GENERAL AGREEMENT ON TARIFFS AND TRADE

Textiles Surveillance Body

DRAFT REPORT ON THE THIRTEENTH AND FOURTEENTH MEETINGS HELD ON 13-16 AND 20 DECEMBER 1974

- 1. The TSB held a short meeting on 13 and 16 December to discuss the updating of the report it had transmitted to the Textiles Committee (COM.TEX/SB/44) on its activities from 23 April to 15 November. This was done in the statement by the Chairman of the TSB addressed to the Textiles Committee on 19 December (COM.TEX/W/16).
- 2. The TSB also approved the report on its twelfth meeting in order that it could be made available to all members of the Committee during its meeting scheduled for 18-19 December 1974. This is contained in document COM.TEX/SB/52.
- 3. With a view to dealing with pending notifications before it, the TSB held its fourteenth meeting on 20 December.
- 4. At this meeting, the TSB continued the review of a bilateral agreement previously submitted to it (Austria/India) in the light of the additional information and clarifications received pursuant to its request. Following its review, the TSB agreed to transmit the text of this agreement to the Textiles Committee.
- 5. The TSB reverted to the discussion of the two notifications it had received on actions taken under the arrangement. These concerned Norway on the one hand, and Hong Kong and the Republic of Korea respectively on the other hand. In its consideration of these notifications, the TSB had the benefit of hearing a representative from Norway who was invited to give such clarifications as might be

See COM.TEA/SB/50.

sought from him. He informed the TSB that an agreement under Article 3 was being finalized between the Governments of Norway and Hong Kong, and that the relevant documentation would be submitted for review by the TSB some time in January 1975.

- 6. With respect to the Norway/Korea agreement, certain aspects thereof were questioned and mention was made, <u>inter alia</u>, of the absence of reference to the relevant Article of the Arrangement under which this agreement was concluded. Having due regard to the fact that the agreement under review would expire at the end of 1974, and bearing in mind the intention of the two parties concerned to conclude a new agreement under Article 4 for the year 1975, the TSB decided to circulate this agreement to the Textiles Committee¹ as an interim arrangement under Article 2, paragraphs 2(ii) and 4 of the Arrangement. The TSB recommended that every effort should be made by both parties to bring the 1975 agreement in conformity with the provisions of the Arrangement.
- 7. The TSB had before it details of the agreement reached between the Governments of Australia and the Republic of Korea. The TSB appreciated the goodwill shown by the two parties concerned in concluding the agreement within the time anticipated. In reviewing this agreement, the absence of reference therein to the relevant Article of the Arrangement was again noted. In this connexion, it was pointed out that it was difficult to comprehend that textile agreements could be reached under the Arrangement without the parties concerned conducting their negotiations on the basis of a specific Article thereof.
- 8. Since there was no specific mention in the agreement between Australia/Korea of the Article of the Arrangement under which it was concluded, the TSB held the view that this agreement fell within the provisions of Article 4. The TSB, after

¹ See COM.TEX/SB/53.

²See COM.TEX/SB/39, paragraph 8, and COM.TEX/SB/52, paragraph 3.

having examined the agreement under this Article, agreed to transmit it to the Textiles Committee. 1

9. The TSB had still before it two notifications previously communicated to it, and for which additional information requested in the course of its review was still awaited. Also before the TSB was a new notification of a bilateral agreement. These would be examined by the TSB at its forthcoming meeting in 1975.

Date of next meeting

10. The TSB will meet on Wednesday, Thursday and Friday, 5, 6 and 7 February, starting Wednesday at 10.00 a.m.

- A. W.

¹See COM.TEX/SB/54.