GENERAL AGREEMENT ON TARIFFS AND TRADE

THE UNITED KINGDOM ACCEPTS LONG-TERM COTTON TEXTILE ARRANGEMENT

The Executive Secretary, General Agreement on Tariffs and Trade, has been notified by the United Kingdom authorities that the United Kingdom has accepted the Long-Term Cotton Textile Arrangement which was drawn up by the GATT Cotton Textiles Committee at its meeting last February. The acceptance of the Arrangement applies only to the United Kingdom and does not cover acceptance by Hong Kong or any other dependent territory; these are matters for separate decision.

The broad purpose of the Arrangement is to ensure the orderly development of trade in cotton textile products, so as progressively to increase export possibilities, particularly for less-developed countries, while at the same time avoiding disruption of markets in importing countries.

The United Kingdom acceptance of the Arrangement is subject to a reservation under an agreed procedure which recognizes the special position of a country, such as the United Kingdom, whose cotton textile industry has experienced a substantial contraction over the last decade and which is importing a substantial volume of cotton textiles, in particular from the less-developed countries and territories and Japan, in relation to its own production of cotton textiles. The object of the reservation is to relieve the United Kingdom from the specific obligation under the Arrangement to accord increases in provisions for access to the United Kingdom market. The Long-Term Arrangement is due to enter into force on 1 October 1962, and to remain in force for five years.

The United Kingdom is the first country to notify its acceptance of the Long-Term Cotton Textile Arrangement.

The text of the Arrangement and of the procedure relating to reservations were set out in press releases GATT/686 and 687 of 16 February 1962.