

# GENERAL AGREEMENT ON

RESTRICTED

COM.TEX/SB/1544

27 July 1990

Special Distribution

## TARIFFS AND TRADE

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### Textiles Surveillance Body

#### REPORT OF THE FOURTH MEETING (1990)<sup>1</sup>

1. The Textiles Surveillance Body held its fourth meeting of 1990 on 30-31 May.
2. Mr. Yoji Ishimaru (Japan) was appointed as member to succeed Mr. Tadatsuna Koda. Ambassador Kartadjoemena appointed Miss Yong Siew Min as his alternate for the meeting.
3. Present at this meeting were the following members and/or alternates: Messrs. Boisson, Castro, Gero/Potocnik, Ishimaru, Lau, Munir/Elker, Patek, Shepherd, Wu and Ms. Yong.
4. The report of the third meeting of 1990 has been circulated in COM.TEX/SB/1542.

#### Notification under Article 3:4

##### United States/Thailand

5. The TSB received a notification from the United States regarding restraints agreed with Thailand under Article 3:4 on man-made fibre knit shirts and blouses (Category 638/639)<sup>2</sup> and man-made fibre trousers, slacks and shorts (Category 647/648) for one-year periods ending, respectively, on 30 March 1990 and 30 October 1990. The restraint levels were set at the relevant rollback levels.

6. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1543)

#### Reports on measures reviewed under Articles 3:5 and 11:4; measure taken under paragraph 8 of the 1986 Protocol; matters referred under Article 11

##### United States/Thailand

7. The TSB reverted to its consideration of the unilateral measures taken by the United States under Article 3:5 on cotton and man-made fibre poplin and broadcloth (Categories 314 and 614) and of the request made under

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<sup>1</sup>Two hundred and fiftieth meeting overall

<sup>2</sup>See COM.TEX/SB/1531, paragraph 8.

Article 3:3 on cotton carded yarn (Category 300pt) when imported from Thailand. Both parties<sup>1</sup> had reported that the bilateral consultations recommended by the Body<sup>1</sup> had not resulted in any agreement.

8. The TSB received a notification from the United States informing that it had allowed the restraint on cotton and man-made fibre blouses (Category 341/641) to lapse on 30 March 1990, rescinded the restraint on silk blend and non-cotton vegetable trousers (Category 847) as recommended by the TSB, and rescinded the request for consultations on cotton sweaters (Category 345), for which the Body had found market disruption, because of subsequent changes in the market situation for that Category.

9. The TSB also received a notification from the United States, under paragraph 8 of the 1986 Protocol, of an extension of the restraint on man-made fibre knit shirts (Category 638/639) for the period 31 March 1990 to 30 March 1991. The TSB was informed that subsequent bilateral consultations on this extension had not resulted in any agreement.

10. The Body also received a notification from Thailand referring all the above cases under Article 11, as well as requests for consultations made by the United States under Article 3:3 on imports of single spun polyester yarn (Category 604pt), man-made fibre bags (Category 669-P), cotton and man-made fibre woven shirts (Category 340/640), cotton and man-made fibre pyjamas and other nightwear (Category 351/651) and cotton sheets (Category 361).

11. During its review of the cases, at which delegations from both parties assisted, Thailand informed the TSB that it would accept restraints on Categories 314 and 614 at the respective rollback levels, and the United States informed that it would accept the Thai proposal that the restraint level on Category 638/639 for a further one-year period be 6 per cent higher than the base level and that it would withdraw the request for consultations on Category 604pt. Finally, the TSB was informed of the willingness of both parties to consult further on Categories 300pt and 669-P.

12. After hearing both parties, the TSB paid particular attention to the progress outlined in the paragraph above, which led it to conclude that in their bilateral consultations the parties had not exhausted all possibilities; it therefore recommended that they resume consultations on all pending cases, i.e. Categories 300pt, 340/640, 351/651, 361 and 669-P, bearing in mind the requirements of Article 3 and Annex A as well as the importance of co-operation and equity necessary to a fair implementation of the Arrangement.

13. The TSB asked the parties to report to it on the result of their consultations as soon as possible.

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<sup>1</sup>See COM.TEX/SB/1531, paragraph 12

Notification under Article 11:8

United States/Thailand

14. The TSB received a notification from the United States under Article 11:8 reporting its inability to follow the TSB recommendation on the unilateral restraint it had imposed on cotton and man-made fibre dresses (Category 336/636) when imported from Thailand.<sup>1</sup> The TSB heard presentations from both parties and received additional information and explanation from the United States on the accuracy of the United States production data.

15. The TSB noted that both parties had, in the light of the previous finding of the Body and the subsequent developments in the market for both parties, expressed willingness to consult with a view to reaching a mutually acceptable solution. The TSB recommended that they do so.

16. The TSB asked the parties to report back on the results of these consultations in time for the Body's meeting on 27-29 June 1990.

Notification under Article 3:5

United States/Turkey

17. The TSB was informed by the United States and Turkey that after bilateral consultations they had found an agreed solution with respect to cotton and man-made fibre pyjamas and sleepwear (Category 351/651) when exported from Turkey to the United States. This agreement replaced the unilateral measure previously notified by the United States under Article 3:5.<sup>2</sup>

18. The TSB therefore did not find it necessary to pursue the matter; it understood the agreed solution would be notified in due course.

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<sup>1</sup>COM.TEX/SB/1531

<sup>2</sup>COM.TEX/SB/1542