on adjustment measures with a view to supplementing and carrying forward the analysis and evaluation of the information contained in COM.TEX/16. The Committee further agreed that at its meeting for the Major Review in October, it would consider the matter further in the light of the progress made by the Working Group.

4. Shortly after the July meeting the Chairman of the Working Group, following informal consultations, addressed a letter to all participating countries referring them to paragraphs 10, 18, 19 and 20 of Section I of Com.TEX/16, and inviting them to provide any such information as would be relevant to these paragraphs. Such additional information was requested by 5 September 1980.

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5. In addition, following consultations with delegations, it was agreed that the information supplied to the secretariat for the survey on production and trade should be used to complete the relevant information set out in Section II of COM.TEX/16.

6. As at 30 September replies have been received from five countries which had not previously submitted information: Argentina, El Salvador, Mexico, Pakistan and Yugoslavia. Replies giving further information to that contained in COM.TEX/16 have been received on specific adjustment-related measures from the EEC and Finland, and on production and related elements from Canada, Colombia, Finland, Hungary, Korea, Singapore and the United States. These replies have been circulated as Addenda 2-6 to COM.TEX/16.

7. The Working Group welcomed the replies received.

8. The Working Group noted that as of 30 September a number of participants had still not provided any information. These are Bangladesh, Bolivia, Dominican Republic, Ghana, Guatemala, Haiti, Jamaica, Philippines, Romania, Sri Lanka, Thailand, Trinidad and Tobago and Uruguay.

9. The Working Group has revised Section II of COM.TEX/16 to take account of the new or updated information received from delegations, as well as any relevant information on production, trade, employment, value added and investment supplied to the secretariat in the context of the regular statistical reporting scheme, where this supplements information made available directly to the Working Group. This revision has been issued as COM.TEX/16/Rev.1. As in Section II of COM.TEX/16, the information has been

A. Status of the industry;

B. Expansion and re-organization of the industry and development of particular sectors;