

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1531

10 May 1990

Special Distribution

Textiles Surveillance Body

REPORT OF THE SECOND MEETING (1990)¹

1. The Textiles Surveillance Body held its second meeting of 1990 on 15-16 March.
2. Mr. Joao Carlos Parkinson de Castro was appointed as member by Brazil. Mr. Castro appointed Ms. Ana-Maria Deustua (Peru) as his alternate.
3. Present at this meeting were the following members and/or alternates: Mr. Castro/Ms. Deustua, Messrs. Gero/Potocnik, Kartadjoemena/Pharmy, Koda, Lau, Munir/Elker, Patek, Shepherd, Ms. Smadja and Messrs. WU/Radu.
4. The report of the first meeting of 1990 has been circulated in COM.TEX/SB/1530.

Notification under Article 3:5

United States/Bangladesh

5. In response to its invitation to Bangladesh and the United States to present their respective cases concerning unilateral measures taken under Article 3:5 by the United States on certain imports from Bangladesh,² the TSB was informed by both parties that they had found agreed solutions at consultations held in mid-February.
6. The TSB took note of the information and understood that these agreed solutions would be notified for review in due course.

Report on measures reviewed under Article 3:5; measures taken under Article 3:5; matters referred under Article 11:4

United States/Thailand

7. The TSB reverted to the unilateral measures taken under Article 3:5 by the United States on cotton and man-made fibre blouses (Category 341/641), man-made fibre knit shirts (Category 638/639) and silk blend and non-cotton vegetable trousers (Category 847) when imported from Thailand, as well as to the requests for consultations made under Article 3 by the United States to Thailand with respect to cotton sheeting (Category 313), cotton printcloth (Category 315) and man-made fibre twill and sateen fibres (Category 628).

¹Two hundred and forty-eighth meeting overall

²COM.TEX/SB/1530

8. In accordance with its recommendation¹, the Body received reports from Thailand and the United States on consultations they held in January 1990; these had resulted in an agreement in the case of Category 638/639 and in disagreement in the case of Categories 313 and 315 (which were both placed under restraint by the United States after the TSB review in October 1989) and of Categories 341/641 and 847. As to Category 628, the United States reported that Thailand had been informed that the United States would not impose a restraint on this category and would allow the request for consultations to lapse on 30 March 1990.

9. The TSB was equally notified by the United States of unilateral measures taken under Article 3:5 on cotton poplin and broadcloth (Category 314), man-made fibre poplin and broadcloth (Category 614) and cotton and man-made fibre dresses (Category 336/636). The restraint period for the first two measures was 30 October 1989 to 29 October 1990, and for the last 31 October 1989 to 30 October 1990.

10. The TSB also received a notification from Thailand made under Article 11:4 referring requests for consultations made by the United States under Article 3 with respect to cotton carded yarn (Category 300 part) and cotton sweaters (Category 345).

11. The TSB heard presentations by delegations of both parties on all these cases.

12. After its review, the TSB reached the following conclusions:

- (i) market disruption had not been demonstrated with respect to Categories 336/636, 341/641 and 847, and the Body recommended that the restraints imposed be terminated;
- (ii) market disruption had been demonstrated with respect to Categories 313, 315 and 345; the TSB agreed that the level of restraint indicated for Category 345 needed to be adjusted in accordance with paragraph 1 (b) of Annex B;
- (iii) with regard to Categories 314 and 614, the TSB recommended that the parties hold consultations and report back to it no later than 30 April 1990;
- (iv) with regard to Category 300pt, the TSB noted that the available information, in particular the presentation by both parties on United States production data, did not lead to a clear-cut finding on the existence of market disruption and recommended that the parties consult and report back to it on the result of such consultations no later than 30 April 1990.

¹ Recommendation made at the 245th meeting, held from 10 to 12 October 1989 (COM.TEX/SB/1523).