

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

COT/116

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ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Notification under Article 2

Attached are notifications, in connexion with Article 2 of the Arrangement Regarding International Trade in Cotton Textiles, transmitted to the secretariat by the Governments of Australia, Austria, Denmark, Finland, Norway, Sweden, the United States and by the Commission of the European Communities in response to GATT/AIR/670 dated 22 August 1968.

AUSTRALIAQuota or Import Restrictions (Article 2)

Australia has no quantitative restrictions that are being applied contrary to the GATT in respect of cotton textiles.

AUSTRIAQuota or Import Restrictions Referred to in Article 2(i) Quotas effective as of 1 October 1968

Exporting country	Category	Quotas
Japan	Cotton yarn (ex Chapter 55)	88 tons
	Grey cotton fabrics (ex Chapter 55)	228 tons
	Finished cotton fabrics in the piece (ex Chapters 55, 58, 59)	72 tons
	Knitted goods of cotton (ex Chapter 60)	US\$54,600
	Clothing and other made-up articles of cotton (ex Chapters 58, 59, 61, 62)	US\$77,000
Mexico	Cotton fabrics	11 tons
Rep. of Korea	Cotton textiles (Chapters 55, 58, 59, 60)	27 tons
	Made-up cotton textiles (Chapters 61, 62)	US\$12,000

AUSTRIA (cont'd)

(ii) Changes in restrictions and quotas which took place during the five years of the Arrangement and the first year of the extended Arrangement

Exporting country	Category	Twelve-month period beginning					
		1.10.62	1.10.63	1.10.64	1.10.65	1.10.66	1.10.67
India	Grey goods	120 tons	140 tons	160 tons	180 tons	200 tons	a/
	Terry towels and towelling	10 tons	12 tons	14 tons	16 tons	18 tons	a/
	Cotton yarn, finished fabrics, miscellaneous	20 tons	23 tons	26 tons	29 tons	32 tons	a/
Israel	Cotton textiles	5 tons	6 tons	7 tons	8 tons	9 tons	a/
Japan	Cotton yarn (ex Chapter 55)	40 tons	48 tons	56 tons	64 tons	72 tons	80 tons
	Grey cotton fabrics (ex Chapter 55)	120 tons	140 tons	160 tons	180 tons	200 tons	209 tons
	Finished cotton fabrics in the piece (ex Chapters 55, 58, 59)	30 tons	35 tons	40 tons	45 tons	50 tons	66 tons
	Knitted goods of cotton (ex Chapter 60)	US\$28,000	US\$33,600	US\$39,200	US\$44,800	US\$50,400	US\$49,500
	Clothing and other made-up articles of cotton (ex Chapters 58, 59, 61, 62)	US\$40,000	US\$45,000	US\$50,000	US\$55,000	US\$60,000	US\$71,500
Mexico	Cotton fabrics	5 tons	6 tons	7 tons	8 tons	9 tons	10 tons
Pakistan	Cotton fabrics	35.7 tons	41.4 tons	47.1 tons	52.8 tons	58.5 tons	a/
Rep. of Korea	Cotton textiles (Chapters 55, 58, 59, 60)	-	-	-	16.5 tons	20 tons	23.5 tons
	Made-up cotton textiles (Chapters 61, 62)	-	-	-	US\$7,500	US\$9,000	US\$10,500
United Arab Republic	Cotton yarn	6 tons	7 tons	8 tons	9 tons	10 tons	a/
	Cotton fabrics	10 tons	12 tons	14 tons	16 tons	18 tons	a/

a/ Arrangement under Article 4 (see document COT/114).

(iii) Changes in restrictions and quotas envisaged during the remainder of the Arrangement

Exporting country	Category	Twelve-month period beginning 1 October 1969
Japan	Cotton yarn (ex Chapter 55)	96 tons
	Grey cotton fabrics (ex Chapter 55)	247 tons
	Finished cotton fabrics in the piece (ex Chapters 55, 58, 59)	78 tons
	Knitted goods of cotton (ex Chapter 60)	US\$59,700
	Clothing and other made-up articles of cotton (ex Chapters 58, 59, 61, 62)	US\$82,500
Mexico	Cotton fabrics	12 tons
Rep. of Korea	Cotton textiles (Chapters 55, 58, 59, 60)	30.5 tons
	Made-up cotton textiles (Chapters 61, 62)	US\$13,500

DENMARK

No changes have taken place or are envisaged in the quotas fixed in the bilateral arrangement between Denmark and Japan, which was notified to the GATT secretariat on 12 December 1963 (reproduced in document COT/25).

