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GENERAL AGREEMENT ON TARIFFS AND TRADE

CONTRACTING PARTIES
Nineteenth Session

ARRANGEMENTS REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

Acceptance by the United Kingdom and Hong Kong

The Executive Secretary has received a communication dated 7 December from the Government of the United Kingdom by which it accepts the Arrangements regarding International Trade in Cotton Textiles, done at Geneva on 21 July 1961, in respect of the United Kingdom and of Hong Kong.

The communication advises that the acceptance in respect of Hong Kong is subject to the following understandings on the operation of these arrangements:

- (i) with regard to the categories of cotton textiles annexed to the arrangements, that restraint will be requested only in respect of those categories of which exports from the country requested are causing or threatening disruption, as described in the arrangements, and that restraint will not be requested in an arbitrary way over the whole range of cotton textile exports or a substantial part thereof. It is understood that requests to apply restraints to particular categories will respect the intention in the arrangements of attaining maximum freedom of trade and will accordingly provide for reasonable flexibility either by amalgamation of categories or by increase in the 5 per cent excess permitted under paragraph 1 (b) of the arrangement or by some other appropriate means;
- (ii) that provisional action taken by importing countries in critical circumstances will be limited to measures for the avoidance of a sudden diversion of trade arising from any restraints imposed under the arrangements;
- (iii) that an importing country requesting restraint will consult as early as possible with the exporting country with a view to agreeing procedures designed to ensure, as far as possible that measures of restraint taken do not disrupt the production and marketing of the exporting country.

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