

WORLD TRADE ORGANIZATION

CONFIDENTIAL

G/TMB/W/155*

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(01-0768)

Textiles Monitoring Body

DRAFT REPORT OF THE SEVENTY-THIRD MEETING

1. The Textiles Monitoring Body held its seventy-third meeting on 22 and 23 January 2001.
2. Following the appointment of new members and alternates, the composition of the TMB at the beginning of 2001 was as follows:

| MEMBERS | ALTERNATES | SECOND ALTERNATES |
|---|--|----------------------------------|
| Mr. Philip Fox-Drummond Gough (Brazil) | Mr. Rodrigo Ugarriza (Paraguay) | Mr. Carlos E. Rosas (Panama) |
| Mr. A. R. (Sandy) Moroz (Canada) | Mr. Otto Wentzel (Norway) | |
| Mr. John Richards (EC) | Mr. Adebayo Babajide (EC) | |
| Mr. John C. Y. Leung (Hong Kong, China) | Mr. Ho-Young Ahn (Korea) | Mr. M. Abdul Mannan (Bangladesh) |
| Mr. Mohan Kumar (India) | Mr. Magdi Farahat (Egypt) | |
| Mr. Osamu Moriya (Japan) | | |
| Mr. S.I.M Nayyar (Pakistan) | Ms Loi Mei Ieng (Macau, China) | |
| Mr. Christophe Kiener (Switzerland) | | Mr. Ersin Karapinar (Turkey) |
| Mr. Arnupab Tadpitakkul (Thailand) | Mr. Johannes R. Bernabe (Philippines) | |
| Mr. William Tagliani (United States) | | |

3. Present at this meeting were the following members and/or alternates: Messrs. Babajide; Fox-Drummond Gough/Ugarriza/Rosas; Kiener/Karapinar; Kumar; Leung/Ahn; Moriya; Moroz; Tadpitakkul/Bernabe; Tagliani.

4. The TMB adopted the report of its seventy-second meeting (G/TMB/R/71).

Notifications under Articles 2.8(b) and 2.11 of the Agreement on Textiles and Clothing (ATC)

5. The TMB started its review, in accordance with Article 2.21, of the notifications received under Articles 2.8(b) and 2.11 (integration programmes to be implemented on 1 January 2002). At

* In English only

the start of its meeting, the TMB had received notifications from the following 25 Members: Argentina, Brazil, Canada, Colombia, the Czech Republic, the Dominican Republic, the European Communities, Guatemala, Hungary, India, Japan, Latvia, Mauritius, Nicaragua, Norway, Panama, Peru, the Philippines, Romania, the Slovak Republic, Slovenia, Sri Lanka, Switzerland, Turkey and the United States.

6. The TMB recalled in this respect that 57 Members had notified, pursuant to Article 6.1, their wish to retain the right to use the provisions of Article 6. These were the following: Argentina, Bangladesh, Bolivia, Brazil, Burkina Faso, Colombia, Costa Rica, Côte d'Ivoire, Cyprus, the Czech Republic, the Dominican Republic, Ecuador, Egypt, El Salvador, Guatemala, Honduras, Hungary, India, Indonesia, Israel, Jamaica, Japan, Kenya, Korea, Latvia, Lesotho, Liechtenstein, Malaysia, Malta, Mauritius, Mexico, Morocco, Myanmar, Nicaragua, Nigeria, Pakistan, Panama, Paraguay, Peru, the Philippines, Poland, Romania, Saint Kitts and Nevis, Senegal, the Slovak Republic, Slovenia, South Africa, Sri Lanka, Switzerland, Thailand, Trinidad and Tobago, Tunisia, Turkey, the United Arab Emirates, Uruguay, Venezuela and Zambia. As a consequence, the ATC, *inter alia*, required those 57 Members, as well as Canada, the European Communities, Norway and the United States, to submit notifications, in accordance with Articles 2.6 and 2.7(a) or (b), as well as 2.8(a), 2.8(b) and 2.11 (integration programmes to be implemented, respectively, for Stages 1, 2 and 3). Out of these Members, 51 notified their programme of integration for the first stage, pursuant to Articles 2.6 and 2.7(a) or (b): Argentina, Bangladesh, Bolivia, Brazil, Canada, Colombia, Costa Rica, Cyprus, the Czech Republic, the Dominican Republic, Egypt, El Salvador, the European Communities, Guatemala, Honduras, Hungary, India, Indonesia, Israel, Japan, Korea, Latvia, Liechtenstein, Malaysia, Malta, Mauritius, Mexico, Morocco, Myanmar, Nicaragua, Norway, Pakistan, Panama, Paraguay, Peru, the Philippines, Poland, Romania, Saint Kitts and Nevis, the Slovak Republic, Slovenia, South Africa, Sri Lanka, Switzerland, Thailand, Tunisia, Turkey, the United States, Uruguay, Venezuela and Zambia. The following 49 Members, submitted a notification pursuant to Articles 2.8(a) and 2.11 (Stage 2): Argentina, Bangladesh, Bolivia, Brazil, Canada, Colombia, Costa Rica, Cyprus, Czech Republic, Dominican Republic, Egypt, El Salvador, the European Communities, Guatemala, Honduras, Hungary, India, Indonesia, Israel, Japan, Korea, Latvia, Liechtenstein, Malaysia, Malta, Mauritius, Mexico, Morocco, Nicaragua, Norway, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Romania, Saint Kitts and Nevis, Slovak Republic, Slovenia, South Africa, Sri Lanka, Switzerland, Thailand, Tunisia, Turkey, the United States, Uruguay and Venezuela.

