

GENERAL AGREEMENT ON TARIFFS AND TRADE

CONFIDENTIAL

TEX/SB/1074/Add.1*
22 February 1985

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Report on matter examined under Article 11:4

Indonesia/United States

Note by the Chairman

Attached is a report received from the United States on the consultations held between Indonesia and the United States, in accordance with the TSB's recommendations made in October 1984.

¹ See COM.TEX/SB/1005, TSB's report of its seventeenth meeting (1984)

* English only/Anglais seulement/Inglés solamente



UNITED STATES TRADE REPRESENTATIVE

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1202 GENEVA, SWITZERLAND

Telephone: 32 09 70

February 18, 1985

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

Dear Mr. Chairman:

I have been asked to submit this report in response to:

- (a) the request of the TSB at its 17th meeting of 1984 that the United States and Indonesia report the results of the consultations which the TSB had recommended with respect to certain Textile and Apparel categories; and
- (b) the recommendation of the TSB at the same meeting with respect to Category 604. In the case of Category 604, the report is also made pursuant to Article 11.8 of the MFA.

Consultations were held in Jakarta and agreement was reached for the establishment of specific limits for four of the categories reviewed by the TSB (317, 339, 639 and 640), as well as two additional categories (334 and 369 part-shop towels). In the case of Category 640, the U.S. had rescinded the restraint as recommended by the TSB, but requested consultations anew. As indicated above a new restraint level was agreed upon during the consultations in Jakarta.

Agreement was not reached during these consultations with respect to the other four categories reviewed by the TSB (315, 320 part, 331 and 604) or to two other categories on which the U.S. had also requested consultations. The two parties did, however, agree to resume consultations on these categories as well as on the renewal of the US-Indonesia bilateral agreement. These consultations will commence in Washington on February 19.

With respect to the TSB recommendation that the restraint established by the United States on Category 604 be rescinded, the market situation did not permit the U.S. to follow the TSB's recommendation to rescind the restraint entirely. The U.S. did however replace the restraint on Category 604 with a restraint on 604 part (acrylic spun yarn), thereby addressing only that type of yarn for which the U.S. believes that a real risk of market disruption is clearly evident. As noted above, further consultations with respect to this category have been scheduled.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert E. Shepherd", followed by a large, stylized flourish or initial.

Robert E. Shepherd
Minister-Counselor