Denmark still maintains a quota for import of cotton yarn from the United Arab Republic. The quota, the size of which is based on the import of the said product from the United Arab Republic in 1962 (DKr 9.4 million), is increased yearly by 3 per cent in accordance with the provisions in Annex A of the Arrangement. For 1968 the quota amounts to DKr 12.5 million.

Furthermore Denmark maintains import licensing of cotton textiles from the United Arab Republic, Colombia, the Republic of Korea and the Republic of China.

A quota of DKr 0.7 million has been established in 1968 for imports of grey cloth from the Republic of Korea and a quota of DKr 0.4 million for imports of other cotton textiles from this country.

Apart from the above-mentioned quotas, imports from the said countries have in practice so far not been restricted.

FINLAND

The global quotas and other import restrictions concerning cotton textiles and maintained for balance-of-payments reasons have been abolished on 1 January 1968.

NORWAY

Quota or Import Restrictions Referred to in Article 2

1. The restrictions and quotas effective as of 1 October 1968

Import quotas

US\$'000

(a) Japan (1 October 1967-30 September 1968)

Yarn, woven fabrics and other articles n.e.s. 1,092.5

Garments (including knitted and crocheted goods) 115

(b) South Korea (1 January 1967-31 December 1968)

Woven fabrics 100

2. Changes in restrictions and quotas which took place during the five years of the Arrangement and the first year of the extended Arrangement

(a) Japan

The quotas mentioned above have been increased by approximately 3 per cent each year according to the provisions in Article 2 of the Arrangement.

The following products have been liberalized:

1963: ex 55.09 Gauze for dressings with not more than 32 warp and weft threads per square centimetre and unbleached fabrics weighing 720 grs. or more per square metre

1964: -

1965: ex 55.09 Cord fabrics, unbleached, containing man-made fibres (continuous and discontinuous)

1966: ex 59.03 Bonded fibre fabrics and articles thereof

ex 59.05 Nets and netting made of twine, cordage or rope, except fishing nets and other articles for fishing purposes

ex 59.11 Rubberized textile fabrics other than rubberized knitted or crocheted goods

<u>1966:</u> (cont'd)	ex 59.17	Textile fabrics and textile articles, of a kind commonly used in machinery or plant, except bolting cloth
<u>1967:</u>	ex 58.08	Tulle and other net fabrics
	ex 60.06	Knitted or crocheted fabrics and articles thereof, elastic or rubberized (including elastic kneecaps and elastic stockings)

(b) South Korea

Until 1 October 1965, all imports from South Korea were regulated. From that date the same import arrangement is established for imports from this country as that formerly established for Japan.

In 1966, a quota for woven fabrics, which was set to \$14,000, was opened for imports from South Korea. The quota was in 1967 increased by 3 per cent according to the provisions of the Long-Term Arrangement.

When South Korea became a Member of the GATT, the Governments of South Korea and Norway agreed on an increase of the quota for woven fabrics. The quota for 1968 was fixed at \$100,000.

3. Changes in restrictions and quotas envisaged during the remainder of the Arrangement

Changes in restrictions for imports from Japan are agreed upon in the annual trade negotiations. Negotiations will take place in October 1968. As concerns the future policy on import restrictions on cotton textiles, Norway will fulfil her obligations under the Long-Term Arrangement.

SWEDEN

Quotas or Import Restrictions Referred to in Article 2

1. Quotas effective as of 1 October 1968 for cotton textiles under restriction

Japan is the only participating country in the Cotton Textiles Arrangement towards which Sweden maintains import restrictions on cotton textiles. For restricted cotton textiles from Japan, Sweden at present maintains a quota of SKr 3.5 million (US\$0.7 million). The following BTN numbers are concerned:

(i) Cotton fabrics

ex 30.04, ex 55.08, ex 55.09.

(ii) Other cotton textiles

55.06, ex 58.04, ex 58.05-06, ex 59.05, ex 58.08, ex 59.03-04,
ex 59.07-09, ex 59.11-17, ex 60.01-06, ex 61.01-04, ex 61.10,
ex 62.01-02, ex 62.05, ex 65.05.

2. Changes in restrictions and quotas which took place during the sixth year of the Arrangement

No such changes have taken place.

3. Changes in restrictions and quotas envisaged during the remainder of the Arrangement

No indication of the future policy on import restrictions on cotton textiles can be given apart from that Sweden intends to fulfil her obligations under the Arrangement.

