REPORT OF THE FIFTH MEETING (1991)¹

1. The Textiles Surveillance Body held its fifth meeting of 1991 on 30 September and 1 October. This was the first meeting after the extension of the 1986 Protocol of Extension.

2. The following members were appointed for the period until 31 December 1991:

<table>
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<tr>
<th>Members</th>
<th>Alternates</th>
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<tr>
<td>Mr. John Donaghy (Canada)</td>
<td>Mr. Gérard Boisnon (EEC)</td>
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<td>Ms. Daniele Smadja (EEC)</td>
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<td>Amb. Erik Hagfors (Finland)</td>
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<tr>
<td>Mr. Yoji Ishimaru (Japan)</td>
<td>Ms. Naoko Saiki (Japan)</td>
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<tr>
<td>Mr. Haeng Kyeom Oh (Korea)</td>
<td>Mr. Andrew Wong (Hong Kong)</td>
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<td>Ms. Wanda Rosa (Macau)</td>
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<td>Ms. Ana Maria Deustua (Peru)</td>
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<td>Mr. Somchin Suntavaruk (Thailand)</td>
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<tr>
<td>Mr. Mehmet Onaner (Turkey)</td>
<td>Mr. Alcides Prates (Brazil)</td>
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<td>Mr. Robert Shepherd (United States)</td>
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3. Present at this meeting were the following members and/or alternates: Ms. Deustua/Mr. Prates, Messrs. Donaghy, Hagfors, Ishimaru, Onaner, Ms. Rosa, Mr. Shepherd, Ms. Smadja, Messrs. Somchin and Wong.

4. The report of the fourth meeting of 1991 has been circulated in COM.TEX/SB/1632.

Notification under Article 3:5

United States/Dominican Republic

5. The TSB had received on 27 June last a notification from the United States of a unilateral measure it took under Article 3:5 on imports from the Dominican Republic of women's and girls' wool trousers (Category 448). The action was taken for the period 28 March 1991 to 27 March 1992.

¹Two hundred and sixty-sixth meeting overall.

91-1497
6. In July, the Dominican Republic requested that the TSB defer its examination of the case, as bilateral consultations between the parties were ongoing.

7. During the meeting, the TSB noted that the Dominican Republic had not as yet accepted the extension of the 1986 Protocol.

Notifications under Article 4

Finland/Macau

8. The TSB received a notification from Finland of a new agreement with Macau, valid for the period 1 January 1992 to 31 December 1993.

9. Under this extension:
   a) the product coverage was reduced by the exclusion of one category (skirts) with consequent liberalization of the restraint on the product;
   b) restraints on two other categories were eliminated, and the categories placed under the agreed system of administrative control;
   c) the growth rates for all remaining restraints were increased, though they remained below 6 per cent;
   d) the flexibility provisions were improved by the increase in carryover/carry forward from 10/5 per cent to 11/6 per cent; swing at 5 per cent remained unchanged.

10. With respect to the growth provisions, Finland made reference to paragraph 2 of Annex B and to paragraph 12 of the 1986 Protocol of Extension.

11. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1633)

Finland/Korea

12. The TSB received a notification from Finland of an extension of its agreement with Korea for the period 1 January 1992 to 31 December 1994.

13. Under this extension, the restraint on one category was eliminated, and the category placed under the agreed system of administrative control. For the two categories remaining under restraint, the growth and flexibility provisions remained unchanged.


15. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1634)
Finland/Hong Kong

16. The TSB received a notification from Finland of a new agreement with Hong Kong, valid for the period 1 January 1992 to 31 December 1993.

17. Under this extension:
   a) restraints on one category and one part-category were removed;
   b) the base levels for the restrained categories were increased over the previous levels by more than 6 per cent in three cases and by less than 6 per cent in the other two cases;
   c) the growth rates, between 3 and 3.75 per cent, were higher than in the original agreement;
   d) swing and carryover/carry forward remained unchanged at 5 and 11/6 per cent, respectively.

18. With respect to the growth and flexibility provisions, Finland made reference to paragraph 2 of Annex B and to paragraph 12 of the 1986 Protocol of Extension.

19. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1635)

United States/Japan

20. The TSB received a notification from the United States of a bilateral agreement concluded with Japan for the period 1 January 1990 to 31 December 1991.

