

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

CONFIDENTIAL

TEX/SB/1032*

24 October 1984

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Notification under Article 3:5

Action taken by the United States towards Pakistan

Note by the Chairman

Attached is a notification received from the United States concerning a unilateral measure taken under the provisions of Article 3:5, in which imports of man-made fibre work gloves (Category 631 pt) produced in Pakistan have been placed under restraint for the period 30 July 1984 to 29 July 1985.

* English only/Anglais seulement/Inglés solamente



UNITED STATES TRADE REPRESENTATIVE

1-3 AVENUE DE LA PAIX

1202 GENEVA, SWITZERLAND

Telephone: 32 09 70

October 12, 1984

The Honorable
Ambassador Marcelo Raffaelli
Chairman, Textiles Surveillance
GATT
Rue De Lausanne 154
1211 Geneva

Dear Mr. Chairman:

RECEIVED	DOC. ISSUED	FOLIO
	70 36 1032	
Body 18 OCT 1984		
For	Initial	Comment
Chairman of DG		
Info. Services		
OFFICE LEGAL AFF.		
Secs. / Council Aff. Div.		
CHAIRMAN TSB		

This is to confirm my earlier oral notifications that:

- (a) the United States had requested consultations with Pakistan on July 30, 1984, pursuant to article 3 of the Arrangement with respect to man-made fiber work gloves (category 631 part); and
- (b) pending a mutually satisfactory solution, the United States had on October 4, 1984, pursuant to Article 3.5(i) established a restraint limit of 78,256 dozen pairs for the twelve-month period beginning July 30, 1984, and ending on July 29, 1985. A copy of the U.S. note, which includes the detailed factual statement called for in paragraph 3 of article 3 of the arrangement is attached.

Sincerely,

Robert E. Shepherd
Robert E. Shepherd
Minister-Counselor

Attachment

For	Acq.	Doc.	Other
OPER. DEPT. A			X
Non Tar. M. Div.			
Development Div.			
Tech. Coop. Div.			
Trade Pol. Div.			
Spec. Proj. Div.	X		
OPER. DEPT. B			X
Econ. R/Anal. Unit			
Agriculture Div.			
Tariff Div.			
Tech. Bar. T. Div.			
Ext. Rel. Div.			
DEPT. CONF. AFF. / ADMIN.			
Adm. / Fin. Div.			
Trans. / Doc. Div.			
Training Div.			
Personnel Off.			
Conference Off.			

U.S. - PAKISTAN STATEMENT

-- I HAVE THE HONOR TO REFER TO THE ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES, WITH ANNEXES, DONE AT GENEVA ON DECEMBER 20, 1973, AND EXTENDED BY PROTOCOL ADOPTED ON DECEMBER 22, 1981 AT GENEVA (HEREINAFTER REFERRED TO AS THE ARRANGEMENT).

-- MY GOVERNMENT HAS NOTED A SHARP INCREASE IN IMPORTS OF MAN-MADE FIBER WORK GLOVES (CATEGORY 631 (PART)), CURRENTLY CLASSIFIED IN TARIFF SCHEDULE OF THE UNITED STATES (TSUSA) NUMBERS 704.3215, 704.8525, 704.8550, AND 704.9002. MY

--- GOVERNMENT HAS CONCLUDED THAT IMPORTS FROM PAKISTAN IN CATEGORY 631 PART ARE CAUSING MARKET DISRUPTION IN THE UNITED STATES AND ARE THREATENING TO IMPEDE THE

ORDERLY DEVELOPMENT OF TRADE AS CONTEMPLATED UNDER ARTICLE THREE OF THE ARRANGEMENT. A DETAILED FACTUAL STATEMENT OF THE REASONS AND JUSTIFICATIONS FOR THIS

CONCLUSION, WITH CURRENT SUPPORTING DATA, IS APPENDED AS ANNEX A WHICH IS TO BE REGARDED AS AN INTEGRAL PART OF THIS NOTE. ACCORDINGLY, THE GOVERNMENT OF THE UNITED STATES HEREBY REQUESTS CONSULTATIONS WITH THE GOVERNMENT OF PAKISTAN TO DISCUSS APPROPRIATE LEVELS OF RESTRAINT FOR PAKISTAN'S EXPORTS OF CATEGORY 631 PART, WORK GLOVES, TO THE UNITED STATES.

