

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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ARTICLE XIX -- ACTION BY NORWAY

Various Textile Items

Addendum

The following communication dated 24 November 1978 has been received from the Permanent Mission of Norway.

1. With reference to document L/4692 of 24 July 1978, the Government of Norway hereby notifies the CONTRACTING PARTIES the modalities regarding the introduction of global import quotas on various textile items. The following quotas have been established for 1979:

(1) Knitted shirts, blouses and T-shirts	1,030,000 pcs.
(2) Knitted undergarments	3,250,000 "
(3) Knitted jackets, jumpers, sweaters, cardigans and pullovers	3,000,000 "
(4) Jackets of woven material including part of suits and sets	640,000 "
(5) Trousers of woven material including part of suits and sets	1,140,000 "
(6) Outergarments of woven material for infants	830,000 "
(7) Shirts of woven material	560,000 "
(8) Blouses of woven material	600,000 "
(9) Bed-linen	140,000 kgs.

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The size of the global quotas has been calculated on the basis of average imports 1974-1976 from the countries included in the quotas. The global quotas will be allocated on a non-discriminatory basis among importers according to their share of the imports in 1976-1977.

2. This action has been taken because these products have been imported in such increased quantities and under such conditions as to cause serious injury to domestic producers of like or directly competitive products.

3. Norway was a member of the MFA until 31 December 1977. However, the development described above took place despite the endeavours of the Government to establish comprehensive bilateral agreements with relevant exporting countries in order to create "an orderly and equitable development of this trade and avoidance of market disruption" with particular reference to Article 1, paragraph 2, the "Nordic clause".

With the intention to accede to the Protocol extending the MFA, Norway in 1977 entered into negotiations with several countries. Six comprehensive bilateral arrangements have been concluded. These arrangements came into force from January 1978 having a validity of four to five years. They cannot be suspended by unilateral action. The countries concerned have expressed their wish to continue the arrangements and consequently imports from these sources have not been included in the global quotas.

During the negotiations with the most dominant supplier it proved impossible for the Norwegian Government to reach a satisfactory arrangement.

4. Having thus exhausted all relief measures of the MFA, invocation of Article XIX and the introduction of global quotas became necessary.

5. Imports from EFTA and EC countries are not included in the global quotas since Norway has free-trade arrangements with these countries in accordance with Article XXIV of the GATT.

6. In conformity with Article XIX:2 consultations have been held with several countries having substantial interests as exporters.

7. It is the intention of the Norwegian Government to terminate this temporary measure as soon as possible. Efforts will be made during 1979 to reach a satisfactory solution on the basis of the provisions of the extended MFA.

