

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1114

28 November 1985

Special Distribution

Textiles Surveillance Body

REPORT OF THE THIRTEENTH MEETING (1985)¹

1. The Textiles Surveillance Body held its thirteenth meeting of 1985 on 8-9 October.
2. Present at this meeting were the following members and/or alternates: Messrs. Cartland, Hamza, Iversen, Kawaguchi, Keck, Rosselli/Paredes, Salim/Bondad and Shepherd.
3. The report of the twelfth meeting has been circulated in COM.TEX/SB/1113.

Matter referred to the TSB

India/United States

4. The TSB received a notification from India:
 - (a) concerning the restraint introduced by the United States in 1984 on Category 334 (cotton coats for men and boys) and the trade-inhibiting effects of the limit on Group II (apparel) in the United States/India bilateral agreement; and
 - (b) referring under Article 11:4 of the Arrangement a restraint introduced by the United States on Category 313 (cotton sheeting).
5. The TSB heard presentations from both parties with respect to each case.
6. Throughout its review of this notification, the TSB bore in mind the status of India in terms of Article 6 of the Arrangement.
7. The TSB had reviewed in 1984, at India's request under Article 11:4, the matter concerning Category 334 and had recommended that the restraint be rescinded.² The United States had subsequently reported to the Body, following the procedures set out in Article 11:8, of the reasons why it considered itself unable to follow the recommendation and informing the Body that it had invited India to fresh consultations on Category 334 based on revised data.³ The restraint had been in effect since 28 January 1984, and the United States had exercised its option under the bilateral agreement to convert the limit into a specific limit for 1985 with growth at 6 per cent.

¹Hundred and ninety-third meeting overall

²COM.TEX/SB/978

³COM.TEX/SB/1004

8. During its review, the TSB was provided with more up-to-date information on recent developments in the market situation in the United States such as data on production, imports from all sources and imports from India. The TSB was of the opinion that these recent data showed that the trend of imports from India in the period August to December 1984 had been consistent with the information provided to the TSB at the time it had made its recommendation to rescind the restraint on this category; moreover, the trend of imports from India perceived by the United States at the time of its report under Article 11:8, as well as at the time of conversion of the limit into a specific limit, had not materialized.

9. The TSB took the view that both parties should renew consultations with a view to finding an agreed solution, taking into account these more recent data and all other relevant factors.

10. With regard to Category 313, the TSB was of the opinion that the possibilities for finding an agreed solution had not been exhausted, and therefore recommended that the parties hold new consultations.

11. The TSB requested the parties to report back to it before the end of 1985.

Notifications under Article 11

India, Peru

12. The TSB received notifications from India and Peru in reply to the Chairman's letter requesting information, pursuant to Article 11 of the Arrangement, on restrictions maintained by participating countries on imports of textile products.¹ These notifications will be transmitted to the Textiles Committee at the time of the submission of the TSB's annual report.

Annual report to the Textiles Committee

13. The TSB continued its work on the annual report to the Textiles Committee.

¹See COM.TEX/SB/1067, paragraph 28