

# GENERAL AGREEMENT ON

## TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/1815  
18 December 1992

Special Distribution

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### Textiles Surveillance Body

#### REPORT OF THE ELEVENTH MEETING (1992)<sup>1</sup>

1. The Textiles Surveillance Body held its eleventh meeting of 1992 on 17 November.

2. Present at this meeting were the following members and/or alternates: Messrs. Buencamino/Pangaribuan, Daly, Donaghy/Potocnik, Ishimaru, Kumar, Prates/Ms. Deustua, Messrs. Shepherd, Wentzel/Luotonen, Wang, Wong/Kang.

3. The report of the tenth meeting has been circulated in COM.TEX/SB/1808.

#### Notification under Article 3:5

##### United States/Guatemala

4. With respect to the review of the unilateral measure taken under Article 3:5 by the United States, with respect to cotton and man-made fibre shirts (Category 340/640) when imported from Guatemala,<sup>2</sup> for which both parties had been invited to present their respective cases at the present meeting, the TSB was informed by the United States that an agreed solution had been found and would be notified in due course.

5. The TSB took note of this information, and agreed to await notification of the agreed solution.

#### Notifications under Article 4

##### Canada/India

6. The TSB received a notification from Canada of an amendment of its bilateral agreement with India. A restraint on winter outerwear was agreed for the period 1 January 1992 to 31 December 1992.

7. The restraint was agreed at a level substantially higher than the notional annual level of the restraint Canada had introduced for the period

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<sup>1</sup>Two hundred and seventy-third meeting overall.

<sup>2</sup>See COM.TEX/SB/1808.

1 May to 31 December 1991, in accordance with the consultation provisions of the agreement.<sup>3</sup> Growth was set at 6 per cent; swing, carryover and carry forward were possible at 7, 10 and 5 per cent, respectively; the cumulative use of flexibility was limited to 17 per cent.

8. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1809)

Finland/Pakistan

9. The TSB received a notification from Finland of a selective agreement concluded with Pakistan for the period 1 January to 31 December 1992, with the possibility of a twelve-month extension.

10. In this agreement:

- (a) the coverage was limited to one product (bedlinen), placed under restraint;
- (b) an initialled restraint level for the period 1 July 1991 to 30 June 1992 was cited; the 1992 restraint superseded the last six months of this initialled level;
- (c) the initialled level was more than 6 per cent higher than the 1991 imports;
- (d) the limit for the 1992 agreement year was less than 6 per cent higher than the initialled level;
- (e) in the event of the extension of the agreement, the growth rate would be of 5 per cent;
- (f) carryover/carry forward were available at 11/6 per cent.

11. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1810)

Norway/Pakistan

12. The TSB received a notification from Norway of an extension with amendments of its selective agreement with Pakistan, for the period 1 January 1992 to 31 December 1993.

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<sup>3</sup> India had referred the restraint under Article 11:4. The recommendation of the TSB is contained in COM.TEX/SB/1688.

13. In this extension;

- (a) the product coverage was modified by the removal of woven shirts for men and boys (Category 5) and the inclusion of nets and netting (Category 70);
- (b) the restraint on Category 5 was removed, and Category 70 was made subject to the requirements of export certificate/certificate of origin;
- (c) the base levels for the three product categories under restraint were substantially higher than the 1991 levels in two cases and less than 6 per cent higher in one case;
- (d) the growth and swing provisions remained unchanged;
- (e) carryover and carry forward, at 10 and 5 per cent, were higher than previously;
- (f) the limit on cumulative flexibility was abolished.

14. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1811)

United States/Uruguay

15. The TSB received a notification from the United States of an extension of its selective agreement with Uruguay for the period 1 July 1992 to 30 June 1993, with the possibility for a further twelve-month extension.

16. Under this extension:

- (a) the product coverage remained unchanged at seven categories, all under restraint;
- (b) the base levels were set by increasing previous levels by their respective growth rates (i.e., 6 per cent for two cotton categories and 1 per cent for five wool categories);
- (c) swing continued to be available at 7 per cent (wool) and 6 per cent (cotton);
- (d) carryover/carry forward remained unchanged at 11/6 per cent.

17. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1812)

United States/Dominican Republic

18. The TSB received a notification from the United States of a selective agreement concluded with the Dominican Republic for the period 1 June 1991 to 31 December 1993, superseding the previous agreement, scheduled to expire on 31 May 1992.

19. In this agreement:

- (a) the product coverage was modified by the exclusion of one category and the inclusion of three categories and one merged category, resulting in a total coverage of three categories and six merged categories;
- (b) the restraint on the category excluded from the agreement was liberalized; the restraint on one category newly included was valid from 1 January 1992, and on another for the 1993 agreement year only; these two categories had been subject to designated consultation levels, one until 31 December 1991 and the other until 31 December 1992. All other categories were under specific limits for the validity of the agreement;
- (c) guaranteed access levels were established for all categories, for the same periods agreed for their respective specific limits;
- (d) base levels over previous levels were more than 6 per cent higher in three cases and less than 6 per cent in two cases; growth rates for these categories were in all cases 6 per cent or higher;
- (e) in the case of the four new restraints, the base level in one case was less than 6 per cent higher than the rollback level, in one case 6 per cent and in another more than 6 per cent. In the fourth case, the designated consultation referred to in sub-paragraph (b) was higher than the rollback level. This was subsequently converted into a specific limit at a level lower than the rollback level, plus a guaranteed access level, both beginning in the second restraint period;
- (f) swing remained unchanged at 7 per cent, with provision for additional swing between two merged categories;
- (g) carryover/carry forward continued to be available at 11/7 per cent.

20. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1813)

Notification under Articles 7 and 8

United States/Mauritius

21. The TSB received a notification from the United States of an extension of its agreement with Mauritius for the period 1 October 1992 to 30 September 1993. This notification was made pursuant to a request by the Textiles Committee that agreements with non-participants be notified.

22. The TSB agreed to forward the notification to participating countries, for their information. (COM.TEX/SB/1814)

Notifications under Article 11

Yugoslavia, Pakistan, Hungary

23. In response to its request for information on the status of restrictions maintained by participating countries on imports of textile products,<sup>4</sup> the TSB received reports from Hungary, Pakistan and Yugoslavia.

24. In its report, Yugoslavia informed that it maintained restrictions on woven fabrics and clothing; these restrictions were maintained for balance-of-payments reasons. The TSB agreed to forward the notification to the Textiles Committee. (COM.TEX/SB/1798/Add.28)

25. The TSB considered the reply received from Pakistan and noted that restrictions were maintained for balance-of-payments reasons, but that the MFA products affected had not been specified. The Body decided to seek information on such products.

26. In its reply, Hungary stated that it maintained a global quota on imports of consumer goods and that certain textile and clothing products fell within the scope of the said quota. The TSB decided to seek information on the way the global quota is applied.

Reports on measure reviewed under Article 11:5

Brazil/United States

27. In accordance with its request,<sup>5</sup> the TSB received reports from Brazil and the United States on consultations it recommended with respect to the restraint on Category 443 (men's and boys' wool suits).

28. The TSB was informed by the parties that they had been in contact regarding this matter and were hopeful of reaching a satisfactory solution shortly.

29. The TSB took note of these reports and agreed that it might revert to the matter at the request of either party, or on its own initiative.

Matter referred under Articles 11:4 and 11:5

Indonesia/EEC

30. The TSB received a communication from Indonesia in which it referred under Article 11, paragraphs 4 and 5, a restraint introduced by the EEC on cotton yarn (Category 1) when imported from Indonesia. The restraint was

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<sup>4</sup>COM.TEX/SB/1680.

<sup>5</sup>COM.TEX/SB/1808, paragraph 9.

introduced pursuant to the consultation provisions of their bilateral agreement.

31. The TSB agreed to invite Indonesia and the EEC to send delegations to its next meeting, when it shall review the matter.