

GENERAL AGREEMENT ON

RESTRICTED

COM.TEX/SB/1325

4 November 1987

TARIFFS AND TRADE

Special Distribution

Textiles Surveillance Body

REPORT OF THE THIRTEENTH MEETING (1987)¹

1. The Textiles Surveillance Body held its thirteenth meeting of 1987 on 13-15 October.
2. Present at this meeting were the following members and/or alternates: Messrs. Koda, Lau/Choi, Mazzocchi, Randhawa, Rosselli, Säilä/Wright, Salim and Shepherd.
3. The report of the twelfth meeting has been circulated in COM.TEX/SB/1314.

Annual Report to the Textiles Committee

4. The TSB finalized its annual report to the Textiles Committee.

Notification under Article 3:8

United States/China

5. With respect to the notification made by the United States under Article 3:8 and paragraph 8 of the 1986 Protocol, concerning imports of Category 845/846 from China,² the TSB received a joint request from both parties to defer consideration of the case in view of the forthcoming bilateral consultations, the results of which would be reported to the Body.
6. In agreeing to this request, the TSB recalled the importance it attaches to the consideration of Article 3 cases within a period of thirty days whenever practicable.

Notifications under Article 4

United States/Brazil

7. The TSB received a notification from the United States of a further modification of its agreement with Brazil.
8. A restraint was agreed on wool suit-type coats for men and boys (Category 433) for the period 1 December 1986 to 31 March 1988. The base level was much higher than the reference level, and growth was set at 1 per cent. The flexibility provisions of the agreement of 6 per cent swing and 11/6 per cent carryover/carry forward applied.
9. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1317)

¹Two hundred and eighteenth meeting overall

²COM.TEX/SB/1312

United States/China

10. The TSB received a notification from the United States of an agreement covering one product (Category 335) concluded with China for the period 1 January 1988 to 31 December 1991, pending the negotiation of a new comprehensive agreement.

11. In this agreement:

- (a) the base level was 3.3 per cent over the 1987 restraint level;
- (b) the growth rate at 2.7 per cent was lower than in the previous agreement;
- (c) provision was made for a special carry forward for application in 1987;
- (d) it was agreed that if the new comprehensive agreement was not concluded by 31 December 1987 the specific limits on Category 335 would be effective for the period 1 January 1988 to 31 December 1991.

12. The TSB noted that while the new agreement would take effect on 1 January 1988, the special carry forward was available for the current United States/China agreement valid until 31 December 1987.

13. The TSB agreed that, when reviewing the new comprehensive agreement under negotiation by the two countries, it would bear in mind the relationship of the present notification to the new agreement.

14. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1318)

United States/Bangladesh

15. The TSB received a notification from the United States of a further modification of its agreement with Bangladesh. A restraint agreed on Category 645/646 (man-made fibre sweaters) for the period 1 November 1986 to 31 January 1990 superseded a unilateral measure taken by the United States under Article 3:5.¹

16. The base level was substantially higher than the Article 3:5 level; growth, swing, carryover/carry forward were set at 6, 6 and 11/6 per cent respectively.

17. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1319)

United States/Thailand

18. The TSB received a notification from the United States of a further modification of its agreement with Thailand. A restraint was agreed on Category 342/642 (cotton and man-made fibre skirts) for the period 1 July 1987 to 31 December 1988.

¹ COM.TEX/SB/1294, 1299 and 1312

19. The base level was substantially higher than the reference level, with the growth rate set at 7 per cent. Swing at 7 per cent and carryover/carry forward at 11/6 per cent were available.

20. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1320)

United States/Hungary

21. The TSB received a notification from the United States of a four-year extension, with amendments, until 31 December 1991, of its agreement with Hungary.

22. In the extended agreement:

- (a) the product coverage is unchanged;
- (b) the annual growth rates, of 1 per cent for wool categories and 6 per cent for the man-made fibre category, were unchanged;
- (c) swing at 5 per cent, and carryover and carryforward at 11/6 per cent were unchanged; swing was improved for Category 433.

23. The TSB heard a statement from the United States that the growth rates for the wool categories were sought pursuant to paragraph 2 of Annex B.

24. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1321)

United States/Pakistan

25. The TSB received a notification from the United States of a bilateral agreement concluded with Pakistan for the period 1 January 1987 to 31 December 1991.

26. In this agreement:

- (a) the product coverage, which previously covered cotton products only, was extended to include in Group III man-made fibre products (except Category 613-C) and apparel of silk blends and other vegetable fibres;
- (b) restraints were introduced on four cotton categories and on three categories and two merged categories of man-made fibre apparel; the specific limit on a cotton category was replaced by a designated consultation level;
- (c) the aggregate limit in the previous agreement was replaced by Group I, including all cotton categories under specific limit, and a limit on Group II (including all other cotton categories except bar mops) and a designated consultation level on bar mops; this resulted in an increase in access substantially higher than 6 per cent for cotton categories;

- (d) for the cotton categories, there were reductions in the base levels of three previously restrained categories and the base levels of two newly restrained categories were lower than the rollback levels; for the other cotton categories the base level increases ranged between 1.4 and 11.1 per cent; for the man-made fibre products, increases in the base levels of all newly restrained categories were substantially higher than the rollback levels, while the increase for the previously restrained category was slightly higher than 6 per cent;
- (e) growth rates for previously restrained categories, between 5 and 7 per cent, were lower than previous rates in four cases, and unchanged in others; for the new restraints they were 7 per cent for cotton categories and 6 per cent for man-made fibre categories;
- (f) swing was available at 7 per cent for the cotton categories and at 6 per cent for the man-made fibre categories; for the non-apparel cotton categories, this was lower than before;
- (g) carryover/carry forward at 11/6 per cent was unchanged.

27. The TSB heard a statement from the United States that the reductions in base level for some categories and other features of the agreement were negotiated to take account of changes in the trade interests of both parties.

28. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1322)

29. The TSB also received a notification of an amendment of this agreement. The product coverage was extended to include lightweight plainweave man-made fibre fabric (Category 613-C), which had been subject to restraint under Article 3:8 and paragraph 8 of the 1986 Protocol of Extension.¹ Specific limits or consultation levels were agreed for all products included in Category 613 as well as charges for overshipments for the sub-Category previously under restraint. This agreed amendment superseded the Article 3:8 measure.

30. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1323)

Notification under Articles 7 and 8

31. The TSB received a notification from the United States of an amendment of its agreement with Haiti. This notification was made under Articles 7 and 8 in accordance with the request made by the Textiles Committee, and the TSB is forwarding it to participating countries for information. (COM.TEX/SB/1324)

General discussion

32. The TSB continued its discussion relating to paragraph 24 of the 1986 Protocol of Extension.

¹ COM.TEX/SB/1299 and 1312