ARTICLE XVIII APPLICATIONS BY CEYLON

Consultations with France and Italy pursuant to paragraph 18 of Article XVIII

The Executive Secretary has received the following communications from the delegation of Ceylon:

Consultations with France

Ceylon and France have satisfactorily concluded their consultations under paragraph 18 of Article XVIII (Revised) on the release sought by Ceylon to apply the Industrial Products Act to the items listed below, in respect of which Ceylon has assumed an obligation under Article III of the General Agreement:

<table>
<thead>
<tr>
<th>Description of Product</th>
<th>New Tariff No.</th>
<th>Previous Tariff No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Manufactures of artificial and silk synthetic fibre (including any admixtures thereof where the artificial silk content is not less than 50% by weight n.e.s.) - sarongs</td>
<td>841-05.04</td>
<td>Ex III-M-526</td>
</tr>
<tr>
<td>(2) Piece goods in which the weight of artificial silk synthetic fibre, including any admixtures where the artificial silk content is not less than 50% by weight, n.e.s.</td>
<td>Ex 653-05</td>
<td>Ex III-M-526</td>
</tr>
</tbody>
</table>

In respect of item (2), Ceylon undertakes to apply the said Act to imports which compete with the domestic cotton sarongs by confining such application to -

"Piece goods with a repetitive pattern characteristic of a sarong and capable of being cut up into sarongs."

The maximum standard ratio that Ceylon would apply in regulating such imports would be - 3 local:1 imported, and the maximum domestic availability - 8.5 million sq. yds.
The period of the release would be five years from 13 October 1957.

Subject to these conditions, France would raise no objections to the release applied for by Ceylon to apply the said Act to the items set out in this document.

**Consultations with Italy**

Ceylon and Italy have satisfactorily concluded their consultations under paragraph 18 of Article XVIII (Revised) on the release sought by Ceylon to apply the Industrial Products Act to the items listed below, in respect of which Ceylon has assumed an obligation under Article III of the General Agreement:

<table>
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<th>Description of Product</th>
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<tr>
<td>Piece goods in which the weight of artificial silk and synthetic fibre, including any admixtures where the artificial silk content is not less than 50% by weight, n.e.s.</td>
<td>Ex 653-05</td>
<td>Ex III-M-526</td>
</tr>
</tbody>
</table>

Ceylon undertakes to apply the said Act to imports which compete with the domestic cotton sarongs by confining such application to:

"Piece goods with a repetitive pattern characteristic of a sarong and capable of being cut up into sarongs."

The maximum standard ratio that Ceylon would apply in regulating such imports would be 3 local:1 imported, and the maximum domestic availability - 8.5 million sq. yds.

The period of the release would be five years from 13 October 1957.

Subject to these conditions, Italy would raise no objections to the release applied for by Ceylon to apply the said Act to the items set out in this document.