

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX.SB/691

3 June 1981

Special Distribution

Textiles Surveillance Body

REPORT OF THE SEVENTH MEETING (1981)¹

1. The Textiles Surveillance Body held its seventh meeting of 1981 on 11 and 12 May.
2. The following members and/or alternates were present: Messrs. Hobson, Hussain², Hyun, Kujirai³, Santos-Neves²/Delgado², Scheele, Siraj, Shepherd.
3. The report of the sixth meeting was approved and has been circulated as COM.TEX.SB/682.
4. The following subjects were discussed:
 - (a) Sweden/Philippines and Sweden/India
5. The TSB received two notifications of agreements concluded under Article 4 of the Arrangement between Sweden and the Philippines and India respectively. The two agreements do not provide for swing as between the groups covered therein and in this respect the TSB took note of the statement by Sweden that the absence of swing was a reflection of a mutual recognition of the minimum viable production principle.
6. The TSB also noted that there was a limitation of 5 per cent in both agreements on cumulative use of carryover and carry forward which led to lower flexibility than that set out in Annex B.
7. Regarding the agreement with the Philippines, Article 10 thereof provides that ".... the Government of Sweden and the Government of the Philippines agreed furthermore to enter into consultations before 31 October 1982, on the conditions of a new Agreement. Should the parties be unable in the course of such consultations to reach a satisfactory solution within a reasonable period of time, Sweden shall have the right to introduce limits not lower than those specified in Annex I to this Agreement". In reviewing this clause, the TSB observed that the two parties have agreed to a procedure which could

¹ Hundred and twenty-second meeting overall

² Part attendance

³ In the unavoidable absence of Mr. Kujirai and of his alternate, Mr. Imai, for the session of 12 May, the TSB agreed that Mr. K. Shinzeki (Japan) should attend this session as alternate.

permit the introduction of limits which would be at variance with the provisions of Annex B. The TSB noted that any limits introduced pursuant to this clause would have to be reviewed with respect to their conformity with the MFA at the time of introduction.

8. After its review of these two agreements, the TSB agreed to transmit them to the Textiles Committee (COM.TEX/SB/683 and 684).

(b) United States/Haiti

9. The TSB received a notification from the United States of an amendment to its Article 4 agreement with Haiti, establishing an increased consultation level for one category. The TSB agreed to transmit this notification to the Textiles Committee (COM.TEX/SB/685).

(c) Austria/Korea

10. The TSB received a notification from Austria of a modification of its Article 4 agreement with Korea which, inter alia, introduced limitations on an additional product. After noting that the terms of the additional limitation were similar to those of the original agreement¹, the TSB agreed to transmit the text of this modification to the Textiles Committee (COM.TEX/SB/686).

(d) EEC/India, Philippines, Poland, and Egypt: additional Protocols

11. The TSB received notifications from the European Communities of additional Protocols regarding exports to the Community from India, the Philippines, Poland and Egypt negotiated consequent on Greek entry to the Community. The TSB recalled its previous observations regarding similar protocols notified in February 1981, (see COM.TEX/SB/664, paragraphs 8 to 13), and determined that these observations would also apply in these cases. Following its review of these Protocols, the TSB agreed to transmit them to the Textiles Committee (COM.TEX/SB/687, 688, 689 and 690).

Other business

12. The TSB agreed that the Chairman should send letters to all participants in the MFA, requesting information, as required under Article 11 of the MFA on restrictions maintained or introduced by them to date.

¹For the TSB's observations on this agreement see COM.TEX/SB/477, paragraph 9.