ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Report on Measure Reviewed under Article 3:5

Norway/Pakistan

Note by the Chairman

In accordance with the TSB's recommendation made at its meeting of 17, 18 and 21 April 1986, the attached letter has been received from Pakistan on its consultations with Norway with respect to imports of bed linen.

1COM.TEX/SB/1151

*English only/Anglais seulement/Inglés solamente
From: Munir Ahmad
Counsellor(EC)

Dear Ambassador Raffael

Following the TSB recommendation of April 21, 1986, on unilateral measure taken by Norway under Article 3:5 in respect to import of bed linen from Pakistan, consultations were held between Pakistan and Norway on June 3 and 5, 1986.

2. I have to report with regret that the consultations did not result in a mutually acceptable solution. The Norwegian side could not produce any data or evidence in terms of Annex-A which could show serious damage to its domestic producers. In the absence of that, we did not find the existence of a situation of market disruption. Pakistan, therefore, requested the Norwegian side to withdraw its illegal and unjustified unilateral measure which was disrupting the normal flow of Pakistan's trade. The Norwegians, however, did not agree to withdraw their unilateral measure despite lack of evidence in support of a situation of market disruption.

3. During the consultations, the Norwegian side proposed a certain restraint level. However we did not enter into a discussion on the level of restraint because we were not satisfied and convinced that Pakistan's exports of bed linen had caused or threatened serious damage to their domestic producers. A discussion on restraint level can logically begin only if there is evidence that a situation of market disruption exists.

Contd.....P/2.
4. As the consultations have not been successful and as Pakistan's exports remain illegally and unjustifiably restrained, I have to request you kindly to place the matter before the Textiles Surveillance Body with a view to an immediate termination of the unilateral measure.

Yours sincerely,

Munir Ahmad

Ambassador Marcello Raffaelli,
Chairman,
Textiles Surveillance Body,
GATT,
Geneva.