

GENERAL AGREEMENT ON

RESTRICTED

COM.TEX/SB/1680

28 January 1992

TARIFFS AND TRADE

Special Distribution

Textiles Surveillance Body

REPORT OF THE SEVENTH MEETING (1991)¹

1. The Textiles Surveillance Body held its seventh meeting of 1991 on 9 December.
2. Mr. Onaner appointed Mr. Ashok Sajjanhar (India) as his alternate.
3. Present at this meeting were the following members and/or alternates: Ms. Deustua/Mr. Prates, Messrs. Donaghy, Hagfors, Ishimaru, Onaner, Shepherd, Ms. Smadja, Messrs. Wong and Yang.
4. The report of the sixth meeting has been circulated in COM.TEX/SB/1677.

Notification under Article 3:5

United States/Costa Rica

5. In response to the TSB's invitation² to the United States and Costa Rica to send delegations to present their respective cases on the unilateral measure taken by the United States under Article 3:5 with respect to imports from Costa Rica of Category 443 (men's and boys' wool suits), both parties requested the Body to defer its examination of the case, in view of the ongoing bilateral consultations. The Body agreed to this request.

United States/Korea

6. The Textiles Surveillance Body received a notification from the United States of a further extension with modifications of their bilateral agreement with Korea. The agreement was extended for the period 1 January 1992 to 31 December 1993.

7. Under this extension:

- a) the product coverage remained unchanged;
- b) two Group sub-limits covering certain categories in Groups I and II, respectively, were introduced; the two sub-limits were smaller than the sum of the specific limits they encompassed;

¹Two hundred and sixty-second meeting overall.

²See COM.TEX/SB/1677

- c) all 1992 limits were accorded the applicable 1991 growth rate which was nil in two cases and lower than 6 per cent in all the other cases, except one; there was a reduction for the Group II limit and one specific limit was increased by more than 6 per cent;
- d) the relevant growth rates continued to apply to all specific limits;
- e) growth rates for the two Group sub-limits were set at less than 6 per cent;
- f) the swing provisions remained unchanged, except for Group I, Group VI and one category, where they were improved; a larger number of categories were provided with additional swing;
- g) carryover/carry forward at less than Annex B levels continued to apply.

8. The TSB heard a statement from the United States that the reductions outlined in paragraph 7 above were agreed in the context of the improvements in one specific limit and in swing provisions.

9. With reference to the growth and carryover/carry forward provisions mentioned above, the TSB recalled that in the negotiation of their agreement the parties had taken into account the provisions of Paragraph 10 of the 1986 Protocol of Extension.³

10. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1678)

United States/Turkey

11. The Textiles Surveillance Body received a notification from the United States of an extension of its selective agreement with Turkey for the period 1 July 1991 to 31 December 1993.

12. Under this extension:

- a) product coverage was enlarged by the addition of five categories or merged categories; all were placed under restraint;
- b) one specific limit was liberalized;
- c) the base levels of previously restrained categories were substantially more than 6 per cent above previous levels;
- d) the base levels of the new restraints were much higher than the agreed reference levels;

³COM.TEX/SB/1272.

- e) the growth rates were set at 6 per cent, except for seven limits or sub-limits where they were set at less than six per cent;
- f) swing at 7 per cent continued to apply for the non-wool categories; for the wool categories, swing was set at 5 per cent; additional swing was available for the yarn categories; carryover and carry forward at 11/6 per cent continued to apply.

13. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1679)

Request for information under Articles 2 and 11

14. In view of the extension of the MFA until 31 December 1992, the TSB requested the Chairman to invite participants to report on the status of restrictions maintained by them on imports of textile products; this request would be made under Article 11.

15. In the case of two participants which have not as yet fulfilled their obligations under Article 2, it was agreed that the Chairman should remind them of the previous requests made by the TSB, and urge them to respond to these requests.

16. In view of the fact that several countries which had participated in the MFA until 31 July 1991 had not accepted the 1991 Protocol of Extension to date, the TSB decided that as such countries accept the 1991 Protocol, invitations for information under Article 11 should be addressed to them.

Matter referred under Article 11:4

India/Canada

17. The TSB received a communication from India which referred under Article 11:4 two measures introduced by Canada with respect to winter outerwear and to underwear.

18. The TSB decided to invite India and Canada to send delegations to present their cases at its first meeting in 1992.