1. The Textiles Surveillance Body held its first meeting of 1992 on
22 - 24 January.

2. The following members had been appointed:

<table>
<thead>
<tr>
<th>Members</th>
<th>Alternates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Alcides Prates</td>
<td>Mrs. Ana-Maria Deustua (Peru)</td>
</tr>
<tr>
<td>(Brazil)</td>
<td>Mr. Johannes Potocnik (Austria)</td>
</tr>
<tr>
<td>Mr. John Donaghy</td>
<td>Mr. Gérard Boisnon (EEC)</td>
</tr>
<tr>
<td>(Canada)</td>
<td>Mr. Haeng Kyeom Oh (Korea)</td>
</tr>
<tr>
<td>Mr. Wang Shichun</td>
<td>Mr. Alaa-Eldin Shalaby (Egypt)</td>
</tr>
<tr>
<td>(China)</td>
<td>Mr. Naoko Saiki (Japan)</td>
</tr>
<tr>
<td>Ms. Danièle Smadja</td>
<td>Mr. Kim Luotonen (Finland)</td>
</tr>
<tr>
<td>(EEC)</td>
<td></td>
</tr>
<tr>
<td>Mr. Andrew Wong</td>
<td></td>
</tr>
<tr>
<td>(Hong Kong)</td>
<td></td>
</tr>
<tr>
<td>Mr. Ashok Sajjanhar</td>
<td></td>
</tr>
<tr>
<td>(India)</td>
<td></td>
</tr>
<tr>
<td>Mr. Yoji Ishimaru</td>
<td></td>
</tr>
<tr>
<td>(Japan)</td>
<td></td>
</tr>
<tr>
<td>Mr. Otto Wentzel</td>
<td></td>
</tr>
<tr>
<td>(Norway)</td>
<td></td>
</tr>
<tr>
<td>Mr. Antonio Buencamino</td>
<td></td>
</tr>
<tr>
<td>(Philippines)</td>
<td></td>
</tr>
<tr>
<td>Mr. Robert Shepherd</td>
<td></td>
</tr>
<tr>
<td>(United States)</td>
<td></td>
</tr>
</tbody>
</table>

3. Present at the meeting were the following members and/or alternates:
Mr. Buencamino, Mrs. Deustua, Messrs. Donaghy, Ishimaru, Sajjanhar/Shalaby,
Shepherd, Ms. Smadja, Messrs. Wang, Wentzel/Luotonen and Wong/Oh.

4. The report of the seventh meeting of 1991 had been circulated in
COM.TEX/SB/1680.

Notifications under Article 4

Norway/Yugoslavia

5. The Textiles Surveillance Body received a notification from Norway of
an extension with modifications of its agreement with Yugoslavia. The
agreement scheduled to expire on 31 July 1991 was extended to
31 December 1991.

---

1 Two hundred and sixty-third meeting overall.

92-0358
6. For the 1991 agreement year all three restraint levels were increased to levels higher, and in one case substantially higher, than the previous notional annual levels. The flexibility provisions remained unchanged, namely, swing at 2.5 per cent, carryover and carry forward at 8 and 5 per cent and the cumulative use of flexibility limited to 8 per cent.

7. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1681)

United States/Hong Kong

8. The Textiles Surveillance Body received a notification from the United States of an extension of its agreement with Hong Kong for the period 1 January 1992 to 31 December 1995.

9. Under this extension:
   a) the three Group Limits were maintained and the categories under specific limit remained unchanged;
   b) the base levels of the Group Limits remained at previous limits; the specific limits were increased by the applicable growth rates, except in one case where the increase was substantially higher than 6 per cent;
   c) growth rates for the Group Limits which had previously been variable were set at 1.8 per cent for Groups I and II and at 1.65 per cent for Group III; growth rates for the specific limits between 0.1 and 2.5 per cent remained unchanged, except in one case where it was increased from 2 to 2.5 per cent;
   d) the swing provisions remained unchanged at 1 per cent for the Group Limits, no swing for three categories, and at 5, 6 or 7 per cent for the other categories; the extra swing possibilities provided during the transition to the categorization under the Harmonized System remained, except for one category and into Group III from Group II; additional swing of 2 per cent was provided between some categories;
   e) maximum use of swing for six categories in Group I and nine categories in Group II was not possible, consequent to a limitation placed on the total access for these categories;
   f) carry forward/carryover were available at 3/1 per cent for Group Limits and the limits referred in sub-paragraph (e) above, and at 2/1 per cent for specific limits; special carry forward of 7.15 per cent continued to apply for Category 648.

