

**GENERAL AGREEMENT
ON TARIFFS AND TRADE**

RESTRICTED
COM.TEX/SB/2002
31 December 1994
Special Distribution

(94-2923)

Textiles Surveillance Body

REPORT OF THE TENTH MEETING (1994)¹

1. The Textiles Surveillance Body held its tenth meeting of 1994 on 19 December and approved this report.
2. Present at this meeting were the following members and/or alternates: Messrs. Cheung, Daly, Fujioka, Munir/Onaner, Saint-Jacques/Glantschnig, Sophastienphong, Tagliani, Vanerio/Prado, Wang and Wentzel.
3. The report of the ninth meeting has been circulated in COM.TEX/SB/1987.

Notification under Article 2:1
Slovenia

4. The TSB reverted to its review of the notification by Slovenia under Article 2:1 of restrictions it maintains on imports of textile products. The TSB took note of the present status of restrictions, as well as of the reference made to textile products in paragraphs 36, 37 and 38 of document L/7492.
5. After its review, the TSB agreed to transmit this notification to the Textiles Committee (COM.TEX/SB/1997).

Notifications under Article 4
Canada/Dominican Republic

6. The TSB was informed by Canada of an extension of its bilateral agreement with the Dominican Republic from 1 January 1995 until such time both countries join the World Trade Organisation.
7. In this extension, all elements in the agreement remained unchanged.
8. The TSB agreed to transmit this information to MFA participants (COM.TEX/SB/2001).

Canada/Malaysia

9. The TSB received a notification from Canada of an extension with modifications of its agreement with Malaysia, valid for the period 14 November 1994 to 31 December 1997.

¹Two hundred and ninety-first meeting overall.

10. In this extension:

- (a) the coverage of the agreement remained unchanged and all specific limits were maintained;
- (b) the 1994 levels for two categories under specific limit were increased by 5.1 and 10.5 per cent while 1994 levels for two others were reduced by 7.5 and 0.9 per cent;
- (c) the growth rates remained unchanged;
- (d) swing remained unchanged except in two cases where it was increased; carryover and carry forward, as well as the cumulative use of flexibility, remained unchanged;
- (e) special swing was made available for one category, while the existing reversion arrangement for another category was modified;
- (f) the sub-categories of one category were eliminated.

11. The TSB did not review point 4 of the Agreed Record of Discussions between Canada and Malaysia, as it referred to an issue which is outside the scope of the MFA.

12. After its review, the TSB agreed to transmit this notification to the Textiles Committee (COM.TEX/SB/1988).

Canada/Czech Republic

13. The TSB reviewed a notification from Canada of an extension with modifications of its agreement with the Czech Republic, valid for the period 1 January 1994 until such time as both countries accede to the World Trade Organisation.

14. In this extension:

- (a) one category was deleted from the selective coverage of the agreement, and the restriction on that category abolished;
- (b) the 1994 levels for the three categories remaining under restriction were increased by the applicable growth rate in one case and by substantially more than the applicable growth rates in the other cases;
- (c) the growth rates, as well as the flexibility provisions of the agreement, remained unchanged.

15. After its review, the TSB agreed to transmit this notification to the Textiles Committee (COM.TEX/SB/1993).

Canada/Slovak Republic

16. The TSB received a notification from Canada of an extension of its agreement with the Slovak Republic, valid for the period 1 January 1994 to 31 December 1995.

17. In this extension:

- (a) the selective coverage of the agreement remained unchanged and all specific limits were maintained;
- (b) the 1994 levels were in all cases increased by the applicable growth rate except in one case where it was increased by more than the applicable growth rate;
- (c) the growth rates, as well as the flexibility provisions of the agreement, remained unchanged.

18. After its review, the TSB agreed to transmit this notification to the Textiles Committee (COM.TEX/SB/1994).

Norway/Malaysia

19. The TSB received a notification from Norway of a request for consultations made under the terms of its bilateral agreement with Malaysia. It agreed to transmit it to MFA participants for information (COM.TEX/SB/2000).

United States/Dominican Republic

20. The TSB received from the United States a notification of the extension with amendments of its agreement with the Dominican Republic for the period 1 January to 31 December 1994.

21. In this extension:

- (a) the previously selective coverage was extended to include all categories of the United States' categorization system;
- (b) all specific limits were maintained and a new category was placed under restraint;
- (c) the levels of the previously restrained categories were increased by the applicable growth rates; the restraint level of the newly restrained category added to the GAL referred to in (d) below was higher than the level of imports in 1993;
- (d) all GALs were maintained and a GAL was established for a further category;
- (e) the flexibility provisions remained unchanged and applied to the newly restrained category; special shift was possible between two sets of merged categories;
- (f) new provisions with respect to circumvention were agreed.²

22. After its review, the TSB agreed to transmit this notification to the Textiles Committee (COM.TEX/SB/1989).

United States/Jamaica

23. The TSB received from the United States two notifications concerning its agreement with Jamaica.

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

24. The first notification regarded an extension with amendments of the agreement for the period 1 January to 31 December 1993.