21. Under this agreement:
   a) restraints on all apparel categories and all but five non-apparel categories were removed; a new restraint was agreed on a non-apparel category;
   b) limits on the Yarn and the non-Apparel Groups were removed;
   c) the restraint on the Apparel Group was converted into a designated consultation level at a lower level than the previous restraint, but higher than most recent trade;
   d) precise comparison of 1990 levels for the previously restrained categories to the previous restraint levels, could not be made due to migration of products between the categories resulting from the application of the Harmonized System; the base level for the new restraint was higher than 6 per cent over the roll-back level;
   e) the growth rates were set between 1 and 4 per cent;
f) swing was available at 2 per cent for one category and at 5 per cent for the other categories;

g) carryover and carry forward were set at 2 per cent, of which carryover may not be higher than 1 per cent;

h) three fabric categories were placed under designated consultation levels.

22. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1636)

United States/Argentina

23. The TSB received a notification from the United States of an agreement concluded with Argentina on one category (wool trousers for women and girls) for the period 1 July 1989 to 31 March 1992.

24. The base level was set at more than 6 per cent over the roll back level, with a growth rate of 1 per cent. Carryover and carry forward were available at 5 and 5 per cent, with additional carry forward of 2 per cent for the first agreement period.

25. With reference to the growth and flexibility provisions, the United States made reference to paragraphs 2 and 5 of Annex B.

26. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1637)

United States/Singapore

27. The TSB received a notification from the United States of an extension of its agreement with Singapore for the period 1 January 1991 to 31 December 1995.

28. Under this amendment:

   a) all existing specific limits, including one resulting from the conversion of a Designated Consultation Level agreed before 1 January 1991, were maintained and the applicable growth rates remained unchanged;

   b) swing and carryover/carry forward were maintained at 7 and 11/6 per cent, respectively;

   c) additional swing continued to be available for some categories;

   d) Group II continued to be subject to a designated consultation level.

29. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1638)
United States/Romania

30. The TSB received a notification from the United States of the extension for the period 1 January 1991 to 31 December 1993 of both its cotton agreement and its wool and man-made fibre agreement with Romania.

31. Under these extensions:

a) all restraints and designated consultation levels were maintained;

b) growth rates remained unchanged, at 6 or 7 per cent, except for four wool and two man-made fibre categories which had rates below 6 per cent;

c) in determining the 1991 restraint levels, full account was taken of the relevant growth rates over the 1989 levels, as the agreements did not apply after 31 December 1989;

d) swing was available at 5 per cent for the wool categories and at 7 per cent for the other fibre categories; swing continued to be built-in for four categories; additional swing was available for three cases;

e) carryover/carry forward were available at 11/6 per cent.

32. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1639)

United States/Bangladesh

33. The TSB received a notification from the United States of a further amendment of its agreement with Bangladesh. A restraint was agreed on shop towels (Category 369-S) for the period 1 February 1991 to 31 January 1994.

34. The base level was set by increasing the roll-back level substantially more than 6 per cent, and the annual growth rate was agreed at 6 per cent. The flexibility provisions of the agreement applied to this restraint (i.e., swing at 6 per cent and carryover/carry forward at 11/6 per cent.

35. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1640)

Notifications transmitted under Articles 7 and 8

36. The TSB received several notifications under Article 4 concerning countries which participated in the Arrangement until 31 July 1991, but had not as yet accepted the extension of the 1986 Protocol. The TSB decided to transmit such notifications to the Textiles Committee under Articles 7 and 8; they are outlined below. The Body understood that after the acceptance of the 1991 Protocol by any of these countries, it would review any of these notifications, under Article 4, at the request of either party concerned in the notification.
37. The agreement between Finland and China was extended for the period 1 January 1992 to 31 December 1993. (COM.TEX/SB/1641)

38. Canada notified the first agreement ever concluded with Colombia, valid for the period 5 September 1990 to 31 December 1991. (COM.TEX/SB/1642)

39. The United States notified a further amendment of its agreement with Pakistan, affecting the period 1 January 1990 to 31 December 1991. (COM.TEX/SB/1643)

40. The United States notified an extension of its agreement with Uruguay for the period 1 July 1991 to 30 June 1992. (COM.TEX/SB/1644)

41. The United States notified an extension of its agreement with China for the period 1 January 1992 to 31 December 1993. (COM.TEX/SB/1645)

42. Canada notified an amendment of its agreement with Malaysia, valid for the period 1 April to 31 December 1991. (COM.TEX/SB/1646)

43. The TSB discussed the annual report it would present to the Textiles Committee.