

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

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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, Canada, Denmark, Finland, Norway, Sweden, the United States and by the Commission of the European Communities in response to GATT/AIR/733 dated 15 July 1969.

AUSTRALIA

Quota or Import Restrictions (Article 2)

Australia has no quota or import restrictions to which Article 2 applies.

AUSTRIA

Quota or Import Restrictions Referred to in Article 2

(i) Quotas effective as of 1 October 1969.

Exporting country	Category	Quotas
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

AUSTRIA (cont'd)

(ii) Changes in restrictions and quotas

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	1.10.68
India	Grey goods	120 tons	140 tons	160 tons	180 tons	200 tons	a/	a/
	Terry towels and towelling	10 tons	12 tons	14 tons	16 tons	18 tons	a/	a/
	Cotton yarn, finished fabrics, miscellaneous	20 tons	23 tons	26 tons	29 tons	32 tons	a/	a/
Israel	Cotton textiles	5 tons	6 tons	7 tons	8 tons	9 tons	a/	a/
Japan	Cotton yarn (ex Chapter 55)	40 tons	48 tons	56 tons	64 tons	72 tons	80 tons	88 tons
	Grey cotton fabrics (ex Chapter 55)	120 tons	140 tons	160 tons	180 tons	200 tons	209 tons	228 tons
	Finished cotton fabrics in the piece (ex Chapters 55, 58, 59)	30 tons	35 tons	40 tons	45 tons	50 tons	66 tons	72 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	US\$54,600
	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	US\$77,000
Mexico	Cotton fabrics	5 tons	6 tons	7 tons	8 tons	9 tons	10 tons	11 tons
Pakistan	Cotton fabrics	35.7 tons	41.4 tons	47.1 tons	52.8 tons	58.5 tons	a/	a/
Rep. of Korea	Cotton textiles (Chapters 55, 58, 59, 60)	-	-	-	16.5 tons	20 tons	23.5 tons	27 tons
	Made-up cotton textiles (Chapters 61, 62)	-	-	-	US\$7,500	US\$9,000	US\$10,500	US\$12,000
United Arab Republic	Cotton yarn	6 tons	7 tons	8 tons	9 tons	10 tons	a/	a/
	Cotton fabrics	10 tons	12 tons	14 tons	16 tons	18 tons	a/	a/

a/ Arrangement under Article 4 (see document COT/114 and Add.1).

CANADA

Quota or Import Restrictions Referred to in Article 2

Canada maintains no restrictions under Article 2.

DENMARK

The bilateral arrangement between Denmark and Japan, which was notified to the GATT secretariat on 12 December 1963 (COT/25), has expired without being replaced by any new arrangement.

Denmark has, furthermore, completely liberalized imports of cotton textiles from Colombia (as from 1 January 1969) and the United Arab Republic (as from 1 July 1969). Thus, the quotas earlier fixed for imports of cotton yarn from the United Arab Republic have now been abrogated.

Denmark still maintains import licensing measures for cotton textiles from the Republic of Korea and the Republic of China. While imports of grey cloth from the Republic of Korea are now subject to free licensing, a quota of DKr 0.45 million has been established for imports of other cotton textiles from this country. With the exception of this quota imports from the two 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 1963.

NORWAY

Quota or Import Restrictions Referred to in Article 2

1. The restrictions and quotas which would be in effect as of 1 October 1969.

<u>Import quotas</u>	<u>US\$1,000</u>
(a) <u>Japan</u> (1 October 1969-30 September 1970)	
Yarn, woven fabrics and other articles, n.e.s.	1,178
Garments (including knitted and crocheted goods)	124
(b) <u>South Korea</u> (1 January 1969-31 December 1969)	
Woven fabrics	103

2. Changes in restrictions and quotas which took place during the seventh year of the arrangement

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

The import of the following products have been liberalized:

BTN 59.15 Textile hosepiping and similar tubing.

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/November 1969.

SWEDEN

Quotas or Import Restrictions Referred to in Article 2

1. Quotas effective as of 1 October 1969 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 seventh year of the Arrangement

No such changes have taken place.

UNITED STATES

Quota or Import Restrictions Referred to in Article 2

The United States maintains no quotas or import restrictions falling within the purview of Article 2 of the Arrangement.

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 1969. The Commission also notified changes in the quotas envisaged during the remainder of the Arrangement.

Quotas of cotton textile products opened to exporting countries by the member States of the European Economic Community from 1962 to 1969

(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*	2,783	1,263	8,179
1969	Negotiations are proceeding with a view to the conclusion of bilateral arrangements under Article 4.				

*The following details have been transmitted by Italy:

The quotas concerned are those established in respect of cotton textiles imported from Japan.

For the first six months of 1969, these quotas were fixed as follows:

Quota A comprising:

Tariff item No.

