COTTON TEXTILES COMMITTEE

Technical Sub-Committee

PROPOSED REDRAFTS (ARTICLES 7, 9 AND 13 OF SPEC(61)407/REV.1)
AND PROPOSED NEW ARTICLE 16

Article 7

(Alternative A) In view of the safeguards provided for in this Arrangement, the participating countries shall, as far as possible, refrain from taking measures which may have the effect of nullifying the effects of this Arrangement. Any participating country finding that its exports of cotton textiles have been, or threaten to be, seriously affected by measures other than those permitted under this Arrangement, may refer the matter to the Cotton Textiles Committee. The participating country which has taken such measures shall cease to be entitled to make resort to the provisions of Article 3, nor maintain other import restrictions with respect to the cotton textiles affected, if the Cotton Textiles Committee so decides and until such time as such decision may be withdrawn by the Committee. 7

(Alternative B) In view of the safeguards provided for in this Arrangement, the participating countries shall, as far as possible, refrain from taking measures which may have the effect of nullifying the effects of this Arrangement. If a participating country should find it necessary to introduce measures not inconsistent with the GATT or with this Arrangement affecting trade in cotton textiles, another participating country whose exports of cotton textiles may be affected, may call for consultation and the participating country undertaking such measures will consider taking appropriate action to mitigate any adverse effects which might result therefrom. 7

It was suggested that in the final draft Article 7 should appear after present Article 8, or at another place in the draft Arrangement to be determined by the Sub-Committee.

Spec(62) 39
Article 9

The Cotton Textiles Committee—as established by the CONTRACTING PARTIES at their nineteenth session, shall be composed of representatives of the countries party to this Arrangement and shall fulfil the responsibilities provided for in this Arrangement.

(a) The Committee shall meet from time to time to discharge its functions. It will undertake studies on trade in cotton textiles as the participating countries may decide. It will collect the statistical and other information necessary for the discharge of its functions and will be empowered to request the participating countries to furnish such information.

(b) Any case of divergence of view between the participating countries as to the interpretation or application of this Arrangement may be referred to the Committee for examination.

(c) The Committee shall review the operation of this Arrangement once a year and report to the CONTRACTING PARTIES.

(d) The Committee shall undertake a review before the end of the third year of the Arrangement to consider, in the light of the results achieved under the Arrangement in the relaxation of import restrictions, whether the Arrangement should be discontinued.

(e) The Committee shall meet not later than one year before the expiry of this Arrangement, in order to consider whether the Arrangement should be extended, modified or discontinued.

Article 13

1. This Arrangement shall enter into force on 1 October 1962, provided that it has been accepted on behalf of the Governments of the following countries:

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1 This provision would be eliminated if the Arrangement were for a period of three years.

2 The Sub-Committee has no definite proposals to make with respect to the countries to be included in this list. It was suggested, however, that as a basis of discussion by the Committee the list might include the following countries: Canada, France, Federal Republic of Germany, India, Japan, Pakistan, Spain, United Kingdom and the United States.
2. If this Arrangement has not entered into force by 1 October 1962 in accordance with the provisions of paragraph 1 above, the countries which have accepted the Arrangement shall meet as soon as practicable after that date to determine whether they desire to bring the Arrangement into force on terms other than those set forth in paragraph 1 above.

Article 16

The Annexes to this Arrangement constitute an integral part of this Arrangement.