

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COT/W/41/Add.2
4 December 1964

Special Distribution

DRAFT REPORT OF THE COTTON TEXTILES COMMITTEE

PART II

Addendum

New version of paragraph 15

15. Some questions were specifically addressed to the European Economic Community. In the first place it was asked whether, and to what extent, the expectation had been fulfilled that the member States of the Community would exceed pro rata temporaria the target figure of 12,000 tons referred to in paragraph 17 of the Record of Understandings reached by the Committee at its meeting of 29 January to 9 February 1962. In reply the spokesman for the Community stressed the great increase which had taken place in imports of cotton textiles into the Community. He referred in this connexion to the secretariat paper COT/W/28 and stated that the quotas opened for 1964 represented, in relation to the reference figure, an increase greater than that expected, and that the Community had not made use of the possibilities afforded by Article 2, paragraph 3, permitting it to discuss the basic quota pro rata to actual liberalizations. Certain questions were also asked with respect to the quota arrangements in the Community, in particular the problem of how to separate quotas for cotton textiles from other textiles. It was pointed out by the spokesman for the Community that this problem only arose in the case of Japan and Benelux and this could suitably be discussed in the course of bilateral

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negotiations. Finally, the representative of India asked whether the member States of the European Economic Community would agree to the quota system being operated at the exporting end in order to make it easier to fulfil quotas.

In reply, the spokesman for the Community pointed out that so far as India was concerned this was a question which only arose with respect to only one of the member States of the Community and expressed the hope that a solution to this problem could be found in the discussions already in progress.