55.05	cotton yarn)	
55.08))	
ex 55.09)	woven fabrics of cotton)	673 tons

Woven fabrics of the handicrafts type, manufactured with hand-loom, are excluded from heading ex 55.09 of the customs tariff.

Quota B comprising:

Tariff item No.

58.04)	
58.05)	
59.13)	
60.02)	
60.05)	222 tons
61.02)	
61.05)	
62.02)	

Within Quota B, a maximum of 31.00 tons is provided for each tariff item number.

Because of delay in commencing bilateral negotiations with Japan with a view to arriving at an agreement that would automatically limit exports of cotton textiles to Italy, quotas have been allocated for the above-mentioned products for the three-month period July-September 1969. For Quota A, the amount is 337 tons, while for Quota B it is 111 tons, subject to a maximum of 16 tons for each tariff number.

As regards imports of cotton textiles from Japan, the following products, which were under quota in 1968, can be freely imported since 1 January 1969 under the "all licences granted" system:

Tariff item No.

55.06	Cotton yarn, put up for retail sale
55.07	Cotton gauze
ex 60.04	Undergarments, knitted or crocheted, not elastic nor rubberized, of cotton
ex 61.04	Women's, boys' and infants' undergarments, directly obtained by weaving, etc., of cotton
ex 61.06	Shawls, scarves, mufflers, etc., of cotton
ex 62.01	Travelling rugs and blankets, of cotton
58.08	Tulle and other net fabrics (but not including woven, knitted or crocheted fabrics), plain
58.09	Tulle and other net fabrics (but not including woven, knitted or crocheted fabrics), in the piece, in strips or in motifs
	A. - Tulle and other net fabrics (but not including woven, knitted or crocheted fabrics)
	B. - Lace
	II. Machine-made

Tariff item No.

ex 61.03)
ex 61.04)
ex 61.05)
ex 61.06)
ex 61.07)
ex 61.08)
ex 61.09)
ex 61.10)
ex 61.11)
ex 62.01)
ex 62.02)
ex 62.05)

Articles ready for use, obtained directly by weaving, or which can be used after having been separated by simple cutting of tulle and other net fabrics (but not including woven, knitted or crocheted fabrics), hand-made or machine-made

Negotiations are to take place in September with a view to reaching an agreement for the automatic limitation of Japanese exports of cotton textiles to Italy. This agreement will cover the entire cotton textile sector, with the exception of cotton yarn.

(tons)

	France	Italy	Germany	Benelux	Total
India					
1962	1,200	<u>1/</u>	625	<u>1/</u>	1,825
1963	1,355	<u>1/</u>	756	<u>1/</u>	2,111
1964	1,600	<u>1/</u>	875	<u>1/</u>	2,475
1965	1,755	<u>1/</u>	995	<u>1/</u>	2,750
1966	2,000	<u>1/</u>	1,129	<u>1/</u>	3,129
1967	2,155	<u>1/</u>	1,263	<u>1/</u>	3,418
1968	Article 4	Article 4	Article 4	Article 4	Article 4
1969	Article 4	Article 4	Article 4	Article 4	Article 4
Pakistan					
1962	225	-	97	-	322
1963	250	-	116	-	366
1964	275	-	138	-	413
1965	300	-	155	-	455
1966	345	-	171	-	516
1967	370	-	195	-	565
1968	Article 4	Article 4	Article 4	Article 4	Article 4
1969	Article 4	Article 4	Article 4	Article 4	Article 4

1/ No quotas (liberalized).

(tons)

	France	Italy	Germany	Benelux	Total
Hong Kong					
1962	225	-	-	-	225
1963	250	-	-	-	250
1964	275	-	-	-	275
1965	300	-	-	-	300
1966	325	-	-	-	325
1967	350	-	-	-	350
1968	375	-	-	-	375
1969	400	-	-	Article 4	400
Taiwan					
1964	-	-	50	-	50
1965	-	-	44	-	44
1966	-	-	84	-	84
1967	-	-	96	-	96
1968	-	-	114	-	114
1969	-	-	132	-	132
United Arab Republic					
1964	-	-	122	-	122
1965	100	-	122	-	222
1966	120	-	122	-	242
1967	135	-	122	-	257
1968	160	-	141	-	301
1969	185	-	160	-	345
South Korea					
1965	50	-	103	-	153
1966	60	-	288	-	348
1967	70	-	330	-	400
1968	80	-	354	-	434
1969	90	-	377	-	467

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

<u>Germany</u>	<u>Taiwan</u>	<u>Korea</u>	<u>United Arab Republic</u>
	150	400	180
<u>France</u>	<u>Hong Kong</u>	<u>Korea</u>	<u>United Arab Republic</u>
	425	100	210