

GENERAL AGREEMENT ON

RESTRICTED

COM.TEX/SB/1547

20 August 1990

Special Distribution

TARIFFS AND TRADE

Textiles Surveillance Body

REPORT OF THE FIFTH MEETING (1990)¹

1. The Textiles Surveillance Body held its fifth meeting of 1990 on 27 June.
- 2 Present at this meeting were the following members and/or alternates: Messrs. Boisson, Castro, Ishimaru, Kartadjoemena, Lau, Patek, Potocnik, Shepherd and Wu.
3. The report of the fourth meeting of 1990 has been circulated in COM.TEX/SB/1544.

Annual Report to the Textiles Committee

4. The TSB had a discussion on the preparation of its annual report to the Textiles Committee.

Notifications under Article 4

Sweden/Hong Kong

5. The TSB received a notification from Sweden of a bilateral agreement concluded with Hong Kong for the period 1 September 1987 to 31 August 1992.
6. In this agreement:
 - (a) the product coverage was reduced from twenty to fourteen product categories, with a further reduction by one category for the last two agreement periods;
 - (b) increases in base levels over previous restraint levels were in all cases less than 6 per cent;
 - (c) growth rates for the second agreement year at 1.25 per cent (nine categories), 2.5 per cent (four categories) and 3 per cent (one category), were in all cases higher than in the previous agreement; for the subsequent agreement years the growth rates for thirteen categories increased by annual increments of 0.25 or 0.5 per cent to reach 2 or 4 per cent in the final agreement year; for one category, the growth rates were 3 per cent for the second agreement year and 4 per cent for the third agreement year, after which the category would be liberalized;

¹Two hundred and fifty-first meeting overall

- (d) swing, which was incorporated in the limits in the previous agreement, was set at 3 or 5 per cent;
- (e) carryover and carry forward at 3 and 3 per cent or 5 and 5 per cent were higher than in the previous agreement; a cumulative use of flexibility was set at 6 or 10 per cent.

7. With respect to the growth and flexibility provisions, Sweden made reference to paragraph 2 of Annex B and paragraph 12 of the 1986 Protocol.

8. The TSB noted the date of entry into force of this agreement and reiterated the importance of timely notification of agreements, in accordance with the provisions of Article 4:4.

9. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1545)

Thailand/Norway

10. The TSB received a notification from Thailand, confirming a previous oral report by Norway of an amendment effected through an exchange of notes dated 30 January 1990, of its agreement with Norway. Under this amendment the last paragraph of Article 14 of the agreement was deleted.

11. The TSB recalled that during its review of the agreement, it had found the paragraph to be in contradiction with Article 3 of the agreement and had urged the parties to amend the agreement so as to rectify the situation at an early date.¹

12. The TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1546)

Notifications under Article 11

Costa Rica, Singapore, Switzerland and Turkey

13. In response to the request made by the TSB for information under Article 11, paragraphs 11, 12 and 2, on the status of restrictions maintained by participating countries on imports of textiles and textile products,² the TSB received reports from Costa Rica, Singapore, Switzerland and Turkey.

14. These notifications will be forwarded at the time of submission of the Body's annual report to the Textiles Committee.

¹COM.TEX/SB/1467 and 1485

²COM.TEX/SB/1542

Other business

Reports on recommendation made on notification presented under Article 11:8

United States/Thailand

15. In accordance with its recommendation,¹ the TSB received reports from Thailand and the United States on their consultations aiming at finding a mutually acceptable solution on Category 336/636.

16. The TSB noted that though the consultations had been initiated, they had not yet yielded an agreed solution. The TSB therefore urged Thailand and the United States to continue these consultations with a view to reaching a definitive solution, and report back before 1 August 1990.

Unilateral measures taken under Article 3:5

United States/Thailand

17. The TSB received a notification from the United States of unilateral measures taken under Article 3:5 on imports from Thailand of cotton and man-made shirts (Category 340/640), cotton and man-made fibre sleepwear (Category 351/651) and cotton sheets (Category 361) for the period 28 March 1990 to 27 March 1991 and man-made fibre bags (Category 669-p) for the period 27 February 1990 to 26 February 1991.

18. The TSB decided to invite the United States and Thailand to present their respective cases on 1-2 August 1990.

¹COM.TEX/SB/1544