

GENERAL AGREEMENT ON
TARIFFS AND TRADE

RESTRICTED

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Special Distribution

COTTON TEXTILES COMMITTEE

Original: Spanish

Statement by the Head of the Spanish
Delegation on 7 December 1965

Addendum

My delegation assumes that all the member countries represented in this Committee have received document COT/W/54 distributed by the secretariat and that they are therefore aware of the grave repercussions which the operation of the Long-Term Arrangement has had on Spain's textile exports.

I do not wish to weary the Committee by reading out the arguments set forth in that document but shall merely read the concluding passage which clearly sums up the position of the Spanish authorities:

"The Spanish delegation hopes that in reviewing the operation of the Long-Term Arrangement, the Cotton Textiles Committee will give priority to examining these problems since they are of the utmost importance for exporting countries, and that the necessary measures will be adopted to ensure that importing countries:

- (a) show more flexibility in applying the restrictive measures permitted under the Long-Term Arrangement, in such a way that such measures do not mean any reduction in the exports of exporting countries or any disruption for their lines of production;
- (b) do not establish restrictive measures outside the provisions of the Long-Term Arrangement or fix quotas according to procedures other than those provided for in the Long-Term Arrangement;
- (c) do not establish any new system of import restrictions which is not consistent with the provisions of the Long-Term Arrangement.

Spain is deeply concerned over the development of the Long-Term Arrangement, and in the event that these measures are not adopted by the Committee, or if they are not carried out in the importing countries, Spain will carefully examine future trends in order if necessary to reconsider its position as a signatory country."

The Spanish delegation believes that this statement is a clear demonstration of the interest of the Spanish authorities in seeing the Long-Term Arrangement continue in force, but provided it is applied by the signatory countries. If the Arrangement is not applied, the Spanish commercial authorities will reconsider their position in regard to it.

Since there are representatives here of the countries in which Spanish exports of cotton textiles have encountered difficulties, I should like to express the views of my delegation on these difficulties which, we are confident, will be solved in the near future, for otherwise my delegation would infer that those are precisely the countries which have an interest in a departure from the Long-Term Arrangement.

-With respect to the difficulties affecting our exports to the United States, we are sure that our American friends will give the most sympathetic consideration to our requests for more facilities and more flexibility in the present bilateral agreement. We shall forward proposals to this effect to the United States authorities.

-As regards Italy and the difficulties which we have encountered for our principal cotton textiles export item throughout 1965, the Spanish delegation wishes to thank the Italian delegation for the good news announced at yesterday's meeting concerning the removal of the present restrictions as from 1 January next.

The Spanish delegation would appreciate some clarification from the Italian delegation concerning the control system which, it appears from his statement, is to be established, in order to know if the control system is provided for in the Long-Term Arrangement and to ascertain its possible repercussions on our exports.

-As regards the measures proposed by the United Kingdom my delegation wishes to state the following: first of all, the Spanish authorities wish to thank the British authorities for having given them prior notification through the British Commercial Counsellor in Madrid.

Moreover, the Spanish delegation admires the frankness of the British authorities in presenting to this Committee the measures which it wishes to introduce on cotton textile imports into the United Kingdom - measures which are totally contrary to the spirit and the letter of the Long-Term Arrangement and for which no provision is made therein.

The Spanish delegation wishes to point out to the British authorities that the bilateral agreement signed between the two countries in order to regulate Spain's textile exports has been scrupulously observed by Spain and accordingly my Government considers that, as a prerequisite for solving the present difficulties, that agreement which is due to expire on 31 December of this year should be renewed.

The Spanish delegation therefore requests the British authorities to enter into negotiations for the renewal of this bilateral agreement.

If the measures proposed by the British authorities come into force so far as my country is concerned, the Spanish commercial authorities will interpret this as meaning that the United Kingdom has withdrawn in fact if not de jure from the Long-Term Arrangement, and that the restrictive measures imposed on Spanish exports must be considered as being discriminatory and contrary to normal trade relations between our two countries which over the past five years have mainly developed to the advantage of British exports. Accordingly, the Spanish authorities will study the new situation most carefully.

Lastly, with respect to the difficulties with Belgium, the Spanish delegation wishes to reiterate to the Belgian delegation its opinion that the system covering Spanish import licences is not provided for in the Long-Term Arrangement and accordingly understands that unless Belgium applies the clauses of that instrument it is in breach of the Arrangement.

The Spanish delegation therefore requests the Belgian delegation to inform its authorities of the desire of the Spanish authorities, which is that the present Commission to examine Spanish import applications should be abolished, and that the Spanish commercial authorities should be officially informed of the result of this action, so that they may act in consequence.