

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TEX/SB/283
23 December 1977

Special Distribution

Textiles Surveillance Body

REPORT OF THE SIXTEENTH MEETING¹ (1977)

1. The TSB held its sixteenth meeting on 15 December 1977. The report of its fifteenth meeting was approved and has been circulated in document COM.TEX/SB/282.
2. The TSB reverted to the discussion of the notifications it had received from the EEC of unilateral actions taken with respect to imports of textile products into certain markets of the Community from Colombia, Egypt, India, Malacca, Pakistan, the Philippines and Spain. The TSB noted with regret that in a number of these cases the Community had not been able to comply with the procedural requirements of Article 3. Bearing in mind the replies received from these countries expressing the wish that the TSB defer its examination of the notifications², the TSB decided to defer consideration of the question of conformity, or otherwise, of the measures taken by the Community with the provisions of the Arrangement. The TSB agreed, in the meanwhile, to circulate these notifications for the information of participating countries. This has been done in documents COM.TEX/SB/284 to COM.TEX/SB/290.
3. In accordance with its recommendation contained in document COM.TEX/SB/260³, the TSB received a report from Canada stating its acceptance to resume consultations with Hong Kong concerning bedsheets and polyester filament fabrics as soon as possible. These consultations took place in early November 1977, following which the TSB has received a report from Hong Kong on the results. In addition, the TSB heard statements of their respective positions by representatives from Canada and Hong Kong. The TSB noted that a mutually satisfactory arrangement had been discussed between the two parties with respect to polyester filament fabrics but that it had not been finalized. As regards bedsheets, the two sides agreed to negotiate a one-year bilateral agreement under Article 4 of the MFA; agreement was reached on the level. No solution, however, could be found to reconcile the difference of opinion between the two parties as to the honouring of the outstanding import permits during part of the restraint period. In the course of its consideration the TSB noted that there was good faith on both sides and that the problem was largely an administrative one. In the light of this, the TSB felt that Canada should make its best effort to provide Hong Kong with a precise figure representing the maximum quantity of goods covered by the outstanding import permits. The TSB, therefore, urged that the two parties should hold further consultations with a view to reaching a mutually acceptable solution by 31 January 1978, at which time a report on the results achieved should be presented to the TSB.

¹Sixty-fourth meeting.

²See COM.TEX/SB/282, paragraphs 5-7.

³See paragraphs 5-7.