REPORT OF THE FIFTH MEETING (1981)¹

1. The TSB held its fifth meeting of 1981 on 25 and 26 March.

2. The following members or alternates were present: Messrs. Beck, Chau, Delgado, Hobson, Hussain, Shepherd and Siraj.

3. The draft report of the third and fourth meetings was approved and has been circulated as COM.TEX/SB/664.

4. The following subjects were discussed at the meeting:

Finland/India

5. The TSB received a notification from Finland of an amendment to its agreement with India. Under the terms of this amendment the agreement was modified to (a) include 5 per cent swing, which had not been previously provided for; (b) recommend the extension of the agreement for one year beginning 1 January 1982, subject to the renewal of the MFA; and (c) establish a list of "India items" not subject to the terms of the agreement.

6. After its review, the TSB agreed to transmit the notification to the Textiles Committee in COM.TEX/SB/665.

Finland/Hong Kong

7. The TSB received notification from Finland of an amendment to its agreement with Hong Kong whereby restraints were agreed on exports of brassières effective 1 December 1980.

8. After its review, the TSB agreed to transmit the notification to the Textiles Committee in COM.TEX/SB/666.

United States/Thailand

9. The United States notified an amendment to its agreement with Thailand, concerning an increase in the 1980 designated consultation level for spun non-cellulosic yarn. After its review, the TSB agreed to transmit the amendment in COM.TEX/SB/667.

¹Hundred-and-twentieth meeting overall
10. The TSB received from the United States notification of an amendment to its agreement with Malaysia, changing certain consultation levels for shirts to meet technical problems in product classification. After its review the TSB transmitted the notification in COM.TEX/SB/668.

11. The TSB received a notification from the United States of an amendment to its agreement with India, whereby the consultation level for men's and boys' woollen trousers was increased for 1980. After its review the TSB agreed to transmit the notification in COM.TEX/SB/669.

12. The TSB had received from the United States two notifications relating to agreements with Romania. The first was an extension of the existing Article 4 agreement on wool and man-made fibre products for a three-month period ending 31 March 1981. The second was a new Article 4 agreement superseding the previous one and covering the same products for the period 1 April 1981-31 March 1985.

13. As regards the first notification, the specific limits and consultation levels established for the extended period, i.e. January-March 1981, were equivalent to one quarter of the annual levels for 1981/1982 set out in the new agreement. The TSB agreed to transmit the extension in COM.TEX/SB/670.

14. With respect to the new agreement, the TSB took note of the explanation by the United States that the annual quota levels incorporated, as was the case in the previous agreement, an element of increased access equivalent to swing of 5 per cent for wool products and 7 per cent for man-made fibre products with the exception of one man-made fibre category to which swing of 7 per cent was provided separately.

15. The TSB also noted that the growth rate for one man-made fibre category was less than 6 per cent, but this could be considered as having been compensated for by a considerable increase in the base level for this category in comparison with the level for the last year in the previous agreement. It was also noted that one wool category was accorded a growth of 1 per cent. In the case of the wool category, the TSB took note of the statement by the United States that this low growth rate was, to some extent, compensated for by a growth of more than 6 per cent with respect to the remaining categories.

16. The TSB concluded that, in overall terms, the agreement was in conformity with Article 4 of the MFA and agreed to circulate it to the Textiles Committee in COM.TEX/SB/671.
Sweden/Yugoslavia, Sweden/Korea

17. The TSB received notifications from Sweden concerning informal understandings reached between Sweden and each of Yugoslavia and Korea on the provisional prolongations of their agreements. The TSB agreed to revert to these notifications at its next meeting.

EEC/Macao, Romania, Malaysia, Egypt, Singapore

18. The TSB reviewed a number of modifications to original Article 4 agreements between the EEC and Macao, Romania, Malaysia, Egypt and Singapore. It was noted that in a number of cases (Macao, Romania, Malaysia and Singapore), the growth rates for certain categories included in the modifications, and which had not been fixed in the original agreements, were lower than the rate of not less than 6 per cent laid down in Annex B. The TSB took note of the Community's statement that:

(a) in the cases of Macao and Romania the lower growth rates reflected the existence of exceptional circumstances as laid down in Annex B, paragraph 2, of the MFA;

(b) in the case of Malaysia, the level agreed for the first year of the amendment compensated for the growth lower than the 6 per cent, and

(c) in the case of Singapore, the growth of less than 6 per cent for 1981 was agreed to take account of an exceptionally large shipment in 1980; the growth for 1982 was higher than 6 per cent.

19. After its review, the TSB agreed to transmit the notifications in COM.TEX/SB/672 to 676.