-- IN ACCORDANCE WITH ARTICLE THREE OF THE ARRANGEMENT, TO WHICH BOTH THE GOVERNMENT OF PAKISTAN AND THE GOVERNMENT OF THE UNITED STATES ARE PARTIES, IF OUR TWO GOVERNMENTS ARE UNABLE TO AGREE ON A MUTUALLY SATISFACTORY SOLUTION TO THIS MATTER WITHIN SIXTY DAYS, THE GOVERNMENT OF THE UNITED STATES RESERVES THE RIGHT TO RESTRAIN SUCH IMPORTS PRODUCED IN PAKISTAN AND EXPORTED DURING THE TWELVE-MONTH PERIOD BEGINNING ON THE DATE OF YOUR RECEIPT OF THIS REQUEST, TO A LEVEL NOT LESS THAN THE LEVEL OF UNITED STATES' IMPORTS FROM PAKISTAN DURING THE FIRST TWELVE OF THE MOST RECENT FOURTEEN MONTHS, WHICH IS THE PERIOD OF MAY 1, 1983 TO APRIL 30, 1984. THAT LEVEL IS 78,256 DOZEN PAIR (273,896 SQUARE YARDS EQUIVALENT).

(COMPLIMENTARY CLOSE)

ATTACHMENT : ANNEX A

END TEXT.

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ANNEX A

MARKET STATEMENT
CATEGORY 631 PT. -- MAN-MADE FIBER
-- WORK GLOVES

PAKISTAN
JULY 1984

CATEGORY 631 PT. IMPORTS FROM PAKISTAN WERE 136 PERCENT HIGHER DURING THE YEAR ENDING JUNE 1984, AT 121,356 DOZEN PAIR, THAN DURING THE PREVIOUS TWELVE MONTHS. JANUARY-JUNE 1984 IMPORTS, AT 26,600 DOZEN, WERE 50 PERCENT HIGHER THAN IN ALL OF 1983 AND PAKISTAN SUPPLIED NO MAN-MADE FIBER WORK GLOVES TO THE UNITED STATES IN 1982. THIS IS A SHARP AND SUBSTANTIAL INCREASE IN IMPORTS WHICH, IF CONTINUED, CREATES A REAL THREAT OF MARKET DISRUPTION.

U.S. PRODUCTION OF MAN-MADE FIBER WORK GLOVES DECLINED STEADILY IN THE PAST THREE YEARS WHILE IMPORTS, INCLUDING GLOVES FROM PAKISTAN, INCREASED A DRAMATIC 155 PERCENT.

U.S. PRODUCTION OF CATEGORY 631 PT. GLOVES HAS DECLINED 32 PERCENT IN THE PAST THREE YEARS, FROM 694.2200 DOZEN IN 1981 TO 470.320 DOZEN IN 1983. IMPORTS, ON THE OTHER HAND, INCREASED 155 PERCENT FROM 1,070,220 DOZEN IN 1981 TO 2,736.722 DOZEN IN 1983. CONSEQUENTLY, WITH AN IMPORT TO PRODUCTION RATIO OF 582.1 PERCENT IN 1983 COMPARED WITH 152.2 PERCENT IN 1981, FOR EVERY MAN-MADE FIBER WORK GLOVE PRODUCED DOMESTICALLY NEARLY SIX WERE IMPORTED.

SIXTY-ONE PERCENT OF THE CATEGORY 631 PT. IMPORTS FROM PAKISTAN ENTERED UNDER 704.8525 -- CUT-AND-SEWN KNIT GLOVES WITHOUT FOURCHETTES AND 22 PERCENT ENTERED UNDER TSUSA NO. 704.8550 -- KNIT GLOVES OTHER THAN CUT-AND-SEW. THESE GLOVES ARE BEING ENTERED AT DUTY-PAID VALUES WHICH ARE BELOW THE U.S. PRODUCER PRICES FOR COMPARABLE ITEMS.

CATEGORY 631 PT.: DUTY-PAID VALUE AND U.S. PRODUCER PRICE
--U.S. DOLLARS PER DOZEN

TSUSA NO. AND SOURCE	VALUE/PRICE
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704.8525

-- PAKISTAN	1.59
-- SRI LANKA	1.53
-- PHILIPPINES	1.51
-- U.S. PRODUCER PRICE	2.22

704.8550

-- PAKISTAN	4.24
-- CHINA	4.26
-- U.S. PRODUCER PRICE	5.75-6.02

CATEGORY 631 PT.: U.S. PRODUCTION, IMPORTS AND IMPORT/
PRODUCTION RATIOS, MAN-MADE FIBER WORK GLOVES
-1,000 DOZEN PAIRS

YEAR	PRODUCTION	IMPORTS	RATIO
-- 1981	694	1,070	154.2
1982	559	1,671	298.9
1983	470	2,736	582.1

CATEGORY 631 PT.: U.S. IMPORTS FROM PAKISTAN AND TOTAL
-1,000 DOZEN PAIRS

PERIOD	PAKISTAN	OTHER	TOTAL
1982	-0-	1,671	1,671
1983	58	2,678	2,736

VF JUNE

1983	43	2,398	2,431
1984	101	3,072	3,173

NOTE: TSUSA NOS. 704.3215, 704.8525, 704.8550 AND
-- 704.9200