25. In this extension:

- (a) the coverage remained unchanged;
- (b) the categories under specific limit remained unchanged, and were increased over their 1992 restraint levels by the applicable growth rates;
- (c) all GALs except one were maintained, two of them with levels for 1993 higher than those for the previous year;
- (d) the categories under Designated Consultation Levels (DCLs) were maintained, except for one merged category; two DCLs were higher than those for 1992;
- (e) the flexibility provisions remained unchanged.

26. The same notification informed of a further amendment: in the course of 1993, the parties had agreed to place under restraint a merged category previously under a DCL, at a level much higher than the DCL.

27. The second notification regarded an extension with amendments of the agreement for the period 1 January 1994 to 31 December 1995.

28. In this extension:

- (a) the coverage remained unchanged;
- (b) all specific limits were maintained and a new restraint was established on a merged category;
- (c) the categories previously under restraint were increased over their 1993 levels by the applicable growth rates; the restraint level of the newly restrained category was 5 per cent above the level of 1993 imports;
- (d) the growth rates remained unchanged; for the newly restrained category, the growth rate was set at 6 per cent;
- (e) all GALs except one were maintained, one of them at an increased level;
- (f) of the five DCLs extant on 31 December 1993, three continued in force, one was changed into a specific limit, and one was abolished;
- (g) the flexibility provisions remained unchanged;
- (h) new provisions with respect to circumvention were agreed.³

³See COM.TEX/SB/1910, paragraphs 19 to 22.

29. After its review, the TSB agreed to transmit these notifications to the Textiles Committee (COM.TEX/SB/1990 and 1991).

United States/Kenya

30. The TSB received from the United States a notification of an agreement concluded with Kenya, valid for the period 1 January 1994 to 31 December 1995.

31. In this agreement:

- (a) the product coverage was comprehensive;
- (b) two specific limits were agreed, with levels substantially above the respective reference levels;
- (c) the annual growth rate was set at 6 per cent;
- (d) swing was set at 6 per cent and carryover/carry forward at 11/6 per cent.

32. After its review, the TSB agreed to transmit this notification to the Textiles Committee (COM.TEX/SB/1992).

United States/Uruguay

33. The TSB received from the United States a notification of an extension with amendments of its agreement with Uruguay for the period 1 July 1994 to 30 June 1996.

34. In this extension:

- (a) the selective coverage remained unchanged and all specific limits were maintained;
- (b) the levels of the specific limits were increased by the applicable growth rates;
- (c) the growth rates remained unchanged;
- (d) swing remained unchanged, and carryover/carry forward was increased from 11/6 per cent to 11/7 per cent;
- (e) new provisions with respect to circumvention were agreed.⁴

35. After its review, the TSB agreed to transmit this notification to the Textiles Committee (COM.TEX/SB/1998).

⁴See COM.TEX/SB/1910, paragraphs 19 to 22.

Notifications under Articles 7 and 8

Notifications concerning non-participants

36. In accordance with the request by the Textiles Committee, the TSB received three notifications concerning agreements concluded with and restraints introduced on imports from non-participants, and agreed to forward them to participating countries for their information. These notifications were:

- (a) a bilateral agreement concluded between Canada and Cuba for the period 1 January 1994 to 31 December 1999 (COM.TEX/SB/1995);
- (b) a bilateral agreement concluded between Canada and Myanmar for the period 18 November 1994 to 31 December 1999 (COM.TEX/SB/1996);
- (c) restraint measures applied by Norway on imports of textile products originating in Chinese Taipei (COM.TEX/SB/1999).

Notification under Article 11

China

37. The TSB reverted to its review of China's notification under Article 11,⁵ during which some additional information was provided by China. The TSB felt unable to conclude its review for lack of sufficient information on China's import régime for MFA products and on the evolution of such régime (COM.TEX/SB/1953/Add.24).

Poland

38. The TSB received a notification under Article 11 from Poland that it has not adopted and does not apply restrictions or measures having a restrictive effect on imports of products covered by the Arrangement Regarding International Trade in Textiles (COM.TEX/SB/1953/Add.23).

⁵See COM.TEX/SB/1982, paragraph 21 and COM.TEX/SB/1987, paragraph 16.