

GENERAL AGREEMENT ON TARIFFS AND TRADE

CONFIDENTIAL

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Textiles Surveillance Body

Draft

EQUITY IN TREATMENT BETWEEN A MEMBER OF THE TSB AND A
NON-MEMBER WHEN THEIR COUNTRIES WERE BOTH INVOLVED IN A DISPUTE BEFORE IT

1. It is the view of the TSB that in any dispute before it, its principal aim is to seek conciliation and to use its good offices for this purpose.
2. All members of the TSB reaffirmed the importance they attach to ensuring equality of treatment to all parties, and to impartiality in reaching conclusions on any dispute referred to the TSB. Attention was also drawn to the need for ensuring that the representative balance of the TSB was not distorted.
3. The TSB addressed itself to the question of participation in its deliberations by parties involved in a dispute before it, particularly when one of the parties concerned has a [member] [nominee serving] on the TSB. The view was generally held that when a country has a member on the TSB its case should be presented by another national of that country.
4. Certain views were expressed in the TSB as to how equity in treatment could best be assured between a member of the TSB and a non-member when their countries were both involved in a dispute before it. Bearing in mind the provisions of Article 11(6), the question was discussed as to whether or not the participation by the TSB member concerned and the representative of the non-member, should continue throughout the discussion up to, and including, the formulation and drafting of the TSB recommendations.
5. Certain arguments were presented against the withdrawal, particularly of the member, when the TSB was drafting its recommendation. It was mentioned, inter alia, that members of the TSB have responsibilities vis-à-vis all participating countries in the Arrangement; they are in a strong position to influence their own authorities, and they must be considered objective.

6. In the light of the above, and following informal consultations with a number of participating countries in the Textiles Arrangement, the TSB has adopted the following guidelines regarding its internal procedures:

- (a) The member of the TSB whose country is party to a dispute before it shall not present the case, but another spokesman from that party should advocate it.
- (b) The spokesmen for both the country having a member on the TSB and the country not having a member thereon, should be invited to present their cases fully. They would be allowed to remain present throughout the TSB's discussion up to, and including, the drafting of the recommendations.
- (c) At some stage in the discussion, the Chairman will have to determine the point at which [final deliberation] [formulation] and drafting of the recommendations begin.
- (d) The member and the two spokesmen may participate fully in the deliberations and [in the] drafting of [the] recommendations resulting therefrom. It is understood, however, that consensus within the Body on the form and content of such recommendations does not require the assent or concurrence of the concerned member of the Body.