REPORT OF THE THIRD MEETING (1991)\(^1\)


2. Mr. Lakatos appointed Mr. Yang Weihong (China) as his alternate.

3. Present at this meeting were the following members and/or alternates: Mrs. Deustua/Mr. Prates, Messrs. Elker/Sajjanhar, Gero, Hagfors, Ishimaru, Lakatos, Oh/Wong, Shepherd, Ms. Smadja, Messrs. Somchin/Buencamino.

4. The report of the second meeting of 1991 has been circulated in COM.TEX/SB/1604.

Notifications under Article 4

United States/Korea

5. The TSB received a notification from the United States of a further extension of its agreement with Korea for the period 1 January 1990 to 31 December 1991.

6. Under this extension:
   a) several specific limits were liberalized; one specific limit and a sub-limit were introduced;
   b) there were reductions in base levels for one group limit and eleven specific limits, and increases in the base levels of two Group and twelve specific limits; the base levels for the two new limits were higher than the relevant reference levels;
   c) growth rates between 0.5 and 3 per cent (6 per cent for one limit) generally remained unchanged, except that they were reduced for nine limits and increased for two Group limits;

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\(^1\) Two hundred and fifty-eighth meeting overall.
d) Swing was changed for one group from 1 per cent to no swing, and for one category from 7 to 10 per cent; additional swing was made available for some categories or between certain categories;

e) Provisions of the agreement regarding carry forward/carryover remained unchanged.

7. The TSB heard statements from both parties that the terms of the amendment notified reflected their trade interests and were agreed taking into account the overall terms of their bilateral agreement.

8. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1605)

Norway/Yugoslavia

9. The TSB received a notification from Norway of an extension of its agreement with Yugoslavia for the period 1 January to 31 July 1991.

10. For this extended period the product coverage was reduced by four categories which were previously subject to consultation, and by the exclusion of certain sizes of children's garments.

11. The growth provisions of the agreement were applied to the restrained categories.

12. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1606)

Norway/Pakistan

13. The TSB received a notification from Norway of an amendment of its agreement with Pakistan, effective for the period 1 January to 31 December 1991 and implemented by Norway from 4 April 1991.

14. Under this amendment, product coverage was reduced by: (a) the deletion of four product categories; and (b) the exclusion of certain sizes of children's garments, resulting in the liberalizing of all these products.

15. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1607)

Canada/Dominican Republic

16. The TSB received a notification from Canada of its first agreement concluded with the Dominican Republic, valid for the period 1 January 1988 to 31 December 1991.

17. In this agreement:

   a) Product coverage was limited to one category, subject to restraint;
b) the base level was substantially higher than the reference level and the growth rate was set at 6 per cent;

c) carryover and carry forward were available at 11 and 6 per cent, with their cumulative use limited to 15 per cent.

18. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1608)

Sweden/China

19. The TSB received a notification from Sweden of a bilateral agreement concluded with China for the period 1 December 1988 to 31 July 1991.

20. Under this agreement, which replaced bilateral quotas previously notified by Sweden under Article 11:

a) eight categories under the previous bilateral quotas were kept under restraint and two were liberalized; one product category was newly placed under restraint;

b) the base levels, which were higher than previous restraint levels for eight categories, took into account the migration of products between categories, resulting from the introduction of the Harmonized System; for one product newly placed under restraint the base level was higher than the agreed reference level;

c) the growth rates between 1.25 and 2.5 per cent for the second agreement period were higher than those applicable previously; for the third agreement period the applicable rates were between 1.5 and 3 per cent;

d) swing, carryover and carry forward were set at 5 per cent each for one category, and at 3 per cent each for the remaining categories;

e) the cumulative use of flexibility was limited to 10 per cent (one category) and 6 per cent (all other categories).

21. The TSB also received a notification of an amendment of this agreement, under which the coverage was increased by one category and placed under restraint for the period 1 May 1990 to 31 July 1991. The base level was substantially higher than the agreed reference level, and swing for this category was available at 5 per cent.

22. With respect to the growth and flexibility provisions of this agreement and its amendment, Sweden made reference to Annex B, paragraph 2, of the Arrangement and to paragraph 12 of the 1986 Protocol of Extension.
23. After its review, the TSB agreed to transmit these notifications to the Textiles Committee. (COM.TEX/SB/1609 and 1610)

Sweden/Turkey

24. The TSB received a notification from Sweden of an amendment of its agreement with Turkey.

25. A new restraint was agreed on knitted underwear for the period 16 June 1990 to 15 May 1991 at a level substantially higher than previous trade. Swing was available at 5 per cent.

26. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1611)

Sweden

27. The TSB received a notification from Sweden of the denunciation of all its bilateral textile restraint agreements valid beyond 31 July 1991.

28. This action confirmed a statement made by Sweden at the meeting of the Textiles Committee held on 16 December 1988 of its intention to abolish all quantitative restrictions on imports of textiles and clothing into Sweden by the end of July 1991.

29. The TSB took note of the information and agreed to transmit it to the Textiles Committee. (COM.TEX/SB/1612)

Notifications under Articles 7 and 8

Canada/Mauritius; Canada/United Arab Emirates; United States/Haiti; United States/Nepal; Norway/North Korea

30. The TSB received several notifications, concerning measures affecting imports from non-participating countries, dealing with:

a) an extension of the agreement between Canada and Mauritius for the twelve-month period ending 31 December 1991;

b) restraints on imports into Canada of certain clothing and household products originating in the United Arab Emirates for the period 1 June 1990 to 31 December 1991;

c) an extension and amendment of the agreement between the United States and Haiti for the period 1 January 1990 to 31 December 1993;

d) an amendment of the agreement between the United States and Nepal from 29 August 1990 and the extension of the agreement for the period 1 January 1991 to 31 December 1993;
e) an amendment of the agreement between Norway and North Korea effective from 1 July 1991.

31. These notifications were made pursuant to a request made by the Textiles Committee that measures relating to imports from non-participating countries be notified, and the TSB agreed to forward them to participating countries for their information. (COM.TEX/SB/1613, 1614, 1615, 1616 and 1617)

Notification transmitted under Articles 7 and 8

Finland/Thailand

32. The TSB received a notification from Finland of an export authorization agreement covering two clothing items, concluded with Thailand for the period 1 January 1991 to 31 December 1993.

33. The TSB noted a statement by Finland that in its notification it had made reference to Article 11, paragraphs 11, 12 and 2, because the new arrangement replaced a restraint agreement.

34. After its review, the TSB decided to forward the notification to the Textiles Committee under Articles 7 and 8. (COM.TEX/SB/1618)

Notifications under Article 11

Korea, Brazil

35. In response to its request made in 1990 for information on the status of restrictions maintained by participating countries, the TSB received replies from Korea and Brazil:

a) Korea notified restrictions on imports of certain silk and silk blend products maintained in the context of the conclusions of the Balance-of-Payments Committee in October 1989;

b) Brazil notified that it maintained no quantitative restrictions, bilateral agreements or any other quantitative measures which have a restrictive effect on imports of textile products covered by the Arrangement as extended by the 1986 Protocol of Extension.

36. The TSB agreed to forward these notifications to participating countries. (COM.TEX/SB/1549/Add.20 and 21)

2COM.TEX/SB/1542.