10. With reference to the growth and flexibility provisions outlined in paragraph 9 above, the TSB noted that, as in the negotiation of their agreement, the parties had taken into account the provisions of paragraph 10 of the 1986 Protocol of Extension.
11. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1682)

**Canada/India**

12. The Textiles Surveillance Body received a notification from Canada of the introduction by Canada of restraints on two Indian products, under the terms of the consultation provisions of the Canada/India agreement.

13. Since these restraints had been referred by India under Article 11.4 and were examined by the TSB thereunder (see paragraphs 27 to 30 below), the Body agreed to transmit the notification to the Textiles Committee exclusively for information. (COM.TEX/SB/1683)

**Canada/Pakistan**

14. The Textiles Surveillance Body received a notification from Canada of an amendment of its agreement with Pakistan, under which a restraint on winter outerwear was agreed for the period 1 January to 31 December 1991.

15. The base level was substantially more than 6 per cent over the rollback level, with swing and carryover/carry forward available at 7 and 11/6 per cent; the cumulative use of flexibility was limited to 16 per cent. If parties agree to extend the restraint period, a growth rate of 6 per cent would apply.

16. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1684)

**Finland/India**

17. The Textiles Surveillance Body received a notification from Finland of an extension of its agreement with India for the period 1 January to 31 December 1992, with the possibility of a further extension to 31 December 1993.

18. Under this extension:

   a) the restraint on one product category was liberalized;
   
   b) increases in base levels over previous restraint levels were more than 6 per cent in three cases and less than 6 per cent in one case;
   
   c) the growth rates which would apply in the case of an extension to 31 December 1993, at 3.99 or 4.5 per cent, were higher than the previous rates;
   
   d) the flexibility provisions remained unchanged with swing at 5 per cent and carryover/carry forward at 11/6 per cent.

19. With respect to the growth rates, Finland made reference to paragraph 2 of Annex B of the Arrangement.
20. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1685)

Canada/Turkey

21. The Textiles Surveillance Body received a notification from Canada of an extension of its agreement with Turkey for the period 1 January to 31 December 1991.

22. Under this extension:
   
   a) the product coverage was reduced by one product category, with its consequent liberalization;
   
   b) the 1991 levels were more than 6 per cent higher than 1990 levels in all but one case, where it was lower than 6 per cent;
   
   c) the flexibility provisions remained unchanged, with swing at 7 per cent (no swing between the two Groups), carryover/carry forward at 11/6 per cent and the cumulative use of flexibility limited to 16 per cent.

23. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1686)

Canada/Sri Lanka

24. The Textiles Surveillance Body received a notification from Canada of an amendment of its agreement with Sri Lanka effective for the period 30 July to 31 December 1991.

25. Under this amendment:
   
   a) a restraint was agreed on a non-clothing product category (bedsheets);
   
   b) the base level was more than 6 per cent higher than the rollback level;
   
   c) swing with the other non-clothing category (work gloves) was set at 7 per cent (previously work gloves had no swing);
   
   d) carryover/carry forward was available at 10/5 per cent, with the cumulative use of flexibility limited to 15 per cent.

26. After its review, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1687)
Notification under Article 11:4

India/Canada

27. The Textiles Surveillance Body received a notification under Article 11:4 from India in which it referred restraint measures introduced by Canada on winter outerwear and on underwear when imported from India. These measures were introduced pursuant to the consultation provisions of the India/Canada bilateral agreement, for the period 1 May 1991 to 31 December 1991. Consultations between the parties held in June 1991 failed to yield agreed solutions.

28. The TSB heard presentations from delegations of both parties.

29. The TSB was informed that the bilateral agreement which was scheduled to expire on 31 December 1991 had been extended to 31 December 1992. Restraints on the two products were also extended with growth of 6 per cent, subject to the TSB’s examination of the two cases.

30. The TSB, having given full consideration to information provided by the two delegations and to the evolution of the situation in the Canadian market as illustrated by recent statistical data, recommended:

   a) that Canada rescind the restraint on underwear;

   b) that both countries hold further consultations as soon as possible regarding the restraint on winter outerwear, taking into account all data currently available and bearing in mind paragraph 29(e) of their agreement.