UNITED STATES

Quota on Import Restrictions Referred to in Article 2

The United States maintains no restrictions under Article 2.

EUROPEAN ECONOMIC COMMUNITY

The Commission of the European Communities has, on behalf of the member States of the Community, communicated the quotas of cotton textile products opened to exporting countries by member States in the years 1962 to 1968. The Commission also notified changes in the quotas envisaged during the remainder of the Arrangement.

1. Quotas of cotton textile products opened to exporting countries by the member States of the European Economic Community in 1962, 1963, 1964, 1965, 1966, 1967, 1968

	(tons)				
	France	Italy	Germany	Benelux	Total
Japan					
1962	1,350	300	1,637	850	4,137
1963	1,525	580	1,803	930	4,838
1964	1,700	860	1,987	998	5,545
1965	1,875	1,140	2,184	998	6,197
1966	2,050	1,420	2,413	1,083	6,966
1967	2,225	1,700	2,642	1,200	7,767
1968	2,343	1,790 ^{a/}	2,783	1,263	8,179

^{a/} The following details have been transmitted by Italy:

The following quotas have been fixed for 1968 in respect of cotton textiles imported from Japan:

- Quota A comprising:

- Tariff item No.	55.05)		
	55.06)	cotton yarn	
	55.07)		
	55.08)	woven fabrics of cotton	1,346 tons
	ex 55.09)		

Woven fabrics manufactured with handlooms, of the handicrafts type, are excluded from heading ex 55.09.

- Quota B comprising:

- Tariff item No.	ex 58.04	velvet	}	
	ex 58.05	narrow woven fabrics		
	ex 59.13	elastic fabrics		
	ex 60.02)			
	ex 60.04)	knitted or crocheted articles		
	ex 60.05)		}	444 tons
	ex 61.02)			
	ex 61.04)	garments and clothing		
	ex 61.05)	accessories		
	ex 61.06)			
	ex 62.01	travelling rugs and blankets		
	ex 62.02	bed linen	}	

Within this quota a maximum of 37 tons is provided for each subheading.

It should be emphasized that the amount of these two quotas -
A (1,346 tons) and B (444 tons) - was 235 and 65 tons respectively in 1962.

EUROPEAN ECONOMIC COMMUNITY (cont'd)

(tons)

	France	Italy	Germany	Benelux	Total
India					
1962	1,200	x	625	x	1,825
1963	1,355	x	756	x	2,111
1964	1,600	x	875	x	2,475
1965	1,755	x	995	x	2,750
1966	2,000	x	1,129	x	3,129
1967	2,155	x	1,263	x	3,418
1968	Article 4	Article 4	Article 4	Article 4	Article 4
Pakistan					
1962	225	x	97	x	322
1963	250	x	116	x	366
1964	275	x	138	x	413
1965	300	x	155	x	455
1966	345	x	171	x	516
1967	370	x	195	x	565
1968	Article 4	Article 4	Article 4	Article 4	Article 4
Hong Kong					
1962	225	x	x	x	225
1963	250	x	x	x	250
1964	275	x	x	x	275
1965	300	x	x	x	300
1966	325	x	x	x	325
1967	350	x	x	x	350
1968	375	x	x	x	375
Total					
1962	3,000	300	2,359	850	6,509
1963	3,380	580	2,675	930	7,565
1964	3,850	860	3,000	998	8,708
1965	4,230	1,140	3,334	998	9,702
1966	4,720	1,420	3,713	1,083	10,936
1967	5,100	1,700	4,100	1,200	12,100
1968	2,718	1,790	2,783	1,263	8,554
Taiwan					
1964			50		50
1965			44		44
1966			84		84
1967			96		96
1968			114		114

EUROPEAN ECONOMIC COMMUNITY (cont'd)

(tons)

	France	Italy	Germany	Benelux	Total
United Arab Republic					
1964			122		122
1965	100		122		222
1966	120		122		242
1967	135		122		257
1968	160		141		301
South Korea					
1965	50		103		153
1966	60		288		348
1967	70		330		400
1968	80		354		434

2. Changes in restrictions and quotas envisaged during the remainder of the Arrangement

	Japan	Taiwan	Korea	United Arab Republic
Germany				
1969	2,925	132	377	160
1970	3,067	150	400	180
	Japan	Hong Kong	Korea	United Arab Republic
France				
1969	2,461	400	90	185
1970	2,579	425	100	210
Benelux				
1969	1,326			
1970	1,389			
Italy				
1969	1,880			
1970	1,970			