

GENERAL AGREEMENT ON TARIFFS AND TRADE

CONFIDENTIAL
TEX.SB/W/380*
14 December 1984

Textiles Surveillance Body

REPORT OF THE TWENTIETH MEETING (1984)¹

1. The Textiles Surveillance Body held its twentieth meeting of 1984 on 12-14 December.
2. Present at this meeting were the following members and/or alternates: Mr. Bondad/Mrs. Sjahruddin, Mr. Chae/Cartland, Delgado, Kawaguchi, Keck, MacNeil/Westlund, Puri and Shepherd.
3. The report of the nineteenth meeting has been circulated in COM.TEX/SB/1035.

Reports on notifications made under Article 3:5

4. The TSB heard reports from the United States concerning the consultations related to the unilateral measures it had taken under Article 3:5, held with the affected trading partners:

(a) United States/Dominican Republic

The United States pursuant to the request by the TSB, reported that the consultations with the Dominican Republic on Category 446 had not as yet been completed.²

¹Hundred and eightieth meeting overall

²COM.TEX/SB/1005

* English only/Anglais seulement/Inglés solamente

(b) United States/Peru

The United States reported that consultations it held with Peru had resulted in a bilateral agreement between the parties. The agreement, which has included Categories 317 and 319, will supersede the unilateral measures taken on these categories.¹

(c) United States/Pakistan

The United States reported that it had decided to lift the unilateral measure it had taken with respect to Category 631 part (man-made fibre work gloves) imported from Pakistan.²

(d) United States/Yugoslavia

The United States reported that following consultations with Yugoslavia the parties had reached agreement with respect to Category 433 (wool suit-type coats).²

Notification under Article 4

United States/India

5. The TSB received a notification from the United States concerning the introduction of restraints on six categories (334, 337, 350, 359 pt (coveralls and overalls), 445 and 446).

¹See COM.TEX/SB/1004 and 1006

²See COM.TEX/SB/1006

6. The TSB did not address the restraints on Categories 445, 446 and 334, as it had already reviewed these restraints in the context of a complaint under Article 11:4, and has been informed by the United States that it had rescinded the restraints on Categories 445 and 446 and had requested further consultations on Category 334.¹ The TSB was also informed that India had accepted the invitation to consult but reserved all its rights under the MFA.

7. With respect to the other categories, the TSB noted that the limits were set pursuant to paragraph 16 of the bilateral agreement and heard a statement from India that it had reserved its position in bilateral negotiations and its rights under the MFA.

8. After its review of the other categories, the TSB agreed to transmit the notification to the Textiles Committee. (COM.TEX/SB/1036).

Notifications under Article 11:4

Hong Kong/United States

9. The TSB received two notifications under Article 11:4 from Hong Kong, in which it referred cases of actions related to Categories 637, 650, 651 and 652, taken by the United States under paragraph 7E(I) of the bilateral agreement between the parties.

10. The TSB heard presentations from both parties with respect to these categories.

11. After its review, the TSB recommended that the United States rescind the restrictions established on Categories 637, 650 and 651.

12. As regards Category 652, the TSB found that there was a case of real risk of market disruption.

¹COM.TEX/SB/1004

Notification under Article 11:5

Hong Kong/United States

13. The TSB received a notification under Article 11:5 from Hong Kong in which it referred to an embargo on certain shipments of wool sweaters (Category 445/6) resulting from the new interim customs regulations on rules of origin for textiles and clothing introduced in the United States.

14. The TSB heard presentations from delegations of both parties.

15. The TSB noted that the measures are in force ad interim, some modifications thereto being possible, and that the United States did not seek bilateral consultations before introducing the provisional regulations.

16. The TSB was of the opinion that the introduction of these interim measures had had the effect of upsetting the balance of rights and obligations under the bilateral agreement between the United States and Hong Kong, thus affecting its economic content and creating uncertainty.

17. The TSB recommended that:

(a) the parties hold consultations as soon as possible with a view to restoring such a balance;

(b) in the meantime, the parties co-operate to avoid disruption to the orderly and equitable development of Hong Kong's trade; and

(c) the results be reported by both parties to the TSB no later than 20 February 1985.

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18. In concluding the meeting, the Chairman thanked all members of the TSB in 1984 and their alternates for their co-operation. He expressed the best wishes of the Body to Messrs. Puri and Westlund, who were leaving Geneva definitively.