

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

RESTRICTED
COM.TEX/SB/1987
22 December 1994
Special Distribution

(94-2880)

Textiles Surveillance Body

REPORT OF THE NINTH MEETING (1994)¹

1. The Textiles Surveillance Body held its ninth meeting of 1994 on 1 December.
2. Present at this meeting were the following members and/or alternates: Messrs. Cheung/Lee, Fujioka, Prince, Munir/Onaner, Saint-Jacques/Glantschnig, Sophastienphong, Tagliani, Vanerio/Prado and Wentzel.
3. The report of the eighth meeting has been circulated in COM.TEX/SB/1982.

Notification under Article 2:1
Slovenia

4. The TSB began its review of a notification received from Slovenia under Article 2:1 of restrictions it maintains on imports of MFA products.

Notifications under Article 4
Canada/Costa Rica

5. The TSB received a notification from Canada of an Article 4 agreement concluded with Costa Rica, valid from 1 January 1994 until such time as both countries accede to the World Trade Organization. This agreement superseded an agreement concluded under Article 3:4 valid until 30 June 1994.
6. Under this agreement:
 - (a) the selective product coverage remained unchanged;
 - (b) the base level for the product under restraint was increased by substantially more than 6 per cent;
 - (c) the growth rate was set at 6 per cent; in addition, the base level for 1995 was increased over 1994 by substantially more than 6 per cent;
 - (d) carryover and carry forward were set at 10/5 per cent.
7. After its review, the TSB agreed to transmit this notification to the Textiles Committee. (COM.TEX/SB/1983)

¹Two hundred and ninetieth meeting overall.

Canada/Philippines

8. The TSB received a notification from Canada of an extension with modifications of its agreement with the Philippines beyond 1994 until such time as both countries accede to the World Trade Organization.

9. Under this extension:

- (a) the product coverage remained unchanged;
- (b) the 1994 limit for one sub-item was increased by substantially more than 6 per cent; this sub-limit was abolished effective 1 January 1995, and another existing sub-limit was made into a separate restrained item as of 1 January 1995;
- (c) all restraints for the year 1995 were increased by the applicable growth rate;
- (d) swing continued to be available at 7 per cent; carryover/carry forward remained available at 11/6 per cent except in two cases where it remained at 11/5 per cent.

10. After its review, the TSB agreed to transmit this notification to the Textiles Committee. (COM.TEX/SB/1984)

United States/Costa Rica

11. The TSB received a notification from the United States of the extension with amendments of its agreement with Costa Rica, valid for the period 1 January 1994 to 31 December 1995.

12. In this extension:

- (a) the selective coverage of the agreement was extended to add one category;
- (b) all specific limits were maintained, and the category added to the coverage of the agreement, which the United States had previously placed under a unilateral restraint, was placed under a specific limit;
- (c) the levels of the categories previously under specific limit were increased from 1993 to 1994 by the applicable growth rates; the category newly added to the agreement was increased by substantially more than 6 per cent over the previous restraint level;
- (d) the growth rates remained unchanged; for the newly added category, a growth rate of 1 per cent was agreed;
- (e) all categories under specific limit continued to have Guaranteed Access Levels (GALs) at the levels of 1993; the newly added category also received a GAL;
- (f) the flexibility provisions of the agreement remained unchanged and would also apply to the newly restrained category;
- (g) new provisions with respect to circumvention were agreed.²

13. With respect to the paragraph 12(d) above, the TSB heard a statement by the United States that the growth rate of 1 per cent had been sought pursuant to paragraph 2 of Annex B.

²See COM.TEX/SB/1910, paragraphs 19 to 22.

14. After its review, the TSB agreed to transmit this notification to the Textiles Committee. (COM.TEX/SB/1985)

Notification under Articles 7 and 8
United States/Laos

15. The TSB received a notification from the United States of an agreement concluded with Laos for the period 1 January 1993 to 31 December 1995. The TSB is forwarding this notification for the information of participating countries. (COM.TEX/SB/1986)

Notification under Article 11
China

16. The TSB deferred further consideration of this notification, pending reception of the additional information it had requested from China.³

Notification under Article 11:5
El Salvador/United States

17. The TSB received a communication from El Salvador notifying that the United States had withdrawn the restraint on Category 340/640, which had been the subject of a recommendation by the TSB at its meeting on 26 July 1994.⁴

³See COM.TEX/SB/1982, paragraph 21.

⁴See COM.TEX/SB/1955, paragraphs 4 to 9.