

GENERAL AGREEMENT ON
TARIFFS AND TRADE

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RECOURSE TO ARTICLE XXIII:2 BY THE UNITED KINGDOM
ON BEHALF OF HONG KONG

The following communication, dated 31 May 1978, has been received from the Hong Kong Office of the United Kingdom mission.

On 1 January 1978 Norway introduced certain measures regarding imports of a range of textile products from Hong Kong. The measures restrict imports of these textile products from Hong Kong alone to levels for 1978 which are, on average, 40 per cent below the level of imports reached two years previously, in 1976. Norway did not notify these measures to the GATT.

This action by Norway followed inconclusive consultations under the Arrangement Regarding International Trade in Textiles in Hong Kong in December 1977. In March 1978, the United Kingdom on behalf of Hong Kong requested consultations with Norway under Article XXII:1 of the GATT. Consultations were held in Oslo on 2/3 May 1978 to examine whether a basis existed for drawing up a mutually acceptable textile agreement between Norway and Hong Kong. The two sides concluded that it was not possible to reach a common position at that time.

The United Kingdom on behalf of Hong Kong considers that the Norwegian measures constitute unjustifiable restrictions against imports from Hong Kong of the textiles concerned and that they are contrary to the GATT by:

- (a) violating the most-favoured-nation provision of Article I;
- (b) violating the Article XI prohibition against the imposition of quantitative restrictions;
- (c) applying the quantitative restrictions in a discriminatory manner contrary to Article XIII.

Since the United Kingdom on behalf of Hong Kong believes that Hong Kong's rights under the GATT have been nullified or impaired, the United Kingdom on behalf of Hong Kong requests the CONTRACTING PARTIES to initiate the investigation procedure provided under Article XXIII:2.

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