GENERAL AGREEMENT ON

RESTRICTED

COM.TEX/W/212 16 November 1988 Special Distribution

TARIFFS AND TRADE

Textiles Committee

Original: English

COMMUNICATION FROM FINLAND

The following communication, dated 3 November 1988, has been received by the Director-General, in his capacity as Chairman of the Textiles Committee, from the Permanent Representative of Finland.

"On behalf of the Nordic countries, I would like to ask you to place on the agenda for the meeting of the Textiles Committee on December 16 a request that the GATT Secretariat undertake an analysis of the global economic and trade consequences of the dismantling of all restrictions under the MFA and other trade restrictions in this field.

Our request for such an analysis has previously been discussed in the Negotiating Group on Textiles and Clothing of the Uruguay Round and the Secretariat has been kind enough to draw up an informal note on how this request could be fulfilled (enclosed).

Extensive consultations have been held with interested delegations and wide support has been voiced for such an analysis being undertaken in the framework of the Textiles Committee.

It is our belief that an analysis by the GATT Secretariat would provide valuable information and assist governments in focusing on the issue of textiles and clothing. We would therefore request the Textiles Committee to ask the GATT Secretariat to endeavour to provide an in-depth survey of the empirical work in this area and a qualitative assessment of what the future developments would be under changed circumstances."

INFORMAL NOTE BY THE SECRETARIAT, ON THE NORDIC PROPOSAL, FOR THE NEGOTIATING GROUP ON TEXTILES AND CLOTHING

- 1. Last year NG4 asked the Secretariat to up-date the statistical parts of the Secretariat's 1984 study <u>Textiles and Clothing in the World Economy</u> (see MTN.GNG/NG4/W/3). The requested material was provided to the Group in MTN.GNG/NG4/W/8, dated 30 November 1987.
- 2. The delegate of Finland, on behalf of the Nordic countries, recently proposed that the Secretariat be requested to provide additional material to NG4.
- 3. Drawing on the precedent set by last year's request to up-date parts of the Secretariat's 1984 study, the most feasible way of responding to the Nordic's request would be for NG4 to ask the Secretariat to supplement the analytical parts of its 1984 study (which were essentially qualitative in nature) with a survey of the empirical (quantitative) work in this area that has been carried out by other researchers that is, by other international organizations, national governments, research institutes and individual researchers. In the course of compiling the list of empirical work to be surveyed, the Secretariat would of course include any studies called to its attention by delegations.
- 4. It would be possible to fulfil such a request from the Group in two stages:
 - (a) A very brief survey, designed to give both an overview of the nature of existing work and some idea of the magnitude of the quantitative results, could be prepared in time for the Group's meeting next September. Such a survey could be accompanied by a one or two page "fact sheet" giving a concise up-dated factual picture of textiles and clothing in world trade.
 - (b) A more in-depth survey of the empirical work in this area, taking into account the results of the brief survey, and including a full summary of the quantitative results and an independent evaluation of the various methodologies, results and conclusions. Such an in-depth study, which would include a qualitative assessment of what the future developments would be under changed circumstances, could be ready sometime around June of next year.