

GENERAL AGREEMENT ON

CONFIDENTIAL

COM.TEX/SB/1429
13 December 1988

TARIFFS AND TRADE

Special Distribution

Textiles Surveillance Body

REPORT OF THE TWELFTH MEETING (1988)¹

1. The Textiles Surveillance Body held its twelfth meeting of 1988 on 31 October-1 November.
2. Mr. de la Peña appointed Mr. Julio Muñoz (Peru) as his alternate, to succeed Mr. Portugal (Peru).
3. Present at this meeting were the following members and/or alternates: Messrs. Abdel Fattah, Choi/Lau, Gero/Hildan, Koda, Mazzocchi, Salim and Shepherd.
4. The report of the eleventh meeting has been circulated in COM.TEX/SB/1421.

Annual Report to the Textiles Committee

5. The TSB finalized its report to be made to the Textiles Committee in accordance with Article 10, paragraph 4 of the MFA.

Notification under Article 4

Canada/Romania

6. The TSB agreed to defer its review² of the bilateral agreement between Canada and Romania for the period 1 January 1987 to 31 December 1991 awaiting the notification, after ratification, of an understanding, related to the agreement, reached by the parties.

Canada/Czechoslovakia

7. After having received some information concerning the bilateral agreement between Canada and Czechoslovakia,³ the TSB, awaiting fuller information, once more agreed to defer its review of the agreement.

Sweden/Thailand

8. The TSB received a notification from Sweden of a bilateral agreement concluded with Thailand for the period 1 November 1987 to 31 October 1992.

¹Two hundred and thirty-third meeting overall

²COM.TEX/SB/1369 and 1377

³COM.TEX/SB/1386

9. In this agreement:

- (a) the product coverage was reduced through the elimination of certain products previously subject to restraints, including products in the Rest Group and babies' woven garments, which were thus liberalized;
- (b) adjustments were made to the product coverage of certain categories due to the introduction of the Harmonized System;
- (c) increases in base levels were 1.5 or 2 per cent;
- (d) growth rates for the second year at 1.75 or 2.25 per cent were in all cases higher than previous rates; for subsequent years these growth rates will increase by 0.25 per cent per year, but will in no case be higher than 3 per cent;
- (e) swing, carryover and carry forward, available at 3, 3 and 3 per cent, respectively, were unchanged from the previous agreement; the cumulative use of flexibility, set at 6 per cent, was more favourable to Thailand than in the previous agreement.

10. With respect to the growth and flexibility provisions, Sweden made reference to Article 1:2 and Annex B of the MFA as well as to paragraph 12 of the 1986 Protocol of Extension.

11. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1424)

Canada/Philippines

12. The TSB received a notification from Canada of an amendment of its agreement with the Philippines. A restraint on sweaters for men, boys, women, girls, children and infants was agreed for the period 1 January 1988 to 31 December 1991.

13. The base level being substantially higher than the reference level, the growth rate was set at 5 per cent. Swing and carryover/carry forward were available at 7 and 10/5 per cent, respectively.

14. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1425)

Canada/Pakistan

15. The TSB received a notification from Canada of an amendment of its agreement with Pakistan. A restraint was agreed on sportswear coordinates for the period 20 November 1987 to 31 December 1991.

16. The base level was substantially higher than the reference level. The growth rate was agreed at 6.3 per cent for the 1989 agreement year and at 6 per cent for the subsequent years. Swing and carryover/carry forward were available at 7 and 11/6 per cent, with the cumulative use of flexibility set at 16 per cent.

17. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1426)

Canada/Malaysia

18. The TSB received a notification from Canada of an amendment of its agreement with Malaysia, by the introduction of restraints on two product categories (winter outerwear, jackets and rainwear) for the period 1 January 1988 to 31 December 1991.

19. The base levels were much higher than the reference levels; growth rates were set at 5 per cent. Swing was set at 5 per cent within the clothing group, with additional swing for 1988 only of 10 per cent between the two newly restrained categories. Carryover/carry forward was available at 10/5 per cent, and the cumulative use of flexibility was limited to 15 per cent.

20. The TSB heard a statement from Canada that the growth and swing provisions were agreed taking into account the increases in base levels and the additional swing for 1988.

21. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1427)

United States/Colombia

22. The TSB received a notification from the United States of a bilateral agreement concluded with Colombia for the period 1 April 1987 to 31 March 1990.

23. In this agreement:

- (a) the product coverage was limited to cotton sateens;¹
- (b) the base level was substantially higher than the rollback level;
- (c) the growth rate was set at 6 per cent;
- (d) carryover/carry forward were available at 11/6 per cent.

24. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1428)

Finland/China, Finland/Hong Kong, Finland/India, Norway/Macao, United States/Romania

25. The TSB began its review of certain notifications. These concerned: amendments of Finland's agreements with China, Hong Kong and India; the bilateral agreement between Norway and Macao; an amendment of the wool and man-made fibre agreement between the United States and Romania, as well as the United States/Romania cotton and cotton/man-made fibre blends agreement.

¹The previous agreement which expired on 30 June 1986, covered all textile products of cotton, wool and man-made fibres.