

GENERAL AGREEMENT ON

CONFIDENTIAL

TEX.SB/1559*

17 April 1989

TARIFFS AND TRADE

Textiles Surveillance Body

ARRANGEMENT REGARDING INTERNATIONAL TRADE IN TEXTILES

Report on Measure Reviewed under Article 3:5 and Notification of Matters Referred under Article 3:5(ii)

Thailand/United States

Note by the Chairman

Attached is a communication received from Thailand containing
(a) a report on consultations recommended by the TSB on the unilateral
measure taken by the United States on imports of Category 670-L¹ and
(b) matters referred under Article 3:5(ii) on consultation requests made by
the United States on Categories 635, 448 and 335.

¹For the TSB review of this measure see COM.TEX/SB/1455. See also
TEX.SB/W/502.

* English only/Anglais seulement/Inglés solamente

IMMEDIATE

No. 480 /2532



PERMANENT MISSION OF THAILAND
GENEVA

17 April 1989

Excellency,

I have the honour to refer to the Agreement Regarding International Trade in Textiles (hereinafter referred to as the MFA) and actions taken by the Government of the United States of America on Thailand's exports of textile products.

I would like to draw your attention to the two separate cases. The first case concerns the TSB recommendation on Thailand's exports of man-made fiber luggage (category 670L) to the United States. The second case concerns the Government of the United States' request for consultation with the Government of Thailand on the textile products under categories 635, 448 and 335. The details of the two cases are as follows:

1. Category 670L

On 25 May 1988, the Government of the United States requested consultations with the Government of Thailand under Article 3:3 of the MFA regarding Thailand's exports of man-made fiber luggage

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His Excellency,

Ambassador Marcello Rafaelli,

Chairman of the Textiles Surveillance Body,

GATT

(category 670L) to the United States. After three rounds of consultation which did not conclude in agreement, the Government of the United States implemented unilateral action under Article 3:5 of the MFA.

The United States' action was reviewed by the TSB on 27 January 1989 during which the TSB recommended that the two parties hold further consultations on the composition and pattern of trade, and asked the parties to report back to it no later than 10 March 1989.

As recommended by the TSB, the Government of Thailand prepared additional data on the composition and pattern of trade. The representatives of the two Governments met in late February in Washington, D.C. to discuss this data which had been given to the United States. Subsequently, another bilateral consultation in Thailand was scheduled for 4 April 1989, in effect postponing the review of the case by the TSB at its March 1989 meeting. The 4 April consultation was, however, cancelled by the Government of the United States, and no additional consultation has been scheduled since.

In view of the fact that consideration and resolution of this matter has been inordinately delayed, it is the request of the Government of Thailand that the TSB review this matter once again at the earliest convenient date.

2. Categories 635, 448 and 335

On 1 January 1989, the Government of the

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United States requested consultations with the Government of Thailand under Article 3 of the MFA on several additional categories. In the United States notes, minimum hold levels are given. The Government of Thailand differs with the Government of the United States on calculation of the minimum hold levels concerning categories 635 and 448.

A similar difference of opinion has developed regarding the United States' request for consultation on 31 March 1989 on category 335.

In response to the aforementioned requests, the Government of Thailand agreed to hold consultations on 4 April 1989. The consultation, however, did not take place due to the cancellation suggested by the Government of the United States.

Pursuant to Article 3 paragraph 5 (ii) of the MFA, the Government of Thailand requests that the TSB review this matter at the earliest convenient date.

Please accept, Excellency, the renewed assurances of my highest consideration.



(Chao Saicheua)

Ambassador

Permanent Representative