7. The TMB reviewed under Article 2.21 the notifications made, pursuant to Articles 2.8(b) and 2.11 by Hungary (G/TMB/N/371/Rev.1), India (G/TMB/N/380) and Japan (G/TMB/N/377). During this review the TMB noted that, in accordance with Article 2.8(b) the volume of the products

integrated amounted to the following percentages of 1990 imports of the products falling under the coverage of the Agreement (unless otherwise specified): Hungary (18.08 per cent of the volume of imports in 1992), India (18.04 per cent of imports from April 1990 to March 1991) and Japan (18.14 per cent). The TMB also noted that in each notification, in accordance with Article 2.8(b), the products integrated included products from each of the four groups: tops and yarns, fabrics, made-up textile products and clothing. With regard to those notifications mentioned above for which the calculation of the share of the products integrated had been made on the basis of a different base year than that of 1990, the TMB ensured that no better data were available and that the Members concerned had followed the same approach as that for the notifications they had made pursuant to Articles 2.6 and 2.7(b), as well as 2.8(a).

8. The TMB began its review under Article 2.21 of the notifications made pursuant to Article 2.8(b) and 2.11 by Argentina, Brazil, Canada, Colombia, the Czech Republic, the European Communities, Guatemala, Latvia, Mauritius, Nicaragua, Norway, Peru, the Philippines, Romania, the Slovak Republic, Slovenia, Sri Lanka, Switzerland, Turkey and the United States. It decided to seek information or clarification from them with respect to issues, where applicable, such as (i) whether some of the products scheduled to be integrated fell under the coverage of the ATC, (ii) whether some of the products included in the respective programmes had already been integrated in Stages 1 or 2, (iii) whether the programmes notified met the requirements of Article 2.8(b) in terms of the percentage of the Member's 1990 imports of the products in the Annex to the ATC to be integrated, (iv) whether products from each of the four groups specified in Article 2.8(b) (tops and yarns, fabrics, made-up textile products and clothing) were included in the respective integration programmes, (v) whether in respect to products belonging to HS lines in the Annex to the ATC for which only part of the respective line falls under the coverage of the Agreement ("ex-HS lines"), the imports that had been counted corresponded precisely to the product description contained in the ATC Annex for the respective line, with information on the manner in which the relevant Member had ensured that this was the case and (vi) the extent to which the quantitative restrictions notified pursuant to Article 2.1 or subject to a phase-out programme under Article 3.2(b) would be affected by the respective integration programmes. The TMB decided to revert to its review of these notifications at a subsequent meeting, *inter alia*, on the basis of the information and clarification to be received from the Members concerned.

Observations with Respect to Late Notifications

9. With respect to notifications addressed to the TMB after the relevant deadlines, the TMB reiterated that its taking note of late notifications was without prejudice to the legal status of such notifications.
